Sustainability guidelines of the "Perlas del Mar de Cortez®" farm.

The sustainability plan of the Pearl Farm of the Gulf of California® is established on the following three fundamental theses:

- a) Thesis 1. Social-labor
- b) Thesis 2. Environment
- c) Thesis 3. Integrity of the product

Fundamental Theses.

1. Social-labor

The labor part has been fundamental since the first day of operation of the Farm, the labor impact is positive insofar as it is:

- 1) Formal, this is the most important thing because this depends on workers being able to use social security, which implies seniority (and the possibility of retiring with a pension), participation in the distribution of profits, a maximum of working hours a week, holidays in accordance with the law, access to mortgage loans, as well as credit in general and access to public health services.
- 2) **Decent**, refers to a way of relating between the company and employees and among the employees themselves; it can be seen, for example, in salaries, in uniforms, in raincoats, in respect to schedules, in which the hierarchy does not cover abuses and in the respectful treatment of all employees of the farm.

The social part is the way in which the Farm relates to the community. The relationship is considered positive if the Farm works with service providers and local suppliers, collaborating in the development of the municipality in general. It is also considered positive if identification is achieved with the population in which the company develops, making the community feel proud of its presence. This is achieved more naturally when the company is extending its capacity to maintain clean spaces for common use in its local neighborhood.

2. Environment

On the environmental side, the Farm has emerged as a defender of the ecosystem from the moment it chose to adapt farming technology to take advantage of existing species instead of introducing species the technology already knows how to use.

The defense of the environment is a force of necessity, since only in a healthy ecosystem can pearl oysters produce valuable pearls. But even if this were not the case, the Farm is committed to not be a negative influence and be a positive one instead.

The negative influences that we identify and seek to avoid are:

- a) The introduction of any type of garbage to the sea;
- b) The introduction of any type of chemical substances in the sea;
- c) Eutrophication by organic contributions from the pearl farm;
- d) The fishing of different species that seek refuge in the cove that forms our dock;
- e) The introduction of non-native species;
- f) Saturation of the carrying capacity of the ecosystem.

The positive influences that we identify and seek to strengthen are:

- a) The recovery of local populations of native species from spawning and fertilization that occur naturally with oysters in the Farm.
- b) The establishment of the farm area as a refuge area for sedentary species, such as: clams, octopus and sea cucumbers. Species that, on the other hand, have seen their populations depleted due to overfishing, so it is very important to keep guarding them from hookah divers that keep trying to enter our concessioned area to extract them.
- c) The establishment of the area of the farm as a congregation area of fish that take advantage of the ecosystem that is formed, which is composed of: 1) The pearl oysters; 2) the organisms that settle in the shells; and 3) the seabed under the farm.

3. Product integrity

A quality product is durable and generates recognition and loyalty. Only a successful company has the possibility of being sustainable.

Also, product integrity means that things are what they seem. There are no golden or silver plates and no short-lasting coatings.

Secondary axes:

In addition to the fundamental axes, the following five secondary axes are considered:

4. Legality. Working in accordance with the laws that prevail in our country.

- **5. Taxes.** Being active contributors to the country's public system, channeling complaints through formal channels. Avoiding the use of accounting strategies to avoid paying taxes.
- **6. Avoiding Corruption.** Not contributing to corruption in our country.
- **7. Traceability.** That the product can be traced back to its producer and that the trail be formal (exports and formal deliveries).
- **8. Reusing.** Reusing PET bottles, using them in the harvest buoys and using recyclable electric batteries. Being careful to take the trash with potential environmental risks (such as mercury lamps and wasted electric batteries) to special containers. Printed sheets that have already fulfilled their function must be reused on the other side (with exceptions: sensitive information, broken, dirty, etc.).

Transparency

Remember our pearl farm is open to visitors so you can be the one that certifies many of the points here explained. Please consider that there are some restrictions so, first, look in our website for business hours and tour info (you will need a guide to go to the dock).