

SUSTAINABILITY REPORT

2024



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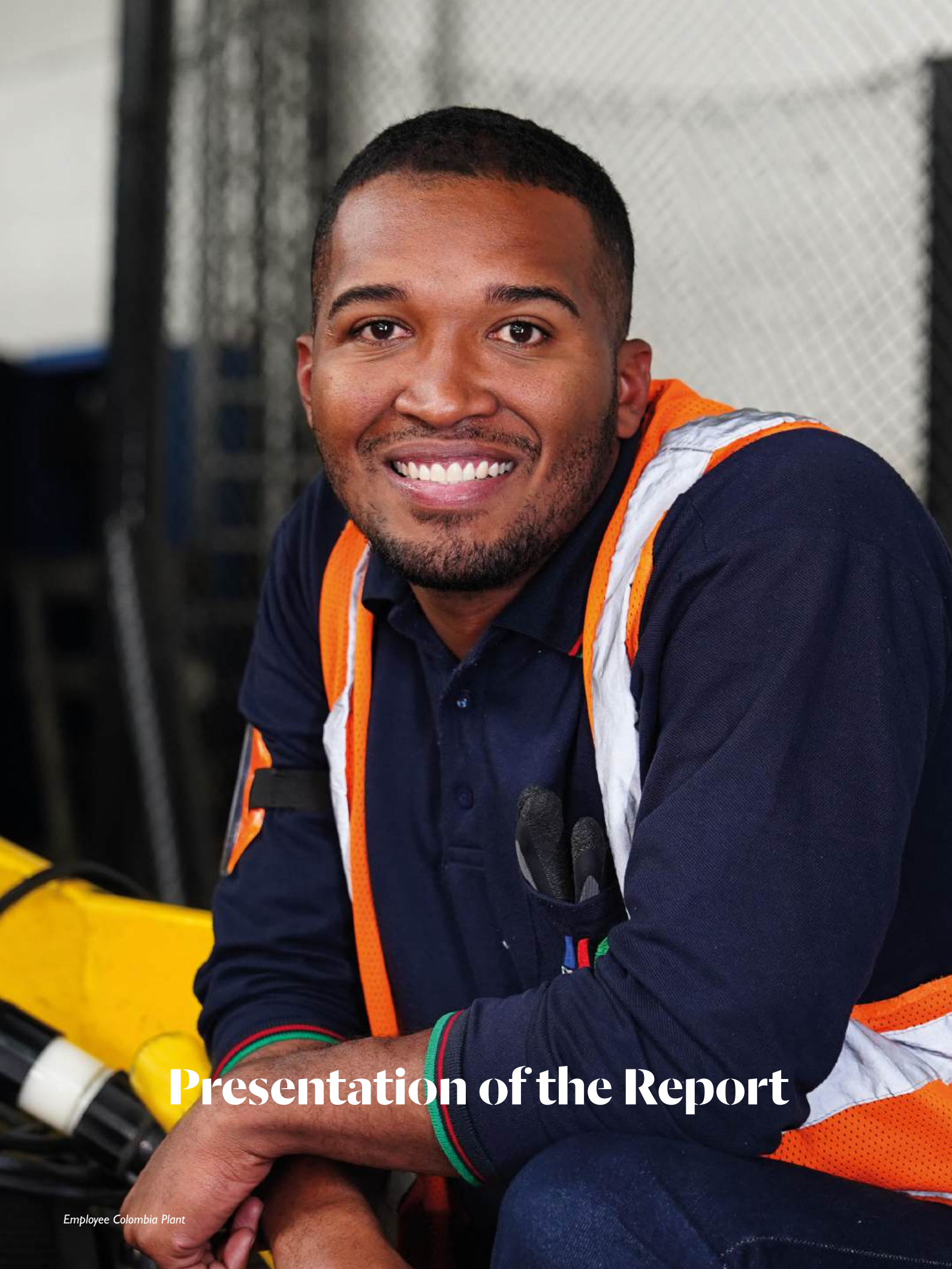


For every printed copy of this
report, a tree will be planted.

www.plantamiarbol.com

Contents





Presentation of the Report

This Sustainability Report covers the operations of Spradling® Group's production plants in Colombia and Costa Rica, Calypso®, and the commercial units that make up Spradling® Group, for the period from January 1 to December 31, 2024.

PRODUCTION PLANTS



Proquinal® S.A.S



Proquinal®
Costa Rica S.A.

CALYPSO®



Colombia



Costa Rica



Dominican Republic

COMMERCIAL UNITS



Spradling® Germany



Spradling® Spain



Spradling® United States



Spradling® Mexico



Spradling® United Kingdom

Demonstrating our commitment to sustainability, this report serves as an exercise in transparency and accountability to our stakeholders.

In this document, we present the progress of our strategy to create value for both people and the planet. We acknowledge our role as leaders in the industry by promoting and applying best practices in environmental, social, and governance matters.

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MESSAGE FROM OUR CEO

The 2024 Sustainability Report stands as evidence of a year that marked **significant progress in our commitment to sustainability and the responsible management of our operations**, with an awareness of our impact on the environment and the communities to which we belong.

For Spradling® Group, **sustainability is not merely a work approach but the compass that guides our management roadmap**, as it enables us to become a global benchmark in the industry.

Beyond being a fundamental pillar that ensures our long-term relevance and supports our leadership in the various markets in which we operate, sustainability connects us with our customers and users, and makes it possible for us to attract the best human talent to our teams.

From Senior Management, we have aligned ourselves with this shift by integrating sustainable principles across all facets of our business and fostering an organizational culture that values the balance between profitability and social and environmental responsibility.

Our strategy has been clear: to ensure competitiveness through **innovation and the integration of sustainable materials (recycled yarns, bio-attributed PVC, and other polymers)**, which help maintain or extend the useful life of our products—thereby reducing environmental impact without compromising the durability, quality, and versatility that define us.

This vision has involved close collaboration with suppliers and the ongoing search for complementary alternatives at competitive costs, which, in addition to enhancing our performance, also promote circularity.

During this period, we focused on strengthening our sustainable portfolio with products such as the Biosense family, along with intentional efforts such as obtaining Carbon Neutral certification for the entire Spradling® Group. These achievements are a source of great pride, as they demonstrate that we can lead our industry not only in commercial terms but also in environmentally friendly practices.

However, we acknowledge that we still face significant challenges. The primary one: identifying process improvements and alternative raw materials, as well as ensuring their efficient use to optimize our management. This will enable us to meet the growing expectations of our customers and consumers.

We know that paving the way for the transformation toward a more sustainable business model in our sector is a highly ambitious goal, but **we have an extraordinary team with strong commitment and high technical capacity to make it happen.**

In addition, we are fortunate to have the invaluable support of our customers and stakeholders, who motivate us to contribute to building a prosperous future. This report is for them—an exercise in transparency and accountability designed to communicate our strategy and report on our commitments, achievements, and challenges over the past year.



