

LUKER  
Chocolate®

# 2022/2023 SUSTAINABILITY REPORT

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From Farm to Bar: Our  
commitment to a more  
sustainable future



Certified



Corporation



LUKEER

LUKEER





# A foreword from our CEO

Welcome to Luker Chocolate's 2022-2023 sustainability report. It is a document that details our work to ensure that the quality of our chocolates is matched by the sustainability of their production. Indeed, at Luker, quality and sustainability are one.

## Our commitment to communities

For over a century, Luker Chocolate has had an unshakable commitment to Colombia's cacao-growing communities. Our founders understood the principle of creating shared value: value for the farmers and communities we work with; value for the customers we serve; value for the people who work at Luker; value to our partnerships; and value for the land that we all depend upon.

It is a heritage that drives our unique sustainability plan – The Chocolate Dream – and our Triple Impact Vision to enhance the wellbeing of cacao growing families, their communities and the planet.

[The Chocolate Dream delivers very real benefits, reaching more than 3,900 rural families in 2023.](#)

## Our commitment to impact

[We set ourselves the highest standards and in May 2023 gained certification from the internationally recognized, respected and authentic framework provided by B Corp.](#)

It is a nonprofit network transforming the global economy to benefit people, communities, and the planet.

B Corp is a different kind of framework because it perfectly aligns with Luker's own approach to sustainability. Progress here is never about a 'ticked box': it's a commitment to always bring meaningful change and make a positive impact; it's a commitment to always hold ourselves accountable.

For Luker, this means increasing the impact we have on our stakeholders – specifically enhancing shared value. B Corp and its values perfectly align with Luker's ambitions and actions as we strive to always do our best, and always be better.

## Our commitment to process

Carrying this ambition forward, we have looked at the structure of our operations to ensure that they are optimized to deliver shared value. It has led us to unify our cacao sourcing and sustainability operations – because we see these functions as indivisible.

[Led by Vice President for Cacao Sourcing and Sustainability, Julia Ocampo, the new structure enables us to truly integrate ethical sourcing and transparent traceability of cacao into our long-term sustainability strategy.](#)

Importantly, it's a move that further embeds the farmer – and the land that sustains us all – at the heart of Luker operations.

## Our commitment to industry

Luker works to ensure it always keeps pace with and better serves a fast-moving industry – to become the sustainable choice for customers – and a valued Business for Business (B4B) partner.

[In November 2022, Luker acquired a majority stake in the Slovakian Lyra Group. Lyra is renowned for using the finest ingredients to innovate premium chocolate experiences.](#)

It is a move that helps us to further integrate into chocolate markets and enhances our ability to innovate new chocolate experiences. The acquisition expands our global reach, and brings Luker's unique value and inherently sustainable products to high growth European and Asian markets.

## Our commitment to the future

Positive action is needed as the industry – and indeed the planet – faces complex challenges.

[Luker is working in partnership to address these challenges, using the latest technologies to enhance, for example, transparency and traceability.](#)

Actions such as these have far-reaching implications, including strengthening the fight against deforestation, embedding human rights across the cacao supply chain, and ensuring a healthy and sustainable cacao industry.

Luker's past gives us the foundation to build an ever-more sustainable business. While we are proud of what we achieve in the present, it is in our nature to always seek to do better.

This report and our activities to date are simply signposts on our journey towards an ever-more sustainable future.

Camilo Romero  
CEO, Luker  
Chocolate





# Committed to positive change

Luker Chocolate is a family-owned business, founded in 1906.

At the time, drinking chocolate was a Colombian staple – but for the rest of the world - chocolate was only enjoyed by a fortunate few.

Over the past 117 years, some things have stayed the same: today, we continue to deliver chocolate creations of the highest quality and with the finest flavours.

Over the past 117 years, some things have changed forever: now our luxurious chocolate experiences can be enjoyed by everyone, not just in Colombia, but around the world.

We are a Colombian Business for Business (B4B) chocolate manufacturer that provides one-of-a-kind chocolate as an ingredient for other food companies - also manufacturing finished products for our global customers.

While a proud Colombian company, we have grown to see commercial operations in Belgium, the United Kingdom, the United States and more recently, Slovakia.

Over the past century we have developed an unparalleled knowledge of Colombian Fine Flavour Cacaos.

This ensures that we are masters of expressing their unique character and taste with a portfolio of exceptional fine chocolates.

Our company was founded on the principle of shared value– a deep appreciation of the mutual benefits created between Luker, cacao farmers, cacao communities, and the land.

Today, Luker carries this understanding forward as we engage the whole cacao value chain, cultivating and buying cacao across Colombia, Ecuador and Peru. With products sourced at origin, we guarantee our business sustainability, transparency, supply, and consistency.

We integrate the entire value chain from the first cacao seed to the final, luxurious chocolate product.





# Measuring our progress





# Impact topics

To drive positive change, we measure ourselves against stringent sustainability metrics.

A key component of this measure is the Materiality Analysis: “those topics that have a direct or indirect impact on an organization’s ability to create, preserve or erode economic, environmental and social value for itself, its stakeholders and society at large”.

Luker carries out a Materiality Analysis every two years. The main steps are:

## Topic identification:

A review of internal and external inputs including vulnerabilities of the cacao sector, UN Sustainable Development Goals (SDGs), sustainability indexes, organizational strategy, and corporate risks.

## Stakeholder map:

Key audiences are identified as representatives of different stakeholder groups: Steering Committee, employees, customers, suppliers, cacao suppliers and producers, community, and partners.

This has seen Luker hold conversations and conduct surveys with its stakeholders to identify relevant topics. This information is weighted in the following matrix – with the most relevant topics.

It results in three main topic strands: **Relevant** – those already having an impact; **Emerging** – those with the potential for impact; and **Other** – associated topics. These topics are numbered so that we can address each systematically:

### Relevant topics

- Topic 12:** workforce development and wellbeing
- Topic 6:** creating shared value
- Topic 5:** sustainable sourcing
- Topic 2:** climate change mitigation and adaptation

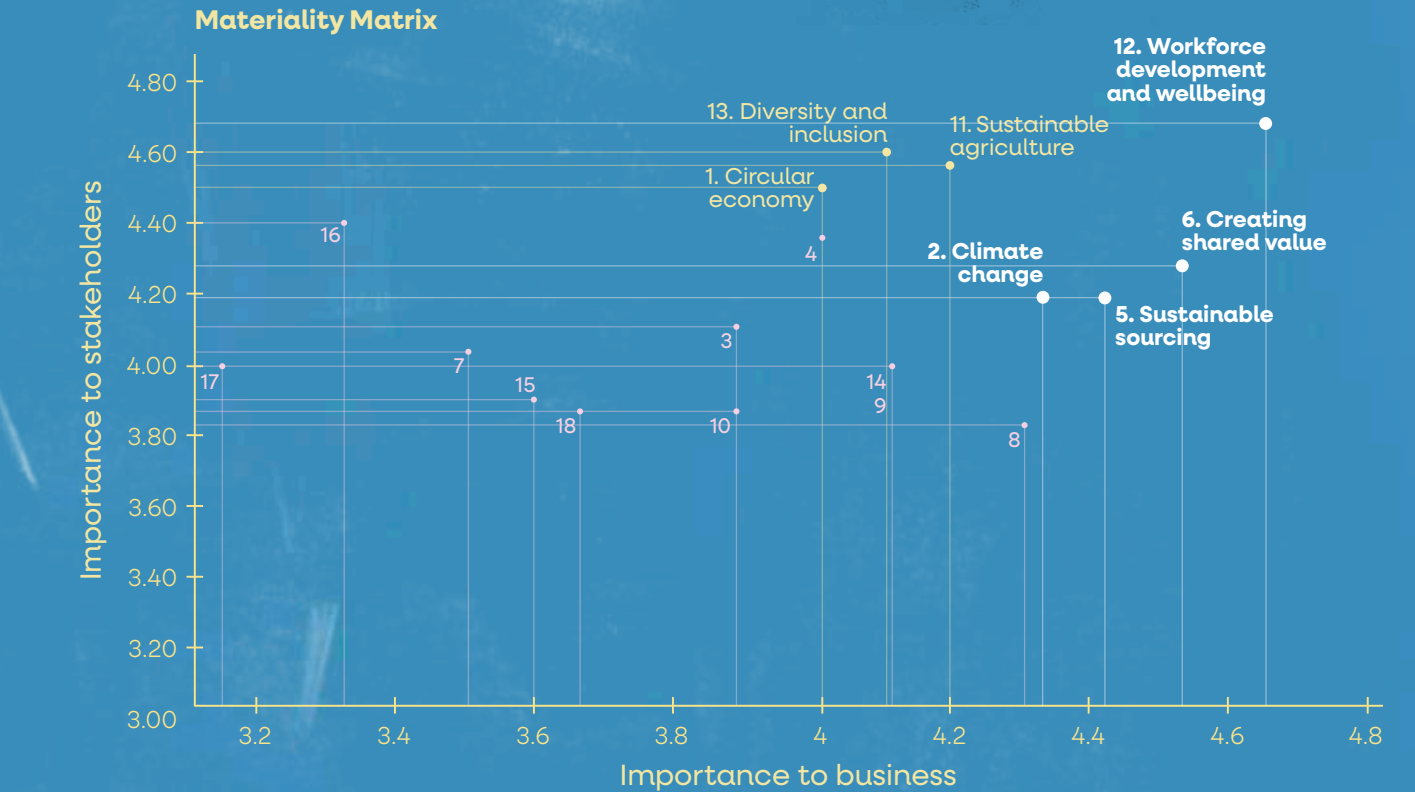
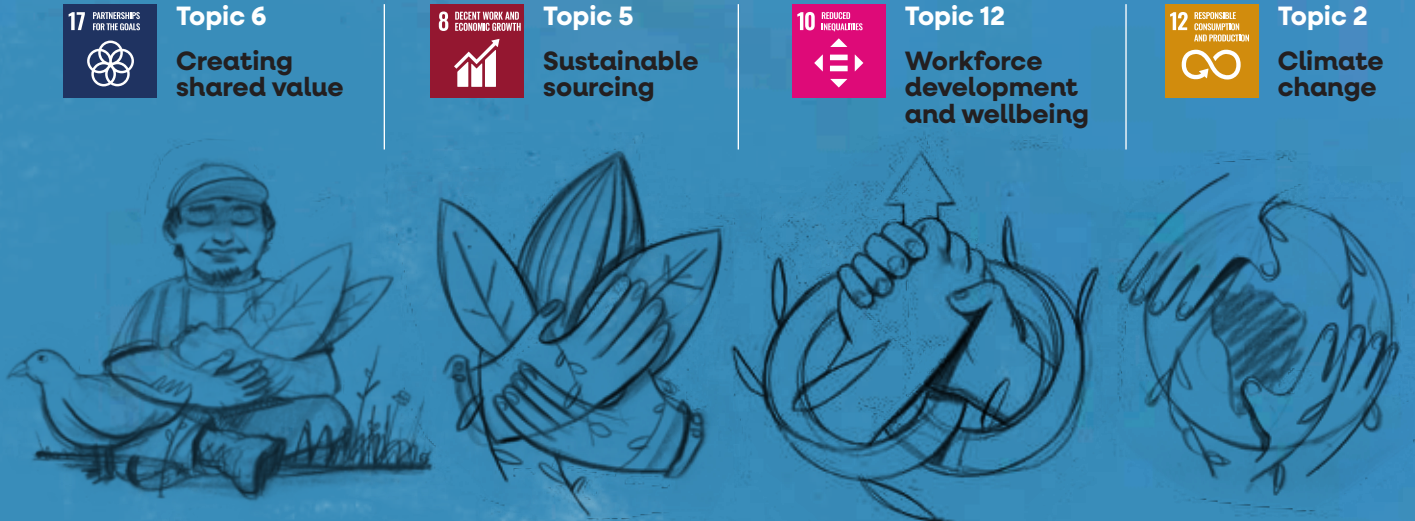
### Emerging topics

