



Sustainability Report

2020

Sustainability Award
Bronze Class 2021

S&P Global

Grupo Empresarial Colombina

Solar Farm at Cookies and Crackers Plant, Santander de Quilichao, Cauca.

Table of Contents

Message from the CEO

◆ **EDITORIAL TEAM**
Pierangelo Marchetti
 Vice-president of Strategic Planning

Isabella Henao
 Communications Director

Maria Juliana Giraldo
 Strategic Planning Analyst

The Juju Agency
 Design and Development

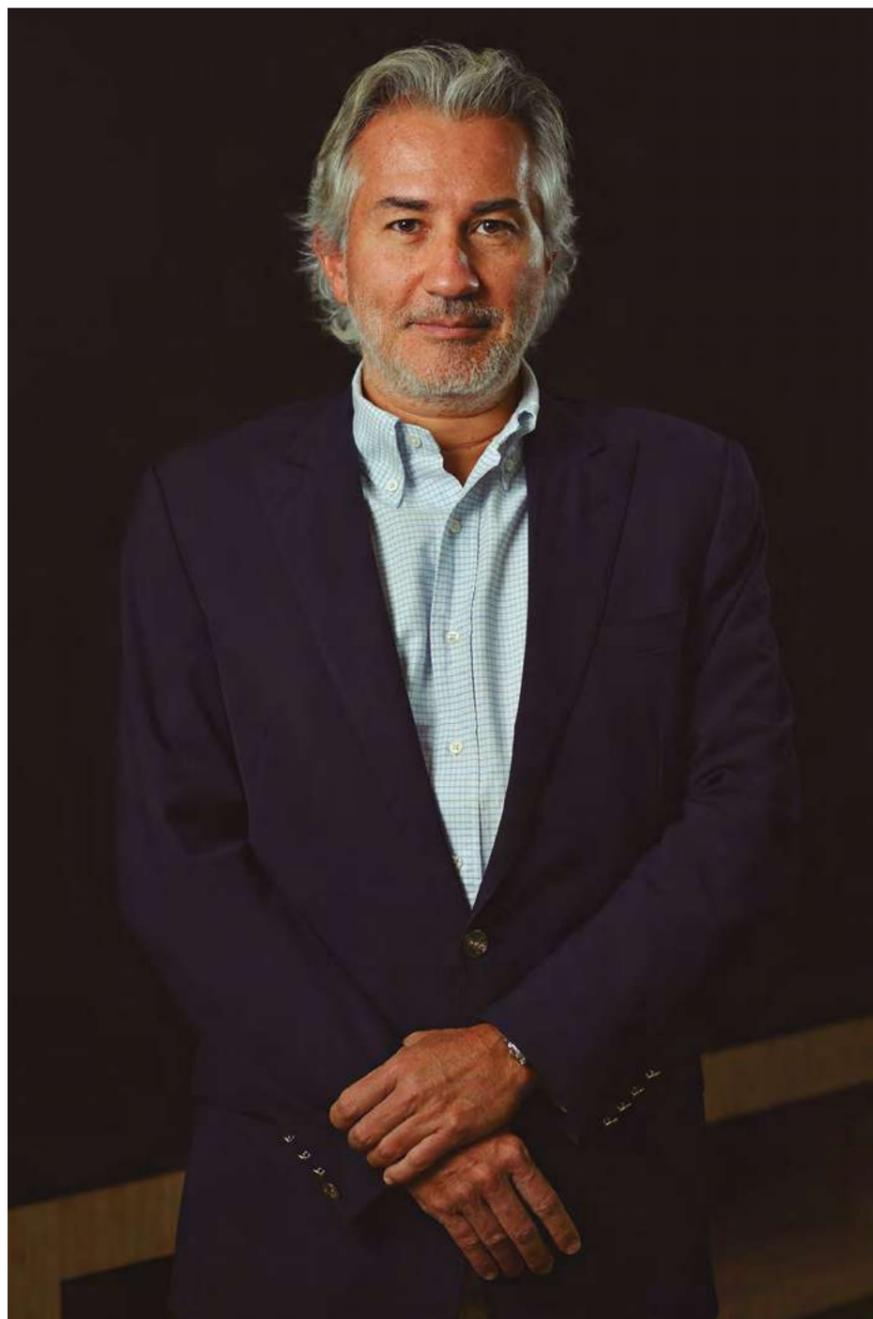
◆ **CONTACT INFO**
Pierangelo Marchetti
 Vice-president of Strategic Planning
 pmarchetti@colombina.com

Florencia Peña
 Vice-president of Corporate Marketing
 fpena@colombina.com

Colombina S.A.
 Carrera 1 # 24-56
 Edificio Belmonte
 Landline (57 2) 886 1999
 Fax (57 2) 885 1811
Cali, Colombia

This document is an executive sustainability report. For more information about our sustainable management go to: sostenibilidad.colombina.com

| | | | |
|----|---|--|---|
| 01 | About Us | | <ul style="list-style-type: none"> Colombina in numbers Value Chain Recognition Steps to a Better World |
| 02 | A better world tastes better | | <ul style="list-style-type: none"> Sustainable Management Model |
| 03 | Environmental Performance | | <ul style="list-style-type: none"> Efficient Water Use Energy Efficiency Climate Change Management Waste Management and Reduction Packaging Strategy |
| 04 | Social Development | | <ul style="list-style-type: none"> Education Culture Sports |
| 05 | Fostering Competitiveness | | <ul style="list-style-type: none"> Supplier and Contractor Relations Production-process Quality and Safety |
| 06 | Our Employees | | <ul style="list-style-type: none"> Labor Well-Being and Working Conditions Health and Safety Organizational Development |
| 07 | Transparency and Nutrition | | <ul style="list-style-type: none"> Strengthening Nutritional Profiles Innovative Product Selection Client and Consumer Relations |
| 08 | Economic Efficiency and On-going Growth | | <ul style="list-style-type: none"> Financial Sustainability Corporate Governance Risk Management |
| 09 | Financial Statements | | <ul style="list-style-type: none"> Profit and Loss Statement Balance sheet Tax Auditor Report Independent Review Memorandum |



 **CÉSAR A. CAICEDO J.**
Chief Executive Officer
Grupo Colombina

Message from the CEO

2020 was one of the most complex years we have experienced in recent years. COVID-19 had a wideranging effect on social and economic dynamics around the world, generating great uncertainty, but even more desire to overcome adversity. This gave us the opportunity to demonstrate our resilience once more, and for companies, to strengthen sustainability strategies as progress drivers - to stride ahead hand-in-hand with stakeholders.

Colombina faced one of the biggest challenges a company could dare during the pandemic, and it was to continue to maintain 100% of the food supply chain, as well as keep being for our employees and their families: we kept our business running by guaranteeing compliance with all biosafety protocols to safeguard the health of our employees. It was not easy, but thanks to everyone's commitment, we kept our direct staff on and continued paying their salaries and bonuses on time, and in full.

Colombina also pitched in for several wider community initiatives to help shore up the population that was most affected by COVID-19 lockdown measures in Colombia: over 16,000 boxes of groceries and energy kits containing Colombina products were delivered; \$621 million pesos were donated for the purchase of medical items: 55,500 biosafety items were distributed amongst the communities around Colombina's plants, nearby hospitals and to local small merchants. In addition, The Colombina Foundation transitioned to online program and plan execution to continue with beneficial aid to surrounding communities.

Undoubtedly, none of these efforts would be possible if we had not already possessed a clear strategic sustainable vision, which demonstrate our commitment to generating value for all our stakeholders. This efforts have been recognized by Standard & Poors with the promotion to Bronze Class in its Sustainability Yearbook. We received this recognition with pride and satisfaction, because it ranks Colombina as one of the best companies in the food-industry in terms of sustainable practices worldwide.

Colombina's financial results are a manifestation of the solidity of the organization: despite the recent complex panorama and convoluted economic environment, our company pulled in a consolidated net income of 516 million dollars with an EBITDA margin of 11.1%.

Looking ahead, we find out that COVID-19 has engrained deep lessons in all of us, reaffirming the importance of teamwork, of being supportive and responsible with one's fellow human beings, and above all, the communication rooted in empathy. I am convinced we will emerge from COVID-19 stronger than ever – more than able to meet the future with optimism and dedication. I would like to finish by thanking all of our employees: they fulfilled a historic task, and were unwavering in their willingness to keep the business going and strive as a team to ensure that families around the world had food at home. ♦



01 About Us

Colombina in Numbers:

Sales of
516
million of dollars

37%
International Sales

11,1%
EBITDA Margin

14
Countries under
Direct Operation

+90
Countries Consume
Colombina Products

6.824
Direct Staff

We turn out over
186.000
tons of food



Value Chain

01 VALUE CHAIN
 We have a group of over 4,000 suppliers.
 Colombina's main ingredients and packaging materials:



- INGREDIENTS:**
- Sugar: 27%
 - Fats/Oils: 12%
 - Corn derivatives: 12%
 - Grains/Cereals: 13%
 - Dairy products: 7%
 - Essences/Extracts: 6%
 - Cocoa derivatives: 4%
 - Fruit pulp: 2%
 - Miscellaneous: 17%
- PACKAGING:**
- Flexible Material: 54%
 - Cardboard: 17%
 - Foldable/Cases: 6%
 - Rigid containers: 3%
 - Miscellaneous: 20%

02 MANUFACTURING PROCESS:
 We have 7 production plants: 5 in Colombia, 1 in Spain and 1 in Guatemala, all of which have food safety certification.
 Over 3,400 employees contribute to the manufacture of Colombina products in our production plants.



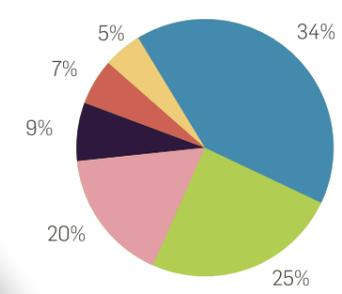
03 PORTFOLIO:
 We have a diverse product portfolio covering 19 food categories.



- FOOD-CATEGORY LIST:**
- Candy
 - Chewing gum
 - Chocolates
 - Snacks
 - Crackers
 - Cookies
 - Cakes
 - Ice cream
 - Tomato sauces
 - Mayonnaise
 - Mayonnaise-based sauces
 - Dairy desserts
 - Baby food
 - Jams
 - Drinks
 - Spices
 - Olive oil
 - Canned fish
 - Coffee

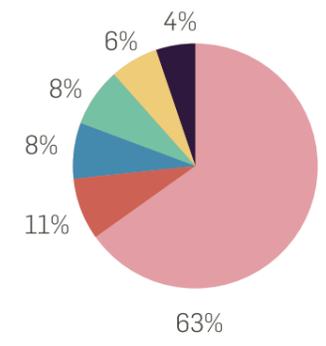


Sales mix by business



- Candies
- Cookies and Crackers
- Third Party Products
- Preserves
- Ice Cream
- Chocolate and Snacks

Sales mix by region



- Colombia
- Central America
- Andean Region
- Other International Markets
- USA
- ENAM Region (Europe, North Africa and Middle East)

07 CIRCULAR ECONOMY REUSE:
 We have joined forces with ANDI, National Association of Industry to be part of their Vision 30/30 project.
2030 Goal: To reach reuse levels of 30% for packaging material in circulation nationwide. Alliance with the Bottles of Love Foundation.



