



SUSTAINABILITY REPORT

EXECUTIVE SUMMARY

20
23

ABOUT THIS
REPORT

We present our 2023 Sustainability Report, a document that highlights the progress and actions we have developed during the period from January 1 to December 31, 2023. This was conducted under the **Global Reporting Initiative (GRI)** standard and reflects the commitment to the principles of the United Nations Global Compact and the Sustainable Development Goals (SDGs).



For any questions or comments about the content of this report, do not hesitate to contact **Viviana Cerón**, Senior Sustainability Leader at Sucroal, at the following email address:

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All figures on this report are expressed in **colombian pesos (COP)**

ABOUT
US

We have more than 52 years of experience in the market and are leaders in the development of chemical and biotechnological processes, which is an innovation branch in the sector and in Valle del Cauca, where we operate. Our product portfolio has a wide variety of products supported in Colombia and in more than 30 countries, which we achieve through three production plants: citric acid, special citrates and alcochemistry.



Citric Acid

Special Citrates



Alcoquímica

SUSTAINABILITY
ASSESSMENT



In 2023 we evaluated our Social Responsibility performance through the SMETA 4 Pillars standard to validate compliance with labor, health and safety, performance, environmental and ethics standards in our operations.



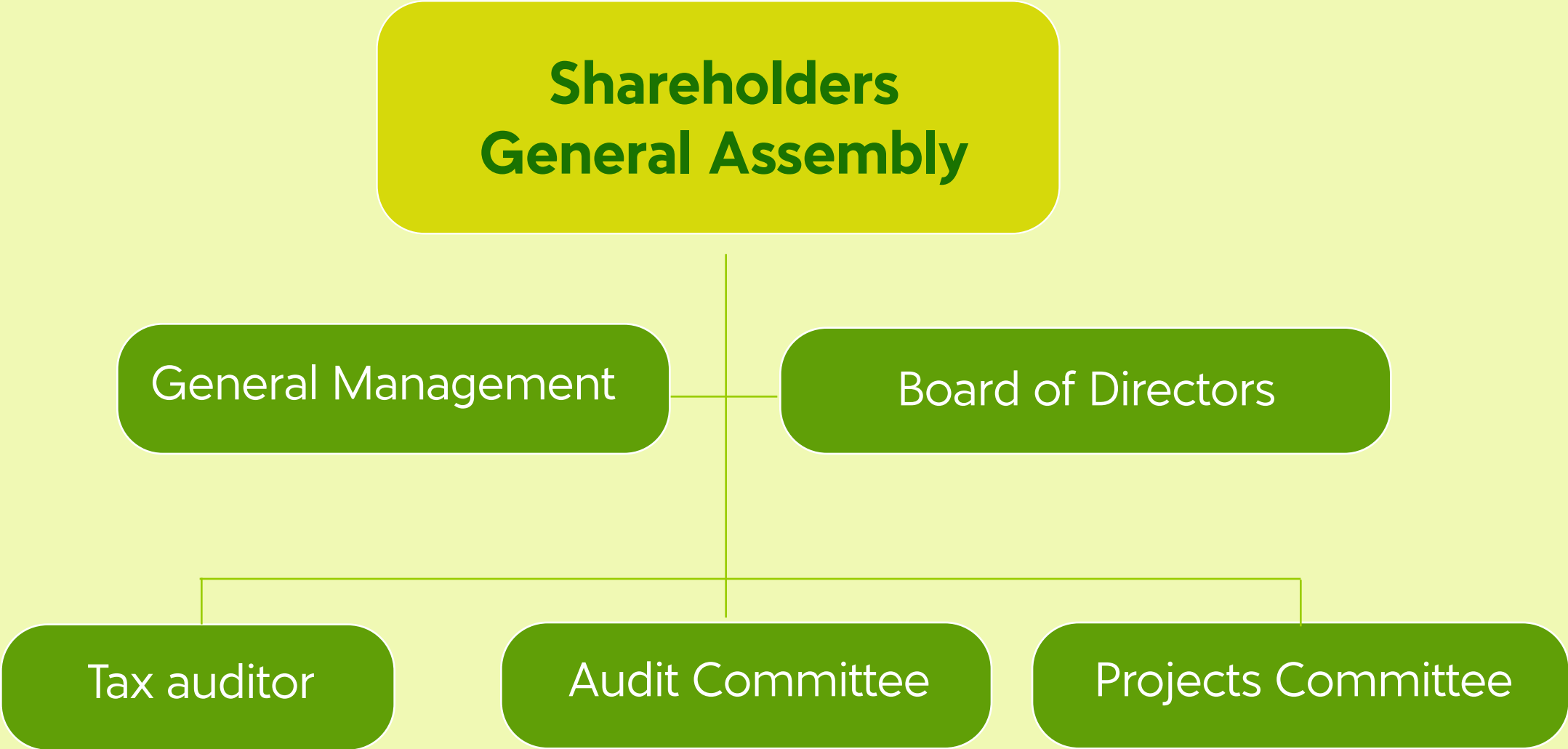
For the second consecutive year, we maintained the silver medal, which is a recognition granted by EcoVadis, which puts us among the top companies in the chemical sector that have the best performance globally.



