



Social Enviromental Profit & Loss (SEP&L)



Scope

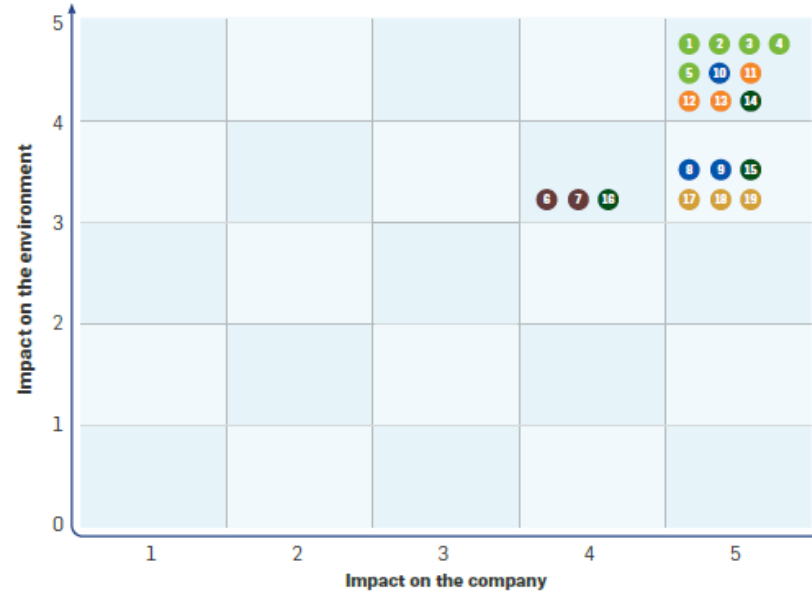
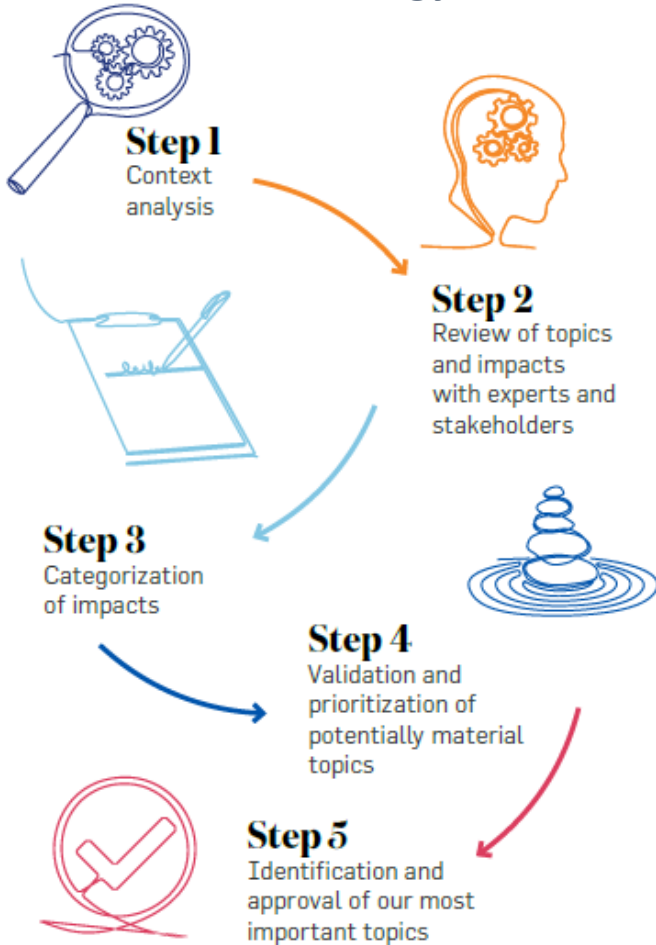
For Colombina S.A., sustainability means having an integrated and responsible management, aimed at ensuring long-term relationships with its stakeholders, minimizing and avoiding the potential impacts of its operation and contributing to the progress of society.

We understand that in order to continue advancing in this objective, it is important to develop a comprehensive measurement that, in addition to the economic value generated (traditional financial statements), allows us to quantify the impact generated by our operations on the environment and society.