06 CONSUMERS:
 Millions of consumers in over 80 countries around the world, enjoy the endless flavor of Colombina.
 Bon Bon Bum is leader in 16 countries
 Colombina has 65 point of sales in Colombia



05 CLIENTS:
 Colombina's products reached over 750,000 customers worldwide with our strong sales force of more than 1,700 people.



04 LOGISTICS AND DISTRIBUTION
 • 43 distribution centers
 • 9 shipping companies
 • 654 logistics personnel
 • 42 primary-transport companies
 • Over 400 secondary-transport vehicles



◆ Recognition

Sustainability Award

Bronze Class 2021

S&P Global

COLOMBINA HAS GARNERED A FOOD-INDUSTRY BRONZE CLASS DISTINCTION IN STANDARD & POORS' 2021 SUSTAINABILITY YEARBOOK.

According to Standard & Poors, Colombina rose to Bronze in its **2021 Sustainability Yearbook**, for being one of the top companies in food-industry sustainability performance.

"We congratulate Colombina S.A. on its BRONZE Award in The Sustainability Yearbook 2021, which showcases the best performing companies among industry peers and in terms of financially material ESG metrics. With over 7,000 companies assessed, an inclusion in the yearbook is a true statement of corporate sustainability excellence" said Manjit Jus, Global Head of ESG Research, S&P Global.



We have been recognized by the **Carbon Disclosure Project – Climate Change CDP** for being among the best food companies in Latin America with a climate change management ranking of 4th place.

The Carbon Disclosure Project (CDP) released its list of companies which demonstrate and strive for a global public commitment to reduce climate change.

Over 9,600 companies around the world participated in CDP's voluntary initiative: it is one of the main platforms for companies environmental reports.



Colombina took **4th Place in the food-and-beverage** sector by Merco Talento for its capacity to attract and retain talent.

Colombina also took 5th Place with Merco Empresas for having **one of Colombia's food sector's best reputations**.

◆ Steps to a Better World

Colombina's wager on renewable energy:

In alliance with the Occidente CEO energy company, we built a solar energy self-generation plant adjacent to our baked-goods plant in Santander de Quilichao, Cauca.

The solar-energy plant is a 22,000 square meter building with 4,890 panels that produce more than 2,716,000 kWh/year of energy, which corresponds to 20% of the food plant's annual energy consumption. as a result, it contributes to the reduction of more than 1,000 tons of CO2 per year.

Colombina acquired the first long-term sustainable loan in the nation:

BBVA bank granted Colombina a sustainable \$45,000 millions (COP), a five year loan. This sustainable operation is first in Colombia. It is also one of the very first formalized under the 'Sustainability-Linked Loan Principles' for a food-and-beverage company in Latin America.

The interest rate for this type of financing is linked to the evolution of an environmental indicator, such as a reduction in our carbon footprint.

This is just one example of Colombina's commitment to undertake ambitious in its efforts to combat climate change.





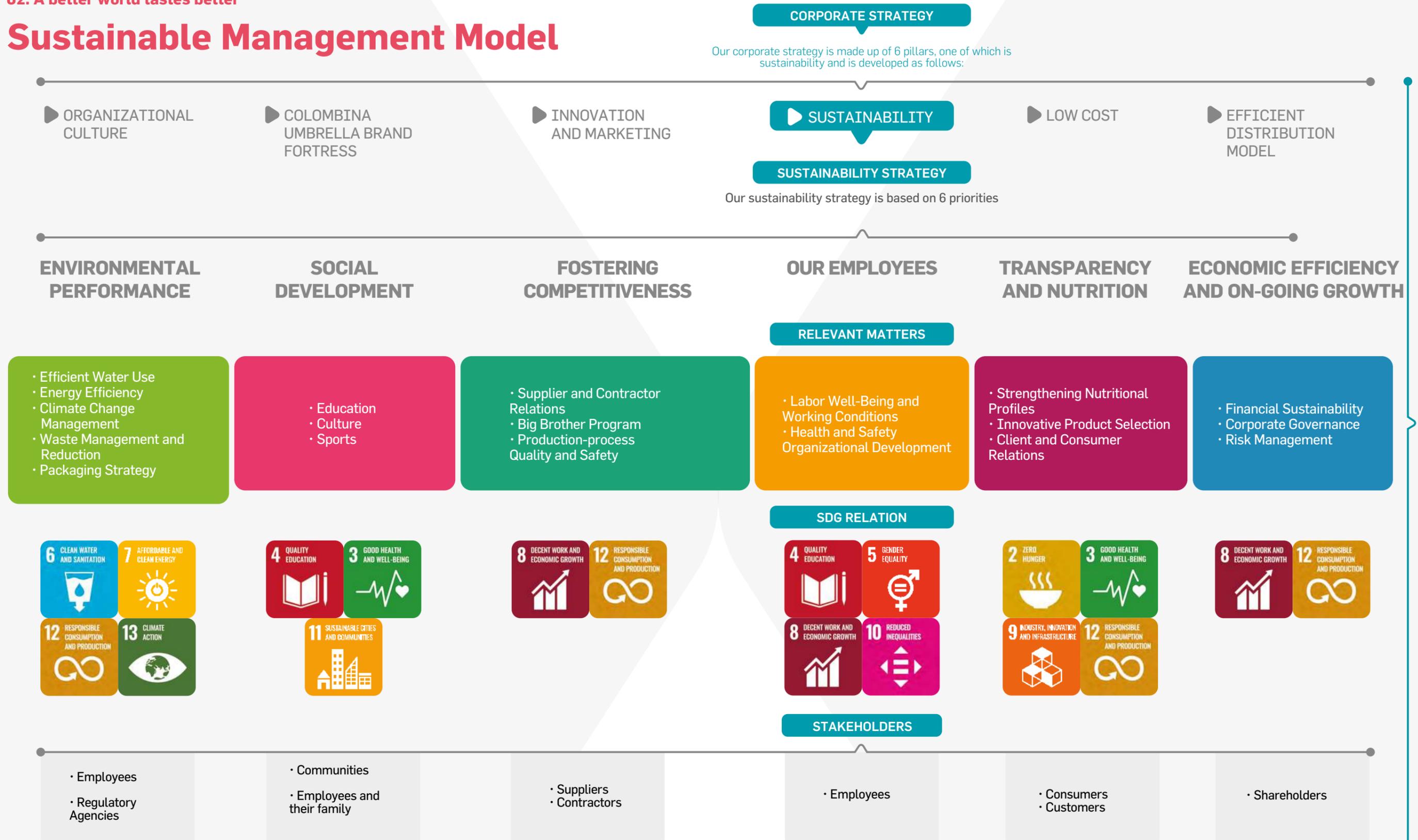
02

A better world tastes better

If we learned anything at all from 2020, it was the basic reassertion that everything we do is interconnected and therefore, the outcome of our actions, in one way or another, reverberates around the world: that is why we are convinced that, “A better world tastes better”.

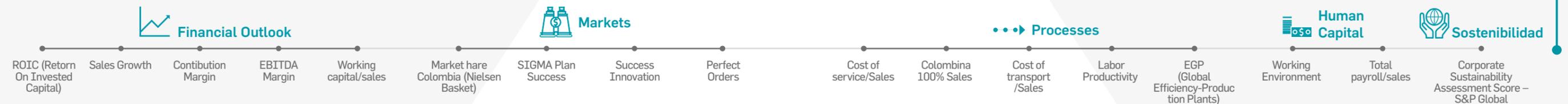
This philosophy is a fixture of operation at our company - we run it right through our company as a cross-sectional driver. And, we bring this stance to life by means of our strategies and initiatives that extend out to each of our stakeholders allowing us to grow with them hand-in-hand:

Sustainable Management Model



GENERATE LONG-TERM VALUE FOR ALL STAKEHOLDERS

We have 17 KPI tied to employees performance evaluation and variable compensation to monitor these strategic pillars:





03



Environmental Performance

◇ How Colombina is tackling COVID-19

The pandemic significantly affected most of our production, because, as demand decreased water consumption increased to ensure an on-going disinfection. Also, the use of electricity increased to keep up temperature and humidity conditions on production lines. However, we achieved rigorous monitoring of every process and maintained our indicators to, in the end, we achieved positive results.

◇ Relevant Matters

In 2020, we strove ahead with management of our Environmental Performance Sheet doubling down on the following relevant matters:

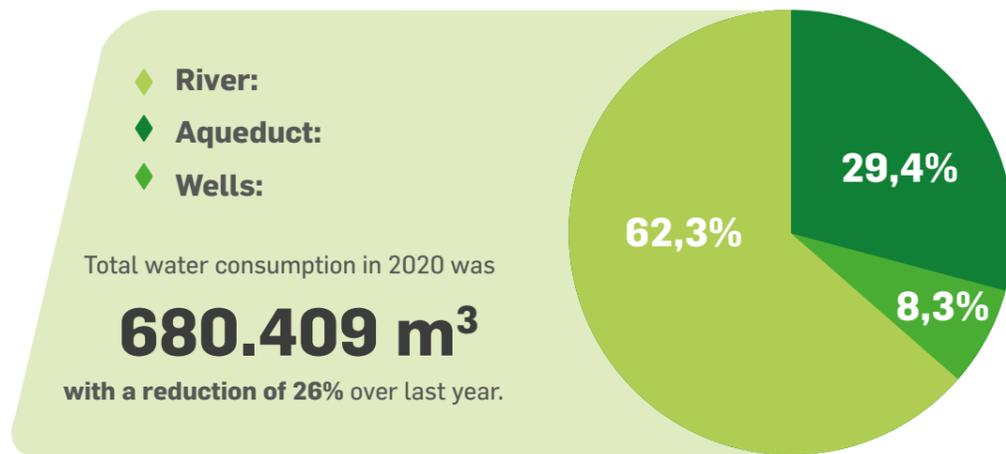
- Efficient water use
- Energy efficiency
- Climate change management
- Waste management and reduction
- Packaging strategy

1. Efficient Water Use

◇ WATER CONSUMPTION (M3/TP)



◇ WATER-CONSUMPTION TOTAL BY SOURCE



◇ Recognition:



Colombina has been recognized by the District Environmental Secretary at its latest District Environmental Excellence Program in the Environmental Excellence category. This initiative is an annual public recognition venue that the District Secretary grants to companies within the city limits for their good environmental performance and outstanding approach to Corporate Social Responsibility in environmental matters.



In recent years, we have focused our efforts on water efficiency in two main ways: firstly, by applying conscious approaches to minimize usage in all production processes; and secondly, by ensuring that our wastewater treatment is geared towards returning the plant's water in better condition than it came in.

