

BIODIVERSITY STRATEGY



Identification of biodiversity
dependency risks



Integration into business strategy



Mitigation strategies



Alignment with frameworks and
standards (Reporting and Disclosure)



Identification of Dependencies



Biodiversity is the foundation of agriculture. Its maintenance is essential for food production, ensuring food security, nutrition, and society's livelihood.

As a food company, Colombina relies on ecosystem services such as the supply of clean water for its production and the cultivation of raw materials. Although we do not directly cultivate most raw materials, we work closely with our suppliers to promote sustainable agricultural practices that help mitigate environmental impacts, such as reducing water consumption and protecting soil and ecosystems.

For raw materials that are not directly cultivated, we manage them efficiently through our suppliers. Our goal is to collaborate closely with them to develop strategies that promote sustainable practices. For local farmers who directly grow one of Colombina's most important raw materials (chili peppers), we have been working on developing good agricultural practices (with clean crop management) that help mitigate or compensate for environmental impacts resulting from our own or third-party agricultural production operations. These practices include reducing water consumption, decreasing environmental pollution, protecting soil health, respecting land rights, preventing ecosystem destruction, and reducing greenhouse gas emissions.



Provision of clean water for production processes



Cultivation of key raw materials



Identification of Dependencies



As these dependencies are key for the company, it is essential to ensure fundamental initiatives to reduce its reliance on and impact on biodiversity.



Provision of clean water for production processes

- **Process:** Water as a fundamental resource in the production process.
- **Safety:** Maintaining hygiene and safety standards in production processes to prevent contamination and ensure product quality.
- **Water Resource Management:** Responsible use of water in operations helps minimize environmental impact.
- **Waste Reduction:** Water conservation practices for efficient water use.



Cultivation of key raw materials

- **Strategic Sourcing:** Having a supply network that ensures effective supply for operations.
- **Supplier Management:** Working with suppliers to promote good sustainability practices in the value chain.
- **Regulations and Certifications:** Proper supplier management ensures compliance with regulations and certifications relevant to food production.



Integration into Business Strategy



CORPORATE STRATEGIC PILLARS

Organizational Culture

Colombina Umbrella Brand Strength

Innovation and Marketing

Sustainability

Low Cost

Efficient Distribution Model

Sustainability Strategy

Our sustainability strategy is based on 6 priorities:

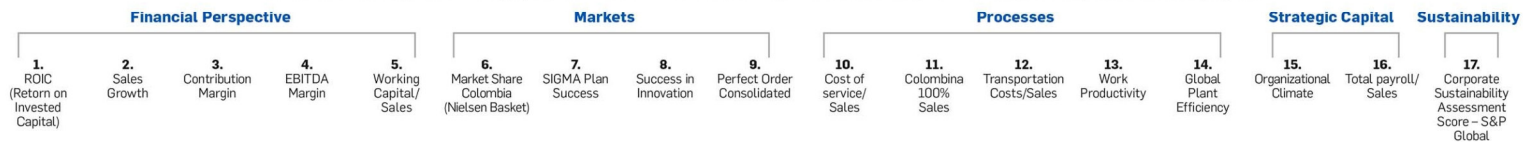
Sustainable Management Model

[GRI 2-22]

Sustainability is one of our strategic pillars, from which 6 priorities and the management of 19 material issues are deployed. Through its implementation, we directly impact the Sustainable Development Goals.



To monitor the corporate strategic pillars, we have 17 KPI, linked to performance evaluation and variable compensation of employees:



Key dependencies



Provision of clean water for production processes

- **Efficient Water Use Strategy:** This strategy is focused on minimizing and rationalizing water use across all our processes and ensuring proper treatment to return water to the planet in better conditions.
- **Water Risk Analysis:** We assess potential impacts related to water availability at the locations of our main plants using the "Water Risk Filter" tool, which allows us to evaluate and respond to water risks through three types of risks: physical, regulatory, and reputational.
- **Participation in Foundations:** We participate in our areas of influence with the ASORIBU (Association of Bugalagrande River Users), AURPA (Association of La Paila River Users), and ASURTUMO (Association of Tuluá and Morales Rivers Users) foundations, which are dedicated to protection and conservation in watersheds to promote equitable water use in the region.

Mitigation Strategies



Cultivation of key raw materials

- **Agricultural Sustainability Policy:** We have developed a policy that sets work fronts with our agricultural suppliers, focused on promoting the conservation of natural resources.
- **Good Agricultural Practices Guide:** We created an agricultural guide aimed at providing farmers with technical knowledge, proper management of agricultural practices, and motivation to commit to protecting resources such as water, soil, biodiversity, among others.
- **Training in Good Agricultural Practices:** We train our suppliers in Good Agricultural Practices (GAP) regulations, technical compliance of facilities and field areas, safe management, use of protective equipment, and risk prevention in human rights.

Mitigation Strategies



Avoid

- In managing good agricultural practices, we promote proper storage and responsible use of packaging to avoid spills and burning of these materials. Additionally, we carry out weed control and management mechanically, thereby reducing the use of synthetic chemical products. We avoid using pesticides in crops and apply Integrated Pest and Disease Management (IPDM).



Reduce

- We invest in new technologies, preventive maintenance processes, and treatment systems to meet our reduction objectives. In the last 8 years, we have reduced our water consumption per ton produced by 23%.
- Directly in the fields, we encourage the use of module irrigation and the installation of drip irrigation systems to optimize water resources.



Restore

- In the past five years, we have planted around 5,000 trees in areas surrounding our production plants, with care and maintenance plans for three years to ensure the optimal development of the species.



Alignment with Reporting Frameworks



United Nations Global Compact: We have been signatories since 2009 and have integrated its 10 principles into our sustainability strategy. We annually publish our Communication on Progress (CoP) to report on our compliance and progress.

Carbon Disclosure Project (CDP): We report on risks and opportunities related to climate change and promote the reduction of greenhouse gas emissions.



Sustainable Development Goals (SDGs): Since 2015, we have adopted the SDGs, ensuring that our material topics contribute to achieving the established goals.



Sustainability Accounting Standards Board (SASB): We disclose our management of ESG topics that may have a financial impact on our business, following SASB standards.



Global Reporting Initiative (GRI): Since 2009, we have used GRI standards to prepare our sustainability reports, incorporating management indicators that help us continuously improve our processes.



Task Force on Climate-related Financial Disclosures (TCFD): We have adopted the TCFD framework to disclose financial information on risks and opportunities related to climate change, covering its four key areas.