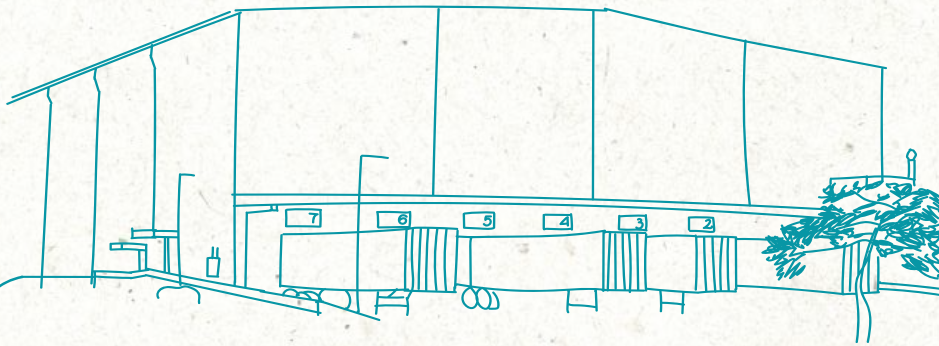
The road to sustainability is endless, but we are determined to continue pioneering this journey. Will you join us?



Iván Sepúlveda CEO of Spradling® Group

OUR MAIN ACHIEVEMENTS

Economic Dimension – Governance



We opened the first Calypso® warehouse in the **Dominican Republic**.



We acquired goods and services from a total of **1,714 suppliers**, **77% of whom** are local to the countries where our production plants operate.



We completed the **EcoVadis** sustainability assessment and obtained two bronze medals and a special recognition.

Product



We officially joined the **Stockholm Convention**, which regulates persistent organic pollutants.

We advanced the development of **Environmental Product Declarations (EPD)** for **100 new references**.



We began formal manufacturing of **calendered products** for different niche markets in Costa Rica, with the launch of the first three collections.



We reached **41 references** with **Indoor Advantage™ Gold** and **GREENGUARD Gold** certifications.



We launched the **Masiala and Valencia™ Biosense products** in the **United States and Europe**, respectively.



Environmental Dimension



We reduced water consumption in our operations **by 13%**.



We joined the **Vinyl on the Move** program, which promotes circular economy practices in Colombia.



We obtained **Carbon Neutrality certification for the entire Spradling® Group**, thanks to rigorous emissions measurement and management.



We recovered **71% of our waste** through recycling, reuse, or co-processing.

We planted **535 trees** through reforestation initiatives.



We delivered **2,820 hours of environmental education** at our plants in Colombia and Costa Rica, with over 2,770 recorded attendances.

We generated **264 MWh of solar energy**, a 14% increase over the previous year.



Social Dimension



We supported **13 employees** from our production plants through the Housing Plan.



We donated **680 tons of remnants and trimmings and edges** to six social organizations.



We trained **1,136 employees** through our Corporate University, surpassing the annual goal.



We filled **28.5% of vacant positions** with internal personnel.



We delivered 28,176 hours of training to employees, with **more than 6,700 total attendances**.



We reduced the number of disabling accidents **by 7.1%**.



We recorded **17,051 attendances** in integration activities.





Spradling® Group

Costa Rica Plant

Our Higher Purpose



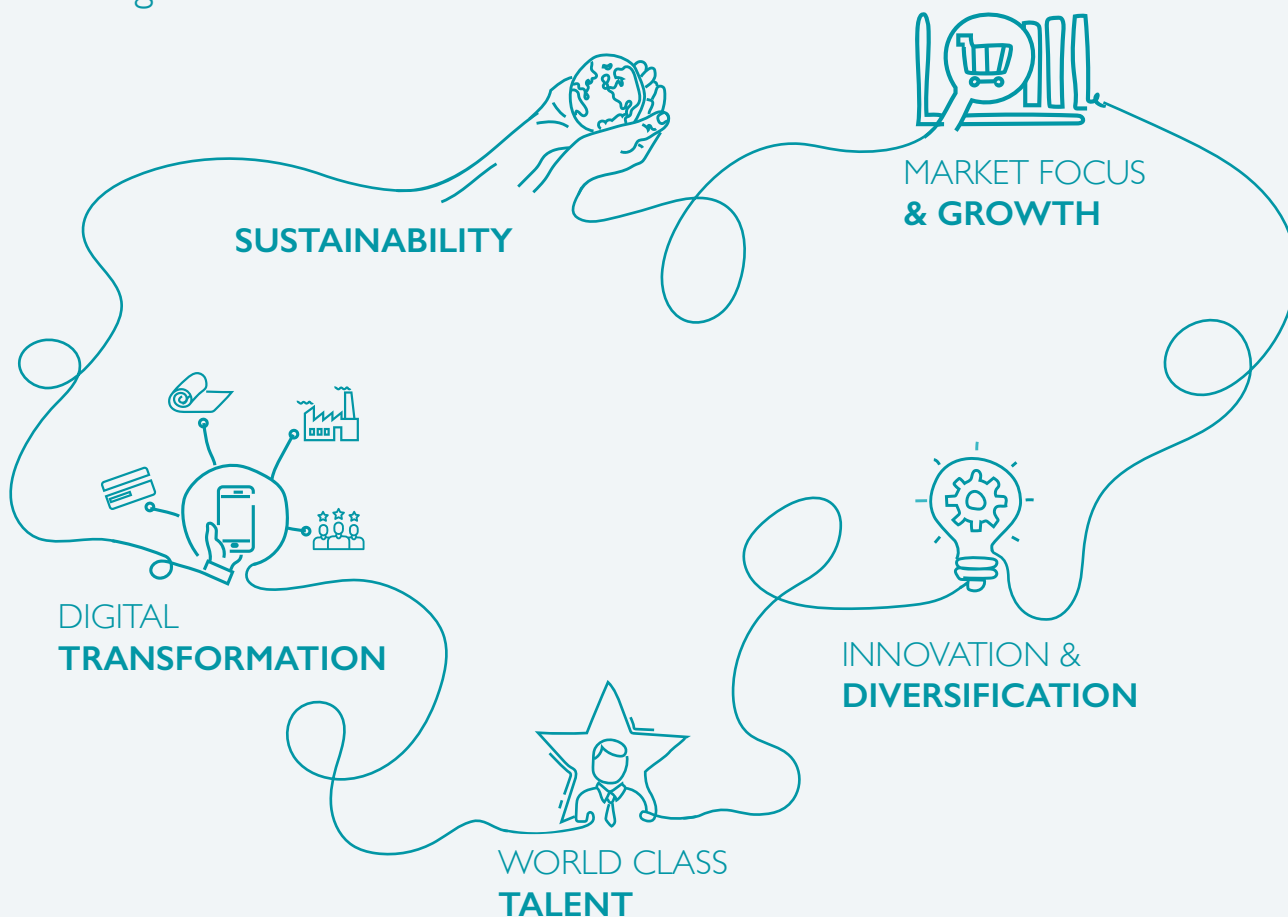
Inspiration that
COVERS THE WORLD

Our Vision

To be the preferred and most reliable company for coated fabrics, films, and flooring in the world, innovating to inspire, delivering exceptional service, and promoting sustainable development.



Strategic Pillars



MEGA 2030

During the last quarter of 2024 and the first months of 2025, we carried out a Strategic Planning process, in which a MEGA with a vision toward 2030 was proposed. The commitments resulting from this exercise will be presented in our next Sustainability Report.



OUR HISTORY



- We strengthened our commercial partnership with Spradling® International as the exclusive representative in the United States, and with All Cargo Intermodal Forwarding Inc. (ACIF) as the logistics operator in Miami.



- We obtained ISO 14001 certification for our Costa Rica plant.



- Productos Químicos Nacionales (now Proquina® S.A.S) was founded. We built the plant, the offices, and opened the first Calypso® point of sale in Bogotá.