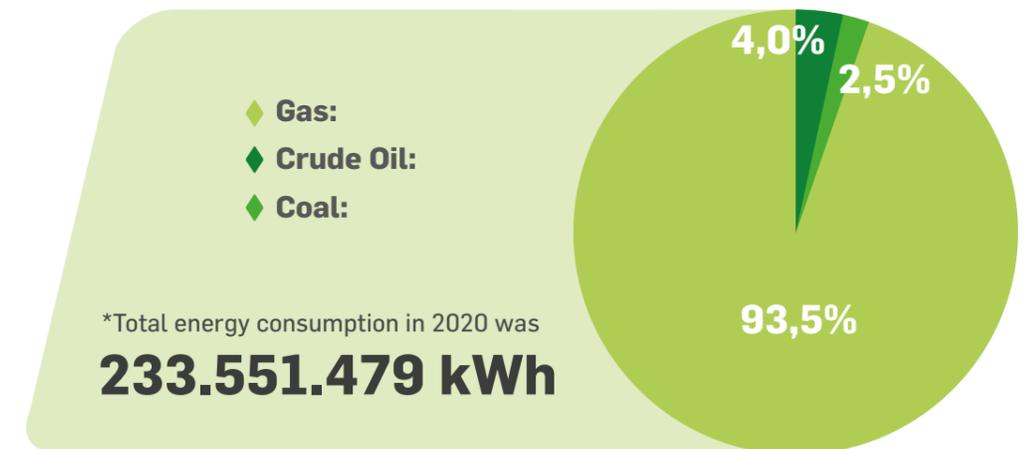
2. Energy Efficiency



◇ ENERGY CONSUMPTION kWh/tp



◇ DIRECT ENERGY CONSUMPTION BY PRIMARY SOURCE



03. Environmental Performance



We built a self-generating solar-energy farm in Cauca Department!

Aware of the environmental impact of fuel consumption, we continue to put measures in place and develop projects that meet the Colombian national government's expectations set forth in its Green Growth Policy by fomenting sustainable development around the region.

With the inauguration of our 22,000 square meter solar farm in Santander de Quilichao, Colombina will produce more than 2,716,000 kWh/year, generating greater operational efficiency in our plant and saving approximately 1,000 tons of CO2 per year.

TOTAL EMISSIONS (TONS OF CO2)

38.784 SCOPE 1
14.125 SCOPE 2
7.733 SCOPE 3

◆ VALLE CARBON NEUTRAL PIONEER CERTIFICATION ◆



Our Confectionery Plant obtained the Valle del Cauca Carbon Pioneer Certificate granted by the Corporación Autónoma Regional (CVC) of Valle del Cauca Department, which recognizes the measures implemented by our plant to mitigate climate change impacts through the implementation of programs and strategies aimed at improving air quality in Valle del Cauca, through the measurement, certification and drawing up of GHG emissions management plans.

◆ Logistics and Transportation



In Colombina we firmly believe in using fleets that promote cleaner renewable energy sources.

3. Climate Change Management

CARBON FOOTPRINT (SCOPES 1 AND 2) KG CO2/TP



03. Environmental Performance

As our contribution to mitigating climate change and reducing polluting emissions in 2020, we have been working on the following initiatives:

- Our electric trucks traveled over 100.000 km, making 1.708 trips **preventing the generation of 19,35 Tons of CO2e.**
- With our high cubic-capacity gas-combustion vehicles we emit 57.93 tons of Co2, which, compared to standard vehicles, **allows us to avoid throwing 150,98 tons of CO2e into the environment, and reduces trips by 478.**
- In 2020, we reduced empty-transit in our own fleet traveling 27,222 km during 78 dispatches, for **a reduction of 22,7 Tons of CO2e.**



Colombina's world of flavor is transported by a natural-gas fleet!

As one of the main priorities of our Environmental Performance sheet, we acquired four 100% natural-gas vans, which form part of our transportation fleet and cover the Santander de Quilichao - Bogotá route. This is just one way that Colombina continues its active contribution to sustainable development, and which will allow us to:

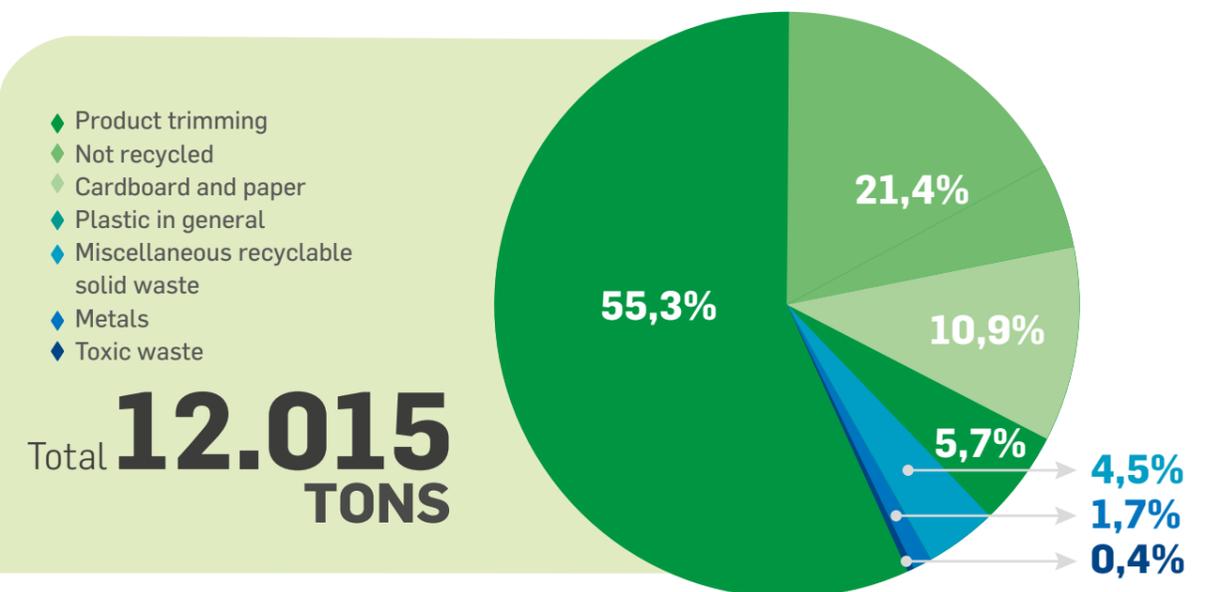
- A reduction of up to **26% in our carbon footprint** and migration to cleaner fuels.
- An improvement in product transport-conditions, as the new vans provide higher quality and better transport practices.
- The reduction in the number of trips on this route, **avoiding 33% of trips** required with a conventional fleet.

4. Waste Management and Reduction

WASTE RECYCLING



WASTE BY TYPE AND BY MEANS OF ELIMINATION



03. Environmental Performance

This plant obtained re-certification for Zero Waste Sustainable Management System, with a score of 98.8 - GOLD category.



Colombina's baked goods plant got onboard with zero-waste and achieved Zero Waste re-certification!

Thanks to its 97.5% increase in waste re-use percentage, this plant serves as a sustainable benchmark for the nation - distinguishing itself as a venue where "garbage" is a raw material to be exploited.

5. Packaging Strategy:



GOAL 2030

Achieve that 100% of our containers and packaging are recyclable, reusable and/ or compostable.

Colombina's packaging strategy is based on the following:

1. **Baseline Reduction:** Reduce, substitute, re-use and re-think the materials used in our containers and packaging.
2. **Recyclability:** Implement eco-design and eco-effectiveness methodologies as a guideline for the design, re-design and re-formulation of materials.
3. **Circularity and Use:**
 - We support the promotion of collection, classification and recycling schemes.
 - We encourage working with partners throughout our value chain and inside our industry associations.
 - We seek to link with programs that collect and re-use packaging material.



30/30 VISION

Over the course of 2020, we kept up with our participation in the 30/30 Vision collective, which is an initiative led by hundreds of companies committed to close the cycle of packaging and packaging materials, contributing to a circular economy.

For 2021, our transformation objective is 10% and looking forward to achieve 30% in 2030.

RE-USE PROGRAM

This program consists of the reuse of product boxes that leave our plants and distribution centers and go out to clients. On average, the same box gets re-used up to 8 times. This year we were able to recover over 400,000 boxes, equivalent to 114 tons of cardboard, **reducing the felling of trees by 1,943.**



WE JOINED FORCES WITH BOTTLES OF LOVE FOUNDATION

This year we joined the **Bottles of Love Foundation**, an initiative in which we seek to raise awareness about the proper use of plastic waste from containers and packaging that can later be transformed into playgrounds, urban furniture and homes to benefit the population.

We have set up collection points for Bottles of Love and a various shopping centers in Bogota, Cali and Medellín to collect full untampered bottles.



04 Social Development:

◇ Tackling COVID-19

At Colombina, we have always worked hand-in-hand with our surrounding communities to contribute to their development and well-being. Faced with the social and economic crisis experienced in 2020, we reaffirmed our role as knowing how fundamental and significant it is, to step in as participants for several campaigns geared toward aiding the most affected sectors of our nation's population.

Colombina's shareholders and employees contributed to the purchase of medical supplies, donation of groceries for vulnerable families and lent support for small businesses with the following initiatives:

#NoHungerAtHome (#SINHAMBRENCASA)

While the impact of Covid-19 has been remarkable throughout the various economic sectors of our nation and on our social dynamics in general, informal workers became one of the segments hardest hit by the pandemic with no means to pursue their already precarious day-to-day livelihood, they remain with no proceeds to survive on even after a general re-activation of the formal economic sectors.

To support these vulnerable people, #NoHungerAtHome (SinHambreEnCasa) Colombina created this initiative with the Falcao Foundation and the "Food Bank", which encouraged all colombians to donate groceries. \$235 million pesos were collected.

PROPACÍFICO

We donated \$600 million pesos to buy medical items and \$400 million pesos for the purchase of groceries for vulnerable families in the cities Barranquilla, Buenaventura and surrounding plant zones in Valle del Cauca and Cauca Departments.

In addition, Colombina employees ran a donation campaign, and collected \$85 million pesos toward the purchase of 1,059 boxes of groceries that were delivered to the communities in our surroundings areas such as Bugalagrande, Zarzal and Santander de Quilichao.

04. Social Development:

Other Measures:

- We delivered **over 16,000 groceries and energy kits** with Colombina products.
- Our plants donated **52,288 biosafety** items to nearby hospitals.
- We contributed **\$50 million pesos** to the #HelpUsDoGood (#AyudarNosHaceBien) Colombian government initiative to supply food to low-income Colombian families.