When thinking about a sustainable business in the long term, it is important to economically evaluate its externalities (positive and negative) and include them appropriately in the income statement, and therefore in the decision-making process. This undoubtedly contributes to the generation of social value, consolidating the image of the company and its reputation.

1. MATERIALITY ANALYSIS

Methodology

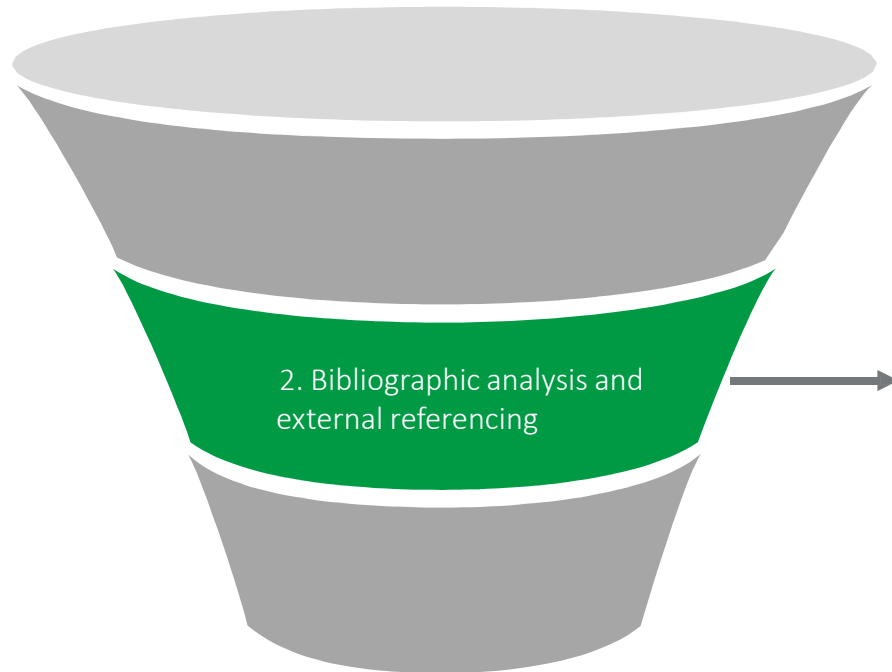


	Stakeholders	Company
1 Efficient use of water	5	5
2 Energy efficiency	5	5
3 Climate change management	5	5
4 Waste management and reduction	5	5
5 Packaging strategy	5	5
6 Contribution to the growth of our communities	4	4
7 Promotion of education, culture, recreation and sports	4	4
8 Relationship with suppliers and contractors	4	5
9 Big Brother Program	4	5
10 Quality and safety in production processes	5	5

	Stakeholders	Company
11 Employee well-being and working conditions	5	5
12 Health and safety at work	5	5
13 Organizational development	5	5
14 Strengthening nutritional profile	5	5
15 Offering innovative products	4	5
16 Relationship with customers and consumers	4	4
17 Financial Sustainability	4	5
18 Corporate Governance	4	5
19 Risk Management	4	5