- We established a commercial partnership with Cuir S.A., now Eurospradling S.L.U., as the exclusive representative in Spain.
- We inaugurated the plant in Costa Rica with a built area of 15,000 m² on a 68,000 m² plot.



- We consolidated Spradling® Group.
- Our Costa Rica plant was verified as carbon neutral.

1959

1986

2004

2010

2015

1981

1997

2009

2012

- The President of Colombia presented us with the Silver Export Medal.



- Spradling® International acquired the marine division of the US company G&T, giving rise to Spradling® International Marine (SIM).
- Spradling® México was also established.



- The acquisition of 10 distribution companies was completed in Colombia, thereby reinforcing Comercializadora Calypso® S.A.S.



- We strengthened the commercial partnership with Spradling® International GmbH as the exclusive representative in Germany.





- We celebrated 60 years and consolidated our market position as experts in coated fabrics.
- Our Colombia plant was verified as carbon neutral, and we obtained ISO 50001 certification for our Costa Rica plant.



- We obtained Great Place to Work® and ISO 50001 certifications for our production plant in Colombia.
- We opened the fourth Calypso® warehouse in Costa Rica
- We completed the installation of a new production process called calender at Proquinal® Costa Rica, the most important and ambitious investment project of the Spradling® Group.



- Spradling® International acquired the assets of CMI Enterprises, focused on the transportation sector in the United States, leading to the creation of Spradling® Resources.

2016

2019

2020

2021

2022

2023

2024

- We expanded the Costa Rica plant, doubling our production capacity.
- We acquired 100% of CTP Textiles, giving rise to Spradling® UK Ltd. in the United Kingdom.
- We established Calypso® Costa Rica.



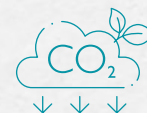
- We began installation of the calendering process and built a new Distribution Center (CEDI) at the Costa Rica operation.
- We were once again certified as a Great Place to Work® for our Costa Rica plant.
- We achieved ISO 45001 certification for both production plants.
- We obtained the first Indoor Advantage™ Gold and GREENGUARD / GREENGUARD Gold product certifications.



- We developed new 100% waterproof coated fabrics with permanent anti-fluid properties that addressed the needs of the healthcare sector during the COVID-19 pandemic.
- We obtained Great Place to Work® certification for our Costa Rica plant and ISO 14001 certification for our Colombia plant.



- We obtained Carbon Neutrality certification for the entire Spradling® Group.
- We launched Masiala and Valencia™ Biosense.
- We opened the first Calypso® warehouse in the Dominican Republic.
- We initiated the Strategic Planning process with a vision for 2025–2030.



SPRADLING® GROUP WORLDWIDE

We are a global company with commercial and logistics operations in some of the world's major cities. In addition, we are the largest producer of coated fabrics for upholstery in the Americas and one of the leading producers of films and flooring. We have a direct presence in the United States, Europe, Mexico, and Latin America.



54 years of export experience, leading the market in the United States, Colombia, and Spain.



Our products are installed in more than **80** countries



Proquinal® Colombia

 Bogotá, Colombia



 **+16.2**
million meters of
premium quality
produced in 2024

 **915**
Employees

Proquinal® Costa Rica

 Alajuela, Costa Rica



 **+9.5**
million meters of
premium quality
produced in 2024

 **507**
Employees

Calypso®

 55 warehouses located in Colombia, four in Costa Rica, and one in the Dominican Republic.



 **421** employees

Markets Covered: Colombia, Costa Rica, and the Dominican Republic.

Spradling® Mexico

 Tlalnepantla, State of Mexico



 **7** employees

Export Destinations: Spain, Dominican Republic, and Mexico.

Spradling® United States

United States: Alabama, North Carolina, Indiana, Michigan, Tennessee.



125 employees

Export Destinations: Australia, Canada, China, Colombia, Hong Kong, Israel, Malaysia, Mexico, Singapore, United Arab Emirates, and United States.

Spradling® Spain

Barcelona, Spain



26 employees

Export Destinations: Spain, France, Germany, Italy, Middle East, Asia, Africa, Portugal, and Netherlands.

Spradling® United Kingdom

Lincolnshire, United Kingdom



9 employees

Export Destinations: Republic of Ireland, Spain, Germany, Italy, Portugal, and Poland.

Spradling® Germany

Lüneburg, Germany



7 employees

Export Destinations: Austria, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, Georgia, Germany, Greece, Hungary, Iceland, Indonesia, Israel, Jordan, Latvia, Lithuania, Malaysia, Norway, Poland, Romania, Singapore, Slovakia, Sweden, Switzerland, and Ukraine.

Structure and Functioning of the
Highest Governing Body

At Spradling® Group, we are a global organization specializing in coated fabrics, films, and flooring, with a clear organizational structure. The Board of Directors supervises and directs strategic decisions and ensures legal and ethical compliance. The Chief Executive Officer (CEO) is ultimately responsible for the management and administration of the company, supported by the company's Senior Management.



We use a Corporate Approval Manual (RACSI) to ensure transparency and agility in decision-making, supervised by Internal Audit. We also have permanent high-level committees to address cross-cutting issues throughout the group's operations, including the Executive Committee, Global Commercial Committee, Sustainability Committee, and Operations Committee.

“

The Executive and Sustainability Committees, in particular, ensure the integration of social, environmental, and governance factors across all company processes and strategic decisions.

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Certifications

At Spradling® Group, we are very proud to announce that all our business units are now carbon neutral.

To achieve this, we quantified emissions across three scopes: direct emissions, indirect emissions from imported energy, and significant indirect emissions. The process was verified and certified by Icontec under the ISO 14064-1:2018 standard.

As part of this commitment, we will implement emission reduction projects and have a compensation policy based on recognized standards.

To learn more about our Group's certification process, **we invite you to read our Environmental Dimension chapter.**



Other Certifications

Proquinal® Costa Rica





Proquinal® Colombia



Highlights	Scope
Responsible Commerce Fenalco	34 Calypso® Stores
EcoVadis	Bronze Medal for Proquinal® Costa Rica and Proquinal® Colombia Recognition for Spradling® Spain

Partnerships

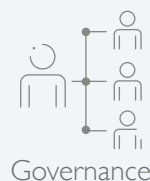
In 2024, we are part of the following organizations:

Organization	Country
Advanced Textile Association (ATA)	United States
Colombian Plastics Association (Acoplásticos): Board of Directors	Colombia
Free Trade Zone Association: Board of Directors	Costa Rica
Chamber of Commerce of Bogotá	Colombia
Chamber of Industries: Board of Directors, Sustainability Committee and Human Talent Committee	Costa Rica
Chemical Fabrics & Film Association (CFFA)	United States
National Federation of Merchants (FENALCO)	Colombia
Fundación CRUSA: Hydrogen Alliance	Costa Rica

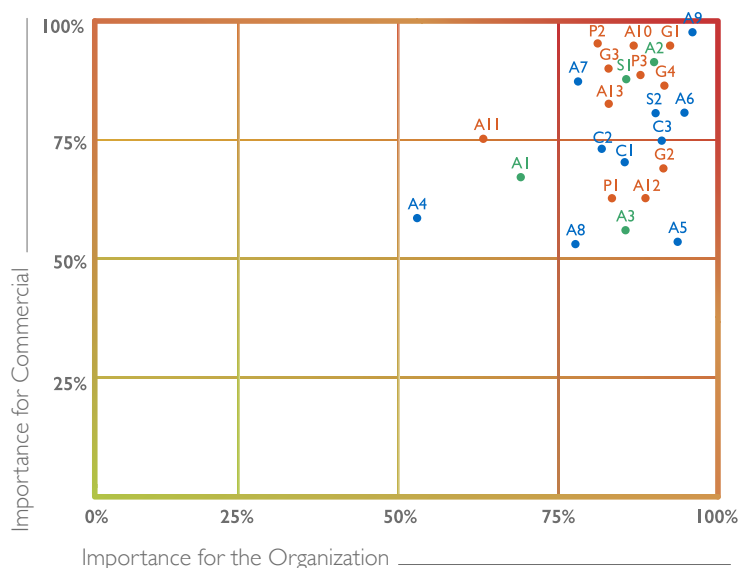
A vibrant photograph of a garden. In the foreground, a pond is covered with green lily pads and some fallen leaves. A large, gnarled tree trunk leans over the water from the left. In the background, a blue metal walkway or bridge structure is visible through the foliage. The scene is reflected in the calm water of the pond.