- Topic 1 :** circular economy
- Topic 11:** sustainable agriculture
- Topic 13:** diversity and inclusion

### Other topics

- Topic 8:** human rights
- Topic 4:** natural resource management
- Topic 3:** biodiversity
- Topic 14:** corporate governance and ethics
- Topic 9:** availability of raw materials
- Topic 10:** talent Attraction and Retention
- Topic 15:** information security
- Topic 18:** economic and socio-political environment
- Topic 7:** local economy and inclusive business
- Topic 16:** nutrition and healthy living
- Topic 17:** food waste

Some topics, while not prioritised through the Materiality Analysis, are still important to Luker, and we continue to make progress against them. These include, Digital Transformation, Occupational Health and Safety, Food Quality and Safety, and Innovation.





Sustainability risks

Luker Chocolate also assesses and addresses sustainability risks through our Risk and Sustainability Committees. Topics identified were:

- Exposure to changing regulations in different geographies.
- Migration of young people to the cities, abandoning the cacao sector.
- Environmental concerns which include climate change and deforestation.

This process helps Luker to better understand potential risks and impacts - and implement the control measures that will mitigate them. Our approaches to these issues are addressed with the projects described later in this report, but in summary, Luker Chocolate:

- **Raises awareness** with the producers to help them adopt a climate smart agriculture and regenerative approach to their sustainable sourcing practices.
- **Continually focuses on education** to inspire ideas and actions from children and young people - encouraging them to stay in school and attract them to the cacao sector.
- Using audits, **we identify human rights compliance** with our suppliers and deliver improvement through our Supplier Collaboration Program.
- **Defines a robust climate strategy** - with changes to integrate the supply chain, from producer to client - encompassing Greenhouse Gas Protocol Scopes 1 (direct emissions), 2 (indirect emissions through, e.g. energy use) and 3 (all other indirect up and downstream emissions).







# Creating Shared Value

At the heart of Luker's sustainability strategy and implementation is the concept of Creating Shared Value (CSV). CSV means that Luker enhances the social and economic wellbeing of the farmers and communities we work with, while nurturing the environmental health of the land that we all depend on.

We know that by sharing value across the cacao ecosystem, we have a direct and positive impact on the quality of our products, our competitiveness, and our profitability. CSV means that we reimagine products and markets, redefine productivity along our value chain, and promote the development of local clusters that act as economic and social hubs.

We work to continually build CSV throughout our ecosystem - with everyone invited to add value. It is a strategy that allows us to work and empower farmers, workers, and whole communities.

Creating Shared Value is a **RELEVANT IMPACT TOPIC** identified through our Materiality Analysis.

Luker's sustainability activities are underpinned by three core principles that encompass the entire ecosystem, including employees, customers, partners, non-governmental organizations (NGOs), government, and academia.



## Human Rights Protection

Protecting people is critical to everything we believe in - and we strive to lead by example. We demonstrate this commitment through our comprehensive human rights policy. It is our framework as we implement non-discriminatory measures, embed freedom of expression and awareness, safeguard labor and environmental rights, prevent child exploitation, combat fraud, and eliminate corruption across our entire value chain.

## Triple Impact Vision

Embedding CSV, Luker pursues a Triple Impact Vision, which encompasses social, economic and environmental value for the communities we work in partnership with. The three focuses of the Triple Impact Vision are: strengthening social wellbeing; increasing the cacao families income; and encouraging environmental positive practices.

## Transparency

We believe that progress must be measured - and that we must be clear about what we have achieved, and what we have not. If we don't know where we need to do more, how can we progress? Our policy is to be transparent and learn from our experiences.

We have monitoring and evaluation systems and we are in permanent communication with our stakeholders.



# Measuring sustainability

Luker measures sustainability across four core areas: Corporate Sustainability; The Chocolate Dream; Engaging Farmers and Suppliers; and Climate Positivity.

Our progress against goals and progress is summarized in the following pages.





## I. Corporate sustainability

### Workforce Development

#### Goals 2027

**Include the most vulnerable employees in projects to improve their well-being.**

#### Results 2022/2023

### Strategy

We established and executed a strategy focused on Diversity, Equity, and Inclusion.

### Characterization

We characterized the employees to understand their needs and how to contribute to their family's wellbeing: holistically, be it via education, health, nutrition, finance and/or care

**B Corp**



### Maintain our B CORP Certification

As a testament to our dedication towards continually improving and generating a positive impact on society and the environment.

### B CORP Certified

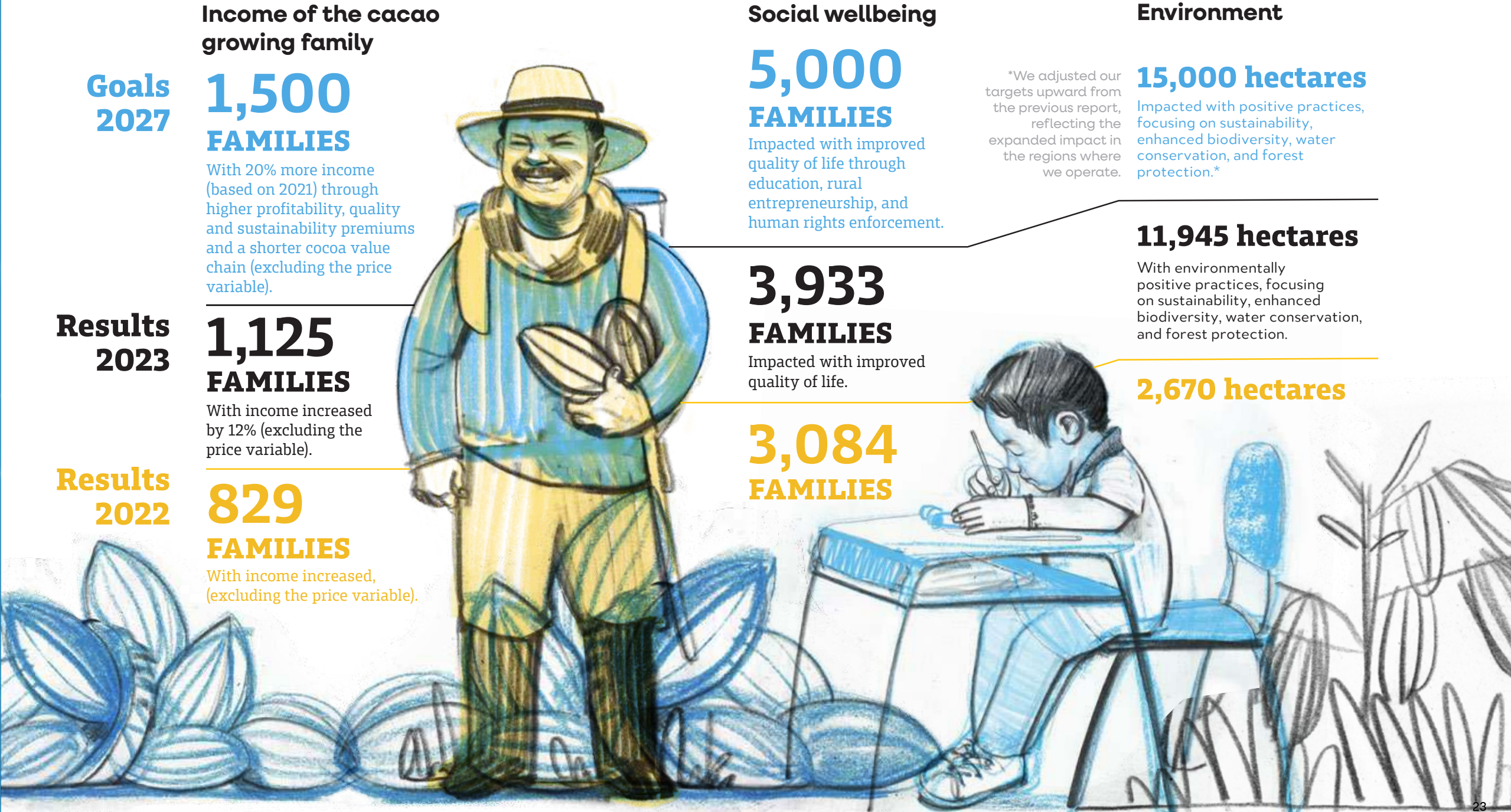
As a newly Certified B Corporation, we join the ranks of businesses spearheading a global movement towards an economy that is inclusive, equitable, and focused on regeneration.