One of the main axes of business success is the leadership in corporate governance, which is understood as a facilitator in creating an environment of trust, transparency and accountability. The general manager leads this leadership, Mauricio Velásquez García and the board of directors.

The General Manager and the Sustainability area have the responsibility of managing the environmental, social and economic impacts generated by the Company. On the other hand, the board of directors has the responsibility of reviewing and approving the information presented in the sustainability reports, including material topics.

Our governance structure



ANTI-CORRUPTION

Corruption represents one of the main obstacles to the socioeconomic development of society. For this reason, we are proactively seeking solutions and innovative ideas to address corruption in all commercial and business relationships.



Guided by the purpose of growing together for a sustainable future, we implemented at all levels of the Company the sustainability strategy with which we seek to generate a social, economic and environmental impact, where our priorities are related to the Sustainable Development Goals (SDGs). This is a reflection of our commitment to our employees, communities and other stakeholders, contributing to the fulfillment of 10 of the goals set out in the 2030 agenda.

Our people and
our communities

- > Health and security at work
- > Employment
- > Local Communities
- > Training and education



Climate action and
environmental practices

- Climate Change <
- Efficient energy and water use <
- Materials and products circularity <
- Waste management <



Our Performance

- > Economic performance
- > Market presence
- > Anti-corruption practices



- > Cross-cutting objective throughout the entire strategy



Our people and
OUR COMMUNITIES

We contribute to the development of our employees and communities through the implementation of best practices in health and security in our facilities, by providing high quality employment, through education and training programs which help on the development of talent and abilities and the approaches designed to develop alliances.



Our
PERFORMANCE

We grow profitably and secure a good economic performance, by establishing ourselves in the market and managing risks related to anti-corruption practices present in the business.



Climate action and
ENVIRONMENTAL
PRACTICES

We develop practices which allow us to maintain harmony with the environment. Which is why, climate change action represents a crucial risk for us, as we are aware of the urgency to implement rapid changes which help limit the earths temperature rise. Additionally, we are constantly implementing actions aimed at reducing water consumption, energy and materials, as well as the generation of effluents and waste.



OUR
PERFORMANCE

ECONOMIC
PERFORMANCE

We seek to guarantee financial sustainability in our business to continue generating shared value for our stakeholders and maximize the impact in Valle del Cauca and Colombia. We work every day to meet our financial goals and continue promoting competitiveness related to innovation and social impacts

	2022	2023
EBITDA	22%	11%
NET INCOME	\$ 83.918 million	\$ 34.025 million
DIRECT ECONOMIC VALUE GENERATED	\$ 717.147 million	\$ 693.627 million
OPERATIONAL COSTS	\$ 537.801 million	\$ 574.503 million

The variations that are evident are due to lower sales prices, mainly in the food division, in addition to the increase in sales costs due to the increase in raw material prices.

During this term, **community investment surpassed by 19%, 2022**, especially focusing on improving education.



MARKET
PRESENCE

The results derived from our presence in the national and international markets make Sucroal an agent for positive change in the economic development of Valle del Cauca and Colombia.

PROCUREMENT
PRACTICES

Producing quality, competitive products with sustainability criteria starts with the management of raw material suppliers, packaging materials and other inputs and services involved in our supply chain.



EMISSIONS

At Sucroal, we have directed efforts towards the transformation of processes with the aim of improving productivity and reducing its carbon footprint.

In May 2023 we incorporated a **Climate Change Policy** and consolidated our commitment as a Company to mitigating impacts.