Sustainability Strategy

At Spradling® Group, we have a sustainability strategy based on the materiality analysis carried out in 2020, **where we defined 13 priority topics that include:**



- A1** Extraction/Production of Raw Material
- S1** Raw Material Used Related to Health
- A2** Raw Material Used Related to the Environment
- A3** Emissions from Transport of Raw Material and Finished Products
- A4** Cargo Safety (Spills, Fires, Illegal Activity)
- A5** Sustainable Product Design and Life Cycle Management
- S2** Health and Safety
- C1** Labor Practices: Generating Positive Value for Employees
- C2** Employee Engagement and Inclusion
- C3** Community Impact
- A6** Energy Management
- A7** Water and Wastewater Management
- A8** Raw Material Consumption Management
- A9** Greenhouse Gas Emissions – Climate Change
- A10** Waste Management and Recovery
- A11** Impacts on Biodiversity
- PI** Product Life Cycle
- P2** Durability and Quality of the Product “Fit for Use”
- P3** Product Safety (VOC) – Indoor Air Quality
- A12** Waste Generation at the End of the Product Life Cycle
- A13** Product Packaging
- G1** Compliance With Standards and Certifications
- G2** Sales Practices and Product Labeling
- G3** Business Ethics
- G4** Competitive Behavior



To ensure the planning, implementation, and monitoring of these material issues, the Sustainability Committee has been consolidated within our corporate governance structure. This also guarantees its timely adaptation to market dynamics, safeguarding the sustainable DNA of the Company.

This working group advises other committees, commercial areas, and business units on trends related to the responsible management of economic, environmental, and social impacts.

In addition, it receives commercial feedback on the impact of the actions executed and reviews emerging sustainability issues to analyze their implications for the Spradling® Group.

The Committee is supported by the General Manager of Proquinal® Costa Rica, who acts as head of the sustainability pillar for Spradling® Group.

What Issues Do We Prioritize in our Sustainability Strategy?

In 2023, we decided to update our Sustainability Strategy for 2024 and 2025 as a result of a strategic planning process in which market trends were analyzed. At that time, a proposal was designed consisting of two approaches: Operations and Product. To measure the progress of the strategy, success criteria and specific actions were defined.



How can we make our operations/ product more sustainable?



OPERATIONS

Reduction and mitigation of our Environmental Footprint

Social Value Management



PRODUCT

Certification of Products in Environmental/Health Issues

More Sustainable Product

More Sustainable Packaging

In this regard, **Operations focuses on our production processes**. Its main objectives are to measure and mitigate our environmental footprint and to manage social value.

In environmental matters, our 2024 commitments included defining the criteria for measuring the Environmental Footprint and applying them across the Group's companies, **obtaining Carbon Neutral certification for the 2023 inventory of the entire Spradling® Group, and having both of our production plants participate in the EcoVadis sustainability assessment**. All of these goals were successfully achieved during the year.

As for the Product component of the current strategy, we set out to advance the life cycle analysis of our products. At this stage, our goal is to publish 100 references grouped into seven Environmental Product Declaration (EPD) families by 2025, as well as define the references for the coming years. Additionally, we will expand the portfolio of Indoor Air Quality and GREENGUARD Gold certified references.

This is in addition to the search for product alternatives, as reflected in 2024 through the launch of the Masiala and Valencia™ Biosense collections, which feature bio-attributed PVC.

None of these actions would be possible without the joint commitment and collaboration across all the regions where we operate. To this end, we conduct regular reviews of environmental and social criteria at the plants in Colombia and Costa Rica, involving the Occupational Health and Safety, Environmental Management, and Human Resources Departments. In the case of Calypso®, we have the support of the Human Resources team. We also organize follow-up meetings with our commercial units in the United States, Mexico, and Europe to ensure timely oversight and monitoring of these work areas.

Finally, in 2025, the Group's new Strategic Plan (2025–2030) will be formalized. As part of this process, we plan to update our materiality in 2026, with the aim of aligning our Sustainability Strategy with market needs and business demands.



An external communication campaign that included sending promotional emails about the **2023 Sustainability Report to more than 33,700 contacts across Latin America, the United States, and Europe**, along with a robust digital communication campaign through our websites and social media channels.



Conducting a competitive analysis study (companies manufacturing coated fabrics) to understand in detail their actions, commitments, and achievements in the area of sustainability.



Client visits to our production plants in Costa Rica and Colombia.

How Do We Involve our Stakeholders?

As a Group, we have a comprehensive mapping of all stakeholders. In addition, each of our management systems has a specific stakeholder matrix, which identifies the actors involved in the management of quality, environment, energy, and occupational health and safety, as applicable.

To strengthen our relationships with our stakeholders, we implement two-way communication processes that help us understand and adapt to market and environmental dynamics, as well as meet the needs and expectations of all individuals and groups connected to our operations.

In 2024, for example, we carried out the following stakeholder engagement actions:



Active participation on the boards of directors of the Colombian Plastics Association (Acoplásticos), the Free Trade Zone Association, and the Chamber of Industries in Costa Rica.



The global internal event **“Let's Live Sustainability,”** which impacted more than **2,000 employees** and included the presentation of the **2023 Sustainability Report**, with specific information by geography, the Group's main achievements, and environmental awareness activities to promote more sustainable lifestyles through individual action.

In addition, we have a whistleblower channel accessible to all interested parties (employees, clients, suppliers, and others), via email at eticayconducta@spradling.group, where complaints or reports can be submitted as a mechanism for action and transparency. This channel is managed by the Corporate Internal Audit Department, ensuring impartiality and confidentiality.

On the other hand, as an organization, we maintain communication with public entities in each country through operational reports that include environmental and social conditions, often as required by law.

How Do We Contribute to the Sustainable Development Goals?

Based on the analysis of our operational activities, we have identified our organization's main contributions to the achievement of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

Accordingly, we developed a tool that links the SDGs with the material issues in our Sustainability Strategy. As a result, we have determined that we contribute directly to eight SDGs and indirectly to three. Indirect contribution refers to impacts generated outside the company's core operational processes.

SDGs WITH DIRECT IMPACT



SDGs WITH INDIRECT IMPACT



What Awards Have We Received for Operating Sustainably?

While our commitment to sustainability is not driven by external recognition, we are pleased to see the Group's efforts acknowledged by clients, suppliers, and public institutions, reinforcing our leadership in transforming the sector toward more responsible and conscious practices.