II. The Chocolate Dream







## Goals 2027

### Traceability

#### Fully implement a comprehensive traceability system

To ensure our commitments to sustainable sourcing are met and to maintain transparency across the entire cacao supply chain.

#### Maintain complete traceability for all regional buyers and associations,

Ensuring 100% accountability and visibility.

### Sustainable Sourcing

Ensure that a minimum of 90% of the New York Stock Exchange cocoa market price (FOB) is paid to the cocoa supplier and document the transfer of the price to the producer for 100% of the purchases.

**100% Cacao sourcing**  
With evidence of no deforestation.

**300 farmers implementing agricultural technologies** in cacao crops that allow for the recovery of the soil and the ecosystems.

### Farmer's Training

#### Train 3,000 cacao farmers

In techniques to boost productivity through sustainable practices.

## Results 2022-2023

### III. Engaging farmers and suppliers

#### 100% traceability from regional buyers and associations

#### 10.8% Cacao purchases

Can be directly traced back to individual farmers, with clear evidence of price transfer.

#### 2,752 farms

Have been successfully traced, incorporating both demographic and environmental metrics.

**94% of the price** was transfer to the suppliers, compared to the New York Stock Exchange (Free on Board – FOB price for the cacao).

**12.6%** of exported cacao with evidence of no deforestation and included in our traceability system.

**80 farmers** are on the way to improve practices towards regenerative production principles and achieved certification of regenerative cacao.

**800 cacao farmers trained** in enhancing their productivity through sustainable practices.

**93 farmers trained** in human rights to contribute to the long-term prevention of human rights abuses.

**20 cacao associations** trained on management, operational, financial and commercial practices.



## IV. Climate positive

### Net zero

Goals  
2027

**28%**  
**REDUCTION**

In energy and industrial carbon emissions for Scope 1 and 2, and a 17% reduction for Scope 3, compared to our baseline year of 2021\*.

Results  
2023

**17%**  
**REDUCTION**

On scope 1 and 2 in energy and industrial carbon emissions. We are working with our suppliers to reduce scope 3 emissions.

**\* We are in the process of quantifying our FLAG emissions.**

### Circular economy

**94%**  
**Of all packaging materials to be 100% recyclable**

**85%**  
**Of all packaging materials are 100% recyclable**







# Building a caring and inclusive *organization*

**Effective corporate governance has been essential to ensure that Luker's commitment to embed sustainability translates into concrete actions and systemic change.**

Our measurement and promotion of sustainability runs through the whole business and has been led by our Board - starting with the alignment of our policies and procedures alongside systematic processes to measure progress.



Certified **B Corp**  
  
Corporation **Certification:  
business as a  
force for good**

In 2019, Luker Chocolate started the journey towards becoming a B Corp Certified business – joining a global community of progressive and purpose-driven organizations.

We achieved B Corporation certification in 2023, demonstrating our belief that Luker should always consider the impact of its decisions. This encompasses the business and its shareholders – but critically – all stakeholders to include our workers, customers and suppliers, the communities we engage with and the environments we work in.

B Corp is a major commitment – in terms of initial and ongoing certification – but it’s one that we are proud to make. B Corp certification isn’t about being the best in the world, but rather being the best for the world. It’s a distinction that might appear subtle – but it’s one that makes a fundamental difference to any company and its operations. It means that we are guided by the belief that businesses should be a force for good, contributing to a more inclusive and sustainable world.

The company scored 92.8 in evaluating operational practices, which covered topics such as collaborators, customers, the environment, communities, and governance. Relevant considerations include:

**We achieved B Corporation certification in 2023, demonstrating our belief that Luker should always consider the impact of its decisions.**

**a.** Our sustainable cacao sourcing model that allows us to positively impact the well-being of cacao-producing communities and farmers who have low incomes, unmet basic needs, and are affected by armed conflict.

**b.** Our inclusion model that promotes the hiring of vulnerable populations (people with low incomes, up to high school education, young people with their first job, migrants, etc.). It helps to bridge the gap in access to employment, and provides access to programs that allow the development of technical skills, soft skills, life skills, as well as access to higher education in technical and professional programs.

B Corp also helps us to refine our metrics that strengthen sustainable supply chains across various supplier tiers, and actively pursue measures to mitigate our carbon footprint. Our B Corp journey has already brought us a long way – and we are eager to see where it will take us next. All these efforts underline our continuous commitment to sustainability, embedding our vision of creating a better world.

**Luker’s  
timeline  
to B corp  
Certification**

2023

Luker gains B corp Certification with an assessment score of 92.8

2022

Luker undertakes self-evaluation and impact model assessments, put committees in place, and works to address identified gaps

2021

Luker amends organizational statutes to become a triple-impact company with decisions based on social and environmental impacts

2020



# Workforce development and wellbeing

**People are Luker's most valuable – and valued – asset.**

We are committed to building a workplace where people can grow professionally and personally, be valued for who and what they are, and thrive.

It is a priority area, with workforce development and wellbeing identified as one of our relevant impact topics in our Materiality Analysis.





# Diversity, Equity, and Inclusion

Luker is focused on creating an environment that embeds diversity and equity through inclusion.

We bring together well over 600 individuals – of different genders, sexual orientation, nationalities, ethnicities, abilities and more – to prove that diversity is Luker’s strength.

Diversity, Equity and Inclusion was identified as an EMERGING IMPACT TOPIC during our Materiality Analysis.

## Gender

2023

37% Women / 63% Men

53% Women in high management positions

33% Women in the C-Suite

2022

35% Women / 65% Men

64% Women in high management positions

33% Women in the C-Suite

## Age

2022 2023

40% / 36%

Under 30 years

52% / 56%

30-49 years

8% / 8%

Over 50 years

## Race

We began conducting anonymous surveys to learn more about the diversity of our population. The last one was conducted in 2023 and this is how our employees identify themselves.

1.9% Afro

1.6% Indígena

4.2% LGBTIQ+

92.3 % Not identified with any special group



## During 2023 we created:

### The Diversity and Inclusion Committee

democratically elected by employees - allowing Luker to implement actions, ensure compliance with policies and values, and provide comprehensive training programs on diversity and inclusion, unconscious bias and sexual harassment awareness in the workplace.

### Diversity and Inclusion Guiding Statement

Our Diversity, Equity and Inclusion Statement is designed to support a nurturing environment that embeds our people’s wellbeing. It is a continual process – with each milestone reached pointing the way towards ongoing progress.



VISIT THE POLICY

### The program La Casa de Todxs (A Home for All)

helping us to challenge and transform concepts of gender, equity, and inclusion, tackling issues such as gender-based violence - both within Luker and throughout our supply chain.





## Gender inclusion - Women's Empowerment Principles

Luker's goal is to build an organization where women are included in all aspects and feel that they have a safe and welcoming environment to grow and develop.

**In 2021 we signed the globally recognized Women's Empowerment Principles (WEPs) – a set of business practices promoting gender inclusion and empowerment.**

Luker measured itself against the WEPs Gender Gap Self-Assessment Tool (GGAT).

**By the end of 2023, we had increased gender equality by 17 points.**

We reached the 53 point initial goal which puts us in a middle range. Our ambition is to continually improve, aiming next for the 80-90 point score range.

At Luker, we seek to build a sense of sisterhood by strengthening teamwork among women, promoting an inclusive space where experiences are shared, and mutual support is promoted. It also means building a workplace that meets needs, including, for example, a dedicated, safe, and comfortable space in our factory for nursing mothers.

**During 2022/23, Luker implemented:**

### The Growing Together Program

Holding sessions on areas that include 'Challenging our biases' with 180 women – providing a platform to share personal experiences and point the way to a more equitable future.

### The Generating Equity Program

In partnership with USAID, to promote women's empowerment among operational employees and a group of suppliers who are closely integrated to our factory operations.



## Migrant Inclusion: TENT and Cuso International

In the past five years, more than 2.8 million Venezuelans have come to Colombia.

**In 2022, Luker joined forces with UNSTUCK, an initiative from TENT and Cuso International, that focuses on scaling job opportunities for refugees.**

Through our partnership, we are now the preferred supplier for global brands who share our values and commitment to expanding our refugee hiring program.

**In 2022/23 we hired the first 23 workers from migrant communities** made possible by breaking down barriers around the provision of supporting documents and references.



## Collective vision - connecting our people to our purpose.

**Everyone at Luker, from the CEO to the most junior member of the team, needs to understand why the company takes the Triple Impact Vision approach and the positive impacts it has on the company.**

We work to bring everyone on our sustainability journey - ensuring that nobody is left behind.

Luker's high quality products are the result of an intricate interplay of passion, hard work, tradition, skills, and a commitment to the environment.

We work to share this understanding through immersive employee experiences - from the cacao bean to the chocolate bar.

Our teams in cacao growing areas, for example, work collaboratively with the people in local communities. This provides a direct link between these communities and Luker - helping to bring first-hand insights that support different strategies and projects, which include our volunteer programs.