Recognition for Top-notch Community Action



Colombina has been recognized by Tuluá Mayor's Office and the Zarzal Council for its sustainable management during the pandemic in lending aid to the outlying communities around our production plant: **8,240 nutritional kits, 3,338 purchases and 52,288 in biosafety elements.**

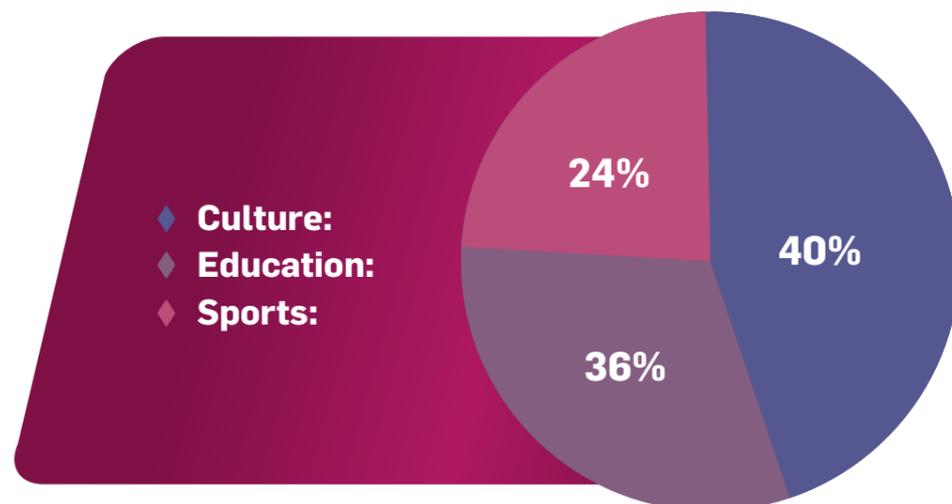
Relevant Matters

At the same time, we continue to develop the programs of the **Colombina Foundation** with a focus on three subjects:

- Education
- Culture
- Sports

680 children and teenagers participated as follows:

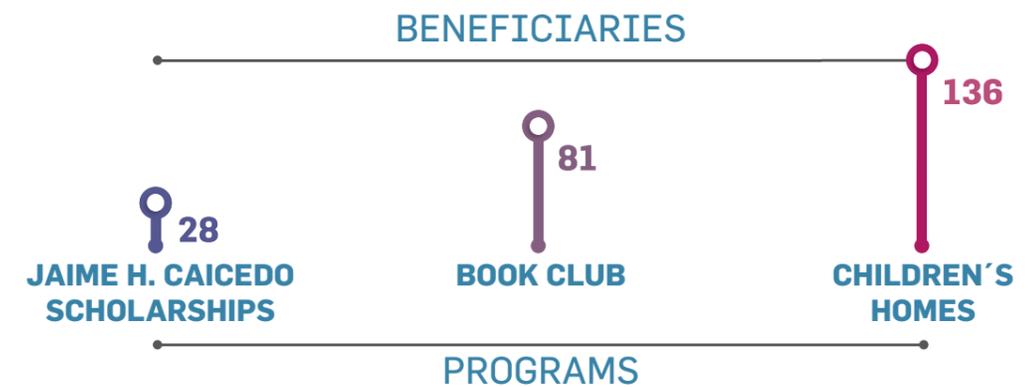
PARTICIPATION BY SUBJECT



1. Education



Colombina sees education as a main driver of society's progress. Therefore, our company offers our employees' children early childhood and higher education: a fundamental contribution to enrich children in values, culture and life project development.



2. Culture

We foster the conservation and roots of the culture throughout the communities where we operate. This generates trust amongst local populations and boosts their sense of well-being, because they get new venues for interaction from which sustainable tourism opportunities arise, which in turn helps these people recover traditions and customs.

04. Social Development:

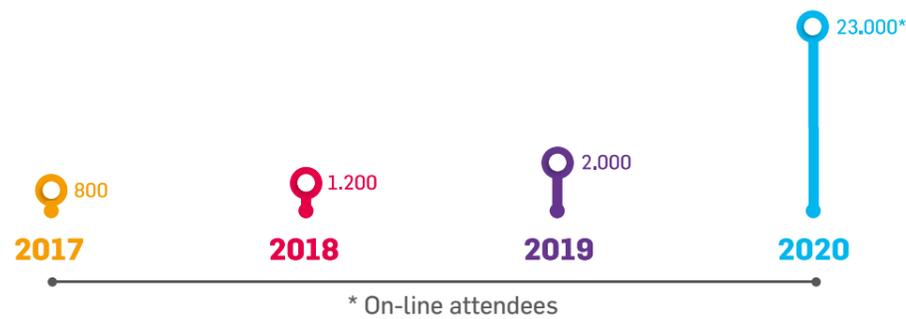
Mestizaje Festival 2020

The **Mestizaje Festival** is a good example of the recovery of musical and cultural traditions from Santander de Quilichao. This festival has been held annually in person and has gained popularity at both municipal and regional level.

It showcases the artistic development of the musical groups of the Integral Workshop of Caucanas and Colombian Music TIMCCA and of musical groups around the area that get greater public exposure.

In essence, **The Mestizaje Festival** has been able to generate venues for building identity grounded in the region's culture.

FESTIVAL ATTENDANCE OVER THE PAST 4 YEARS:



2020 MESTIZAJE FESTIVAL FIGURES:

- 16 musical groups (9 of medium trajectory · 6 medium-high trajectory · 1 short trajectory)
- 15 Facebook pages re-sent the event
- Organic social-network scope of over 23,000 spectators and 3,843 likes
- Spectators from 6 Departments around Colombia and 4 countries

BENEFICIARIES



3. Sports

Our **Jaime H. Caicedo Club** in La Paila, Zarzal it's open to **164 kids**, to encourage sports for adopting healthy lifestyles, to aid kids in deciding to stay away from high-risk or violent conditions, and as a key factor for the well-being of the family unit.

Garden of Life Closing Ceremony at The Colombina Foundation

The closing ceremony for **The Garden of Life** program was held to showcase the work done on across the board with all the foundation's programs. **The ceremony was transmitted online to over 8,300 families, in 20 departments and 11 countries.**

In 2020, the **Garden of Life** promoted the recycling of plastic plant pots: a motivation for families to plant gardens at home and move toward food sustainability, and a way to reinforce values our foundation kids bring home.





05

Fostering Competitiveness

◇ Tackling COVID-19



The unexpected onset of the COVID-19 pandemic and the subsequent government measures to contain it, actually strengthened our ties with our suppliers and contractors, and food safety became even solid and stable: we worked together in an increasingly coordinated and agile manner to guarantee food safety along the entire supply chain, by means of the following:

We double-checked biosafety protocols through videos and announcements to ensure their raw materials and transportation complied with the full gamut of protocols necessary for food safety as set forth in Colombina Food Plants.

We double-checked with our suppliers/distributors of imported raw materials to advance shipments from China and other sea-faring shipments that would be potentially delayed by lockdowns.

We upped our **raw-material inventory** by an average of two months to guarantee smooth plant operations.

We conducted **in-depth audits** on our suppliers and their transporters.

We suspended all in-person meetings and banned visits to production plants.

Our Participation in the **National Volunteer Program:**

This program aims to promote economic re-activation and job creation in Colombia through the transfer of knowledge and advice to small and medium-sized companies that have had difficulties directly caused by COVID-19.

We needed to identify specific needs, define priorities and direct the contributions of participating companies, so we conducted a survey with 694 suppliers (11% responded), which revealed that their main issues were sales, innovation and process-optimization. The advisory stage is expected to begin in 2021.

05. Fostering Competitiveness

◇ Relevant Matters

Our suppliers are key allies in our achievement of our corporate objectives, therefore, how we interact with them is immersed in Colombina's Culture of Sustainability. From this basis, we pay particular attention, in turn, to their organizational growth, their fulfillment of the highest sustainability standards and in their role as socially responsible companies.

This attention is rendered more tangible by means of the following:

- Suppliers/Contractor Relations
- Production-Processes Quality and Safety
- Big Brother Program

As we have mentioned throughout this report, small, medium and large companies took a real hit in 2020, with adjustments imposed on their processes and almost mandatory new coping mechanisms. Therefore, Colombina made the decision to suspend Big Brother during 2020, with the hopes of resuming in 2021 with a new group of 25 suppliers between Colombia and Guatemala.

1. Suppliers and Contractor Relations

SUPPLIER RELATIONSHIP MANAGEMENT (SRM) MODEL

Colombina constantly strives to strengthen communication with its suppliers, therefore, in 2020 we generated a model for greater proximity and to optimize processes:



This year, **561 suppliers and contractors** were trained through the **Colombina Corporate University** in the following topics: Code of Responsible Conduct for Suppliers, Proper Handling of Chemical Substances, Occupational Health and Safety Management Systems, Gender Equality, just to mention a few.

2. Production - Process Quality and Safety

Producing innovative, safe and excellent quality products is one of our principles of action, for this reason 100% of our plants have food safety certifications



CERTIFICATIONS BY PRODUCTION PLANTS:

| PLANT | LA PAILA CONFECTIONERY PLANT | COOKIES AND CRACKERS PLANT | PRESERVES PLANT | ICE CREAM PLANT | GUATEMALA CONFECTIONERY PLANT | SPAIN FIESTA PLANT |
|----------------|------------------------------|----------------------------|-----------------|-----------------|-------------------------------|--------------------|
| CERTIFICATIONS | GMP | GMP | GMP | GMP | GMP | GMP |
| | HACCP | FSSC 22000 | HACCP | HACCP | HACCP | BRC |
| | BRC | ISO 22000 | FSSC 22000 | | ISO 22000 | FDA FSVP |
| | FDA FSMA | ISO 14001 | ISO 22000 | | ISO 9001 | |
| | ISO 22000 | BASC | ISO 9001 | | BASC | |
| | ISO 9001 | OEA | ISO 14001 | | OEA | |
| | ISO 14001 | BASURA CERO | BASC | | | |
| | BASC | | OEA | | | |
| | OEA | | KOSHER | | | |
| | KOSHER | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |



06 Our Employees

◇ Tackling COVID-19

Colombina's main objectives over the course of 2020 rested in caring for the health of its employees, striving to strengthen inter-corporate ties and strictly implementing all necessary biosecurity measures so that its offices, warehouses, plants, sales districts and distribution centers were able to keep up operations – a year full of enormous complexity, which showed our mettle for bestowing great empathy.

We also implemented the following:

- Shelter-at-home measures for those over 60, pregnant women, employees with chronic diseases, respiratory illnesses and employees thought to have come in direct contact with COVID-19.
- We also implemented telecommuting for Managerial-level Positions.
- We distributed alcohol, hand sanitizer, face-masks and soap to our production, logistics and sales force employees.
- Constant communication to our entire organization, their families and contractors on proper care and best practices to avoid contracting and spreading COVID-19.
- Implementation and execution of biosafety protocols at our national and international levels.
- Colombina bolstered its Preventive Medicine Department with additional nursing personnel, acquisition of more medical equipment, PPE and cleaning and disinfection stocks.
- Colombina set up 3 COVID-19 telephone lines manned by its Preventive Medicine Department physicians so employees and their families could call in with queries.
- Psychological support to employees' families.
- Employee-group epidemiological control to preserve the health and lives of our people.
- Certification audits conducted by the municipal Health Secretariats at every plant and district monitoring biosafety-protocol compliance.
- Colombian conducted activities to intervene in the psycho-social risk caused by the Covid-19 pandemic.
- We took everyone's temperature at facility entrances to detect people with high temperatures and refer them to Preventive Medicine.
- Additional control measures included entryway foot-disinfecting baths, disinfection of common areas and buses using spray equipment.
- Re-distribution of plant cafeteria seating and tables to guarantee social distancing.
- Installation of acrylic screens on plant cafeteria tables to put a barrier between employees when seated and eating with their facemasks down.

06. Our Employees

We developed on-line wellness programs able to integrate employees and their families into most activities.

Other measures we launched were:



- **Health Days** On-line Conferences
- **On-line Wellness Fairs** to publicize benefits and pacts
- **On-line Bingo**
- **Story-telling Contest** for employee children
- **"The Recipe" Contest** for Colombina family participation from home
- **Halloween Contest** with rewards for creative facemasks, costumes, and greeting cards
- **Christmas-card Contest** for the whole family
- **9-day Christmas** Devotional Prayer Round
- **Celebrations for Years of Service Given**

*Despite COVID-19, Colombina kept 100% of its direct employees and sustained salaries.

