



SUPPLY CHAIN MANAGEMENT STRATEGY



STRATEGIC SOURCING MODEL

Visión

1.1 From the area's perspective: To be leaders in corporate negotiations, applying world-class practices within an innovative context and with a permanent commitment to ethics, food safety, and corporate social responsibility; focused on ensuring the sustainability of the business.

ESG Measurement:

1.3 Suppliers are evaluated on their ESG commitment through the "Measure What Matters" program (Sistema B). All new suppliers must complete the ESG assessment before starting the commercial relationship.

Creation of suppliers

1.2 In the creation process, we ensure compliance with the responsible code of conduct, involving our partners to continue fulfilling our objective of developing business networks and generating social, economic, and environmental value.

Collaborative Programs with Suppliers:

1.4 We define projects with suppliers focused on packaging sustainability and manage an indicator to help drive this process. We conducted **12 Workshops** in 2024 and materialized 4 projects.



From Strategic Sourcing, we are working on a **supplier relationship model based on developing and managing collaborative relationships with suppliers at all levels** to achieve the required commercial objectives and the overall strategy of the Supply Chain. Our goal is to strengthen communication with suppliers, share methodologies, projects, commercial terms, and information with them, and to achieve greater proximity and process optimization.

Our model comprises 4 phases:

1. DEFINITION OF THE SRM STRATEGY

We establish objectives focused on productivity, innovation, risk management, and sustainability. Additionally, **we segment suppliers** based on these objectives.

2. PERFORMANCE MANAGEMENT

We define the **performance management model through KPIs** shared with suppliers and set compliance goals.

3. CONTINUOUS IMPROVEMENT

We increasingly drive **continuous improvement and work together to achieve supplier commitment** and strengthen relationships by ensuring transparency.

4. COLLABORATIVE WORK WITH SUPPLIERS

We will generate collaboration and create value by implementing and promoting collaborative innovation processes and developing *cross-functional* projects.



COMPLIANCE WITH THE SUPPLY PROCESS



All of our plants hold various types of Management System certifications, which are audited by different certification and/or legal inspection bodies such as INVIMA and the FDA.

These audits comprehensively verify the supply process, which is a fundamental part of the supply chain for production.

In the high-level structure of ISO standards, **the supply process is framed within the requirements of clause 8.4, which pertains to the control of externally provided products and services.**

According to the results of all the audits received for the supply process, it **FULLY COMPLIES** with the criteria established in the various standards and requirements, thereby meeting the global standards required for this process.



ESG INTEGRATION IN SUPPLY MANAGEMENT STRATEGY

Board of Directors

CEO



ENVIRONMENTAL
PERFORMANCE



Supply Chain VP



SOCIAL
DEVELOPMENT



Colombina
Foundation



PROMOTING
COMPETITIVENESS



Supply Chain VP



OUR EMPLOYEES



Human Resources
VP



TRANSPARENCY AND
NUTRITION



Corporate Marketing
VP



ECONOMIC EFFICIENCY



Strategic Planning
VP - Sustainability
Leader

- The Vice Presidency of Supply Chain is responsible for environmental indicators (KPI) and supplier relations, leading the sustainability priorities of environmental performance and promoting competitiveness.

Value chain

Process of development

We have **7 production plants:**
[FB-PF-000.B]
5 in Colombia, 1 in Guatemala, and 1 in Spain. All of them are certified in food safety.

7,977 employees are part of our company.
*Excludes third parties

Portfolio

We have a broad and diverse portfolio of products, participating in 18 food categories:
Candies, Chewing Gum, Chocolates, Snacks, Salted Cookies, Sweet Cookies, Cakes, Ice Cream, Ketchup, Mayonnaise, Mayonnaise-Based Sauces, Milk Desserts, Baby Food, Jams, Spicy Sauces, Olive Oil, Canned Fish, and Coffee.

Logistics and Distribution

- 39 distribution centers.
- 38 primary transportation companies.
- 557 logistics personnel.
- 402 secondary transport vehicles.
- 8 shipping companies.
- 12 electric cars and 8 gas-powered vehicles.

Consumer

Millions of consumers in more than **90 countries** enjoy our infinite flavor.

76 owned point of sales, 73 in Colombia and 3 in Guatemala: **Markets Colombina.**

Bon Bon Bum is a market leader in **11 countries**. Sold in 70 countries, with 2 billion units sold per year.

1.

2.

3.

4.

5.

6.

7.

Suppliers

We have over **6,723 active suppliers**

90% are local.
10% are international.

Our main ingredients and packaging materials are distributed as follows:

64% in ingredients.
23% in packaging.
14% in plant services, spare parts, and POP materials

Purchasing Analysis

[FB-PF-440a.2]

INGREDIENTS:

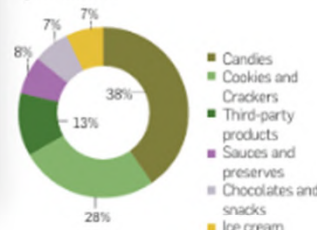
Sugar	27%
Glucose	13%
Fats/oils	11%
Grains/Cereals	9%
Dairy products	8%
Cocoa derivatives	6%
Essences/extracts	4%
Others	22%

PACKAGING

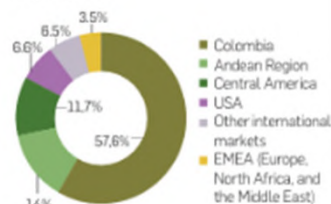
Flexible material	54%
Cardboard	21%
Folding boxes/ cases	7%
Rigid containers	2%
Others	16%



Sales mix by business



Sales mix by region



Customers

With a sales force of over: **2,000 sales representatives**
We bring our products to over **750,000 clients** worldwide.



Circularity and Utilization

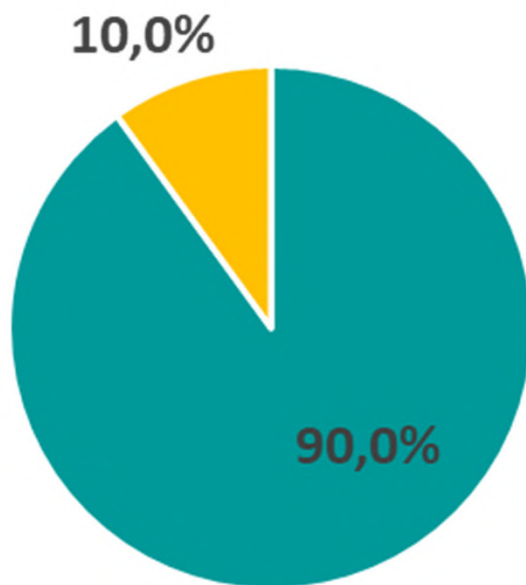
Collaboration with the National Association of Industrialists (ANDI) for the implementation of the Vision 30/30 project.

2030 Goal:
Achieve the recovery of 30% of the packaging placed on the national market.

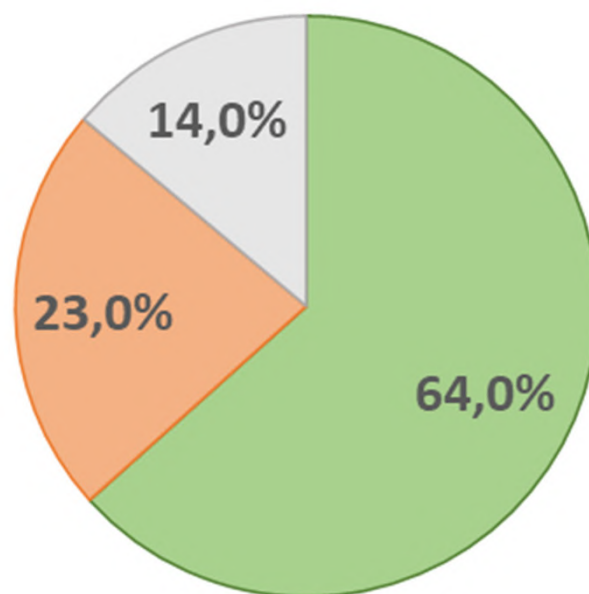


SUPPLY CHAIN SPEND ANALYSIS

GEOGRAPHICAL SPREAD



SPEND VALUE



PACKAGING MATERIAL

Packaging material	FY2024	
	Tons	%Recycled
Wood/paper fiber packaging	16.263	30%
Metal packaging	37	30%
Glass packaging	843	40%
Plastic packaging	11.272	9,2%

- Ingredients (edible material): sugar, fats/oils, corn derivates, grains/cereals, dairy products, essences/extracts, cocoa derivates, fruit pulp, others.
- Packaging: flexible material, cardboard, foldable/cases, rigid containers, others.