Further, it allows Luker's commercial and operational teams to visit cacao communities and see the reality of the cacao farming process, understanding challenges, and create a connection across the whole cacao ecosystem.

**During 2022/23, more than 60 members of Luker teams participated in community visits.**







## Employee wellbeing

A happy, supported, and nurtured workforce strengthens Luker and what it works to achieve. As such, **we invest to ensure the wellbeing of everyone who works for the company.**

In broad terms, Luker provides benefits like educational assistance, undergraduate and postgraduate studies support, family scholarships, unrestricted investment loans, eyewear assistance, and more.

**We invested over USD \$389,000 during 2022-2023.**

Training is a key component of our employee wellbeing approach – giving people the chance to grow both professionally and personally. These programs include technical skills to improve working expertise (including, for example, English language lessons) through self-managed courses on Luker's learning platform and other open learning platforms.

Luker understands that work is not just about work – but is a place where people can come together and build a sense of community.

Carrying this forward, Luker implements programs and activities that contribute to support its people, such as: programs for integral health that encompass mental, physical, and emotional aspects; a program dedicated to the transition from the world of work to retirement opportunities; and programs for expectant mothers. We also promote a culture of self-care alongside identifying and controlling risks, such as the Health and Safety at Work Program.

It is our people's commitment and creativity that builds a sustainable cacao ecosystem that delivers the finest chocolate experiences. In return, we offer access to programs that develop technical and life skills, and other educational opportunities.

**In 2022/23:**

**200**  
**Individuals participated in training programs**

Targeted at improving management skills, covering topics that include Leading to Grow and Leaders in Action. Alongside these, we have highly specialized courses for chocolate masters.

**51**  
**promotions**

That provided internal growth and development opportunities.





# *The* **Chocolate Dream**

**The Chocolate Dream is key to our Creating Shared Value (CSV) approach: it is our collaborative plan to transform the cacao value chain and create sustainable wellbeing in the cacao regions where we work.**

Through The Chocolate Dream, we bring positive impacts, delivering value to cacao communities through education, entrepreneurship, art and culture, agricultural development, environmental awareness, and job creation in the countryside.

Collaboration is critical because we understand that Luker doesn't have all the answers. The Chocolate Dream works in partnership with other relevant organizations, including national, regional and local government, Non-Governmental Organizations (NGOs), the private sector, Entrepreneurs, Academia.

Mobilizing this coalition, Luker Chocolate aims to transform the cacao ecosystem in Colombia and create value for all parties, including farmers, communities, the environment, our customers, and their consumers.



# The Dreamers Club

Taking this partnership to the next level, we work with our customers through 'The Dreamers Club' – an initiative that allows them to join Luker Chocolate in investing in the communities that provide the materials that make their products.

For every \$1 that our customers committed through The Dreamers Club in 2022, we multiplied the value by three times, growing to four times in 2023.

**We would like to thank the Dreamers who have helped to power The Chocolate Dream and who have co-created with us impactful projects for the regions.**

Encompassing our Creating Shared Value and Triple Impact Vision initiatives, **luker has invested 4.8% of our EBITDA in 2022/23 to turn The Chocolate Dream into reality. The overall investment, including allies, is 6.5 million dollars.**



**MEET ONE OF OUR DREAMERS**

CHOC  AFFAIR



MAISON CACAO

**GOODSAM®**



# Anchor Model

The Chocolate Dream engages in Colombia's cacao regions – using our farms as beacons of good practice – that positively impact other farmers and wider communities.

**It's something that we call our Anchor Model.**

Through this model we constantly Create Shared Value, by promoting the social, economic, and environmental development in the regions where we work. This highly localized approach means that our teams on the ground can understand the real issues affecting the communities, the farmers, their aspirations, and the challenges that they face. It also means that we can see, first hand, compliance with our sustainability standards.

**We have expanded the scale and scope of The Chocolate Dream in 2023, engaging in a new region - South Bolivar. This joins five existing Colombian regions (Caldas, Tumaco, Casanare, Huila, Urabá).**



Urabá

Sur de Bolivar

Caldas

Casanare

Huila

Tumaco







## The Chocolate Dream's impact

The Chocolate Dream has three main objectives:

### **Improve cacao family incomes**

Through increased profitability, quality, sustainability premiums, and a shorter value chain.

### **Enhance social wellbeing**

In rural communities by supporting education, rural entrepreneurship, and human rights enforcement.

### **Encourage environmentally positive practices**

Through the protection of water, forests, and biodiversity.



# Improve the income of cacao-growing families

Luker helps to mobilize improvements in productivity, business diversification, and support for entrepreneurship. In 2022/23:

**1,125 Families** Who participated in the Chocolate Dream's Cacao Masters and The Cacao Effect programs increased their income by 12%.

## Cacao Masters:

Is a program that has worked with **544 farmers** to promote sustainable cacao farming. It has helped to transform cacao farming practices using a gamification approach.



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**67% Farmers**

Are actively protecting and monitoring biodiversity, while embedding a healthy ecosystem.

**46% Farmers** Have diversified their income through other agricultural activities.

**100% Farmers** Received incentives for implementing sustainable practices

**42% Farmers** Are implementing practices to improve the well-being of workers and involving women in the agricultural activities.



# The Cacao Effect:

This five year program (2019-2023) reached and enriched over **1,000 cacao farmers**. Through this, we helped to transform cacao communities, supporting entrepreneurship, productivity and the strengthening of local cacao associations. Results include:



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**36% Increase in cacao productivity**

With investment in the rehabilitation of cacao trees, training in best sustainable agricultural practices, and crop models to boost the income of small cacao farmers.

**20 Farming Associations Strengthened**

With administrative training programs, technical help, and advice on best commercial practice so that they, in turn, can provide better levels of support to their members.

**837 Farmers** Are actively protecting and monitoring biodiversity, while embedding a healthy ecosystem.

**340 Young people** Graduated from 12 vocational studies in Necoclí and Tumaco.





## Enhance social wellbeing

Luker Chocolate works to strengthen social wellbeing through education and entrepreneurship projects. Through these we: inspire rural entrepreneurship; foster a passion for cacao and rural life; and raise awareness of human rights issues, including gender equality, and the prevention of modern slavery and child labor.

**2,512 Families**

**Engaged in 2023, thanks to our programs Empowering Dreams and The Power of Education.**

### Empowering Dreams

Is a program that has promoted and supported **72 entrepreneurial ideas** in the cacao regions where we work, to support development in rural communities. Through this program we have helped to realize new business ideas. Luker has:



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**13**

**Entrepreneurs and innovators partnered**

with experts to bring practices to rural territories.

**52**

**People trained in entrepreneurship**



## The Power of Education

Is a program that provides quality education opportunities to more than **2,114 children and youth** in rural communities to motivate and engage them to stay in and take advantage of opportunities in their local communities. Luker has co-created 7 projects to support local schools, and results include:



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**566**

**Students**

in rural education institutions that participated in programs to inspire passion for the cacao industry

**1,280**

**Children**

Improved their reading, writing, and math skills among various initiatives.

**278**

**Young people**

Graduated as technicians thanks to Luker driven education models.

**4**

**Rural schools**

Supported, with new infrastructure to facilitate, secure and improve children's education.





## Encourage environmentally positive practices

Luker Chocolate encourages environmentally positive practices focusing on sustainability, biodiversity enhancement, water conservation, and forest protection.

We drive this through environmentally training, implementing good agricultural practices, commitment to no deforestation, and payment for environmentally services.

**11,945 Hectares** Impacted in 2023 through two programs: Water and Forest and Conserving the Future

### Water and Forests

Fosters the protection of water sources, raises awareness of their importance to forest health, and promotes access to drinking water for rural communities. Luker activities include:

**136 People trained**

In the importance of water resources, how to protect them and avoid contamination

**5 Rural communities**

With access to drinking water.

**98 People trained**

In community and water system management.



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## Conservating the Future

Is a program that seeks to protect the forests, soil health, and biodiversity around the cacao crops with more than 1,600 farmers and their communities. We enhance this through four projects that encompass training, protection activities, constant monitoring of biodiversity, conservation strategies, reforestation, and environmental education. Luker has:

**54**

### Farmers

working as 'Guardians of the Dry Tropical Forest', helping to protect native species and combating soil desertification.



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**109**

### Young people

Trained in biodiversity, the importance of caring for ecosystems, and building communication skills to empower them to take the lead in environmental protection.

**44**

### Environmental Watchers

working across three of our cacao crops, monitoring and protecting biodiversity.

**1,393**

### Farmers

Protecting biodiversity around the cacao crops.







# Resilience to Climate Change

In Colombia, there aren't distinct seasons, but rather periods of excessive rainfall or severe drought. Luker Chocolate has implemented several measures to foster resilience to climate change:

## Educating Farmers:

Luker has assisted farmers in adopting better agricultural practices that minimize environmental impact, thereby promoting regenerative practices.

## Promoting Agro-ecological Practices:

We have encouraged actions that reduce CO<sup>2</sup> emissions on cacao farms. This includes the construction of three eco-factories in Tumaco on small-scale farms. These eco-factories serve as models to introduce ecological solutions to small farms. An eco-factory is designed to recycle waste from crops and other agricultural activities, enhance beneficial microorganisms in the soil, and restore soil fertility. Additionally, mineral substances can be added to improve the nutritional quality of the final product.

## Supporting Farmers with Agricultural Insurance:

Luker has provided support to 486 farms, covering 620 hectares, with agricultural parametric insurance. This insurance safeguards the farmers' investments against extreme rainfall, drought, or flooding. In 2023, this initiative disbursed USD \$131,000 in support to farmers affected by excessive rain.

## Facilitating Carbon Credit Certification:

Luker has aided eight small-scale farmers in Huila to certify carbon credits. This activity not only incentivizes environmental management but also supplements the farmers' income.