We achieved a **20%** reduction of **12.046 Tons of CO2 equivalent** of GHG emissions, as compared to 2017.



ENERGY

Our operations require energy to operate and ensure process efficiency and product excellence to customers. We obtain this resource from two sources: we take advantage of the thermal energy generated from natural gas and we use electrical energy from the National Interconnected System.

21% of the energy consumed comes from renewable sources.



FROM NON-RENEWABLE SOURCES

99% of consumption comes from natural gas, corresponding to **16.783.663 m³**

1% of consumption is attributed to the use of Fuel Oil, corresponding to **43.600 gallons**.



Total power consumption:
256 GWh
-11% vs 2022

In 2023 we invested **\$1.969 million** in the continuity of the 1st phase of the **energy efficiency project**.



We have obtained **tax benefits** thanks to the implementation of this project.

WATER AND EFFLUENTS

Because all the water used by the Company comes from underground sources. At Sucroal we seek to ensure that collection is based on its protection and the mitigation of the impacts generated on the resource bodies.

We consumed a total of
1.517.635 m³
of water - 7% vs 2022



We invested a total of
\$2.300 million
in water management projects.



We discharged a total of
1.171.956 m³
into surface waters.



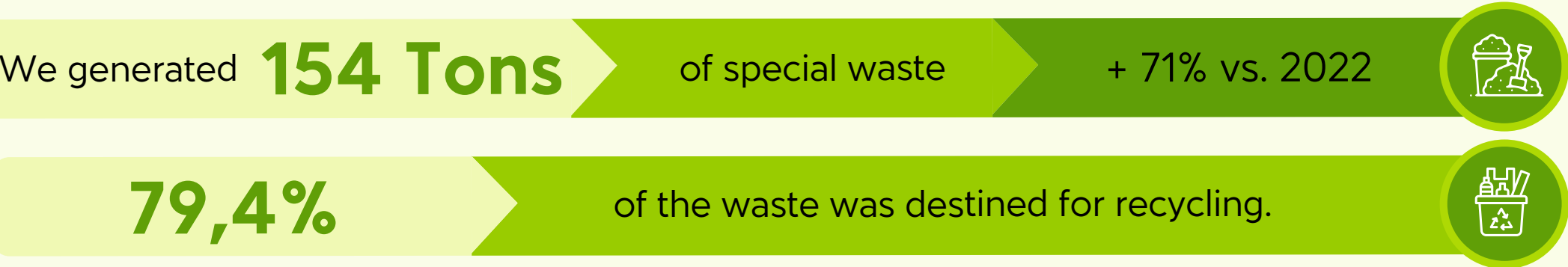
Between 2022 and 2023 there was a decrease in production, which is evident in the polluting load of the parameters of greatest interest.

WASTE

Through efficient management, we aim to foster a culture of proper waste separation. In this sense, we have implemented a comprehensive waste management program that includes the monitoring of indicators, proper disposal, recycling of materials in collaboration with manufacturers, participatory diagnostics in the processes, as well as employee training and awareness.