SUPPLY CHAIN MANAGEMENT STRATEGY

Top 5	Supply Chain Priorities	Scope	Corporate KPI
1	Best practices in the supply chain	Process standarization, improve customer/client service,automation of key manufacturing processes	Labor productivity, Contribution Margin, Overall Plant Efficiency
2	Logistics Efficiency Plan	Freight optimization, online sales platform (B2C), highcubic capacity vehicles, review logistics network	Transport cost/sales
3	Energy efficiency Plan	Implement a corporate plan to use renewable sources	Sustainability assesment rating
4	Optimization of Working Capital	Plan to reduce number of SKUs, crossdocking platforms, inventory levels optimization	Working Capital/sales
5	Innovation platforms (R&D team)	Work with the marketing team in the development of products aligned with consumer trends	Revenues from new products (24 months) /total sales



SUPPLIER SCREENING



SIGNIFICANT SUPPLIER IDENTIFICATION

We classify and measure our significant suppliers through the Kraljic matrix. This methodology allows us to classify our suppliers under the following premises:

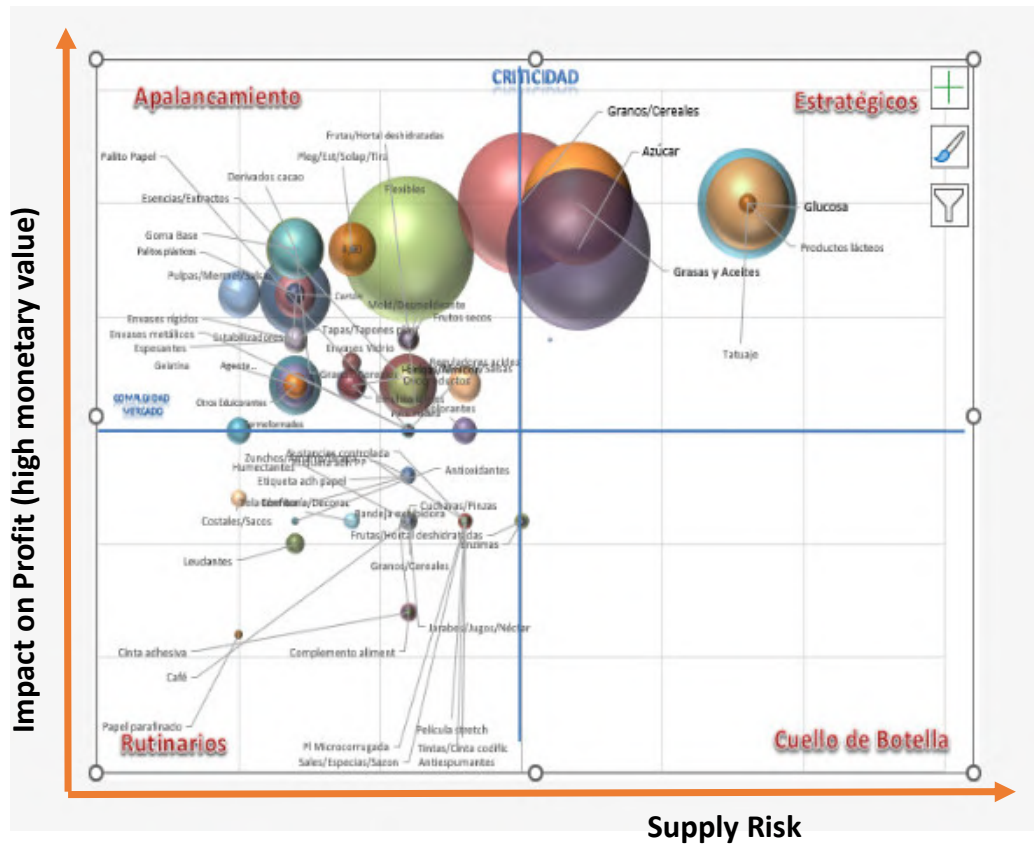
- High-volume suppliers
- Critical component suppliers
- Non-substitutable suppliers
- High performance in sustainability assessment (Sistema B)

The **Kraljic Matrix** is a tool used in purchasing management that allows materials, services and suppliers to be classified, **considering the risks they have for the company and their impact on the income statements.**

Kraljic allows to locate suppliers according to the complexity of the market and the impact on the business in any of the 4 quadrants, classifying them as leveraged, strategic, routine or bottlenecks. And for each one it has defined characteristics that differentiate them and likewise a strategy to establish a relationship with them depending on the quadrant. . The methodology is based on commodity-specific risk.

SIGNIFICANT SUPPLIER IDENTIFICATION

- Supplier segmentation Kraljic matrix category direct and indirect"



- Segmentation by social and environmental practices (ESG)

The B Impact Assessment is a management and impact measurement tool that evaluates a company's operations and business model in five impact areas:

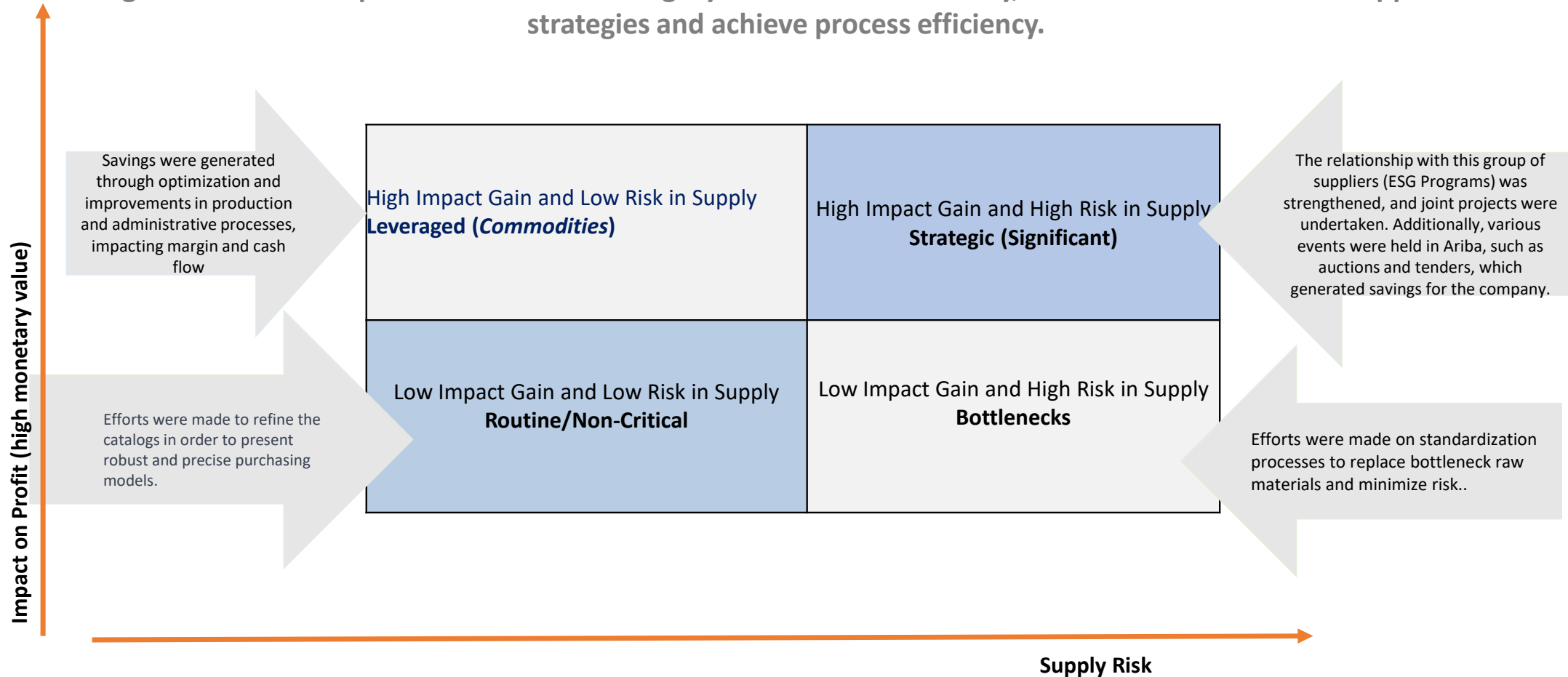
- Governance
- Community
- Workers
- Environment
- Customers





KRALJIC MATRIX

Supplier segmentation according to the Kraljic category matrix enables the procurement team to establish different strategies based on the quadrant where the category is located. Additionally, the ARIBA tool is used to support these strategies and achieve process efficiency.