A photograph of a man in a light-colored polo shirt and a grey apron with 'LUKER Chocolate' written on it, smiling and gesturing towards a farmer. The farmer is wearing a wide-brimmed hat, a striped scarf, and a dark long-sleeved shirt. They are standing in a lush green cacao field. In the background, other people are visible, including a man looking at a smartphone and a woman in the foreground with her back to the camera.

# *Long-term* **engagement** *with* **farmers** **and suppliers**

**Luker Chocolate works to build trusted relationships with individual cacao farmers, associations of small-scale cacao farmers, and their communities.**

We engage at the local level – because one size never fits all – with initiatives tailored to local needs and conditions. We believe that the cacao ecosystem can – if properly nurtured – be a powerful force for good in Colombia and the rest of the world.



# Sustainable sourcing

Luker Chocolate focuses on a sustainable cacao sourcing model - another RELEVANT IMPACT TOPIC from our Materiality Analysis. This enables us to significantly improve the wellbeing of cacao farmers impacted by low incomes, low education, and isolated rural communities affected by armed conflict.

Our Cacao Sourcing and Sustainability Team is made up of **30 people** who work directly in the field, supporting farmers and suppliers with technical assistance and the implementation of sustainable practices.

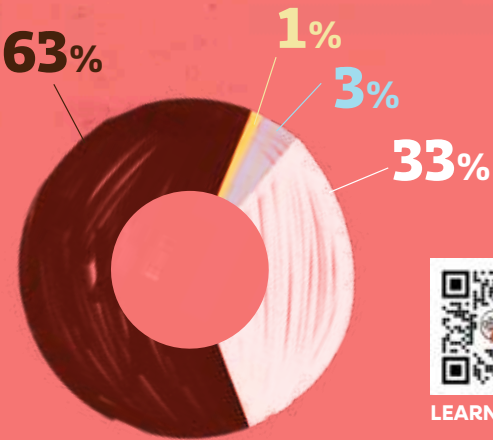
Luker sources its cacao from more than **15,000 farmers** from across Colombia - a country where **180,000 hectares of cacao** are distributed across **1.2 million square kilometers of land**. Consequently, cacao is highly dispersed in small farms (each averaging three hectares).

**To sell their cacao, each farmer has four choices: 1) through small cacao farmers' associations; 2) through a regional buyer; 3) through the Luker's farms or 4) through Luker's warehouses.**

Predominantly, the farmer's choice is dictated by key criteria: price; transport costs; documentation required to make the sale; and the services offered.

Luker does not tie farmers down to future contracts - they are always free to sell through any of the options mentioned before - allowing them to choose whichever offers them the better deal. The graphic below shows how Luker purchased its cacao in 2022/23. Regional buyers and Cacao Associations are suppliers with long term relationships (over 12 years):

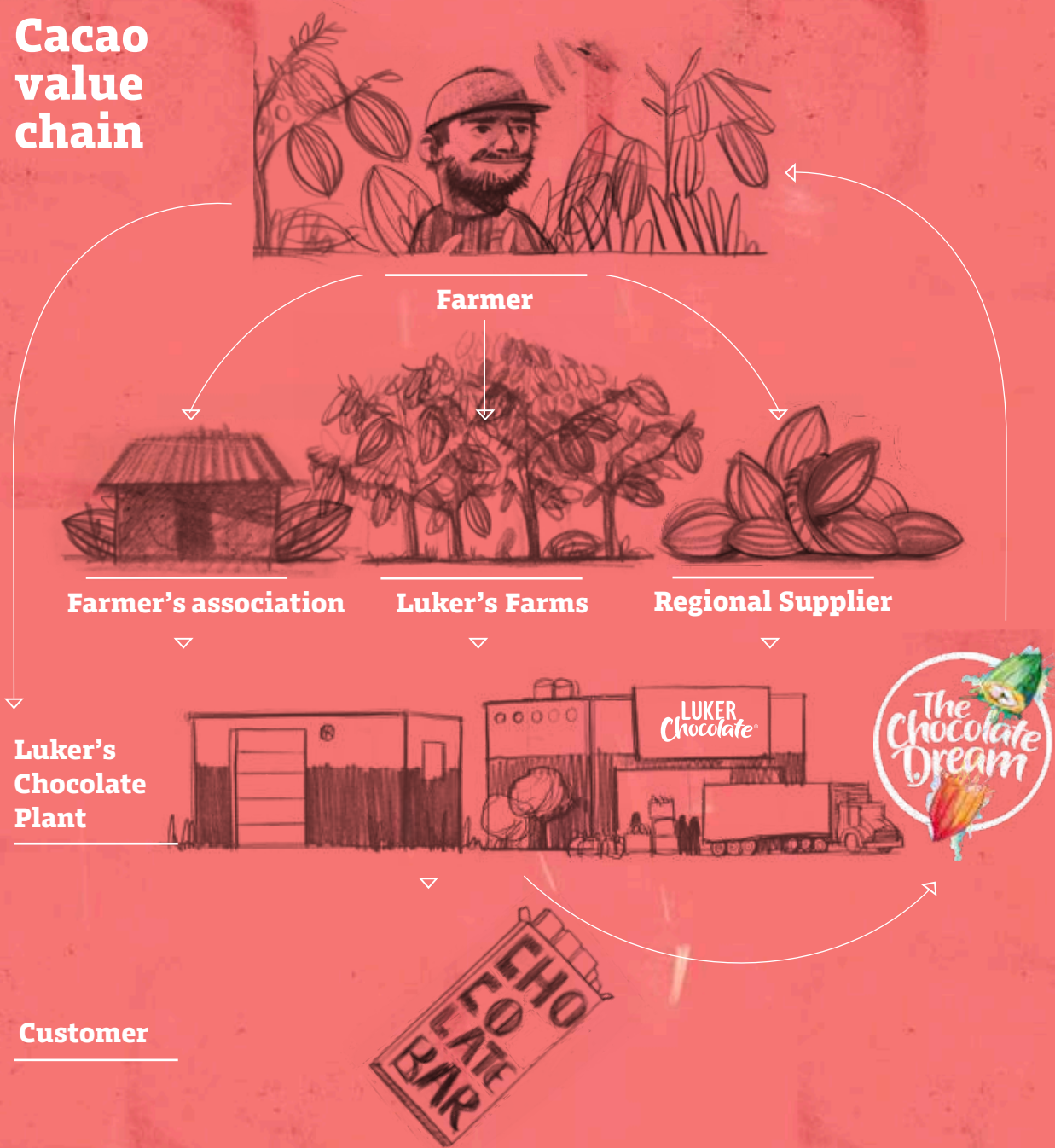
Type of supplier (2022/2023)



Cacao associations are groups of farmers who work together, electing a Board of Directors, with the Board's President making collective decisions. Farmers who are members, however, are not obligated to sell to the cacao association. Regional Buyers are usually local entrepreneurs who buy directly from farmers offering services such as transportation, parking facilities and pre-payments.

Luker aims to be always the best final option in the value chain, with price transfer commitment, direct contact with the farmers and sustainable programs for the families

## Cacao value chain







## Characteristics of Luker's Suppliers

A Luker supplier is expected to be a reliable provider with a strong commercial reputation. They should be willing to share information and ensure the quality of their cacao. Additionally, these suppliers are required to deliver cacao in optimal volume ranges, prioritizing purchases located in areas identified with low cadmium levels. They should also promote the wellbeing of clients and/or farmers, maintaining transparency in price transfers.

**Luker's suppliers are fully aligned with our Sustainable Cacao Sourcing Model and comply with three elements:**

**High price transfer**

**Deforestation Free Cacao**

**Long-term Supplier Partnerships**







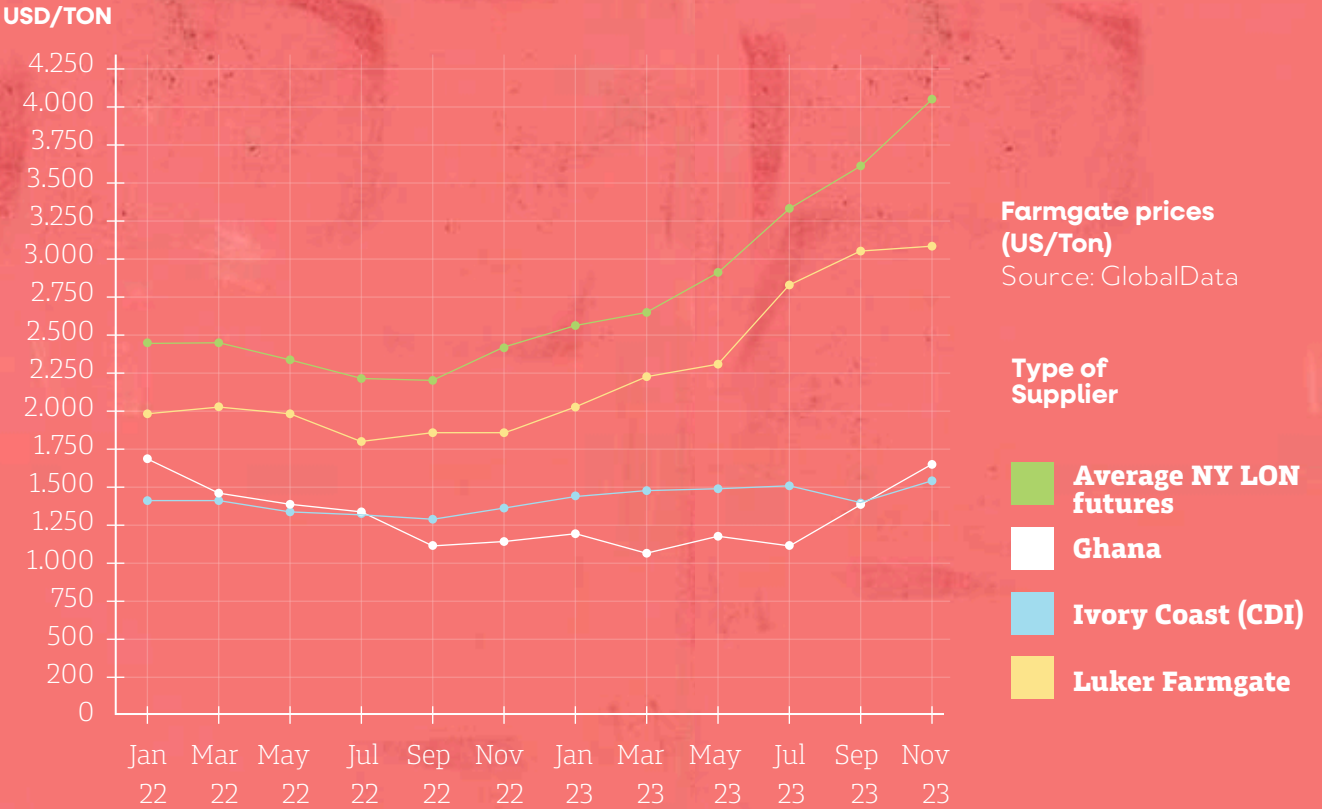
## High price transfer

As part of our sustainable sourcing policy, we ensure high price transfer for all cacao used to make our chocolate.