In 2024, we received six awards related to sustainability:

- 1 Proquinal® Costa Rica was honored by the Costa Rican Electricity Institute (ICE) with the **Gold Award in the Medium Voltage Tariff Group B as part of its 2024 Leaders in Electrification of the Economy Program.**
- 2 Spradling® Germany received the **Premium Supplier 2024 recognition from our client NowyStyl's Supplier Recommendation Program**, signifying that we deliver products and services that meet the highest standards of quality and sustainability.
- 3 Proquinal® Costa Rica received the **Award for Innovation in Corporate Environmental Management with a Climate Change focus** in the large enterprise category, granted by the National Council of University Rectors (CONARE), recognizing the photovoltaic system at its production plant.
- 4 Proquinal® Costa Rica was recognized during the **sustainability forum of Vida y Éxito** magazine as a company demonstrating strong commitment to sustainable development and growth.
- 5 Proquinal® Colombia was awarded by **Positiva Compañía de Seguros** for its effective management of environmental programs and Occupational Health and Safety.
- 6 Calypso®, across 34 of its stores in the central region of Colombia, received the **Responsible Commerce seal from the Good Practices Program**, granted by the National Federation of Business Traders (Fenalco Bogotá).



What Medals Did We Obtain in our First EcoVadis Sustainability Management Assessment?

In 2024, we conducted our first external evaluation of the Sustainability Management System through the EcoVadis platform, one of the most globally recognized. The platform assessed our policies, actions, and results using an evidence-based methodology.

The evaluation covered four key areas:



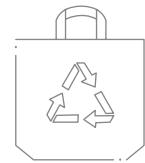
Environment



Labor Practices



Human Rights



Ethics and Sustainable Procurement

BRONZE | Top 35%

ecovadis

Sustainability Rating

MAY 2024



Our Product

Reference: Bouclé

MARKETS SERVED

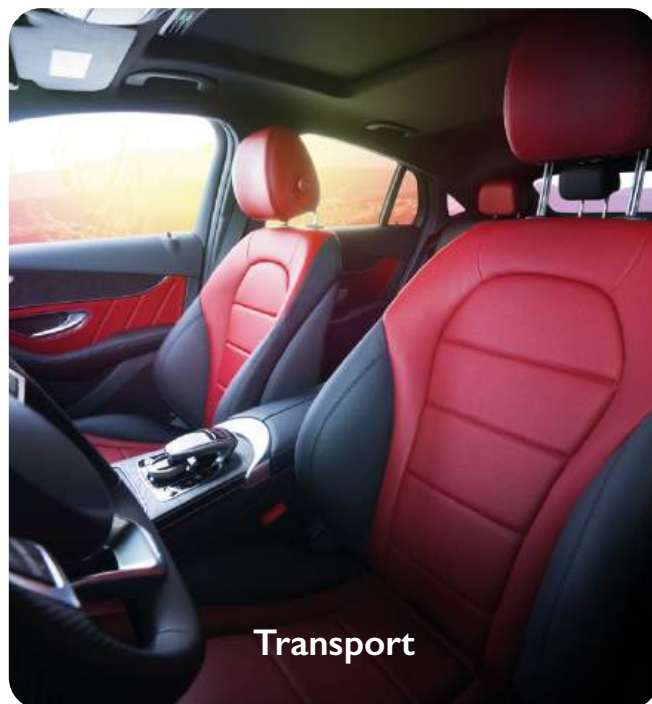
The incorporation of rigorous sustainability criteria is a fundamental pillar in the development of our products. We create innovative solutions that not only meet the highest technical and environmental standards but also offer versatile and modern designs that adapt precisely to the specific needs of each market we serve.



Coatings designed to withstand extreme conditions, ensuring long-lasting quality and performance in marine environments.



Durable, high-performance materials for commercial, residential, and hospitality spaces.



Solutions tailored to deliver comfort, safety, and durability in the automotive, aerospace, and railway industries.



Protective Clothing

Functional textiles that provide safety and comfort across various industrial and professional applications.



Medical Devices

Hygienic and antibacterial surfaces that meet strict biosafety standards. Films used in the manufacturing of hospital bags and those regularly used by patients.



Footwear and Leather Goods

Versatile, high-quality materials for innovative designs.

“

Our commitment to sustainability is evident in every stage of production, ensuring responsible solutions without compromising performance or aesthetics.

”

Regulations and Standards Governing Chemical Substances and their Impacts
on the Environment and Human Health

We comply with current regulations and standards controlling the use of chemical substances, ensuring minimal impact on the environment and human health.

Proposition 65	REACH Regulation	RoHS Directive	Stockholm Convention
Governs the use of chemical substances and their potential impacts on the environment and human health	Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)	Restriction of Hazardous Substances (RoHS).	Convention on Persistent Organic Pollutants (POPs).
United States	Europe	Europe	Global

We have officially joined the Stockholm Convention which regulates persistent organic pollutants.



Protection Systems: Peace of Mind and
Comfort for Users

PERMABLOK³[®]
ADVANCED PROTECTION

This innovative barrier provides effective protection against germs, abrasion, and stains, ensuring cleaner and longer-lasting surfaces. Its performance is supported by international certifications such as ISO 21702, ISO 22196, ISO 18184, CFFA 120, and CFFA 300.

With PERMABLOK³[®], the proliferation of viruses and bacteria is halted within one hour and, **after 24 hours, reduced by 99%** which contributes to a more hygienic environment with antifungal protection.

PERMABLOK³[®]
ADVANCED PROTECTION **PLUS+**

It incorporates the antibacterial properties and high abrasion resistance of Permablok³[®], while offering even greater stain resistance. Thus, it delivers enhanced protection and easier maintenance.

PERMACOOL[®]
COMFORT TECHNOLOGY

In 2024, we began the process to patent this system, which minimizes heat absorption and radiant energy on surfaces, improving thermal comfort and providing greater relief on hot, sunny days.

PERMAGUARD® SUPERIOR STAIN RESISTANCE

Anti-graffiti finish offering exceptional resistance to scratches, scuffs, and abrasion, making maintenance easier and extending the useful life of the materials.

Reference: Zander

Product Certifications: Transparency for Sustainability and Human Health

In 2024, we expanded our catalog to include more certified products, reaching a total of 41 references with Indoor Advantage™ Gold and GREENGUARD Gold certifications. Both reinforce our commitment to sustainability and the creation of healthier, safer spaces.



references with Indoor Advantage™ Gold and GREENGUARD Gold certifications.

The GREENGUARD and Indoor Air Quality certifications are focused on ensuring products with low emissions of volatile organic compounds (VOCs), which help reduce health risks such as allergies and respiratory illnesses. Both are intended for use in sensitive environments such as homes, schools, offices, and hospitals, where air purity is essential.

They also meet stringent international standards and promote sustainability, supporting certification systems such as Leadership in Energy & Environmental Design (LEED). **Together, these certifications enable the development of safe, healthy solutions committed to environmental care.**

Since 2024, we have been working toward achieving OEKO-TEX® STANDARD 100 certification. This initiative, based on an independent evaluation process, ensures strict compliance with international standards that guarantee safety and the absence of substances harmful to human health.

Reliable Information on Environmental Impact Thanks to Life Cycle Assessment and EPDs

In 2023, we conducted our first Life Cycle Assessment (LCA) to comprehensively evaluate the environmental footprint of our products. As part of our commitment to transparency, we developed Environmental Product Declarations (EPDs) for two references, verified by an independent third party.