KPI FOR SUPPLIER SCREENING

Supplier Screening	FY 2024
Total raw material suppliers, point of sale material, packaging suppliers, supply providers and some plant services (Tier - 1)	1.176
Total number of significant suppliers in Tier-1	57
Total purchases	COP\$1.188MM
Total purchase year – Significant suppliers	COP\$762MM
% of total spend on significant suppliers in Tier-1	64%
Total significant suppliers in non-tier 1 suppliers	47



ASSESSMENT PROGRESS

Supplier Assessment	Significant suppliers	Target 2024
% of significant suppliers assessed	95%	100% of significant suppliers evaluated
Number of significant suppliers assessed with potential negative impacts	1	
% of significant suppliers with potential impacts with corrective action	100%	
Number of significant suppliers with potential impacts that were terminated	0	

Corrective action plan support	Significant suppliers	Target 2024
Number of suppliers supported in corrective action plan implementation	1	100% of significant suppliers
% of suppliers assessed with potential negative impacts supported in corrective action plan implementation	100%	
% of significant suppliers in capacity building programs (39 suppliers)	68%	50% of significant suppliers



SUPPLIER ASSESSMENT

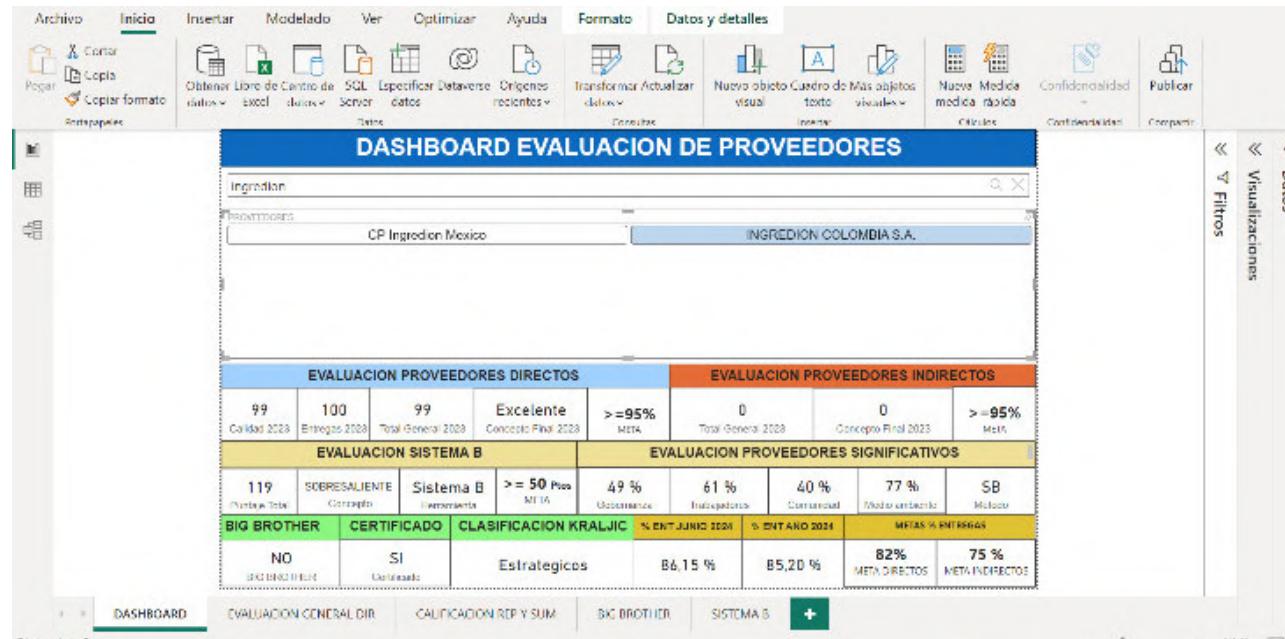


SUPPLIER ESG PROGRAMS

- Within our relationship model, we aim to permanently strengthen communication with suppliers, share best practices, methodologies, and programs that allow us to be closer and optimize processes.
- **The Board of Directors is in charge of overseeing the implementation and progress of the ESG programs for suppliers.** The main programs are reviewed every six months by the Sustainability and Corporate Governance committee with senior management.
- **We have implemented functionality in SAP Ariba that ensures that each supplier that partners with our company is fully aware of, and in compliance with, the Code of Conduct.** In addition to this, the Code of Conduct is sent to them periodically, ensuring that these principles are always kept in mind. When an update is made to the Code, it is communicated through a mass distribution.
- Suppliers demonstrating **stronger ESG performance are given preference during supplier selection processes and contract awarding**, recognizing their alignment with responsible and sustainable business practices.
- For suppliers that do not meet the minimum ESG requirements according to the results of the B Impact Assessment, we train them in training workshops so that they can strengthen the areas of impact where they have the lowest score in their evaluation gaps we found in the evaluation.



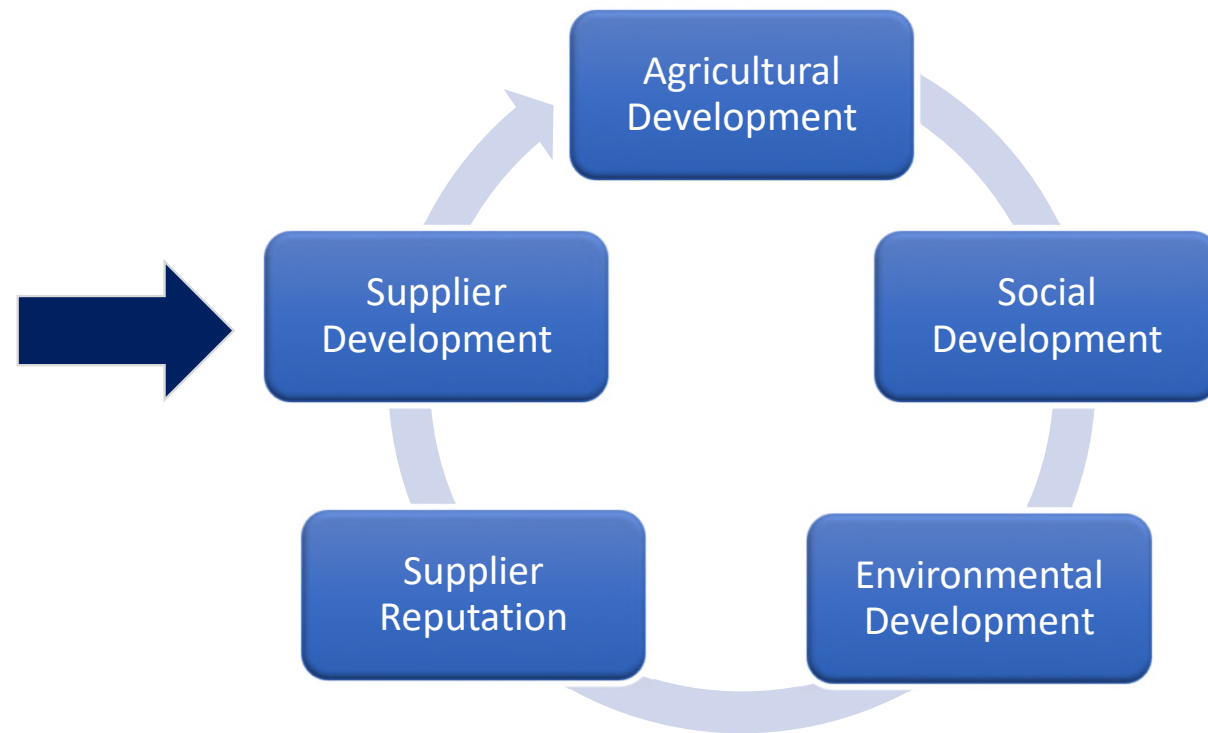
SUPPLIER ASSESSMENT - DASHBOARD



We have a dashboard that allows visualization of supplier performance in service, quality, and social responsibility. This tool supports negotiators by providing insights into various aspects of the supplier, not just pricing, but also quality, delivery, and social and environmental compliance. This way, shared indicators can be used to establish long-term relationships focused on continuous improvement.

RESPONSIBLE SOURCING STRATEGY

We have implemented a comprehensive model aimed at aligning our suppliers' social, economic, and environmental practices with the Company's sustainability strategy.





RESPONSIBLE SOURCING STRATEGY

Supplier Development

AGRICULTURAL DEVELOPMENT

SOCIAL DEVELOPMENT OF THE VALUE CHAIN

SUPPLIER REPUTATION

1



- Big Brother Mypimes
- Big Brother Entrepreneurs
- Big Brother Customers

Agricultural loyalty programs.

Technical support.



Digitization of the chili supply chain.

Measure and develop suppliers based on their triple impact—economic, social, and environmental — B Impact Assessment

Promote purchasing from diverse suppliers.

Supplier Reputation Program focused on:

- Proximity
- Process Agility
- Communication

Red Crece Champions Program – ANDI: Lead a Big Brother-type program in the Valle del Cauca region.

2



Suppliers of raw materials, packaging, services, POP materials, spare parts and supplies, customers, entrepreneurs.

ENVIRONMENTAL DEVELOPMENT OF THE VALUE CHAIN

- Identify materials with higher recyclability and lower environmental impact (Vision 30/30).
- Promote the reduction of single-use plastics under the framework of Law 2232 of 2022 (effective July 2024).
- Develop a carbon footprint measurement tool for suppliers' Scope 1 (fuels) and Scope 2 (purchased energy) emissions.
- Implement carbon footprint measurement for Scope 3 indirect emissions in the value chain.

❖ Promote, require, and monitor suppliers regarding:

- Animal welfare policies
- Biodiversity policies
- Zero deforestation
- Agricultural and livestock certifications
- Water stress



Promoting Competitiveness



B IMPACT ASSESSMENT

The B Impact Assessment is a management and impact measurement tool that evaluates a company's operations and business model across five areas: Customers, Workers, Governance, Community, and Environment. The B Impact Assessment is linked to and incorporates a variety of different standards, certifications, and impact measurement frameworks, such as IRIS, FSC, GRI, Fair Trade Certification, Organic Certification, and ISO 14001.