Relevant Matters

Despite COVID-19 forcing us to keep our physical distance, we became closer than ever thanks to the self-reinforcing dynamics of:

- Labor well-being and working conditions
- Health and safety
- Organizational development

1. Labor well-being and working conditions:



On-the-job and Family Conciliation Process:

In 2020, we implemented new processes for on-the-job and family conciliation, which include the following:

- Extension of paternity leave to two more business days
- Extension of breastfeeding hours for the first two weeks after returning to work
- Additional day of paid leave for people celebrating five-year marks as of their tenth year of seniority

Paid-Pensioned: Safe and Sound Program

This program seeks to promote the culture of savings with Colombina's employees, with on-going information to help provide employees and their families to help reinforce them the importance of being informed about their pension, knowing the characteristics of the two pension regimes, the importance of updating and correcting employment history, and current regulations on pensions, among others.

FROM ITS BEGINNINGS IN 2014 to date, Colombina has conducted:

17,260 consulting sessions
2,783 pension training sessions
205 employees have received aid in processing their pensions
1,533 filings and claims have been carried out with pension fund entities
6,418 revised employment records

SPECIFICALLY, IN 2020, Colombina carried out:

3 pension-related training sessions
Aided 23 employees in their pension processes
51 filings and claims were made with the pension funds and 612 employment records were reviewed.

Colombina also works hand-in-hand with pension funds to provide training to employees on the loss of income due to Covid-19 lockdowns.

06. Our Employees

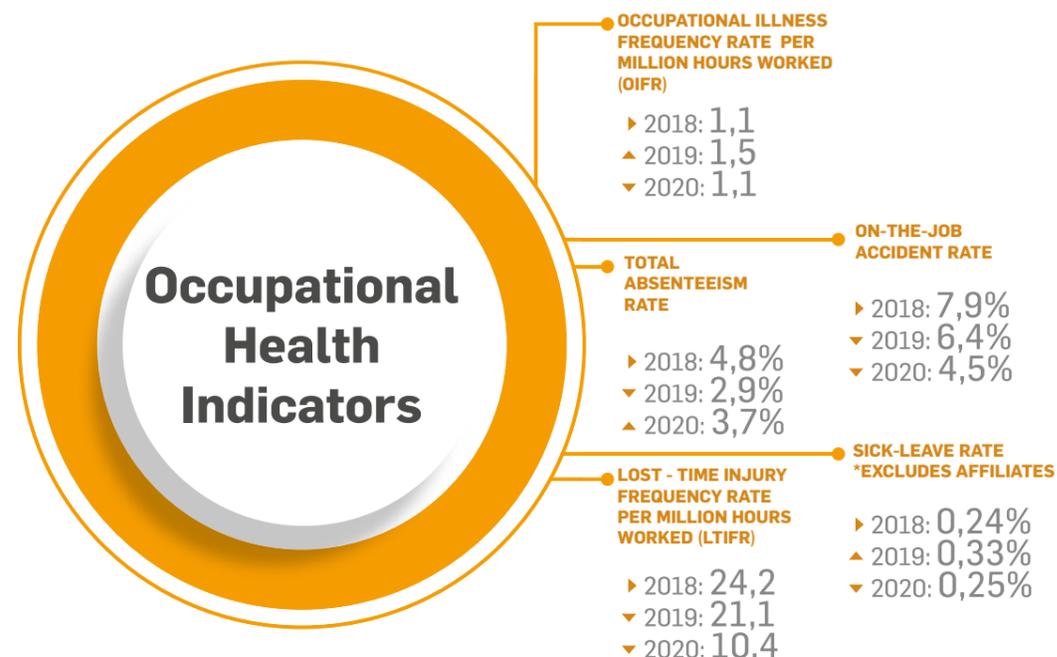
◇ Main Indicators:



◇ Women at Colombina:

- Hold **42%** of middle-management positions
- Hold **44.5%** of lower-management positions
- Hold **37.7%** of senior-management positions no more than 2 levels below the CEO
- Hold **42.7%** of income-generation managerial positions

2. On-the-job Health and Safety:



◇ Colombina's Golden Rule Program

We created this program for all production plants with the objective of preventing injuries among our employees and promoting self-care at the workplace

- 1 I perform my work following all appropriate and validated training in Human Management.
- 2 I keep my hands out of moving equipment and tools.
- 3 I let the security guards alone, so they can remain active, and I also avoid blocking them.
- 4 I report all accidents, incidents and illnesses to my immediate boss and to the Colombina's medical department.
- 5 I immediately intervene when a co-worker commits an unsafe act.
- 6 I apply for permission to work at heights, hot and confined spaces.
- 7 I protect pedestrians and facilities when using cargo transportation equipment.
- 8 I protect my back when lifting loads, by bending my knees.
- 9 I use PPE.
- 10 I keep evacuation routes and emergency exits clear.

3. Organizational Development

Colombina Corporate University



Colombina's Corporate University celebrated its 1st anniversary, obtaining the following results:

- **74%** of employees completed at least one on-line course.
- A total of **47,742** courses taken, broken down as follows:
 - **26,867** normative courses (Audits)
 - **12,076** essential courses, i.e., cross-sectional organization content, generating greater knowledge on our business and corporate strategy. (Induction, gender equity, sustainability etc.).
 - **7,822** open academy courses : on-line modules aimed at strengthening managerial skills (leadership, finance, in-house approaches).
 - **977** courses and content annexed to curricular networks, i.e., academic programs directed at specific Colombina positions.

This advance in greater connectivity for learning was preceded by the need to venture into digital transformation as a mechanism to generate brand-new results and stay at the forefront of global trends.

Through the Colombina Corporate University, employees got access to all biosafety measures and protocols designed to keep them healthy and comply with Ministry regulations. **5,592** people logged onto the COVID-19 learning module.

TRAINING INDICATORS



AVERAGE HOURS OF TRAINING PER YEAR FOR DIRECT AND TEMPORARY EMPLOYEES





07 Transparency and Nutrition



◇ Tackling COVID-19

This year we faced the challenge of COVID-19, but we strove ahead with our clients and consumers with on-line alternatives for both accessing Colombina products and support the re-activation of commerce by the following initiatives:

Sweet Return

After 4 months of the lockdown in Colombia, Colombina began to aid **3,000 candy makers** to reactivate their work safely by donating biosafety and product kits. Sellers who would have normally gone to distributors to buy their stock to then sell it were able to start selling by foregoing their normal base investment.

Colombina Foodies Platform

With the onset of the COVID-19 lockdown, Colombina was faced with how to get its products into Colombian homes, so we created the Colombina Foodies platform. **The platform featured 50 foodies making over 300 recipes.**

07. Transparency and Nutrition

“My Kitchen is Ready”, “My Safe Business” and “Little Giants” Campaigns

To lend a hand in reactivating small businesses that have been deeply affected by the COVID-19 lockdown, Colombina joined up with The National Trade Federation of Colombia, Fenalco campaign to provide relevant information on biosafety, as well as anti-COVID-19 elements to use while open to the public.

Colombina also created a widespread communication campaign to encourage residents to buy near their homes to re-activate local commerce and supporting the TAT channel.



#Apoyandoheroes

Relevant Matters

The speed of evolution of consumer preferences means companies have to undergo fast and deep transformations to stay at the forefront, and maintain competitiveness in a highly-changing environment, which is at once properly enconced in strict regulations on health and nutrition.

The relevant matters in which we work in this area are:

- Strengthen our nutritional profile
- Innovative product selection
- Client and consumer relations



1. Strengthen Our Nutritional Profile

CLEAN & CLEAR is the name of the methodology that allows us to continuously offer Colombina consumers better ingredients in all Colombina products while achieving sustainable growth. For this, we focus on four (4) initiatives:

- 1) Reduction in the content of critical nutrients, such as saturated fat, sugar, and sodium
- 2) Elimination of artificial additives
- 3) Addition of positive nutrients
- 4) Reduction of additives, allergens and the number of ingredients

Our defined health-and-nutrition criteria for our current portfolio are:

- Increase transparency in **consumer communication** with our GDA nutritional information.
- Increase sales of “**Positive Social Impact**” products.

Transparent consumer communication is essential, so our entire portfolio has a standard nutritional table and a GDA voluntary front label to simply inform our consumer on the nutritional stats on each product.

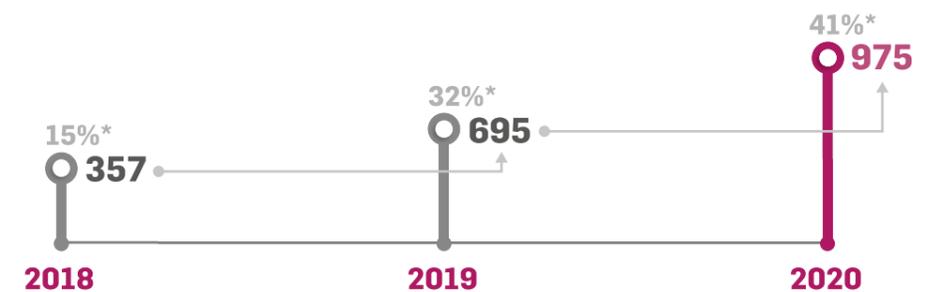
* 99% of Colombina sales were voluntarily labeled with GDA.

Colombina made **980 improvements in its Positive Social Impact products, during 2020**. This positively impacted 384 SKUs with 244 of them bearing health and nutrition declarations.

Positive Social Impact Products Evolution 2018-2020

* 975 Positive Social Impact products represent 45% of our total sales.

PERCENTAGE OF PRODUCTS WITH POSITIVE SOCIAL IMPACT OF THE TOTAL PORTFOLIO



These improvements allowed Colombina to considerably increase its Positive Social Impact products, which in 2018 represented 15% of its total portfolio. In 2019, it represented 32%, but in **2020 we reached 41%, growing 9 points over 2019**.

07. Transparency and Nutrition

These are some examples of Positive Social Impact products reformulated or launched in 2020 under our new approach:

Gummies with collagen Colombina 100%



Less sugar cookies Colombina 100%



2. Innovative Product Selection



We continue to expand our 100% Colombina portfolio, which provides 48 products that are free of artificial colors and flavors in categories relevant for our consumers.

We launched our No-sugar-added ice cream with Greek yogurt and strawberry chunks - a unique product in our category to enhance our home ice-cream line: It has shown a very good performance in the market.

- ◆ **1,6 million dollars** in investment in R&D.
- ◆ Sales of new products represented **19%** of Colombina's total sales
- ◆ **Over 30** products launched in Colombia

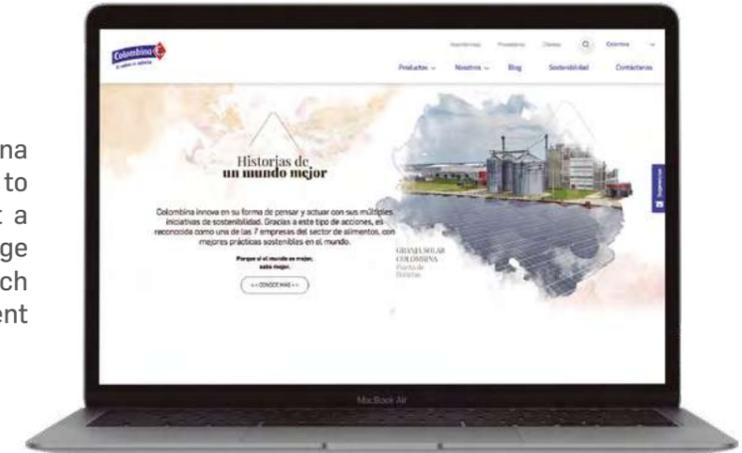


The Valle del Cauca Division and the Andi Innovation and Entrepreneurship Management awarded Colombina recognition for winning **2nd place at the 2020 Business Innovation Ranking** in the department of Valle del Cauca.