In 2024, we expanded our scope by completing LCAs for seven product families encompassing 100 references. At the time this report was drafted, these EPDs were undergoing external verification in accordance with the guidelines of PCR 2022:04 for textiles and standards ISO 14040 and ISO 14044. We will publish the results in the International EPD System (IES) in 2025.

We developed EPDs for

100 
new references

These EPDs will provide reliable and comparable information on the environmental impact of our coated fabrics, strengthening our Business-to-Business (B2B) communication and reaffirming our commitment to sustainability.



INNOVATION IN SUSTAINABLE PRODUCTS

At Spradling® Group, sustainability is the driving force behind our innovation. We are committed to developing products with a lower environmental impact by incorporating technologies and materials that enhance performance without compromising safety or quality.



Product Evolution

Over the years, we have achieved key milestones in our sustainable transformation, making our products increasingly safer and more environmentally friendly:

- 2008 - 2009** • Development and launch of a recycled flooring product line, replacing virgin raw materials with materials recovered from our production process.
- 2010 - 2024** • Implementation of a textile backing made from 100% recycled PET bottles.
- 2018 - 2019** • Development of products free from antimicrobials (biocides) and flame retardants.
- 2018 - 2024** • Development and launch of coatings with cytotoxicity certification.
- 2018 - 2025** • Research and future implementation of fabrics coated with TPO resin.
- 2020 - 2022** • Indoor Advantage™ Gold and GREENGUARD / GREENGUARD Gold certifications, confirming low VOC emissions.
- 2022 - 2024** • Incorporation of bio-attributed PVC into our PVC-coated fabrics.
- Starting in 2025**
 - Exploration and development of bioplasticizers and plasticizers from recycled sources.
 - Exploration and development of products with circularity and recycled PVC.
 - Exploration and development of polyurethane products using High Solids technology.

While these advancements represent a major step in our sustainability strategy, it is important to note that not all our products incorporate every one of these innovations. Each development has been implemented based on the specific needs of the various industries, applications, and customers we serve.

To clearly show customers the specific features of each product or collection available across different regions, we designed an internal tool called the Green Matrix. This also includes certifications and regulatory compliance in environmental and health matters.



Our Green Matrix outlines the environmental and health specifications for each collection available by geography.



In 2025, we will continue advancing the gradual integration of these improvements and developing new technologies and processes, reinforcing our commitment to responsible innovation and expanding our Green Matrix.

Biosense Platform: **Masiala and Valencia™**

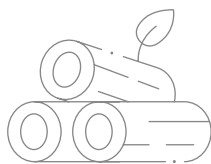
Within the collections that comprise the **Green Matrix**, **Biosense is the platform that brings together Masiala and Valencia™ Biosense products, both defined by four main features:**



Incorporation of bio-attributed resins



Textile backing made from 100% recycled PET bottles



Bio-based raw materials



Free from compounds such as phthalates, biocides, and flame retardants



Reference: Valencia™ Biosense

Masiala and Valencia™ Biosense are our latest additions to the sustainable line, designed for the US and European markets, respectively. Both use sustainable raw materials from alternative sources, reducing reliance on fossil fuels. While Valencia™ Biosense offers a leather-like finish, Masiala features a textile-like finish. This provides versatility to this innovation.

Both were designed with a comprehensive sustainability approach, with low volatile organic compound (VOC) content and no phthalate plasticizers, ensuring safe use for people. Additionally, they meet stringent safety standards, including the ISO 10993 cytotoxicity standard and the Indoor Advantage™ Gold and GREENGUARD Gold certifications.



Reference: Masiala

They also stand out for incorporating two key elements that reduce their environmental footprint:

Coatings with Bio-Attributed Resins

+50%

of the PVC used comes from bio-attributed components derived from the forestry industry, specifically wood waste transformed into ethylene, thereby avoiding intensive petrochemical extraction processes.



Thanks to this

We achieve a reduction of up to

90%

in carbon emissions during resin sourcing.



Hi-Loft² RPET Textile Backing

100%

made with recycled PET yarns. This material is sourced from post-consumer plastic bottles, **helping reduce waste in landfills and water bodies**. Each year, 250 billion PET bottles end up in these sites, where they take up to 700 years to decompose.



By using Hi-Loft² RPET textile backing in each 30-meter roll, we avoid the emission of **12.5 kilograms** of CO₂ and reduce **6.2 kilograms** of plastic waste.

In addition to minimizing the environmental impact during production, these products are recyclable and can be reintegrated into new production processes. This facilitates the closure of the material's life cycle.

In this way, at Spradling® Group, we respond to the growing market demand for sustainable alternatives in coated fabrics for contract upholstery, while maintaining the technical and durability attributes required by this sector.

CASSARA & AVANI: EXAMPLES OF SUSTAINABILITY



Reference: Cassara

Cassara and Avani are our innovative products made from thermoplastic polyolefin (TPO) resin, an alternative to PVC that requires neither plasticizers nor certain other additives.

Moreover, it enables the production of fully recyclable products. No solvents are needed during its transformation process, and it holds Indoor Advantage™ Gold and GREENGUARD Gold certifications. These certifications ensure low levels of volatile organic compound (VOC) emissions.

The official launch of both products will take place in 2025, marking a milestone in Spradling® Group's expansion as a developer of sustainable materials for the design and upholstery industries.

Patent Granted for Product Manufactured with TPO Due to Its Innovation

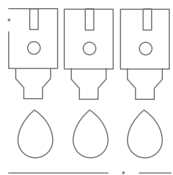
Spradling® reached a milestone in innovation and sustainability with the granting of a United States patent for a material based on thermoplastic polymer (TPO). This guarantees exclusive rights to the manufacturing process and the product for coated upholstery fabrics.



New Printing Solutions with Water-Based Inks

Since 2024, we have been developing water-based inks to align our current ink systems with a more environmentally friendly option that also improves conditions in our product finishing operations.

This alternative represents significant progress in reducing environmental impact, as it allows the replacement of solvent-based ink systems, known for their higher emissions of Volatile Organic Compounds (VOCs).



Our new water-based ink system is more environmentally friendly.

Therefore, the development of this system will bring multiple advantages. **Among them, the following stand out:**



Improved environmental impact through reduced emissions.



Greater industrial safety by minimizing the presence of solvents and flammable vapors.



Compliance with international environmental regulations, thanks to lower VOC emissions.

Currently, the Reef project is in the industrial validation phase, where various water-based pigments and inks are being evaluated to determine their technical feasibility. Concrete results and specific applications in upholstery products with printing and metallic finishes are expected by 2025.

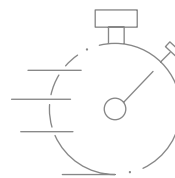
For now, the research team is conducting tests to compare the characteristics of water-based inks against those of solvent-based inks. They are analyzing aspects such as shades, pigmentation, and color stability. Although there are still no products on the market using this new ink system, the initial results suggest great potential for future implementation.

Polyurethanes with High Solids Technology, More Environmentally Friendly and Highly Durable

In recent years, we have investigated High Solids polyurethane manufacturing technology as a new option for producing polyurethane-based coated fabrics, thereby expanding the range of resins available in our product catalog.

This technology is characterized by its low solvent content, which significantly reduces VOC emissions. In addition, its lighter structure helps reduce emissions in upholstered components, a feature increasingly valued in the automotive industry.