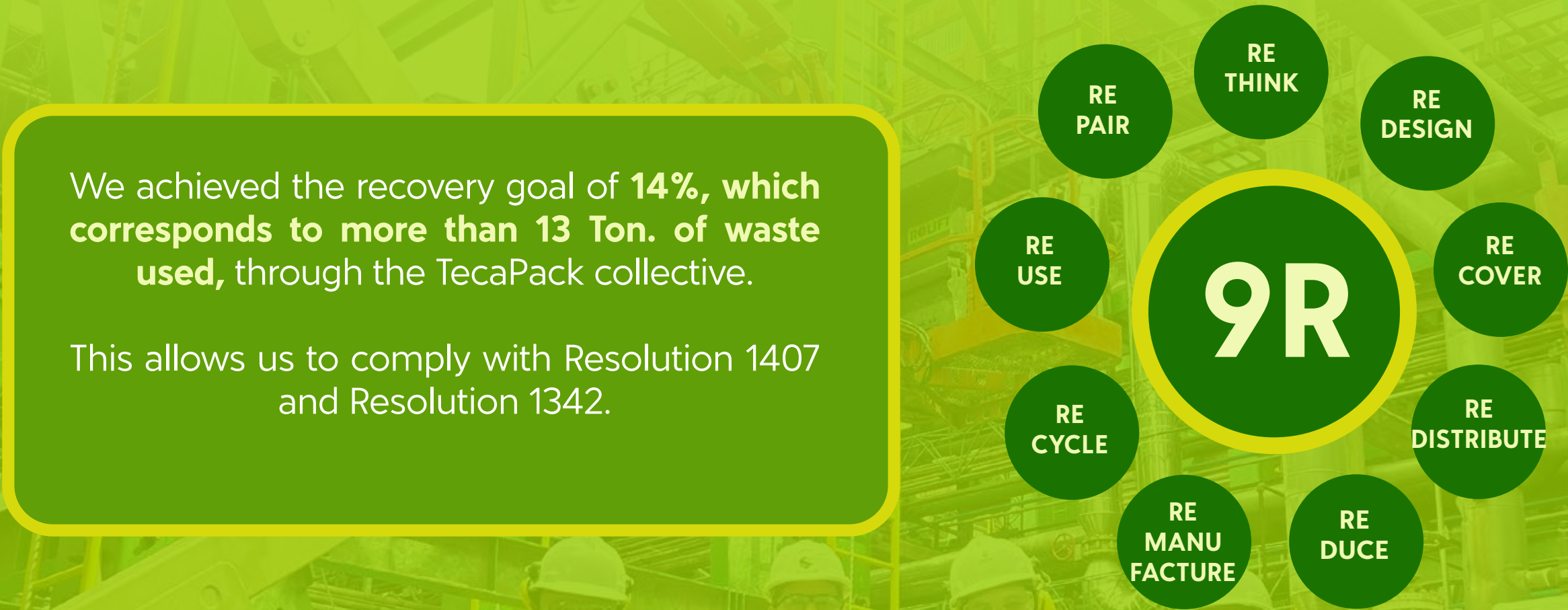


One of our most notable actions is the incorporation of process byproducts as raw materials sold to local and foreign clients, thus promoting circularity.



MATERIALS

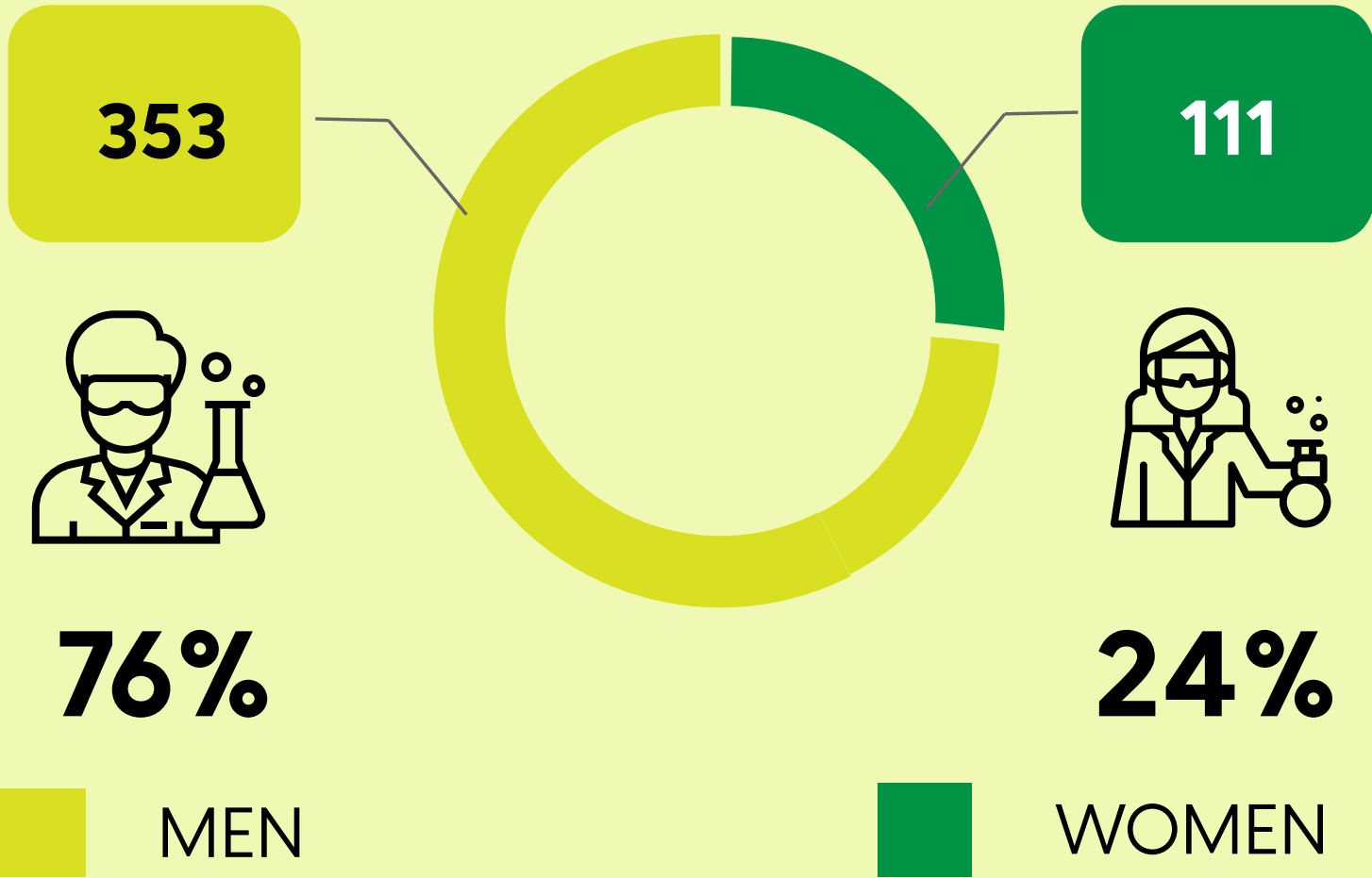
At Sucroal, we manage materials from their acquisition to their disposal, working for a sustainable future, **collaborating with various interest groups**, with whom we implement solutions that promote the development of the national economy.