Internationally recognized standard

More than 140,000 companies worldwide have already used it, including over 4,000 companies in Colombia.



Global Standard

Accessible and free of charge, it evaluates the operations and business model of all types of companies...



Adapted standard

Tailored to different business activities and dimensions so that any company can adopt it as its own.

The scoring within the B Impact Assessment is designed to enable benchmarking and to identify and track improvement opportunities over time.



SUPPLIER ASSESSMENT PROGRAM

Measure What Matters - MQI+Colombina.



Since 2018, we have had a program

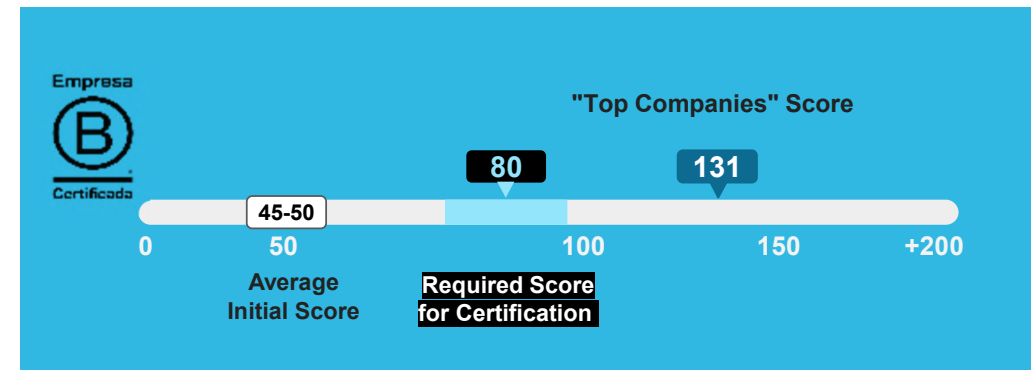
This program ensures the effective implementation of our suppliers' sustainability programs to identify and address material risks and impacts within the supply chain. The supervision of these programs and their progress is reviewed **in the Sustainability and Corporate Governance Committee, which includes Board members and senior management.**

It is important to mention that procurement negotiators and the team in general support the program in each cohort, encouraging their suppliers to participate, self-assess, and strengthen social and environmental practices, which has led to commitment from various companies.

It is conducted through a series of customized questions that reflect impact indicators, best practices, and outcomes.

*The Assessment is adaptive to the sector and size of the company, and as a result, companies answer a varying number and type of questions.

A company receives a composite score on a scale of 200 points.



SUPPLIER ASSESSMENT PROGRAM

Measure What Matters - MQI+Colombina

The MQI program evaluates the ESG performance of Colombina's supplier network. Our code of conduct affirms that Colombina prefers to work with suppliers who manage their social, environmental, and corporate governance factors. To strengthen our suppliers, we use the program "Measure What Matters+Colombina" through an impact assessment tool known as B Impact Assessment. The impact areas measured in this scheme are:



GOVERNANCE

The "Governance" impact area assesses the company's mission, ethics, responsibility and transparency and addresses issues such as integrating social and environmental goals into employee performance appraisals, impact disclosure and transparency, and the participation of interested parties, among others.

- **Mission and Commitment**
- **Ethics and Transparency**
- **Governance Metrics**
- **Mission Protection**



WORKERS

The "Workers" impact area assesses the extent to which the company contributes to the financial, physical, professional and social well-being of its employees and addresses topics such as compensation, employee benefits, employee health and safety and opportunities professional development, among others.

- **Financial Security**
- **Health, Wellness and Safety**
- **Professional development**
- **Satisfaction and Commitment**



COMMUNITY

The "Community" impact area assesses external stakeholders, including suppliers, distributors, the economy, and the local community. It also discusses employee diversity, job creation, civic engagement, and charitable giving.

- **Diversity, Equity and Inclusion**
- **Economic impact**
- **Civic Engagement and Donations**
- **Supply chain management**



ENVIRONMENT

The "Environment" impact area assesses the company's overall environmental management and addresses issues such as how the company manages environmental impact in general and more specific issues such as climate change, water consumption, sustainability and the impact on the earth and on life.

- **Environmental management**
- **Air and Climate**
- **Waterlife and earth**



CUSTOMERS

The "Customers" impact area assesses the value that the company brings to consumers and direct customers of its products or services and covers topics such as ethical and positive marketing practices, guarantees and quality control of products and services, data privacy and security, among others.

- **Customer management**





SUPPLIER ASSESSMENT PROGRAM

Measure What Matters - MQI+Colombina

Program Steps:

1. Awareness

This is the first engagement with the group of suppliers to be evaluated, aimed at raising awareness about the importance of the triple impact, introducing the B Impact Assessment tool, and explaining how to work with it so they can register and begin managing their self-assessment.



2. Assess

The socio-environmental performance, as well as risks and opportunities for improvement, are assessed through the B Impact Assessment, with guidance from the Sistema B Colombia Programs team. This stage includes ongoing support for suppliers and Office Hour sessions to address questions and concerns



SUPPLIER ASSESSMENT PROGRAM

Measure What Matters - MQI+Colombina



3. Compare and Improve

In this stage of the process, suppliers are given the opportunity to deepen their understanding of the results obtained in the B Impact Assessment, enabling them to more clearly identify their opportunities for improvement.

One of the key elements of this phase is access to the Sistema B benchmark, which comprises more than 5,970 assessed companies, including over 130 Certified B Corporations in Colombia. This tool allows suppliers to compare themselves with organizations of similar characteristics—by sector, size, and country—both at an overall level and within each of the assessment's impact areas: Governance, Workers, Customers, Community, and Environment.

This comparative analysis helps companies identify their position relative to other organizations in their industry, facilitating the recognition of key gaps and strengths. In the general overview, suppliers can compare themselves directly with Colombian B Corporations. In the detailed review of each impact area, the benchmark is adjusted to offer more precise comparisons by country, sector, and size.

In addition to the comparative analysis, this phase incorporates a prioritization and improvement planning methodology guided by the use of two matrices. These matrices help companies assess their opportunities for improvement based on their available resources (time, staff, budget, among others), which allows them to: identify the most viable and strategic actions, assign responsibilities for each prioritized action, and set concrete timelines for implementation.

This approach not only strengthens suppliers' capacity to implement effective improvements but also fosters a culture of continuous improvement aligned with the principles of sustainable development and impact management.



SUPPLIER ASSESSMENT PROGRAM

Measure What Matters - MQI+Colombina



4. Continuous Improvement Program

Within the framework of the Measure What Matters program, we have developed the Continuous Improvement Program—an initiative providing comprehensive, long-term technical support aimed at systematically strengthening suppliers' ESG performance. This program is not conceived as a one-off activity or a simple corrective action plan, but rather as an ongoing capacity-building process.

We select suppliers with scores below 50 points in the B Impact Assessment—considering that the national average stands at 52.3 points—prioritizing those who participated in the last two cohorts of the previous year and the first two cohorts of the current year. These suppliers are offered a specialized workshop on triple-impact best practices, covering key topics in social areas (workers, customers, and community), environmental management, and governance. The topics are defined based on the most recurring improvement opportunities observed in the collective results of the network, while also considering the sector and size of the companies, which are usually small businesses.

In addition to the training component, we provide suppliers with concrete tools to help them progress along their improvement journey, such as guides for developing codes of ethics, environmental and diversity policies, charitable giving programs, employee satisfaction surveys, and other resources.