3. Client and Consumer Relations

◆ Digital Development

In 2020, we completely overhauled the Colombina web page www.colombina.com, migrating it to a DXP (Digital Experience Platform) to project a modern and avant-garde company. This change included a complete image makeover, which reinforces Colombina's positioning as an excellent food company with infinite flavor.



Over **2.3MM visits** plus and organic traffic logged over **446K people**.



◆ Rall-e Ventas

In line with market trends and seeking to create closer bonds with our clients, Colombina launched Rall-e Ventas, a digital platform that promotes the growth of shopkeepers and small merchants around Colombia.

The main objective of this app is for shopkeepers to handle their business, through plans and activities tailored to each particular type of store - typologies determined through an exhaustive market study, and Colombina's +20-year experience directly serving this channel. This has let us truly grasp the needs of shopkeepers to create an adequate value proposition that integrates:

- Placing orders 24x7
- Promising 24-hour delivery
- Savings through the Rall-e Coins program in which they accumulate coins for ALL purchases and then use them on the platform.
- Digital portfolio with services such as mobile minutes that allow shopkeepers to increase their sales.
- Portfolio of +40 product categories with +400 products at manufacturer prices



During Covid-19 lockdown, Rall-e Ventas helped Colombina to connect with the shopkeepers to continue aiding them in how they managed their business and keeping them stocked during this time. Thanks to Rall-e Ventas, Colombina is now closer than ever to the shopkeepers in this channel, understanding better their various needs and able to recognize what makes them so important in our economy and society. In 2020, **Colombina managed to get over 20,000 shopkeepers to buy through Rall-e and by 2021 we hope to continue growing to reaffirm ourselves as the #1 partner of stores in Colombia.**



08

Economic Efficiency and On-going growth

◆ Tackling COVID-19



This year allowed Colombina to demonstrate how prepared it is as a company to face the risks that crops up. In 2020, Colombina puts its Business Continuity Plan to the test so it could successfully managed to provide continuity to its operations, maintain all biosafety measures and adhere to the national government's guidelines and decrees at all production plants, headquarters, international subsidiaries and sales districts.

The entire administrative area managed to continue providing technological services, guaranteeing connection for all employees telecommuting on through the activation of the Disaster Recovery Plan (DRP).

Colombina activated its Crisis Committee made up of a senior management team focusing decisions on protecting the health of our employees, clients, suppliers and other stakeholders.

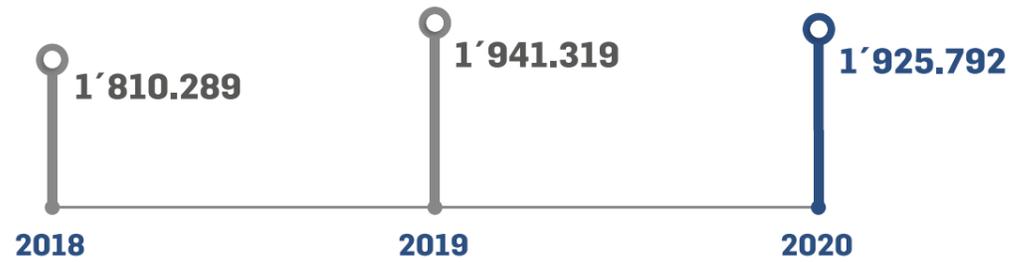
◆ Relevant Matters

We measure this priority using the following 3 relevant matters:

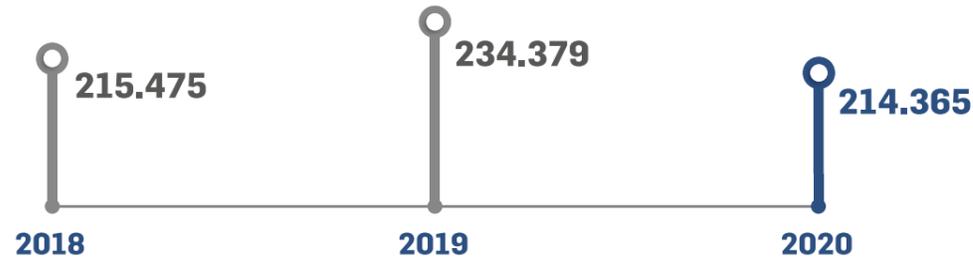
- Financial Sustainability
- Corporate Governance
- Risk Management

1. Financial Sustainability

Net sales COP \$MM %Variation Vs. 2019 -1%



EBITDA COP\$MM %Variation vs 2019 -9%



2. Corporate Governance

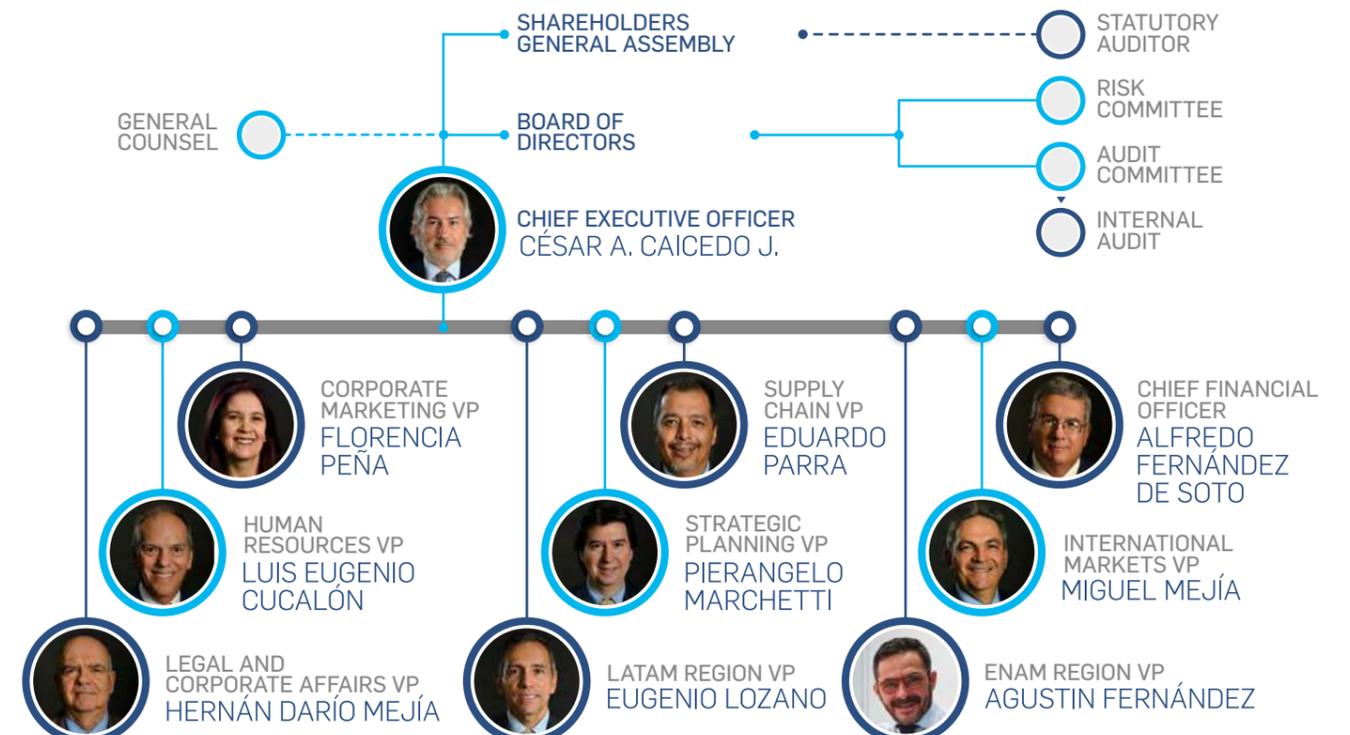
Board of Directors

The board of directors is comprised of 9 principal and independent members and 9 alternates



*Average attendance at Board of Director meetings in 2020 stood at 90%

Corporate Team



◇ Corporate Governance Structure

Colombina's organizational structure has three levels: administrative bodies, corporate management bodies and oversight bodies, as follows:

Administrative Bodies:

1. Shareholders General Assembly
2. Board of Directors
3. General Manager

Corporate Management Bodies:

1. CEO
2. General secretary

Oversight Bodies:

1. Tax Auditor
2. Audit Committee
3. Risk Committee

Some of Colombina's advances in Corporate governance:

- Approval and implementation of the Risk Committee Internal Regulations
- Restructured Colombina Tax Auditor through the election of an independent Tax Auditor from Deloitte.
- Election of Colombina's Business Group Risk Manager
- Approval and implementation of various corporate policies that strengthen Colombina's overall Corporate Governance
- Improvement in the level of compliance with the Country Code Best Corporate Practices Survey

3. Risk Management



Colombina pinpoints risks associated with its operating activities. We assess those risks, to then implement more effective controls, after which we execute follow-up measures to further mitigate risks up to the very point of their probable occurrence, so that their impact and necessary handling gets reduced.

Colombina's risk management encompasses the following processes:

- Identifying risks derived from our corporate strategy that might affect our normal course of operations.
- Assessing risks and measuring the degree-of-exposure.
- Defining risk management to avoid, control, mitigate, share and accept.
- Monitor risks, in accordance with the Colombina Corporate-risk Policy and defined maximum exposure-limits.
- Periodically report to the Board of Directors and Senior Management on corporate risk management.



◇ Risk Management Dimensions

1. COVERAGE POLICY FOR RAW MATERIALS AND EXCHANGE RATE

We hedge our main raw materials such as: sugar, corn, wheat, soybean oil, palm oil, as well as the exchange rate. This allows us to mitigate the impact of exchange rate fluctuations on these commodities.

2. BUSINESS CONTINUITY MANagements, BCM:

Emergency Response Plan: saving people, company assets and the environment.

Crisis Management Plan: managing problems and implications, communication, reputation and humanitarian assistance.

Disaster Recovery Plan, DRP: Technological Services.

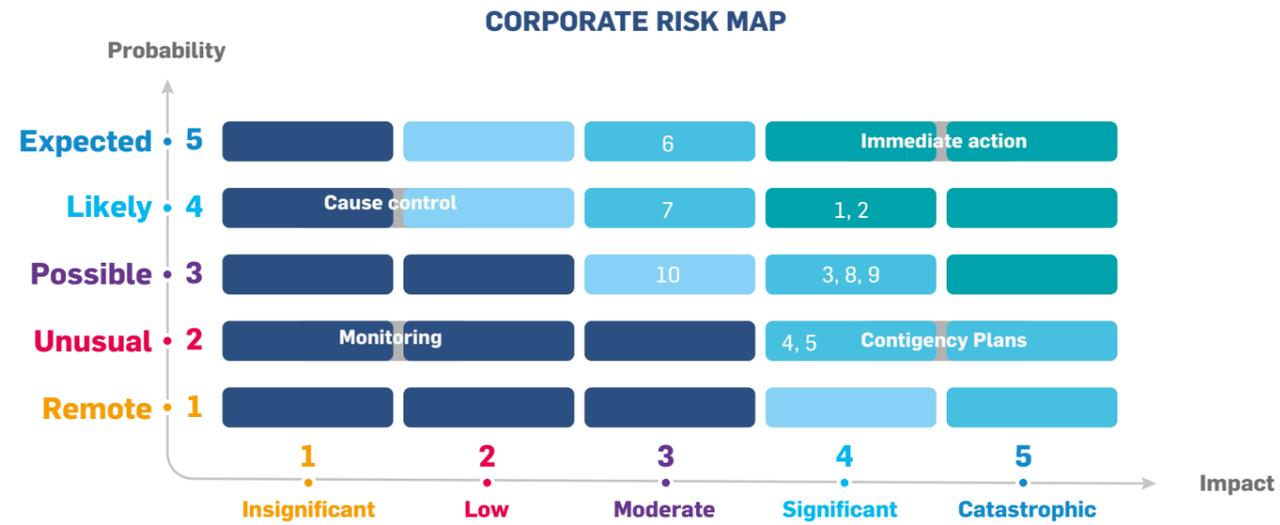
Business Continuity Plan, BCP: rapid stabilization, restoration and recovery of critical business processes.