2. SASB STANDARD REFERENCING

Prioritization



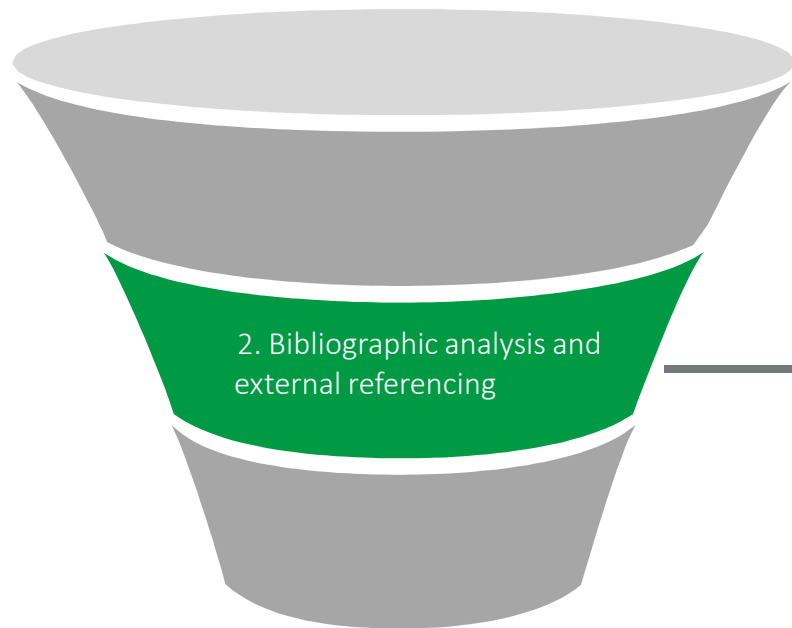
Processed Foods Sector

Key topics for SASB:

- Energy Management
- Water Management
- Food Safety
- Health and Nutrition
- Product Labeling and Marketing
- Packaging Lifecycle Management
- Environmental and Social Impacts of the Ingredient Supply Chain
- Ingredient Sourcing

2. DATAMARAN REFERENCING

Prioritization



Issue Name	Issue Relevance	FINANCIAL					IMPACT			
		Financial filings	Financial market & voluntary relations	Mandatory regulations w/ sanctions	SASB disclosure requirements	Financial score	Impact score	All other voluntary initiatives	News	Sustainability reports
Ethical corporate behavior	0.88	0.59	0.56	0.91	0.73	0.68	0.47	0.66	0.91	
Product & service safety & quality	0.69	0.66	0.99	0.94	0.72	0.71	0.34	0.94	0.84	
Customer privacy & data security	0.41	0.28	1	1	0.67	0.67	0.38	0.97	0.66	
Management of the legal & regulatory environ...	0.69	0.47	0.63	0.84	0.66	0.35	0.22	0.53	0.31	
Employee diversity & inclusion	0.5	0.22	0.91	0.94	0.64	0.46	0.44	0.47	0.47	
Climate change risks & management	0.96	1	0.88	0.03	0.62	0.9	1	0.84	0.84	
Water & wastewater management	0.78	0.84	0.81	0.03	0.62	0.75	0.91	0.44	0.94	
Natural capital	0.96	0.81	0.94	0.03	0.59	0.69	0.94	0.38	0.75	
Workforce management	0.81	0.19	0.31	0.88	0.55	0.57	0.19	0.81	0.72	
Ecological impacts	0.93	0.69	0.78	0.03	0.51	0.4	0.84	0.09	0.25	
Governance structures & mechanisms	0.84	0.63	0.53	0.03	0.51	0.38	0.31	0.34	0.47	
Employee health & safety	0.91	0.25	0.69	0.03	0.47	0.69	0.41	0.69	0.97	
Energy management	0.66	0.91	0.28	0.03	0.47	0.76	0.72	0.56	1	
Labor practices	0.94	0.13	0.75	0.03	0.46	0.23	0.16	0.31	0.22	
Waste & hazardous materials management	0.19	0.78	0.84	0.03	0.46	0.46	0.99	0.22	0.96	
Human rights	0.31	0.5	0.97	0.03	0.45	0.66	0.81	0.41	0.75	
Air emissions	0.22	0.88	0.66	0.03	0.45	0.32	0.75	0.19	0.03	
Transparency	0.69	0.94	0.03	0.03	0.42	0.5	0.78	0.13	0.59	
GHG emissions	0.41	0.97	0.25	0.03	0.41	0.72	0.97	0.91	0.28	
Physical & socio-political risks	1	0.41	0.09	0.03	0.38	0.53	0.96	0.72	0.31	
Customer practices	0.96	0.16	0.72	0.03	0.37	0.48	0.03	0.75	0.66	
Business model resilience	0.97	0.31	0.06	0.03	0.34	0.71	0.63	0.88	0.63	
Selling practices & product labeling	0.06	0.72	0.47	0.03	0.32	0.08	0.09	0.06	0.09	
Management of local impacts	0.28	0.53	0.41	0.03	0.31	0.12	0.13	0.03	0.19	
Transition to renewables & alternative energies	0.31	0.75	0.16	0.03	0.31	0.71	0.88	0.78	0.47	
Sourcing efficiency & management	0.41	0.44	0.19	0.03	0.27	0.38	0.53	0.28	0.31	
Community relations	0.38	0.38	0.22	0.03	0.25	0.65	0.5	0.63	0.81	
Product design & lifecycle management	0.03	0.56	0.34	0.03	0.24	0.3	0.66	0.16	0.09	
Responsible consumption & production	0.09	0.34	0.44	0.03	0.23	0.4	0.25	0.5	0.44	
Competitive behavior	0.25	0.09	0.38	0.03	0.19	0.13	0.06	0.25	0.06	
Access & affordability	0.16	0.03	0.5	0.03	0.18	0.53	0.69	0.59	0.31	
Innovation & technology	0.13	0.03	0.13	0.03	0.08	0.46	0.28	1	0.09	