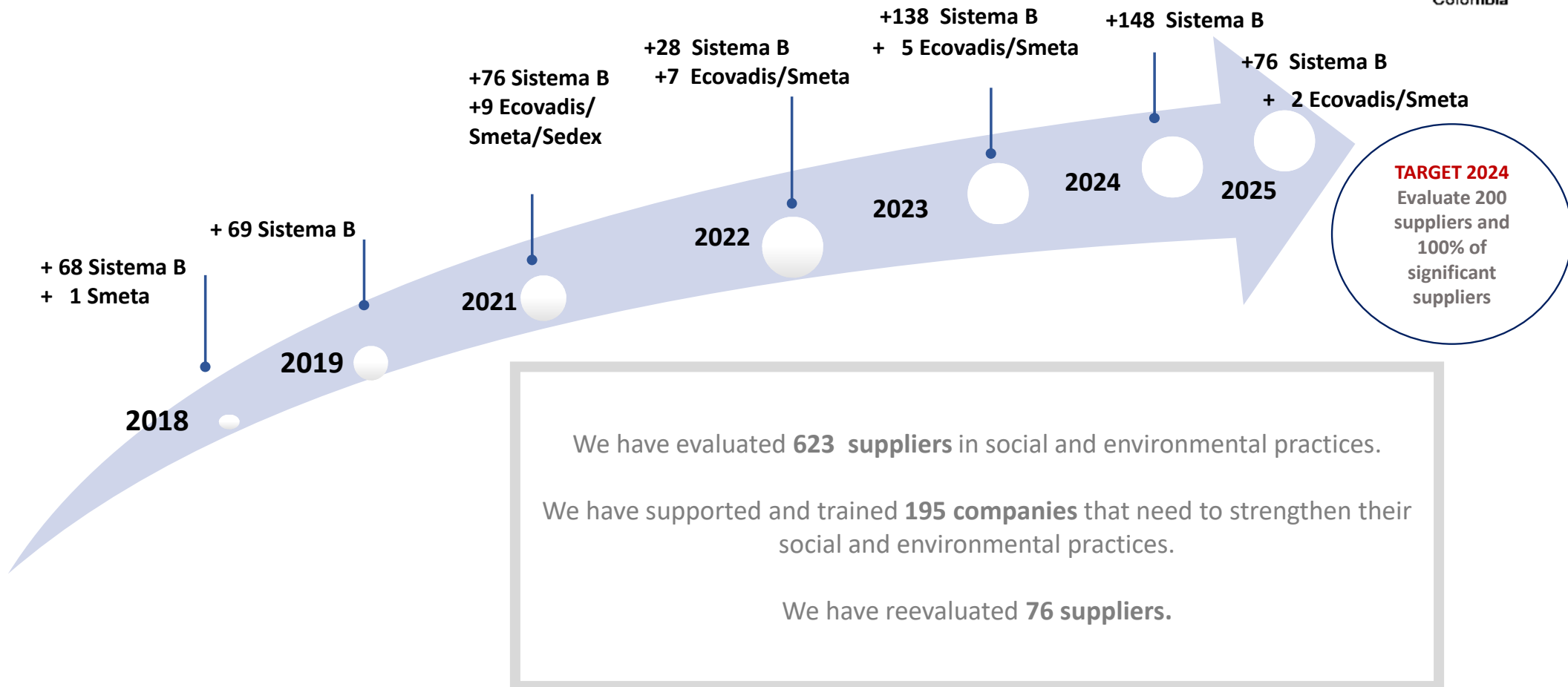
The objective is that, at the time of their reassessment—one or two years after their initial measurement—companies can demonstrate substantive progress in their ESG practices, supported by the knowledge and materials provided throughout the program. In this way, the Continuous Improvement Program seeks not only to enhance suppliers' performance but also to accompany them in building a sustainable and resilient organizational culture over time.

5. Reevaluate

Once the continuous improvement program is completed, companies undergo a reassessment. This process consists of a second review based on their initial results, in which each company accesses the platform, updates its fiscal year, and revises its previously submitted responses, adding data or evidence of practices they have already implemented or strengthened. In this way, we can verify that the supplier has established the necessary programs to improve their score compared to the results of the first assessment



MEASURE WHAT MATTERS - MQI+COLOMBINA EVOLUTION





CERTIFICATE OF PARTICIPATION



**Certificado de Participación
Programa Mide lo que Importa+Colombina S.A.**

Este documento certifica a:

Empresa

NIT: XXXXXXXXXXXX

*Por su asistencia y compromiso en el proceso de sensibilización y
medición de su triple impacto en el año 2024.*

¡Gracias por seguir creyendo que
si el mundo es mejor, sabe mejor!



Suppliers who complete their B Impact Assessment at 100% will receive a certificate of participation from Sistema B Colombia for measuring the triple impact of their companies.

ESG PROGRAMS FOR SUPPLIERS

IMPROVEMENT PLAN

We developed an improvement plan for suppliers who scored below 50 points in their ESG evaluation.

A total of 20 companies attended in a virtual modality, bringing the total number of supported and/or trained companies to 177

Cronograma | Programa de Mejoras 2025-2

Sesiones | Encuentros virtuales



IMPROVEMENT PLAN

During the development of the program, suppliers have access to various complementary resources designed to strengthen their knowledge in terms of triple impact and to support them in properly completing the B Impact Assessment:

A **virtual microsite** with asynchronous content, guides, videos, and reference examples

A frequently **asked questions document** with answers to common concerns arising from previous experiences.

Training and support sessions where best practices applicable to each evaluated area are shared.

A **prioritization and planning matrix**, serving as a practical guide to focus on improvement opportunities.

In addition, suppliers receive support from the operations team of Sistema B Colombia and, at the end of each cohort, those scoring below 50 points in the B Impact Assessment are identified and invited to participate in an Improvement Program. This program lasts four weeks and includes training in the five evaluated dimensions (governance, workers, customers, community, and environment), as well as a special session on human rights in the business context to promote responsible and sustainable practices.



IMPROVEMENT PLAN

ESG

Governance
Community
Workers
Customers
Environment





Bogotá 16 de Julio del 2025.

Señores:

Colombina

Asunto: evaluación de proveedores.

Queremos extender nuestro agradecimiento a Colombina y el área de compras por incluirnos en este proceso de evaluación a proveedores 2025.

Nos sentimos muy contentos ya que esto representa para nosotros un gran reto en tener un estado actual de nuestras políticas ambientales y de responsabilidad social, además de tener información clara, con metas específicas y resultados consolidados a través del tiempo.

Esto es un reto para nosotros y para el país, donde lo aceptamos como empresa y estamos siempre buscando alternativas de crecimiento de la mano de la sostenibilidad, transmitiendo esto en nuestra propuesta de valor agregado para un cliente tan importante como colombina.

Esperamos poder seguir siendo parte de sus proveedores preferentes y que esto sirva para afianzar lazos más fuertes.

Cordialmente:



Joaquín Hernández
Key Account Manager

Solutions Group SAS 803.084.038



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TEL. 881 7809

Mi nombre es Omar Sanchez, Gerente General asesor de MACK MODA SAS. Me complace compartir cómo el diagnóstico realizado en el marco del programa MQI + Colombina aportó valor a nuestra organización.

El alcance de nuestra participación se centró en el diagnóstico de sostenibilidad. A través de este ejercicio, recibimos un mapeo detallado de nuestras brechas y riesgos operativos, con énfasis en la cadena de suministro, uso de recursos y manejo de residuos. Este análisis nos permitió visualizar con claridad los puntos críticos que requieren atención prioritaria.

La asesora del programa nos direccionó en la plataforma identificando oportunidades de mejora, sin llegar a la fase de implementación. Sin embargo, gracias a sus recomendaciones, ahora contamos con un plan de acción estructurado para futuras etapas, incluyendo la definición de indicadores de triple impacto (económico, social y ambiental) que orientarán nuestro seguimiento.

Aunque aún no hemos iniciado mejoras concretas, el diagnóstico de MQI + Colombina constituyó la base para fortalecer nuestra estrategia de sostenibilidad. Nos proporcionó evidencia cuantitativa y cualitativa que respaldará la toma de decisiones y la asignación de recursos en proyectos futuros.

Asimismo, el proceso de diagnóstico nos permitió involucrar a diferentes áreas de la empresa, creando conciencia sobre la importancia de medir impactos y estableciendo un lenguaje común que facilitará la colaboración interna.

Consideramos esencial avanzar hacia la medición continua del triple impacto, ya que:

- Mantiene la transparencia sobre nuestro desempeño en sostenibilidad.
- Permite priorizar iniciativas de mejora basadas en datos.

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- Fortalece la credibilidad ante clientes y aliados, al demostrar un compromiso medible.

Para finalizar, el diagnóstico entregado por MQI + Colombina ha sido un primer paso fundamental: nos ayudó a entender con precisión dónde concentrar esfuerzos y a preparar el terreno para la implementación de mejoras futuras. Agradecemos al programa por proporcionar una mirada objetiva y rigurosa que guiará nuestra siguiente etapa hacia una operación más sostenible.

Cordialmente,



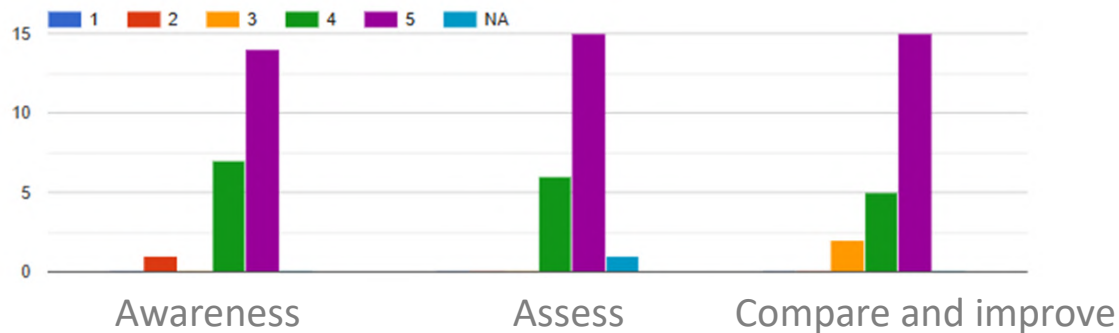
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At the end of the process, we conduct a satisfaction survey with Sistema B for each evaluated group. The objective is to gather feedback for both Sistema B and Colombina, in preparation for the upcoming groups to be evaluated.