**In 2022-2023 Luker paid 94% of the New York Stock Exchange (Free on Board – FOB) price for our cacao**, including bonuses for quality characteristics and sensory profiles, paid to suppliers (including individual farmers).

To put this into a global context, information from GlobalData states that Ivorian and Ghanaian farmers were transferred an average of 53% and 49%, respectively, in the same time period.

**In nominal terms, on average during 2022 and 2023, a Colombian cacao farmer received in cash USD \$ 2,306 per ton in cash.** While Ivorians received USD \$ 1,426 per ton and Ghanians received USD \$ 1,335 per ton. In the following graphic are the prices received by farmers in the Luker supply chain, compared to the global price:



The differences between the NY Stock Exchange Market and the farmgate price are due to costs as follows: National & International logistics, Weight losses, Fedecacao (mandatory support), taxes, local transportation, local weight losses, provider administration costs and provider margin.

For Luker Chocolate, it's important that the farmer understands the price they're paid, so during 22/23 we:

- **Explained how to interpret the NY price to farmers:** understanding the price gives the farmers the opportunity to decide when to sell at the best price.
- **Bought unfinished products:** in Luker's Farms, the small farmers sell their wet cacao at the same price as finished, so the farmer is paid 15 days earlier with no penalty.
- **Paid price premiums for quality and sustainability:** quality counts, fermentation, humidity, profile and good practices are paid extra.
- **Created 4 new purchase points** to give more farmers the opportunity to sell at supplier prices.





# Deforestation Free Cacao

EU Regulation 2023/1115 - EUDR - came official in June 2023 covering Deforestation Free imports and exports from the EU.

**Luker is undertaking Due Diligence to confirm that our chocolates comply with this regulation on deforestation-free supply chains.**

Regulation demands three cumulative requirements for products:

**They are deforestation-free.**

**They have been produced with the relevant legislation of the country of production, including Human Rights protection.**

**They are covered by a due diligence statement.**

We have a longstanding commitment to the prevention of deforestation, and the promotion of agroforestry and other agricultural practices that contribute to the protection of biodiversity in the regions where we source our cacao.

Taking this forward, we work closely with our supply chain to ensure our cacao is grown under sustainable practices.

To ensure EUDR compliance, Luker has:



## Implemented a Traceability System - Luker Trace.

It allows us to monitor and demonstrate 'deforestation-free' since December 2020, through geo referenced polygons farm by farm, matched with satellite lot tracking with real-time deforestation data.



## The development of new cacao areas.

The expansion of cacao crops is managed under the auspices of a controlled strategy supervised by national agencies and international cooperation to prevent any future deforestation.



## Trained farmers in Human Rights

Luker Chocolate is sensibilizing different groups of farmers around the human rights protection, to prevent any kind of, gender violence, child labour, discrimination, and modern slavery. Luker created an “ethical phone line” to suppliers to report concerns.





# Long-term supplier partnerships

Luker transcends the traditional business-to-business (B2B) model by embracing a business-for-business (B4B) approach. This means we are dedicated to advancing the interests of other companies. Our definition of ‘others’ encompasses our suppliers, which include individual farmers, cacao associations, and regional buyers.

To promote long-term supplier partnerships, Luker has:



## Improved Cacao Association Management

Working with EAFIT University, to date, we have supported 20 associations - building management practices to deliver sustainable, holistic, and dynamic approaches.



## Implemented Supplier Practice Sustainability Verification

Working with the ASESOC methodology we evaluate and verify 11 suppliers according to the social, economical and environmental conditions.



## Introduced Innovation Challenges Identification

Which is an initiative designed to find innovative ways to increase price transfers to farmers and implementation of sustainable practices. We are piloting three potential solutions in 2024.



## Increased Rotative Funding, which is used to prefinance supplier activities

It guarantees instant payment to farmers - who often don't have bank accounts or easy access to funds. Luker has increased its investment here to USD \$47.263.514.



# Traceability

Traceability has always been a fundamental element in Luker's management systems for food quality and safety. It considers our supply chain, the origin of raw materials, as well as their production processes. It allows us to build safe, verifiable, and adaptable products.

Four years ago, we began to sharpen our traceability focus to include environmental and social criteria. The aim is to strengthen, measure and assess positive impacts in the supply chain.

Primarily, efforts have centered on our raw material, cacao - to identify with producers and cacao suppliers - the risks, opportunities, actions that will help us to ensure the traceability of our cacao and embed transparency and sustainability best practice.

Luker implemented a traceability system that allows us to evidence and guarantee our sustainable supply commitments: no deforestation, no child labor and strengthening the transfer of the price down to the farmer.

**Currently, 100% of our cacao is traced to suppliers, and includes: region of origin; transport factors; and food security practices. Progress to 2023 means that 4,475 hectares are traceable to the farmer** with evidence of price transfer and deforestation free.

The Luker Trace Monitoring and Evaluation System consolidate end-to-end cacao information, allowing for rapid identification. Using his approach, progress includes:

**The 10% of total cacao purchased by Luker has supporting farmer invoice data - encompassing information from over 8,000 producers.**

Our objective is to continuously enhance this percentage through stronger relationships with our suppliers.

**Work with 2,752 traceable farms – encompassing demographic and environmental information – using GPS or Polygon mapping technologies.**

Our system allows us to monitor if there has been a loss of vegetation cover. At the same time, we have implemented continuous alerts to potential deforestation events, which we can validate directly in the territory. It means that we can ensure that the farms aren't involved in activities such as deforestation or degradation.

**Piloted price transfer confirmations using blockchain – to verify the actual prices received by the producer, and so boost the transparency in our supply chain.**

The pilot gave us information about the farmers' motivation to use different technologies to confirm the data.





# Regenerative Agriculture

Regenerative Agriculture is a new philosophy for, and approach to, land management – one that works to understand how all aspects of agriculture are connected through a network instead of a linear supply chain.

Regenerative Agriculture offers promising opportunities for the future of farming – and Luker Chocolate is exploring its potential in terms of farmers and the cacao economy.

The Natural Resources Defense Council (NRDC) describes Regenerative Agriculture as a farming style that nourishes people and the earth, with specific practices varying from grower to grower and from region to region.

**Luker considers Regenerative Agriculture as a way of farming, employing positive actions to restore soil and ecosystems.**

Regenerative farming includes practices such as: agroforestry, organic fertilizing, agrofabric (farm-made mixes for soil re-saturation), reforestation and vegetal cover for soils.

Luker takes this forward by:

**1.** Creating the first regenerative cacao farmers group in Colombia. Based in Urabá and working with one cacao association, **we have supported 80 farmers to adopt regenerative farming approaches** – including monitoring soil development and using organic materials, developed with Luker technologies, on their farms.

**2.** Together with a local NGO, the Bancolombia Foundation, Luker promotes an annual meeting designed to raise awareness and adoption of regenerative practices in the cacao sector. Called “agriculture that’s friendly to people and the environment”, the meeting hosts national and international speakers and attendees to share good practices.

**The event was attended by 120 farmers in 2022 and has grown to 150 in 2023.**







## Training and education initiatives with farmers

Luker's research farm – Granja Luker – celebrated its 60th anniversary in 2023. Granja Luker is the home of our communication and education activities and the development hub where innovative farming approaches are researched and applied.

Learning from successful trials is shared with Colombia's cacao farming community.

Training held at Granja Luker typically lasts for 40 hours is made up of six learning modules. Subjects covered include cultivation, harvesting and disease control, and the promotion of sustainable production.

**During 2022/23 over 800 farmers have learned how to increase their productivity with sustainable practices.**

Luker also created a communications plan aimed at raising awareness of, and pride in, the cacao industry to generate a sense of achievement and belonging within the cacao farming community.



# Non-cacao sustainable sourcing

**Besides cacao farmers, Luker works with over 3,000 suppliers providing other raw materials.**

We work to ensure that these suppliers meet our own exacting standards around sustainability. Actions have included:

- Providing impact assessments to over 400 suppliers to evaluate social and environmental activities - with specific advice on how to improve sustainability across the value chain.
- A development program launched in 2022 for small and medium-sized enterprises, supported by partners such as UNDP and Externado University. It reached over 10 organizations, providing structured approaches to help them to improve their sustainability performance.
- Increasing the use of local suppliers from 57% in 2022 to 78% in 2023.