Most relevant topics based on the score obtained in Datamaran in the financial dimension:

- Ethical Corporate Behavior
- Product and Service Safety and Quality
- Customer Privacy and Data Security
- Management of Legal and Regulatory Environment
- Employee Diversity and Inclusion
- Climate Change Risks and Management
- Water and Wastewater Management
- Natural Capital
- Workforce Management
- Ecological Impacts
- Governance Mechanisms and Structure



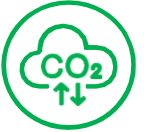
3. PRIORITIZED MATERIAL ISSUES

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Efficient resource management



Climate change management



Circular economy



Innovate products



Sustainable value chain



Employees



Health and nutrition



Relationship with clients and consumers

3. DEFINED MATERIAL ISSUES



Efficient resource management



Health and Nutrition



Circular economy



Sustainable value chain



Climate Change Management



Contribution to the growth of our communities




Employees



Innovate products



Relationship with clients and consumers

 *Main External Material Issues*

What do we mean with SEP&L?



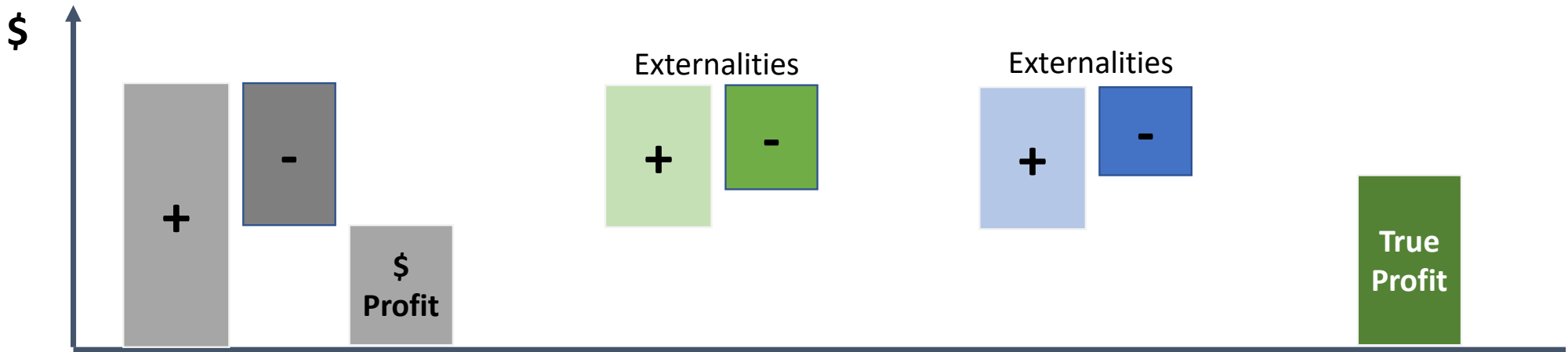
Financial P&L



Environmental P&L



Social P&L



This is a preliminary exercise and the figures are neither precise nor definitive, valuation methodologies are still not very conclusive, but it gives us an indication of the magnitude of the positive and negative impacts generated by our operations and it allows us to begin to manage them.