The survey aims to rate the supplier's experience in different stages, the methodology, the support (reserved by Sistema B Colombia and shared with Colombina), and the value it adds (or not) to the companies in the value chain.

1. How was your experience in each of the stages of the "Mide lo Que Importa + Colombina" program? Rate from 1 to 5 (with 1 being the lowest rating and 5 being the highest).

Rate from 1 to 5 (with 1 being the lowest score and 5 being the highest). Note: If you were unable to attend any of the stages, it is valid to respond with N/A.

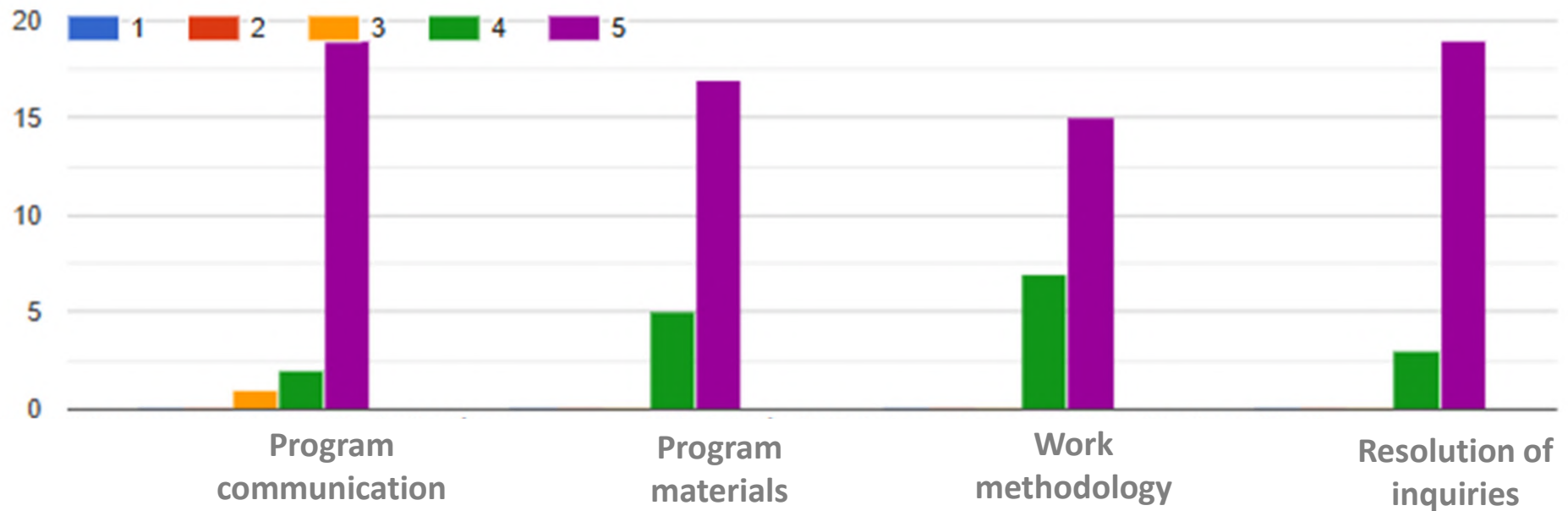


1.1 If in the previous question any stage scored below 4, what do you think we can improve?

- Everything was excellent, a very nice experience.
- The questions within the platform could be made more dynamic.

SUPPLIERS SATISFACTION MEASUREMENT

2. How would you rate the following aspects of the program?
Rate from 1 to 5 (with 1 being the lowest rating and 5 being the highest)



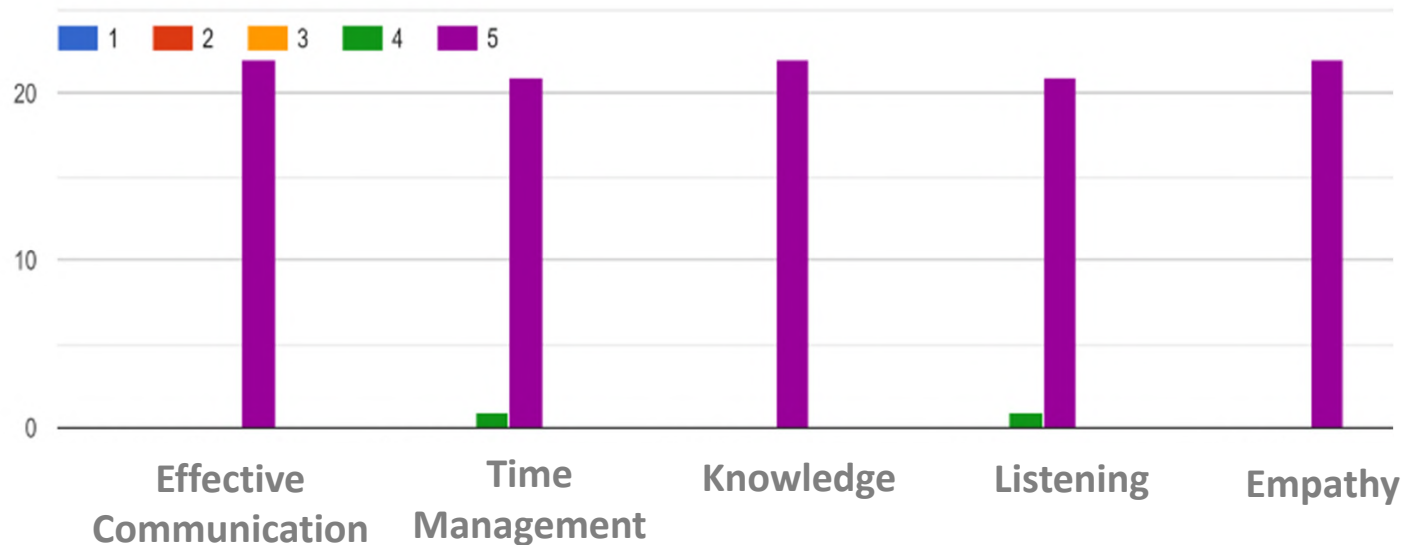
2.1 If in the previous question any process/product scored below 4, what do you think we can improve?

Although the office hour makes it easier to meet, it would be better to include at least a couple of in-person sessions.

SUPPLIERS SATISFACTION MEASUREMENT

3. How would you rate the support provided by Sistema B?


Rate from 1 to 5 (with 1 being the lowest rating and 5 being the highest rating).




The evaluated aspects are: invitation to the program, program materials (evaluation, microsite, guides, etc.), methodology of work in virtual meetings (office hours), and resolution of questions and concerns.

SUPPLIERS SATISFACTION MEASUREMENT


In what way did this program add value to your company or the area you lead?




"It was an enriching experience that allows us to take improvement actions to strengthen our environmental and social performance. Thank you very much for this space"




"This program outlines the initial roadmap for implementing internal policies to improve with our employees, suppliers, customers, and the environment".




"It allowed us to better understand the approaches and key questions that can be addressed around sustainability".



"We like to stay up to date with programs that help us grow as companies; more than just for compliance, it is for our own enrichment. Thank you for including us".



"The MQI + Colombina program provided us with an accurate risk assessment and taught us how to measure and manage triple-impact indicators".



"It adds value when being considered for this type of program, as it challenges us every day to improve as a company in the different areas evaluated".



SUPPLIER ESG PROGRAMS





The Big Brother Program was launched in 2008 as an initiative to contribute to the development and growth of suppliers and customers in the regions where we operate.



Its purpose is to foster the growth of our entrepreneurial suppliers and customers through the transfer of knowledge and best practices.

This is a commitment to promoting business competitiveness



Big Brother: An Initiative that Promotes Business Competitiveness

Capacity building program



The Big Brother Program of the Colombina Company was born in 2008 as an initiative to contribute to the development and growth of our suppliers in the regions where we operate.

Its purpose is to contribute to the growth of our suppliers through the transfer of knowledge and best practices.

In 2022, Big Brother expanded its scope and launched the Big Brother Entrepreneurs call, which was aimed at micro-enterprises in Zarzal.

In 2024, through the Colombina Foundation and within the framework of the alliance with Compromiso Valle and the Chamber of Commerce, Big Brother Entrepreneurs was replicated in Tuluá.



Big Brother Modalities

1

Big Brother **SMEs** (93)
aimed at small and medium-
sized goods or service
companies (launched in 2008)



We transfer **knowledge and best practices** to support the productive, administrative, financial, commercial, and quality growth—among other areas—of our suppliers. Additionally, our main objective is to **enable suppliers to export**.

2

Big Brother **Entrepreneurs** (31)
launched in (2022)



We contribute to the **growth and strengthening of microenterprises in the region** by providing entrepreneurs with the necessary tools to develop a business idea and by offering seed capital to boost their development.

3

Big Brother **Customers** (5) (2024)



We transfer **knowledge and best practices** to contribute to the productive, administrative, financial, commercial, and quality growth—among other areas—of our customers, supported by both internal and external volunteers who strengthen their processes at all levels.