Furthermore, this type of polyurethane offers superior durability compared to other similar products on the market. The High Solids system we are implementing has demonstrated resistance of over 15 weeks in simulated hydrolysis, which is equivalent to 15 years of actual use. This extends the product's life cycle and reduces the need for frequent replacements.



The High Solids system offers exceptionally long durability.



Reference: Bouclé

Vinyl on the Move: A Commitment to Circularity

At Spradling® Group, we understand that our impact management goes beyond the manufacturing of sustainable products. That is why, from Proquinal® Colombia, we have joined Vinyl on the Move. This is an initiative led by Vestolit-Orbia, which aims to close the PVC life cycle through the collection and recycling of products at the end of their useful life.

The program connects local recyclers, transforming companies, and customers who use Vestolit resins. In this way, new life is made possible for materials and the environmental impact of the industry is reduced.

“
We joined a program that
promotes the circular economy
in Colombia.
”

The first phase of the project focused on verifying the technical feasibility of reincorporating post-consumer materials from our references. A pilot program was carried out with one customer to analyze the integration of recycling into the production of new products.

The next steps include selecting two additional customers and implementing a complete collection logistics system to evaluate the volume of recyclable materials that can be reincorporated into new flooring products.

While PVC recycling is already a reality in our operations—as some of our products incorporate recycled content, such as the “zapatón” flooring (which reuses PVC waste generated in our production processes)—thanks to Vinyl on the Move, we can now also recover coated fabrics that our customers no longer use and reincorporate them into flooring references.



PVC Recycling and Reincorporation Process:



Collection of post-consumer materials at the customer's facilities.



Delivery to specialized recyclers, who carry out mechanical processing, such as grinding the material.



Shipment of the recycled material to our plants, where specific processes are applied to reincorporate it into new products.



Manufacture of new flooring references using recycled materials, closing the PVC life cycle.

Approximately
90% of the material collected can be reused through this process, as some polyester remnants cannot be fully recovered.

With Vinyl on the Move—as with our product innovation projects—we reinforce our commitment to the circular economy and sustainability, reducing the environmental impact of our operations and strengthening our relationships with stakeholders.

Ways We Share our Learnings With the World

Our approach to innovation goes beyond product development for our customers; we are also committed to knowledge transfer and sharing experiences with other industry players such as researchers and future professionals. For this reason, every year we participate in specialized forums, fairs, and conferences.

In 2024, these were our most notable events:



February

AMI's PVC Formulation Event in Cleveland, United States. This is an annual forum covering the latest market updates and technical developments related to PVC additives.



April

Heimtextil Fair in Medellín, Colombia, where the latest innovations in materials and the sector's commitment to sustainability were presented. We also participated in the Tech Textil Fair in Frankfurt, Germany, the leading international fair for technical textiles and nonwovens.



May

PPS39 Congress of the Polymer Processing Society in Cartagena, Colombia. This is a premier global forum designed for academics, researchers, and industry professionals to discuss topics related to polymers and their processing.



September

International Materials Congress in Medellín, Colombia, a platform for sharing cutting-edge research results and advanced investigation methods in materials science and engineering. We also took part in two of the most important design fairs in Latin America: Expodeco in Lima, Peru, and the Design Fair in Medellín, Colombia. These events highlighted our innovation, advanced technology, and environmental responsibility, as well as our product references.



We also collaborated in the drafting of an article published in the journal **Advances in Materials, Science and Engineering** on the improvement of antimicrobial activity in a coated fabric product through a multi-layer organic-inorganic additive system.



In addition, we have the **Spradling School Program, designed for future designers and architects**. Our goal is that, upon graduation and throughout their professional careers, they consider our materials the ideal choice for their projects. We want these potential customers to understand the technical specifications and potential uses of our products, as well as our commitment to sustainability and human health.

The program offers three options: a presentation of our company at the university, student visits to our plant, and collaboration in the development of joint projects.

These activities can be combined depending on the needs and interests of each academic institution.



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students from ten universities in Colombia and Mexico, in programs such as Industrial Design, Fashion Design, Interior Design, and Environmental Decoration, as well as architects enrolled in a Master's program in Materials, participated in our program.





Economic Dimension

HOW DO WE GENERATE SUSTAINABLE VALUE AND OPERATE RESPONSIBLY?

Sustainability involves a long-term vision that balances economic results with social well-being and environmental respect, while ensuring the continuity of our organization over time.

Vinyl on the Move: A Commitment to Circularity

During the reporting period, we strengthened governance by updating the Approval Manual and the operational decision matrix. A more participatory approach was adopted in strategic decision-making, improving the assessment of risks and opportunities.

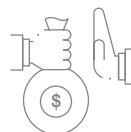
Managers formalized their commitment to the new guidelines, and the changes were widely communicated to those responsible for decision-making.

Nevertheless, our strategic decisions are always framed by ethics, integrity, and transparency.

In this regard, our Code of Ethics guides the conduct of all employees in their interactions with customers, suppliers, and other stakeholders. Upon joining the company, each employee receives the Code, signs an acknowledgment of adherence, and reaffirms their commitment through annual refresher training. We also issue monthly communications to promote compliance and use of the whistleblower hotline.

Calypso® customers and suppliers, as well as those from our plants in Colombia and Costa Rica, also formalize their adherence, strengthening a value chain based on integrity.

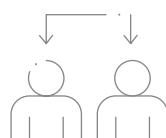
Within our operating framework, we have four tools to ensure ethical compliance:



- 1 **Anti-Corruption and Anti-Bribery Policy:** Applies across all our operations and includes tools to prevent, detect, and manage risks of misconduct. In 2024, no violations were reported, and the policy's content was reinforced during the annual reinduction.



- 2 **Audit and Legal Compliance:** Our Corporate Audit Department operates independently and reports to the Board of Directors, with activities aligned with an annual plan. In 2024, 16 audits were conducted under a risk-based approach, covering key processes and legal compliance. **We use a standardized legal matrix across all business units, which is kept up to date and verified with 99% effectiveness.**



- 3 **Conflict of Interest Prevention:** The Code of Ethics defines conflicts of interest as any situation that compromises an employee's objectivity due to personal or family interests. To prevent such cases, a declaration is requested during recruitment, and if conflicts arise, they must be reported immediately to the direct supervisor. In 2024, three reports of potential conflicts of interest were received, all of which were investigated and resolved in accordance with our procedures.



- 4 **Whistleblower and Transparency Mechanisms:** The official channel for reporting potential conflicts of interest, suspected legal breaches, or ethical violations is the email address eticayconducta@spradling.group. This channel—available to employees, customers, suppliers, and third parties—is managed by the Corporate Internal Audit Department and aims to ensure impartiality and confidentiality.

Promotion of **Safe Trade**

Our plants hold certifications that guarantee secure trade: Proquinal® Costa Rica operates under the BASC Management System and as an Authorized Economic Operator (AEO), while Proquinal® Colombia holds AEO certification. These accreditations reduce the risk of misuse by illicit organizations and, in particular, AEO expedites international trade by granting priority in procedures.

Additionally, in line with our commitment to continuous improvement, we optimized export transport control protocols. In Costa Rica, we implemented an application to monitor vehicle entries and exits. Moreover, in August 2024, we switched our export provider to Miami to one that is also BASC-certified.



Distribution Center / Costa Rica Plant

Risk **Management**

At Spradling® Group, we have a corporate policy that serves as the foundation for assessing risks throughout the company's operations. The policy is updated annually or in response to significant changes, with risk matrices validated and audited by the Audit team.