08. Economic Efficiency and On-going growth

ENTERPRISE RISK MANAGEMENT, ERM – CORPORATE RISK MAP

We conduct a risk assessment on all areas of Colombina to identify potential risks to our normal course of operations and we present it using the following conceptual map:



| Risk | Responsible Party |
|---|--|
| 1 Instability in the regulatory framework for labeling and nutritional profiles | Legal and Corporate Affairs VP |
| 2 Financial risk due to volatility in commodity prices and exchange rates | Administration and Finance VP |
| 3 Non-compliance with the regulatory framework and/or stock market regulations | Corporate Marketing VP/ Legal and Corporate Affairs VP |
| 4 Failure in food safety control | Supply Chain VP |
| 5 Supply chain disruption | Supply Chain VP |
| 6 Highly competitive environment | Corporate Marketing VP/ Supply Chain VP |
| 7 Effects of climate change | Supply Chain VP |
| 8 Changes in consumer trends | Corporate Marketing VP |
| 9 Impact on sales growth caused by changes in channel dynamics and structure of distribution channels | Sales VP |
| 10 Difficulty in acquiring key talent | Human Resources VP |





09 Financial Statements

COLOMBINA S.A. AND SUBSIDIARIES INCOME STATEMENT

For the years ended, December 31, 2020 and 2019

(Figures stated in millions of Colombian pesos)

| | 2020 | 2019 |
|---|------------------|------------------|
| Revenue from ordinary activities | \$ 1.925.792 | \$ 1.941.319 |
| Cost of Sales | 1.290.634 | 1.260.095 |
| Gross Profit | 635.158 | 681.224 |
| Sales expenses | (469.464) | (478.677) |
| Administrative expenses | (78.953) | (71.231) |
| Other revenue and operating expenses - net | 22.503 | 25.109 |
| Operating Profit | 109.244 | 156.425 |
| Financial expenses | (69.562) | (75.870) |
| Financial revenue | 947 | 808 |
| (Loss) from non-operating exchange rate differences | 534 | (154) |
| Profit before taxes | 41.163 | 81.209 |
| (Expense) from deferred current income tax | (10.514) | (14.987) |
| Revenue (expense) from deferred current income tax | 134 | (5.907) |
| Total (expense) income tax | (10.380) | (20.894) |
| NET INCOME FOR THE YEAR | 30.783 | 60.315 |
| Result attributable to owners of the parent company | 30.535 | 60.276 |
| Result attributable to non-controlling interests | 248 | 39 |
| NET INCOME FOR THE YEAR | \$ 30.783 | \$ 60.315 |
| Profit per share | \$ 79 | \$ 155 |

The accompanying notes are an integral part of these Financial Statements


Alfredo Fernández de Soto
Chief Executive Officer


Mario Fernando Burbano R.
Statutory Auditor
Professional License No. 84781-T
Designado por Deloitte & Touche
Ver mi informe de feb. 25 de 2021


Carlos A. Jurado B.
Accountant
T.P. No. 3713-T

COLOMBINA S.A. AND SUBSIDIARIES STATEMENT OF FINANCIAL POSITION

For the years ended, December 31, 2020 and 2019

(Figures stated in millions of Colombian pesos)

| ASSETS | 2020 | 2019 |
|--|--------------------|--------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 66.121 | \$ 60.731 |
| Trade receivables and other receivables | 183.119 | 204.326 |
| Inventories | 286.140 | 278.576 |
| Tax assets | 68.518 | 75.580 |
| Other financial assets | 853 | 759 |
| Total current assets | 604.751 | 619.972 |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 787.932 | 816.425 |
| Investment properties | 53.064 | 50.209 |
| Goodwill | 9.953 | 9.953 |
| Other intangible assets | 98.845 | 88.075 |
| Trade accounts and other accounts receivable | 4.984 | - |
| Deferred tax assets | 8.454 | 4.253 |
| Other financial assets | 109.076 | 101.522 |
| Total non-current assets | 1.072.308 | 1.070.437 |
| TOTAL ASSETS | \$1.677.059 | \$1.690.409 |

The accompanying notes are an integral part of these Financial Statements


Alfredo Fernández de Soto
Chief Executive Officer


Mario Ferrnando Burbano R.
Statutory Auditor
Professional License No. 84781-T
Designado por Deloitte & Touche
Ver mi informe de feb. 25 de 2021


Carlos A. Jurado B.
Accountant
T.P. No. 3713-T

COLOMBINA S.A. AND SUBSIDIARIES STATEMENT OF FINANCIAL POSITION

At December 31, 2020 and 2019

(Figures stated in millions of Colombian pesos)

| LIABILITIES AND EQUITY | 2020 | 2019 |
|--|--------------------|--------------------|
| CURRENT LIABILITY | | |
| Financial obligations | \$ 72.524 | \$ 70.740 |
| Trade payables and other payables | 351.636 | 408.598 |
| Liabilities for employee benefits and others | 20.853 | 20.985 |
| Tax liabilities | 27.324 | 24.134 |
| Other financial liabilities | 9.104 | 9.445 |
| Other non-financial liabilities | 13.199 | 15.681 |
| Total current liabilities | 494.640 | 549.583 |
| NON-CURRENT LIABILITY | | |
| Financial obligations | 857.636 | 776.841 |
| Accounts payable to related parties | 20.153 | 25.615 |
| Liabilities for employee benefits and others | 9.755 | 10.348 |
| Deferred tax liabilities | 35.110 | 30.663 |
| Other non-financial liabilities | 48.819 | 64.248 |
| Total non-current liabilities | 971.473 | 907.715 |
| TOTAL LIABILITIES | 1.466.113 | 1.457.298 |
| EQUITY | | |
| Capital | 19.013 | 19.013 |
| Profit for the period | 30.535 | 60.276 |
| Retained Earnings | 8.692 | 11.511 |
| Other equity interests | 148.923 | 138.791 |
| Equity attributable to owners of the parent company | 207.163 | 229.591 |
| Non-controlling interests | 3.783 | 3.520 |
| Total equity | 210.946 | 233.111 |
| TOTAL LIABILITIES AND EQUITY | \$1.677.059 | \$1.690.409 |

The accompanying notes are an integral part of these Financial Statements


Alfredo Fernández de Soto
Chief Executive Officer


Mario Ferrnando Burbano R.
Statutory Auditor
Professional License No. 84781-T
Designado por Deloitte & Touche
Ver mi informe de feb. 25 de 2021


Carlos A. Jurado B.
Accountant
T.P. No. 3713-T

To see the full financial report, visit our website
www.colombina.com



Deloitte & Touche Ltda.
Nit. 860.005.813-4
Calle 64N No. 5B-146
Sector C. Oficina 305C
Ed. Centroempresa
Cali
Colombia

Tel: +57 (2) 650 7530
www.deloitte.com/co

STATUTORY AUDITOR REPORT

To the shareholders of:
COLOMBINA S.A.

CONSOLIDATED FINANCIAL STATEMENTS AUDI REPORT

OPINION

I have audited the attached CONSOLIDATED FINANCIAL STATEMENTS of COLOMBINA S.A. and subsidiaries (herein after, referred to as "The Group"), which depict the financial situation as of December 31st, 2020: statements of income, other comprehensive statements, changes in equity and cash flow for the year ending on the above date, and the notes to financial statements, including a summary of the significant accounting policies.

In my opinion, the attached CONSOLIDATED FINANCIAL STATEMENTS taken from Colombina's accounting books, reasonably present in all significant respects, the financial situation of The Group as of December 31st, 2020, the result of its operations and its cash flow for the year ending on the above date, in accordance with the Accounting and Financial Information Standards accepted in Colombia.

BASIS OF OPINION

I have carried out my auditing in accordance with the International Auditing Standards accepted in Colombia. My responsibilities in accordance with said standards are described below in the section titled, "Auditor's Responsibilities". I am independent of The Group in accordance with the ethical requirements that are relevant to my auditing of financial statements in Colombia, and I have fulfilled all other ethical responsibilities applicable to said requirements. I believe that the auditing evidence obtained is sufficient and appropriate to provide a reasonable basis for expressing my opinion.

KEY AUDIT MATTERS

The key auditing matters are those matters that, according to my professional judgment, were of the greatest importance in the auditing of the CONSOLIDATED FINANCIAL STATEMENTS of the current period. These matters were covered in the context of my auditing of the financial statements as a whole, and in forming my opinion thereon, so I do not express a separate opinion on these matters.

The Group, as of December 31st, 2020 maintains equity financial instruments measured at fair value, hierarchically classified as level 3, as they do not have prices quoted in an active market; Likewise, it records intangibles with an indefinite useful life, which for their impairment evaluation determines their recoverable value from the fair value or the value in use, whichever is greater. Because these measurements include assumptions for the development of unobservable input data, valuation techniques, and a greater degree of judgment by Colombina's management of The Group given the uncertainties in the environment due to the impact of Covid-19, I have considered these estimates as a key question for my auditing the current period.

MY AUDITING PROCEDURES FOR COVERING THE RISK OF MATERIAL ERROR IN RELATION TO THE AFOREMENTIONED ESTIMATES AND THE CORRESPONDING DISCLOSURES DUE TO THE IMPACTS OF COVID-19, INCLUDED:

Deloitte se refiere a Deloitte Touche Tohmatsu Limited, sociedad privada de responsabilidad limitada en Reino Unido, a su red de firmas miembro y sus entidades relacionadas, cada una de ellas como una entidad legal única e independiente. Consulte www.deloitte.com para obtener más información sobre nuestra red global de firmas miembro.



Evaluation of relevant controls established by The Group for the estimation.

- Evaluation of the methodology, assumptions, bases and judgments determined by The Group's management for the determination of the fair value of equity financial instruments and the evaluation of impairment for intangibles with an indefinite useful life.
- Evaluation of the model and the mathematical accuracy of the significant valuation calculations.
- Review of the disclosures based on Covid-19's impact on these estimates.

As a result of applying the auditing procedures described above, I did not identify situations that in my opinion affect the reasonableness of the additional provision that was established by The Group.

RESPONSIBILITY OF COLOMBINA'S MANAGEMENT AND THE HEADS OF GOVERNMENT IN RELATION TO THE FINANCIAL STATEMENTS.

Management is responsible for the preparation and correct presentation of the foregoing CONSOLIDATED FINANCIAL STATEMENTS in accordance with the Accounting and Financial Information Standards accepted in Colombia, and for any internal control that management considers relevant for the preparation and correct presentation of its financial statements free from significant errors, either due to fraud or error.