Environmental Externalities Examples



+ Positive

- Energy efficiency plan *
- Logistics efficiency plan *
- Land conservation *
- Waste management & reduction
- Water savings

- Negative

- Climate Change Management *
(Greenhouse gas emissions)
- Raw materials
- Water extraction
- Waste

*Measured

Climate Change Management



Climate change is a global concern that can potentially affect society in various ways, from health and economic issues to social inequalities and changes in quality of life. The impact of this issue on external stakeholders is significant due to its direct influence on sustainability and environmental health.

➔ Cause of the impact

- Food production and processing involve the burning of fossil fuels, releasing CO₂ and other greenhouse gases that can affect agricultural yields, reducing the availability of raw materials.

➔ External Stakeholder Impact

- Society
- Environment

➔ Metric used

- The environmental impact related to this issue is measured by the Social Cost of Carbon (SCC) using climate models: tons of CO₂ avoided. The SCC is an estimate of the total economic cost that additional carbon dioxide (CO₂) emissions impose on society. It encompasses impacts on health, agriculture, ecosystems, and infrastructure due to climate change. This cost is expressed in monetary terms per ton of CO₂ emitted.



Climate Change Management



Management of Material Issue: As part of our sustainability strategy, climate change is one of the material topics we address under the priority of environmental performance.

Our strategy focuses on managing risks and opportunities related to climate change and is oriented towards setting reduction targets for our carbon footprint indicator and working on initiatives that contribute to addressing the effects of climate change through mitigation programs.

These initiatives include:

- Implementing cleaner technologies in production processes.
- Reducing fuel consumption in manufacturing and logistics operations.
- Energy Transition Alternatives – Solar Energy.
- Renewable Energy Certificates (REC).
- Work with suppliers to promote sustainable agricultural practices (such as good agricultural practices, reduction of GHG emissions, efficient water management, etc.)
- Minimize food waste in our production processes.

Since 2015, we have reduced our carbon footprint (KgCO₂/ton produced) by 41%.



Social Externalities Examples

Contribution to the growth of our communities



+ Positive

- Education
 - ✓ (Scholarships program) *
 - ✓ TIMMCA (music school) *
 - ✓ Dance school *
- Sports
 - ✓ Bon Bon Bum Cup (soccer) *
 - ✓ Jaime H. Caicedo sports club *
- Children's home *

- Negative

- Pollution *
- Health & safety *

*Measured



Contribution to the growth of our communities



Among the benefits to society are the reduction in crime rates, increased life expectancy, and higher incomes, which are reflected in greater tax revenues for the country. Education plays a crucial role in these benefits as it significantly contributes to improving economic and social opportunities, promoting a safer and more prosperous environment for everyone.

➔ Cause of the impact

- The communities in our areas of influence represent a key stakeholder group for our company. Therefore, being a relevant actor and a positive change agent that significantly contributes to their economic and social development is a priority.
- We have implemented strategies and programs that strengthen their social fabric and promote sustainable development.

➔ Metric used

- The impact is directly linked to the economic benefit that graduates gain in terms of additional income over their working lives compared to those with only a secondary education, resulting in a significant improvement in their quality of life. According to Walker, I. & Zhu, Y., BIS in “The impact of university degrees on the lifecycle of earnings.”

➔ External Stakeholder Impact

- Society
- External employees (children of company employees)



Contribution to the growth of our communities



Management of Material Issue: Through the Colombina Foundation, we manage programs that promote education, recreation, culture, and sports.

- We provide childcare facilities for the children of our employees and offer training for parents and teachers to support children in their educational journey.
- We also offer scholarships that allow employees' children to access quality higher education at accredited institutions. We currently have 12 beneficiaries in this program.
- Additionally, we encourage the proper use of leisure time through recreational and cultural activities.
- Through sports, we aim to create spaces that promote healthy lifestyles and strengthen values and skills such as teamwork.
- We create recreational and sports facilities for communities near our production plants, aiming to promote the well-being and quality of life of families and the community as a whole.

During 2023, we reached directly 11,016 individuals (661 linked to Colombina Foundation programs and 10,355 to recreational and sports processes.)