# Our roadmap to climate positive agriculture

Luker's approach to emission reductions behavior and climate change mitigation and adaptation encompasses:

**Reaching Net Zero – decarbonization**

**Climate risk management**

**Cacao and product carbon impact**

**Energy transition**

**Reducing our water footprint**

**Circular economy**



# Reaching Net Zero- decarbonization

**In 2021, Luker committed to 'Race to Zero'** – A global campaign to “rally leadership and support from businesses, cities, regions, and investors for a healthy, resilient, zero carbon recovery that prevents future threats, creates decent jobs, and unlocks inclusive, sustainable growth.”

To support this commitment, we have adopted the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) to develop our take-action strategy on climate related issues.

As part of this, we have structured roles with clear responsibilities to ensure that climate-related risk and opportunities have oversight at Board level and on sustainability committees.

By adopting the TCFD recommendations, we have also established decarbonization metrics that drive our net zero strategy.

**To reach our goals, we have a key milestone of reducing industrial and energy carbon emissions by 28% in scope 1 and 2, and by 17% in scope 3 by 2027 vs our baseline year 2021.**

We submitted our targets to SBTi for official validation in January 2024, to ensure our efforts are aligned with international climate action.

Having accurately identified our primary sources of emissions, we are now well-positioned to respond effectively. In 2023,

**we achieved a significant reduction for scope 1 and 2 in energy and industrial emissions, cutting them by 17%.**

Furthermore, we are structuring a program that will replace refrigerant gas with high global warming potential (GWP) in 13 air conditioning units - swapping them out for alternatives with a lower climate impact in our Bogotá production plant.

We also work on carbon capture on our value chain, that's why we achieved carbon neutral certification for our Scope 1 and Scope 2 emissions for 2021-2023 period.

**We secured this by insetting emissions through the use of more than 11,000 carbon credits** obtained from the carbon sequestration of farmers and our cacao crops in the regions of Huila and Casanare.

To ensure that we make a meaningful impact, we have now elected to measure ourselves by the stringent Scope 3 emissions, which include all 'upstream' and 'downstream' activities within the Luker value chain, such as our logistic operations and sourcing of our ingredients. Scope 3 accounts for a substantial 95% of our emissions, amounting to nearly 290 Ktons CO<sub>2</sub>eq. Recognizing the urgency, we are intensifying our efforts and actively collaborating with our suppliers to develop and implement effective strategies to significantly reduce these emissions.





# Climate risk management

**Our Bogotá production plant obtained a low-risk rating in the assessment of climate-related physical risks.**

In this analysis we consider the climate impacts that may affect our chocolate production in the short, medium and long term (2030, 2050 and 2100) using the Representation Concentration Pathways - RCPs – to model possible future climate. We used RCP 2.6 (representing a 1.6 degree increase in temperature); and RCP 8.5 (representing a 4.3 degree increase).



# Cacao and product carbon impact

Early learning from this work on Scope 3 emissions has included an understanding of the level of carbon emissions from cacao crops. Emission figures available were not specific to Colombia, so we have worked with a small sample of farmers from across the country and the environmental intelligence organization, GAIA, to collect data.

It is work that has shown us that actual emissions are 2.08 KgCO<sub>2</sub>eq per Kg of cacao bean production, compared to the old generic figure of 10.8 KgCO<sub>2</sub>eq per Kg of cacao bean production from Ecoinvent (v3.8 with aggregated impacts).

We have taken this forward – seeking to measure the carbon impact of one of our products – Oat Milk Chocolate 43%.

**Looking across the entire production process, we have calculated that 1kg of Oat Milk 43% Chocolate results in 2.7 kg of carbon emissions.**

With this measurement in place, we can understand that the main carbon emissions in our products life cycle comes from **the shipping to our customers and the sourcing of raw materials.**

We also work with allies to mitigate our carbon impact. We partner, for example, with: the Cataruben Foundation to conserve plants and trees, and the carbon stores they contain; and sustainable supply chain organization Solidaridad on the ‘Asombrate Program’ to ensure that **more than 2,000 farmers are direct beneficiaries of carbon removal units (CRUs) generated from their land.**





# Energy transition

Supporting our decarbonisation efforts, we are also making progress on the types of energy we use.

**In 2022 we implemented phase one of our ‘Sunflower’ project, with the installation of 396 solar panels on the roof of our production plant in Bogotá** – with a total capacity of 238 kilowatts – to increase our use of renewable energy sources. This reduces 161 tons of carbon emissions every year. In the coming years we will structure phase two of the project to install solar panels on other roofs available in our plant.

**In 2023 we have ensured that corporate operations, including our chocolate factory, are powered by 100% renewable energy sources.**

This is achieved through a combination of our solar energy panels and renewable energy certificates from energy projects in Colombia that fully comply with the international I-REC standards.

Alongside renewable sources, we continue to improve our energy efficiency. This includes automation of our equipment to ensure it is only operational when necessary; and the automation of lighting controls and the transition to LED bulbs to reduce waste.



# Reducing our water footprint

Luker has worked to get the data it needs to make a meaningful difference and mitigate its true water impact.

We are now carefully measuring our Water Footprint. This data will help us to better understand our current usage and the ways that we can reduce our impact.

**In 2022/23 we have treated 19,898 m3 of the wastewater from our operations – or in other words, 100% of the industrial wastewater we generate.**

This ensures that we minimize polluted wastewater from entering Bogotá’s sewage system and play our part in protecting water resources.

**In addition, Luker reduces its reliance on drinking water, using rainwater captured from the roof of our factory – capturing a total of 4,162 m³.**







# Circular Economy



Luker engages in the creation of a circular economy, addressing key issues:

- Zero waste
- Packaging
- Upcycling

## Zero waste

Our organic and recyclable waste is valorized as it enters new production processes, delivering USD \$66,769 to Luker in 2022/23, while also preventing it from reaching landfill.

46%

Of our waste consists of plastics, cardboard, and materials

That are recycled by waste management organizations to ensure responsible reuse.

50%

Of our waste is organic matter

Which is used to create animal feeds and compost.

3%

Of our total waste output ends up in landfill.

We are committed to reducing this further still.

1%

Is hazardous waste

Which is carefully disposed of at controlled sites.





## Packaging

Luker is exploring eco-design, with materials that are developed from the outset to be locally recyclable, including a material identification seal on every product so that everyone in the recycling chain can identify the materials present..

Today, we ensure that

**85%**

**Of our packaging materials are 100% recyclable in the target market.**

By 2027, we aim for

**94%**

**Of all packaging materials to be 100% recyclable.**



## Upcycling

Luker understands that recycling alone isn't enough and that we must be more efficient with the resources we use – and are now adopting upcycling methods. Upcycling reimagines and reinvents what already exists, promoting the circular economy by making better use of the resources we already have.

Cacao is a prime example: just 18% of the fruit is used to create our products, with around 82% discarded as food waste or used as fertilizer on crops.

**In 2023, we established a facility in Bogotá's chocolate factory for developing cacao byproducts, processing 90,000 cacao pods.**

This initiative forms part of our broader objectives to support business growth, expand our portfolio into new categories and enhance the profitability of cacao crops.

Additionally we've been applying the innovation methodology to design new ways to involve farmers in Casanare and Caldas to circular economy initiatives that allow them to increase their income. Currently we are running a pilot in Casanare that aims to teach farmers how to transform the husks in a raw material to create "Cacaoboard", an interior design biomaterial.





**Beyond  
sustainability**



We are proud of the sustainability story told in this report. It has demanded and received the passion, commitment and expertise of every Luker Chocolate employee, partner, farmer and cacao community. Pride, however, is mixed with excitement at where our sustainability journey will take us next.

**This report doesn't simply demonstrate what we have done and where we have come from – it is also a commitment to what we will do and where we will go in the coming days, weeks and years. It shows us success and – importantly – areas where we can do more to amplify our impact. B Corp will now be a guide as we align our actions with its frameworks.**

It has already helped us, for example, to see the need for a sharpening of focus on the effectiveness of our communications with cacao farmers and their communities. We are exploring the opportunities of rapidly emerging technologies to bring us nearer to these communities, and so better understand – and serve – their needs.

### **B Corp also opens new opportunities for partnership.**

Coming together with other like-minded businesses across the globe, we look forward to sharing experiences and best practices to continually refine the way that our business engages with, and impacts, the wider world.