4

Big Brother **Agricultural** (6)
(2024)



We transfer **knowledge and best practices** to contribute to the productive, administrative, financial, commercial, and quality growth—among other areas—of our agricultural suppliers, supported by both internal and external volunteers who strengthen their processes at all levels.

5

Big Brother **1 A 1** (31)
(2022)



We support **microenterprises identified in northern Valle del Cauca**. This support is provided through a corporate volunteer program that donates funds to purchase items these businesses require and, additionally, provides them with training and personalized guidance. **This program is managed directly by the Confectionery Plant.**



The Big Brother program **has been one of our most significant initiatives in fostering competitiveness and building business networks.**

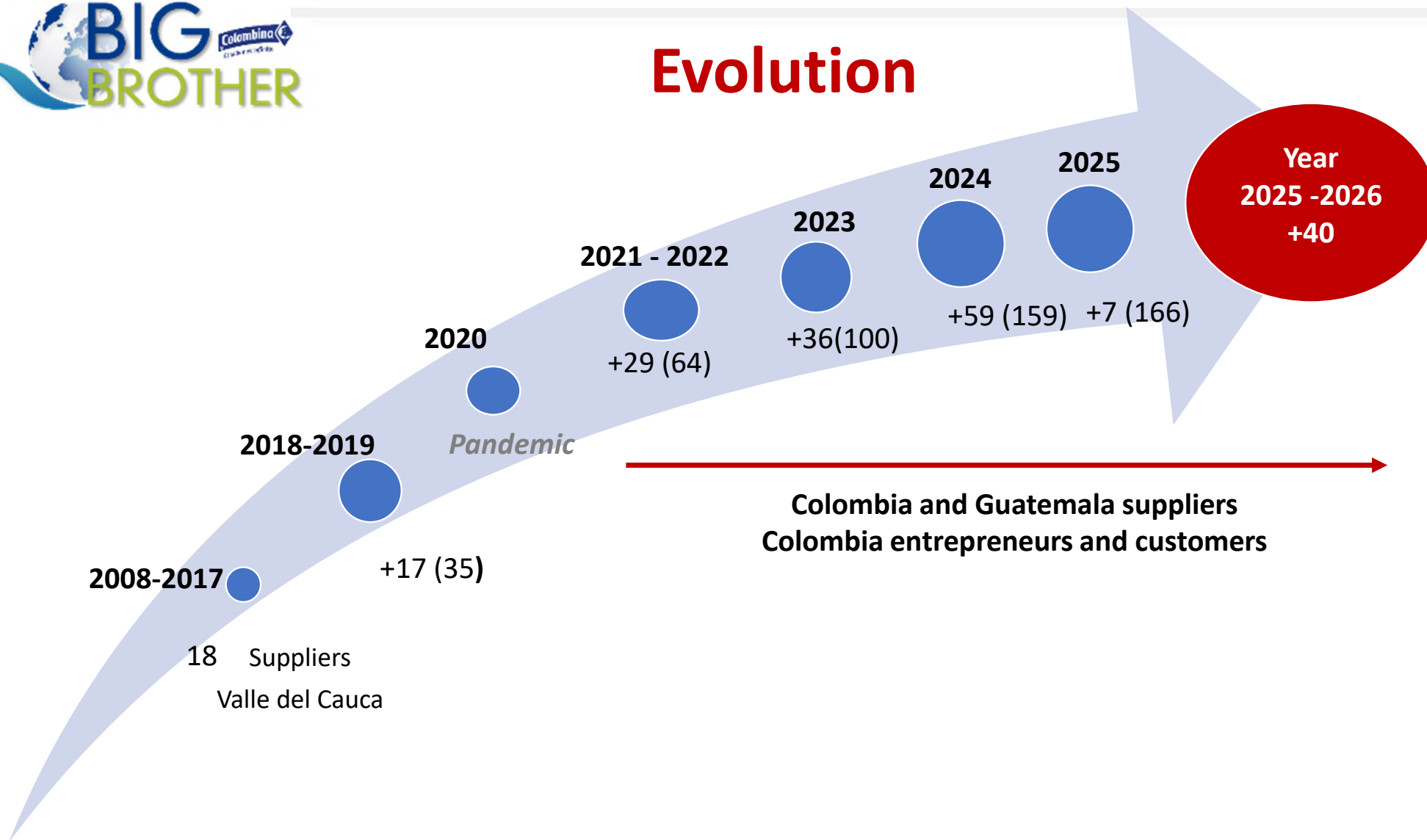
Since the program began

166

SMEs, entrepreneurs and customers in Colombia and Guatemala have benefited



Evolution



Pandemic

Colombia and Guatemala suppliers
Colombia entrepreneurs and customers



Big Brother: An Initiative that Promotes Business Competitiveness



Methodology

We strengthen the quality, safety, environmental, and security aspects of the supplier. External audit process (Icontec) with a shared seal. Strengthening of social and environmental practices (Measure What Matters).



Suppliers replicate the model to a smaller company and form an extension of Big Brother.

Suppliers receive export advice through Sidecomex in Colombia and CGW in Guatemala.

We have an internal volunteer program that advises companies on:

- Strategic Planning
- Financial Management
- Innovation
- Process Optimization
- Quality Management
- Food Safety
- Personnel Selection
- Strategic Sourcing
- Logistics Management
- Storage Management
- Planning
- Marketing
- Physical Security
- Commercial Management
- International Business
- Human Rights
- Import Processes
- Sustainability
- Environment

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KPI BIG BROTHER SUPPLIERS

128

Big Brother

*CAGR 24%

Sales

*CAGR 12%

Number of jobs

39%

Big Brother Exports

*CAGR 31%

Number of customers

29

Model Replications

**We currently have over 60 volunteers in
Colombia and Guatemala.**

CAGR calculated for the period 2008–2024



Certificación de Proveedores

Capacity building program



The program was established in 2005 with the aim of building a cohesive team and creating lasting bonds to develop a genuine business partnership between the company and its suppliers.

The program allows raw materials or packaging supplied by the vendor to enter the plant with a quality certificate as proof of compliance. This occurs once all the steps defined in the program are approved.

The program aims to:

- Recognize the commitment of our suppliers.
- Standardize processes.
- Promote closeness.
- Promote collaboration.
- Strengthen trust in the total quality of the materials provided.