In drawing up CONSOLIDATED FINANCIAL STATEMENTS, Colombina's management bears the responsibility for evaluating the ability of The Group to continue as a going concern, disclosing, as appropriate, matters related to said going concern and using said going-concern accounting principles, unless the management intends to liquidate The Group or to cease its operations, or there is no other realistic alternative.

Government officials are responsible for overseeing the financial-information reporting process of The Group.

AUDITOR'S RESPONSIBILITIES IN AUDITING FINANCIAL STATEMENTS

My objective is to obtain reasonable assurance that the CONSOLIDATED FINANCIAL STATEMENTS as a whole are free from material error, due to fraud or error, and to issue an auditing report containing my opinion. Reasonable security is a high degree of security, but it does not guarantee that an audit carried out in accordance with the International Auditing Standards accepted in Colombia is always able to detect a material error if it exists. Errors may be due to fraud or error and are considered material if, individually or collectively, they can reasonably be expected to influence the economic decisions that users make based on the financial statements.

AS PART OF AN AUDIT CONDUCTED IN ACCORDANCE WITH THE INTERNATIONAL AUDITING STANDARDS ACCEPTED IN COLOMBIA, I APPLY MY PROFESSIONAL JUDGMENT AND MAINTAIN AN ATTITUDE OF PROFESSIONAL SKEPTICISM THROUGHOUT THE AUDITING. IN ADDITION:

- I identify and evaluate the risks of material error in the CONSOLIDATED FINANCIAL STATEMENTS, due to fraud or error, design and apply auditing procedures to respond to said risks and obtain sufficient and adequate auditing evidence to provide a basis for my opinion. The risk of not detecting a material error due to fraud is higher than in the case of a material error due to error, since fraud can involve collusion, falsification, deliberate omissions, intentionally misstatements, or circumvention of internal control.
- I get an understanding of internal control relevant to auditing in order to design auditing procedures that are appropriate in light of the circumstances and not for the purpose of expressing an opinion on the effectiveness of the internal control of The Group.



• I evaluate the appropriateness of the accounting policies applied and the reasonableness of the accounting estimates and related disclosures made by Colombina's management.

• I conclude on the appropriateness of Colombina's management's use of the going concern accounting principle and, based on the audit evidence obtained, I conclude on whether or not there is a material uncertainty related to events or conditions that may generate significant doubts about the ability of The Group to continue as a going concern. If I conclude that there is a material uncertainty, I am required to draw attention in my auditing report to the relevant information disclosed in the CONSOLIDATED FINANCIAL STATEMENTS or, if such disclosures are not adequate, to express a modified opinion. My conclusions are based on the auditing evidence obtained to date from my auditing report. However, future events or conditions may cause The Group to cease to be a going concern.

• I evaluate the presentation, structure and content of the CONSOLIDATED FINANCIAL STATEMENTS, including the information disclosed, and whether the financial statements represent relevant transactions and events in a way that achieves fair presentation.

• I obtain sufficient and appropriate audit evidence about the financial information of the entities or business activities within The Group to express an opinion on the CONSOLIDATED FINANCIAL STATEMENTS. • I am responsible for the direction, supervision and conduct of the auditing of The Group. I remain solely responsible for my auditing opinion.

• I communicate to those charged with governance of The Group, among other matters, the planned scope and timing of the audit and the significant results of the audit, as well as any significant deficiencies in internal control, if any, identified during the audit.

• I also provide those charged with governance of The Group with a statement regarding compliance with the relevant ethical requirements with respect to independence, and communicate all relationships and other matters that can reasonably be expected to affect my independence and, accordingly case, the corresponding safeguards.

• From the matters communicated to those charged with the government of The Group, I determine that these matters were of the greatest importance in the auditing of the CONSOLIDATED FINANCIAL STATEMENTS of the current period and, therefore, are the key matters of the auditing.

• I describe these matters in my audit report unless laws or regulations preclude public disclosure of the matter or when, in extremely rare circumstances, I determine that a matter should not be reported in my audit report because it could reasonably be expected to do so. Adverse consequences for doing so would outweigh the public interest benefits of said disclosure.

OTHER MATTERS

The financial statements for the year ended December 31, 2019, which are included for comparative purposes only, were audited by me and I expressed an unqualified opinion on them on March 2, 2020.



MARIO FERNANDO BURBANO R.

Statutory auditor

License No. 84781-T

Designated by Deloitte & Touche Ltd.

25 February, 2021



Memorandum of independent review

Independent Review of the Sustainability Report 2020 – Colombina S.A.

Responsibilities of the Management of Colombina S.A. and Deloitte

The preparation of the Sustainability Report 2020 of Colombina S.A., which covers the period from 1 January to 31 December of 2020, as well as its content, is the responsibility of the organization, which is also responsible for defining, adapting and maintaining the management and internal control systems from which the information is obtained.

Our responsibility is to issue an independent report based on the procedures applied and previously agreed upon for our review.

This Report has been prepared exclusively in the interest of the organization in accordance with the terms of our proposed services. We do not assume any liability to third parties other than the Management of the Company.

We have performed our work in accordance with the Independence regulations required by the ethics code of the International Federation of Accountants (IFAC).

The scope of a limited review is substantially less than an audit. Therefore, we do not provide an audit about the Sustainability Report.

Scope of our work

We have carried out the review of the content adaptation of the Sustainability Report 2020 of Colombina S.A. to the Guide for the preparation of Sustainability Reports of the Global Reporting Initiative (GRI Standards).

Standards and review processes

We have carried out our work in accordance with ISAE 3000 - International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC).

Our review consisted in the formulation of questions to the Administration, as well as to the different areas and operations of Colombina S.A. that have participated in the elaboration of the Sustainability Report 2020, in the application of analytical procedures and tests of revision by sampling that is described below:

- Interviews with Colombina S.A. in the corporate employees to know about the principles, management approaches and data consolidation systems applied to prepare the Report.
- Analysis of how the content, structure and indicators were defined based on the materiality exercise according to the GRI Standards.
- Analysis of the processes to collect and validate the data presented in the report.
- Checking, by sample, testing and review of quantitative and qualitative evidence corresponding to the GRI, GCCA contents and Colombina S.A. Internal indicators included in the Sustainability Report 2020, and proper compilation from the data supplied by Colombina S.A. the sources of information.

It is confirmed that the Sustainability Report 2020 of Colombina S.A. has been prepared in accordance with GRI Standards: Core option "in accordance".

General contents:

It was confirmed that the Report is presented in accordance with the GRI Standards: Core option regarding the general basic contents.

Specific contents:

We review the management approach, the GRI and internal contents of its material issues:

| Material Issues | GRI Content/or own indicator of Colombina S.A |
|--------------------------------------|--|
| Efficient Water Use | *303-3 Water extraction (m3/ton produced) |
| | *Own. Water consumption (M3/ton produced) |
| Energy Efficiency | *302-1 Energy consumption within the organization |
| | *302-3 Energy intensity |
| | *302-4 Reduction of energy consumption |
| Climate Change Management | *305-4 Intensity of GHG emissions |
| | *305-1 Scope 1 CO2 emissions |
| | *Own. Implementation statistics electric car initiative |
| | *Own. Implementation statistics high-volume vehicle program |
| | *305-2 Energy indirect GHG emissions (Scope 2) |
| Waste Management and Reduction | *306-3 Waste generated |
| | *306-5 Waste directed to disposal |
| | *Own. Waste utilization |
| Education, Culture and Sports | *Own. Number of children benefited by children's homes |
| | *Own. Number of persons benefited by programs that create opportunities for young people in the communities where we operate |
| Supplier and Contractor Relations | *Own. Lost-Time Injury Frequency Rate (LTIFR) - Contractors |
| | *Own. Percentage of current suppliers who have been assessed using social criteria |
| | *Own. Percentage of current suppliers who have been assessed using environmental criteria |
| Labor Well-Being and Work Conditions | *Own. Number of employees that purchased a home or received supplement for repairs. |
| | *Own. Key position turnover |
| | *404-1. Average number of training hours per employee |
| Health and Safety | *Own. Types of accidents and accident frequency rates, occupational diseases, lost days, absenteeism, and number of deaths due to occupational accidents or diseases |
| Organizational Development | *404-1 Average number of training hours per employee |
| | *404-3 Percentage of employees period performance and career development reviews |
| | *Own. Value of educational assistance |
| | *Own. Investment in training. |
| | *Own. Total number of direct employees trained |
| Strengthening Nutritional Profiles | *Own. Number of references and % of sales with GDA label |
| | *Own. Number of references and % of sales of social impact products |
| Innovative Product Selection | *Own. Description of new product launches |

| | |
|--------------------------|---|
| Financial Sustainability | *Own. % of revenue from products launched over the last 2 years |
| | *Own. Net sales |
| | *Own. EBITDA |
| Risk Management | *Own. Description of initiatives developed for adequate risk management |

Conclusions

Based on the work carried out described in this report, the procedures carried out and the evidence obtained, no subject matter has come to our knowledge that leads us to think that the indicators within the scope of the review and included in the Sustainability Report 2020 of Colombina S.A. for the period between January 1st and December 31th, 2020, have not met all the requirements for the preparation of reports, in accordance with the essential option of the Global Reporting Initiative (GRI) Standards. For those indicators of the GRI Standards where Colombina S.A. did not report quantitatively (figures), only the qualitative information that included procedures, policies, evidence of activities carried out, among others, was reviewed.

Alternative lines of actions

Deloitte has provided Colombina S.A. with a report with the most significant alternatives of action for the future preparation of Reports, which do not modify the conclusions expressed in this report, also a few observations that will strengthen the consolidation, management, measurement and communication processes of the organization's sustainability performance.

Declaration of Independence

We confirm our independence from Colombina S.A. All of our employees carry out annual updates to the Ethics Policy where we promptly declare that we have no conflicts of interest with Colombina S.A., its subsidiaries and its stakeholders.

Deloitte Asesores y Consultores Ltda.
Jorge Enrique Múnera D.
 Partner

Call, March 2021

Deloitte refers to Deloitte Touche Tohmatsu Limited, a UK private limited liability company, its network of member firms and its related entities, each as a single, independent legal entity. See www.deloitte.com for more information on our global network of member firms. Deloitte provides professional audit and assurance, consulting, financial advisory, risk advisory, tax and legal services related to our public and private clients in a variety of industries. With a global network of member firms in more than 150 countries, Deloitte provides world-class capabilities and high-quality service to its clients, bringing the expertise needed to address the most complex business challenges. Deloitte's more than 330,000 professionals are committed to making a significant impact. As used herein, Deloitte & Touche Ltd, Deloitte Ltd, Deloitte Advisors and Consultants Ltd and D Accountants Ltd, which have the exclusive legal right to engage in, and limit their business to, the provision of audit, consulting, tax, legal, risk and financial advisory services respectively, as well as other professional services under the name "Deloitte". This presentation contains general information only and Deloitte is not, by means of this document, rendering accounting, business, financial, investment, legal, tax or other advice or services. This presentation is not a substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. No representation, warranty or promise (either express or implied) is given as to the accuracy or completeness of the information in this communication and Deloitte shall not be liable for any loss suffered by any person who relies on this presentation.

© 2021, Deloitte Asesores y Consultores Ltda.