EMPLOYMENT

During 2023 we had a total of 20 new hires: 18 men and 2 women. Likewise, the turnover rate was 0.43% for women and 2.59% for men.

GENDER OF OUR COLLABORATORS



We positively impact the lives of collaborators: : During 2023, we conducted 42 well-being activities with an investment of \$304 million pesos, seeking to generate comprehensive well-being for employees and their families.

HEALTH AND SAFETY
IN THE WORKPLACE

We are committed to complying with current legislation and implementing a series of programs aimed at reducing the risks of accidents, while improving the organizational culture and the physical conditions of the work environment.



TRAINING AND
TEACHING

At Sucroal we recognize that training and teaching are fundamental pillars for sustainable growth and shared success. We strive to develop competent collaborators for each of the roles, and to achieve this we focus on improving the capabilities and skills of the team.

With an investment of \$305 million we achieved:



Our achievements

- 1. The definition of corporate culture to achieve the strategy.
- 2. The implementation of the leadership program.
- 3. Conducting experiential training sessions.



LOCAL
COMMUNITIES

Because we are agents of change for Valle del Cauca and the Country through programs, actions and partnerships that generate shared value for society, we contribute to a better quality of life in the communities and their development, promoting the generation of trust in relation these interest groups. This year we collaborated with **Compromiso Valle, the Cali Food Bank and Fundación Trascender** to bring development opportunities to society



As Sucroal, we started the first construction project for taxes in the education sector!



With \$3,030 million pesos, we will provide high-quality real estate to over **30 public educational institutions locations** in Miranda, in the north of Cauca, a municipality in the area of influence of the Ardilla Lülle Organization.

HEALTH AND
SAFETY OF CUSTOMERS

Our priority is to guarantee the health and safety of clients and consumers, which is why we focus on rigorously complying with current regulations and establishing relationships based on trust and transparency with each of them.

In 2023 we achieved



Renew our
main
certifications.



Grow in sales, reaching
a total of
\$2.150
million



Increase in clients,
reaching a total of
73

We have a channel available 24 hours a day, seven days a week, to receive and manage requests, complaints, claims and requests (PQRS) related to product quality and safety. Our achievements:

National customers
0,19
complaints/Ton Sold

International customers
0,70
complaints/Ton Sold

Zero
non-compliant
products and
zero safety claims





In 2023, our journey was marked by significant growth and shared responsibility towards society. We continue working to protect the environment and contribute to local and national economic development, all with an eye toward a **sustainable future**.

We invite you to read our **2023 Sustainability Report** by clicking [here](#).