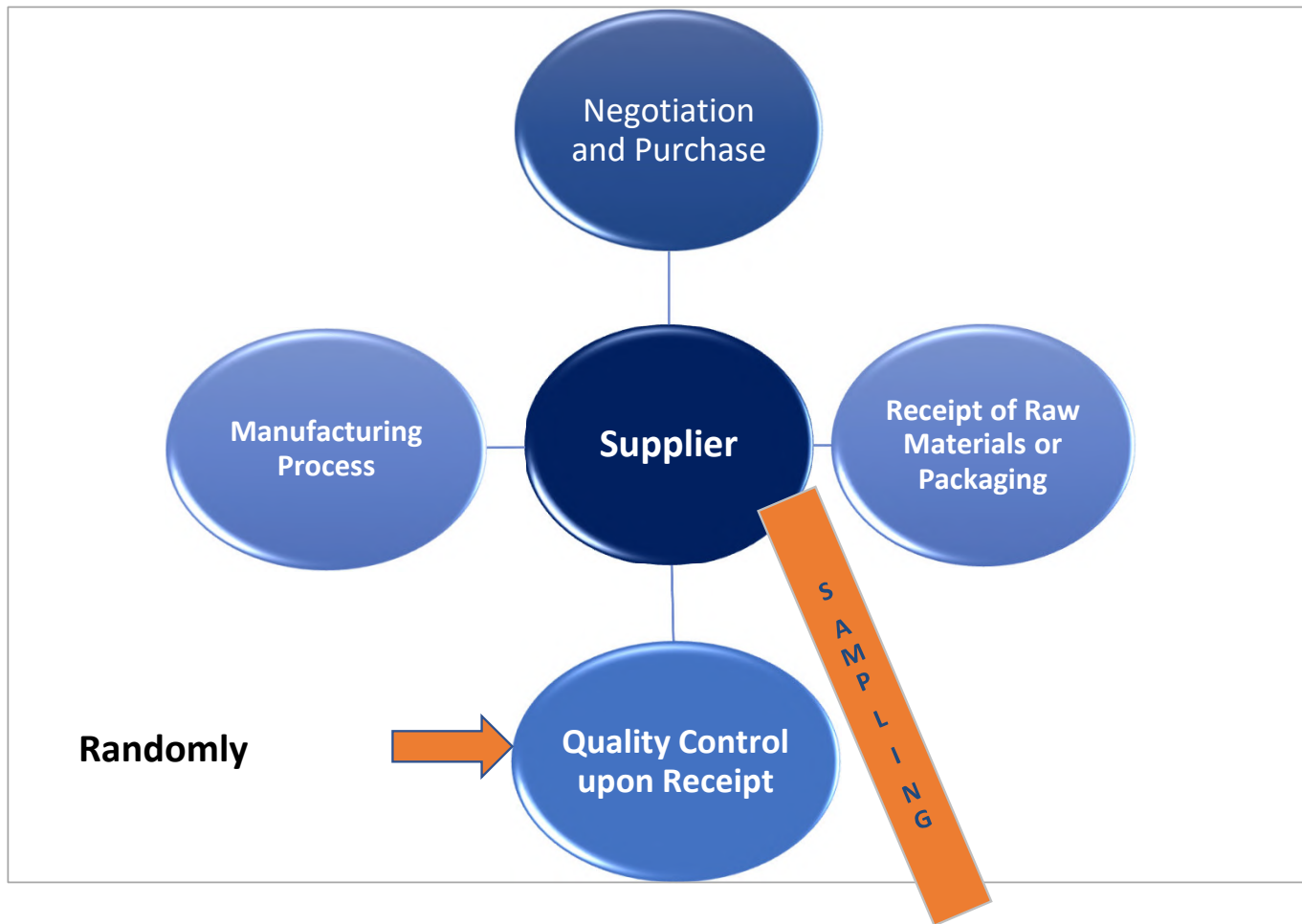


General Scheme of the Program

Capacity building program



Once the supplier is certified after having the standardized, evaluated, and approved process, lot validation is conducted randomly, and the results are based on the certificate sent by the supplier via email. The supplier is certified for the first time and then recertified every three years.





General Scheme of the Program



We completed the different phases of the program with a group of 11 companies in Colombia and Guatemala. These 11 companies, supplying raw materials and packaging, help us reach the goal of 71 certified companies.

The companies will receive their graduation at the Crece Colombina 2025 Awards event.

We have reached 71 companies

We are certifying 11 domestic and imported companies in Colombia and Guatemala.

This group has an outstanding performance in meeting their indicators:



73% of significant suppliers are part of this program



AGRICULTURAL DEVELOPMENT



AGRICULTURAL DEVELOPMENT

In-house Financing



As part of a process built on trust and belief in the company's purpose, in 2024 Colombina began providing seed capital of up to COP\$10 million per hectare to chili pepper farmers. The loans are repaid upon delivery of the chili peppers and carry no interest.

By the end of 2024, the program had closed with nearly COP 300 million in loans, achieving a portfolio with zero defaults—demonstrating both the farmers' commitment and their close relationship with the company.

Parametric Environmental Insurance



Colombina, through Seguros Bolívar, acquired the "Tranquilidad Rural" product, a tailor-made parametric insurance designed for Colombina's chili pepper agricultural supply chain.

A total of 30 farmers are covered, with 29.5 hectares insured..

Valle del Cauca Government Project



The Valle del Cauca Government allocated a COP 400 million fund to finance 20% of the loans taken by new chili pepper farmers wishing to plant for Colombina.

A public call for applications was held, potentially benefiting 15 new chili pepper farmers.



AGRICULTURAL DEVELOPMENT LAUNCH OF THE BIG BROTHER AGRICULTURAL PROGRAM

In 2024, we launched the Big Brother program aimed at a group of agricultural suppliers, with the goal of transferring knowledge and best practices to contribute to their productive, administrative, financial, commercial, and quality growth, among other areas, supported by both internal and external volunteers who strengthen their processes.

This first group is made up of seven farmers from Valle del Cauca and Quindío.

Additionally, the agricultural suppliers were evaluated on their social and environmental practices, with the objective of measuring their social, environmental, and economic impact in the regions where they operate.

The Big Brother program is, without a doubt, an initiative that promotes business competitiveness in Colombia and Guatemala.





AGRICULTURAL DEVELOPMENT

Commemoration of special dates



June 2 is the date designated in Colombia to honor farmers. Colombina joined in this celebration, which highlights the role of farmers in the country's development.

With an invitation to the Preserves Plant, 25 farmers participated in a breakfast, lunch, and other activities that showcased the importance of their work within Colombina's value chain.

Integration into Colombina Markets Benefits



Starting in the second half of 2024, farmers from Valle del Cauca and Quindío who supply chili peppers to the company were registered in the Colombina Markets system to receive a 10% discount on their purchases.

Participation in Fairs and Specialized Events





AGRICULTURAL DEVELOPMENT

Special Visits to Learn About the Agricultural Value Chain



Sustainable Agriculture Program – USAID
Farmers from Córdoba and Catatumbo.



Productive Conversion
Subprogram of PRODECO,
operated by SOCYALa
Jagua de Ibirico, Cesar.

Transition to Direct Procurement of Common Guava



Since August, the Procurement Management team has successfully negotiated direct purchases of common guava with six farmer organizations from the Province of Vélez, Santander. This initiative benefits around 100 farming families by ensuring a stable price for their produce—ensuring that those **who grow it are the ones who sell it.**

AGRICULTURAL DEVELOPMENT

✓ Water consumption reduction programs

The use of modular irrigation and the installation of drip irrigation systems are promoted to optimize water resources during the fertigation stage. Soil type is taken into account to determine whether a single or double tape system is most suitable for the crop's needs.

The team also promotes the conservation of gallery forests and the protection of water springs as part of a comprehensive approach to farm management.

In addition, innovations are encouraged to improve efficiency in water and energy use, as well as to preserve this resource to ensure its availability during periods of scarcity.



AGRICULTURAL DEVELOPMENT

✓ Protection of soil health

The use of mulch or coverings is implemented, along with the application of amendments (phosphate rock) and substrates (microorganisms, compost) before sowing and during the crop development stage, as a preventive measure to reduce the risk of disease and pest occurrence.

Traditional and ancestral practices are also revived to promote vegetative growth while protecting the beneficial microflora and microfauna of the crop.



AGRICULTURAL DEVELOPMENT

Reduction of Environmental Pollution



The proper storage and disposal of agronutrient containers and packaging is promoted, avoiding spills and open burning.

Weed control and management is carried out mechanically, reducing the use of synthetic chemical products. Additionally, plastics used in chili beds are managed through best practices to extend their useful life and achieve more production cycles with the same material.



Integrated Pest and Disease Management (IPM) is implemented, promoting the release of biological control agents such as Trichogramma and lacewings.



Prevention of Ecosystem Degradation

All practices and programs developed have the primary goal of prevention. Initial trials of agroforestry arrangements have been carried out in combination with coffee crops.



AGRICULTURAL DEVELOPMENT

Reduction of GHG Emissions:

With the support of a group of farmers, crop cultivation under mesh houses or greenhouses has been promoted, thus reducing the use of synthetic chemical products that impact the environment. Additionally, the preparation of bio-inputs and equipment calibration programs have been implemented to optimize and make more efficient use of resources. The burning of plastics has been controlled by collecting them and ensuring proper disposal in designated sites.

Hybrid jalapeño pepper crops have been developed in mesh houses.





CROPER

Platform for crop monitoring, traceability, practices, and yields.

Menú

Producción
Siembra
Nutrición
Labores culturales
Proyección de cosecha
Cosecha
Plagas y enfermedades
Rendimiento de cosecha

Creada	Tipo	Vence	Estado	Actividad	Creador
29 de noviembre de 2024	Tarea	29 de noviembre de 2024	Completado	Siembra	Agromariti SAS
12 de noviembre de 2024	Tarea	12 de noviembre de 2024	Completado	Siembra	Simon Botero
17 de octubre de 2024	Tarea	01 de noviembre de 2024	Completado	Siembra	jair Carvajal Lenis
08 de octubre de 2024	Tarea	01 de noviembre de 2024	Completado	Siembra	jair Carvajal Lenis
13 de agosto de 2024	Tarea	01 de noviembre de 2024	Completado	Siembra	Juan Jose Aristizabal
08 de julio de 2024	Tarea	01 de noviembre de 2024	Completado	Siembra	Fernando Zambrano

Crop stages

Nutrient application

The platform enables the recording and monitoring of key agricultural management data, including the product to be applied, the recommended dosage, the crop, the type of application, and the application date.

Creada	Tipo	Vence	Estado	Actividad
03 de diciembre de 2024	Tarea	03 de diciembre de 2024	Completado	Control de plagas y enfermedades
29 de noviembre de 2024	Tarea	30 de noviembre de 2024	Expirado	Control de plagas y enfermedades
29 de noviembre de 2024	Tarea	27 de noviembre de 2024	Expirado	Control de plagas y enfermedades
29 de noviembre de 2024	Tarea	26 de noviembre de 2024	Expirado	Control de plagas y enfermedades
29 de noviembre de 2024	Tarea	29 de noviembre de 2024	Expirado	Control de plagas y enfermedades
18 de noviembre de 2024	Tarea	18 de noviembre de 2024	Completado	Control de plagas y enfermedades
12 de noviembre de 2024	Tarea	13 de noviembre de 2024	Completado (tarde)	Control de plagas y enfermedades

Pest and disease monitoring

Georeferencing



Integration with environmental layers



The platform incorporates plot georeferencing and integration with environmental layers, enabling, for example, the identification of whether a plot has undergone deforestation.