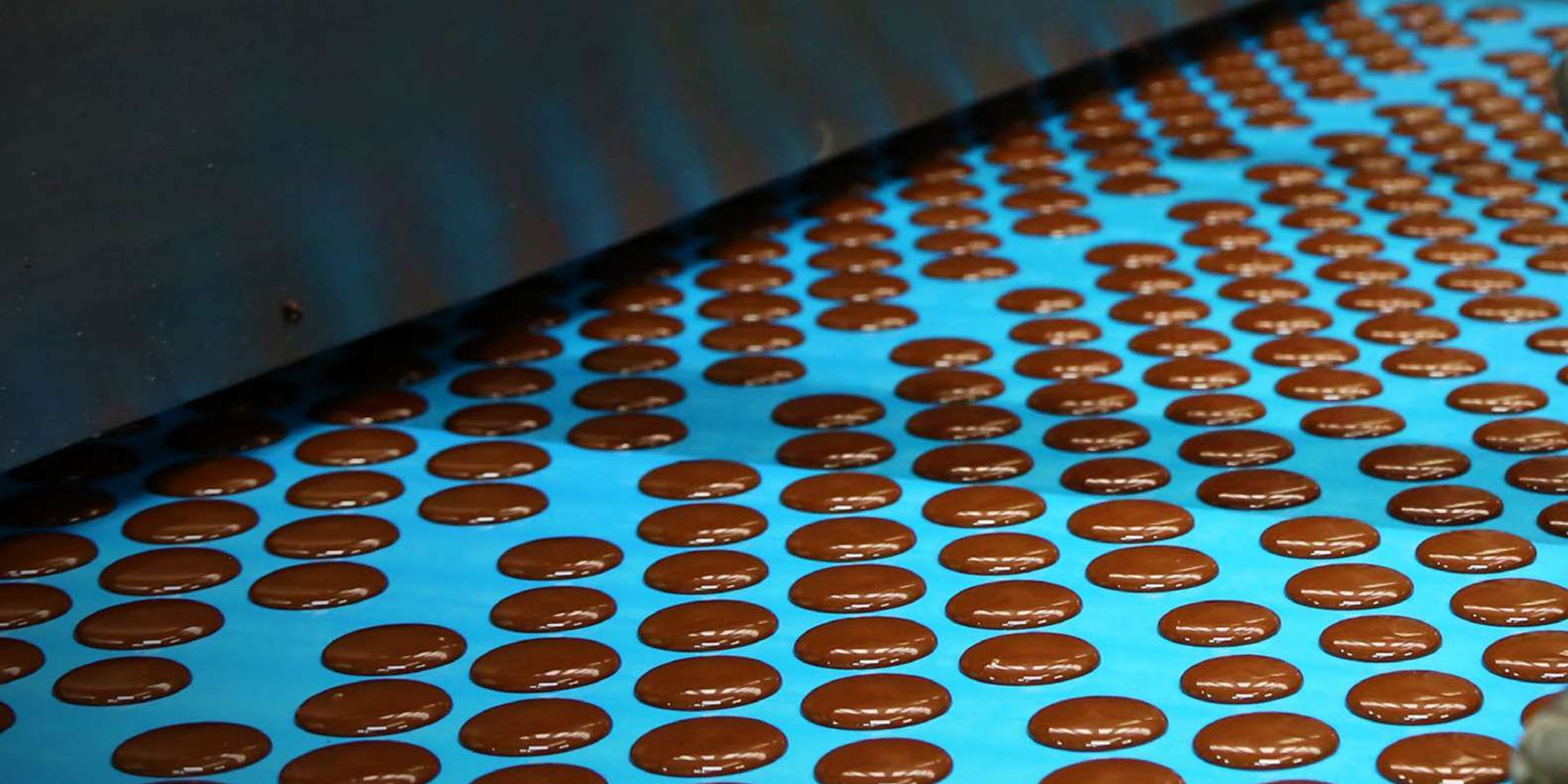
### **We are renewing our commitments in areas such as deforestation-free and upholding human rights within our supply chains.**

It will see us intensify our efforts to: identify and trace our products – right down to the individual farm level; protect the environment, promoting biodiversity; improve farmer incomes; open up opportunities for Colombia's cacao communities; and work to realise the potential of every Luker employee.

We have travelled a long way but have further to travel – and we hope that you will join Luker Chocolate on the journey, with The Chocolate Dream!









| GRI  | Name                                                                        | Location in the Report                                                                                                                                                                                                      |
|------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2-1  | Organizational details                                                      | p. 7                                                                                                                                                                                                                        |
| 2-2  | Entities included in the organization's sustainability reporting            | Luker Chocolate is a business unit within CASALUKER S.A.                                                                                                                                                                    |
| 2-3  | Reporting period, frequency and contact point                               | p.5<br>Julia Ocampo (Sustainability Director) :<br>jiocampo@lukerchocolate.com<br>Valentina Ortiz (Communications Strategist):<br>vortiz@lukerchocolate.com                                                                 |
| 2-6  | Activities, value chain and other business relationships                    | p. 7                                                                                                                                                                                                                        |
| 2-7  | Employees                                                                   | p. 32. All workers are full time                                                                                                                                                                                            |
| 2-9  | Governance structure and composition                                        | Shareholder Meeting, Board of Directors and C-suite                                                                                                                                                                         |
| 2-10 | Nomination and selection of the highest governance body                     | Elected by the shareholders meeting                                                                                                                                                                                         |
| 2-11 | Chair of the highest governance body                                        | The Chair of Board of Directors is not a senior executive                                                                                                                                                                   |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | p. 5,6 y 7                                                                                                                                                                                                                  |
| 2-13 | Delegation of responsibility for managing impacts                           | C-suite with Integrated Management Systems, Sustainability Committee                                                                                                                                                        |
| 2-15 | Conflicts of interest                                                       | <a href="https://www.lukerchocolate.com/wp-content/uploads/2023/12/TRANSPARENCY-AND-BUSINESS-ETHICS-PROGRAM.pdf">https://www.lukerchocolate.com/wp-content/uploads/2023/12/TRANSPARENCY-AND-BUSINESS-ETHICS-PROGRAM.pdf</a> |
| 2-16 | Communication of critical concerns                                          | Crisis committee that is activated when required due to an impact on the stakeholder or business continuity and the steering committee to review cases or situations of prevention.                                         |

| GRI            | Name                                               | Location in the Report                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2-21           | Annual total compensation ratio                    | 13X / It compares C-level positions with operational level, all of them working full time.                                                                                                                                                                                                                                                                                                             |
| 2-23           | Policy commitments                                 | p. 14-17<br><a href="https://www.lukerchocolate.com/wp-content/uploads/2023/04/Politica-Integral-de-Gestion-2023-Eng.pdf">https://www.lukerchocolate.com/wp-content/uploads/2023/04/Politica-Integral-de-Gestion-2023-Eng.pdf</a><br><a href="https://www.lukerchocolate.com/wp-content/uploads/2023/03/ddhh-ingles.pdf">https://www.lukerchocolate.com/wp-content/uploads/2023/03/ddhh-ingles.pdf</a> |
| 2-25           | Processes to remediate negative impacts            | There is a procedure for applying human rights and a complaints and governance mechanism. In addition, we have a coexistence committee in the organization                                                                                                                                                                                                                                             |
| 2-26           | Mechanisms for seeking advice and raising concerns | We have created a specific security line and website where stakeholders can make reports and internally activate a procedure for attention, solution and preventive actions. Security Line 018000 113770 PBX +571 447 3700 - 10123                                                                                                                                                                     |
| 2-28           | Membership associations                            | Natio snal Business Association (ANDI), World Cacao Foundation, Britcham, European Cacao Association, Cacao, Forest and Peace                                                                                                                                                                                                                                                                          |
| 2-29           | Approach to stakeholder engagement                 | p. 10-13                                                                                                                                                                                                                                                                                                                                                                                               |
| 3-1<br>3-2,3-3 | Material Topic                                     | p. 10-13                                                                                                                                                                                                                                                                                                                                                                                               |



| GRI          | Name                                         | Location in the Report                                                                                                                                                                                                                                                            |
|--------------|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 302-1        | Energy consumption within the organization   | Consumption in Gigajoules (GJ)<br>Year 2022<br>Electric energy: 40905<br>Natural gas: 47133<br>ACPM: 213,32<br>Year 2023<br>Electric energy: 40720<br>Natural gas: 47028<br>ACPM: 111,17 GRI                                                                                      |
| 303-1        | Interactions with water as a shared resource | In 2022,<br>Rainwater 2020 m3<br>Potable Water:26818 m3<br>in 2023<br>Rainwater 2140 m3<br>Potable Water: 29544 m3                                                                                                                                                                |
| 305-1,2,3,4  | Emissions                                    | Scope 1, Emissions Tons of CO2 Equivalent: 2022: 3.114 2023: 3.951 Scope 2 Emissions Tons of CO2 Equivalent: 2022: 0 2023: 0 Reduction p 75                                                                                                                                       |
| 308-1, 308-2 | Environmental Assessment of Suppliers        | <a href="https://www.lukerchocolate.com/wp-content/uploads/2023/12/TRANSPARENCY-AND-BUSINESS-ETHICS-PROGRAM.pdf">https://www.lukerchocolate.com/wp-content/uploads/2023/12/TRANSPARENCY-AND-BUSINESS-ETHICS-PROGRAM.pdf</a>                                                       |
| 306          | Effluents and Waste                          | Year 2022<br>Organic waste: 445,20 tons<br>Recyclable materials: 405,906 tons<br>Ordinary waste: 24,393 tons<br>Hazardous waste: 5,25 tons<br>Year 2023<br>Organic waste: 457,19 tons<br>Recyclable materials: 443,01 tons Hazardous waste: 8 ,98 tons Ordinary waste: 31,61 tons |

| GRI        | Name                                                                                                | Location in the Report                                                                                                                                                                                                                                                                                                                                                   |
|------------|-----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 401-1 a -b | New employee hires<br>Employee turnover                                                             | 2022: 75 -16,7% 2023: 184-16,1%                                                                                                                                                                                                                                                                                                                                          |
| 401-2      | Benefits provided to full-time employees that are not provided to temporary or part- time Employees | We have different benefits for education, death, disability, scholarships, loans, health, among others. Investment year 2022 USD \$185.626 and 2023 USD \$204,054, increasing 10%.                                                                                                                                                                                       |
| 401-3      | Parental leave                                                                                      | a. All employees are entitled to parental leave. b. 2022 - 29 women / 2023: 45 women 2022- 44 men / 2023: 29 men c. All employees returned to work after parental leave. d. 2022 61% 2023 77%                                                                                                                                                                            |
| 403-1,5, 8 | Occupational Health and Safety Management System                                                    | Applies all workers and contractors. Where risks are identified, assessed and control actions, prevention of accidents and occupational diseases are defined, ensuring legal compliance and guaranteeing the continuous improvement of processes.Each year training is provided on occupational health and safety, road safety, emergency brigade, work at heights, etc. |
| 404-1,2    | Programs for upgrading employee skills and transition assistance programs                           | P 38-39                                                                                                                                                                                                                                                                                                                                                                  |
| 413-1      | Operations with local community engagement, impact assessments, and development programs            | P 40-53                                                                                                                                                                                                                                                                                                                                                                  |





 **LUKER**  
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Corporation