We assess strategic and process-related risks within management systems such as quality, environment, supply chain security, occupational health and safety, energy, anti-money laundering, corruption, and bribery.

ESG (environmental, social, and governance) risks were integrated into the evaluation of management systems after the migration to a technological tool for greater efficiency. We also have contingency plans that are reviewed annually to ensure business continuity.

Who Are Part of our **Value Chain**?

At Spradling® Group, we foster long-term business relationships with prestigious companies at both the national and international levels. Our strategic partners are typically among the top 10 in their industry and are supported by a strong track record.

In 2024, our production plants managed goods and services through **1,714 suppliers**, of which **1,326 were local**. Sourcing was based on the needs of each geography.

Proquinal® Colombia

651
Goods

374
Services

221
International
Suppliers

804
Local Suppliers

Proquinal® Costa Rica

407
Goods

282
Services

167
International
Suppliers

522
Local Suppliers

Excellence in purchasing and the promotion of sustainable practices are core pillars of our supplier policy. To implement this policy, we rely on two internal manuals: one focused on the criteria and procedures to assess risks and ensure efficient, competitive procurement; and another aimed at promoting sustainable practices in our purchasing operations.

Before initiating commercial relationships, we assess our suppliers through a rigorous process that includes legal verification (SAGRILAF), certification review, and analysis of their business structure. **We also consider their reputation, performance, and commitment to environmental and social practices.**

We conduct periodic reevaluations of our suppliers, prioritizing quality, delivery times, cost, and sustainability. Critical suppliers are audited, and if necessary, they are asked to submit improvement plans.

We also share with them our Code of Ethics and Anti-Corruption Policy and apply sustainable purchasing guidelines. Additionally, we jointly promote the creation of a Good Practices Library to foster a culture of sustainability throughout the value chain.

How Did We Innovate and How Much Did We Grow in 2024?

Projects and Programs

New Calypso® Warehouse in the Dominican Republic

As part of our expansion strategy, during the first quarter of 2024, we opened a Calypso® warehouse in the Dominican Republic, staffed with individuals who had previous experience operating warehouses in Colombia.



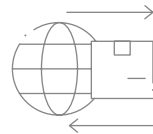
The new facilities, with a *showroom-style layout*, showcase the upholstery, flooring, turf, and complementary product lines for our customers.



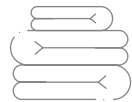
At Calypso® Dominican Republic, our commitments for 2025 are as follows:



Exceed 20,000 meters of Proquinal® product sold.



Stabilize import operations to improve gross margin.



Continue promoting the Spradling® brand with premium product lines.



Consolidate Calypso® Projects as a key player in the hotel, restaurant, and casino sectors.



Secure business in the packaging segment at seaports.



A State-of-the-Art Plant in Colombia

At Proquina® Colombia, during 2024, we replaced the decontamination equipment in the production process with a thermal regenerator for the treatment of process gases (RT03), which increased efficiency without the need for water for its operation.

The equipment upgrade helps overcome current limitations in terms of productivity (enhanced quality, standardization, and more precise control, reducing unplanned downtimes), environmental management (reduced input use and waste generation), and energy efficiency and quality (efficient motors and automation).

We also replaced the steam-heated rollers in the embossing machines with thermal oil transfer rollers and thermoregulators. Thermal oil transfers heat more effectively than steam, as it operates in a closed system without requiring high pressure or high energy consumption. This enables precise temperature control, reduces maintenance, minimizes emissions, and optimizes resource use. This, in turn, promotes more sustainable waste management.

Additionally, we replaced the three-cylinder pigment mill with a state-of-the-art mill, which also lowers energy consumption, downtime, and reprocessing due to quality issues—while improving working conditions, thanks to an automatic feeding system.



Thermal Regenerator / Colombia Plant

Storage Reconfiguration and Other Improvements in the United States

In 2024, we converted 743.2 square meters of office space into warehouse space. This change allowed us to store more material in Indiana by adding 50 shelving units and 250 additional spaces. As a result, we saved approximately USD 200,000 per year.

We upgraded the laminators at our Indiana and North Carolina offices, which enabled the production of larger rolls using the same amount of foam. This improved the process and reduced waste. Moreover, the adjustments accelerated winding and reloading, making them more efficient and safer. We also upgraded the perforation machine, which led to better performance, lower energy use, and improved product quality.



Storage Space / Indiana

Spradling® Mexico Office Relocation

To positively transform the working conditions of our employees and the experience of our Mexican customers, we moved to Boulevard Manuel Ávila Camacho in the State of Mexico. We now have more comfortable and spacious facilities, expanding from 77 square meters to 150 square meters, including a showroom area.

Due to the strategic location of the new office, our employees reduced their commute time by approximately 30 minutes per day.



Distribution Center / Costa Rica Plant

Improvements for Export

Since early 2024, we have focused on addressing issues related to loading and unloading containers bound for the United States and Latin America. Previously, containers were loaded and unloaded manually, which frequently caused back injuries due to handling products at floor level, in addition to exposing personnel to extreme temperatures inside the containers.

To change this situation, we developed a palletizing unit that eliminates the need for personnel to enter the container. After eight months of testing and adjustments, we implemented the use of wooden crates. This has improved the well-being of our staff and reduced average loading and unloading times from three hours to one hour.

We are currently exporting from our plant in Costa Rica using this system, and our Colombia plant is in the process of adopting it by 2025.

Textile Mezzanine

Since February 2024, we have been improving ergonomic conditions in the textile area at Proquinal® Costa Rica by relocating looms to create more space and enhance employee mobility.

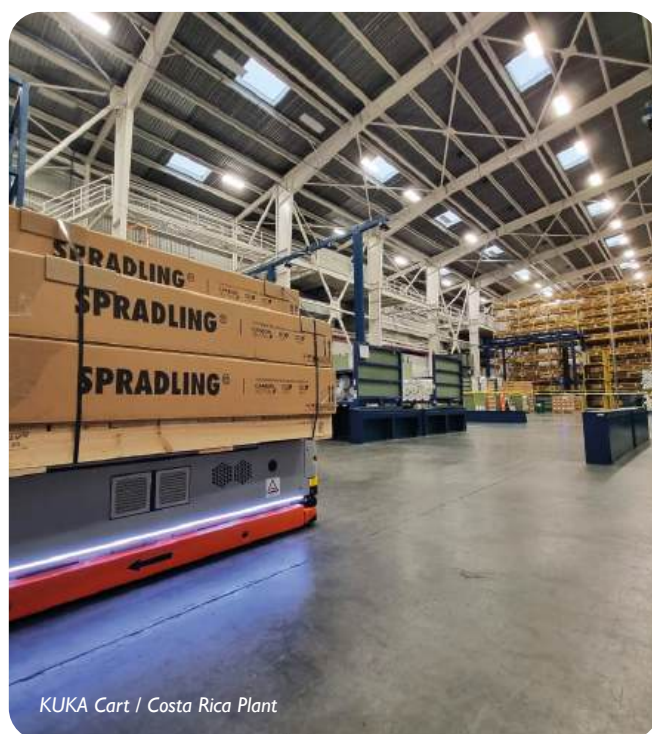
The construction area totaled 470 square meters. This additional space enabled a 100% increase in fabric opening capacity and between 9 and 12 new looms.

We Revolutionized Proquinal® Costa Rica with Smart Connectivity Technology and AGVs

As part of the third expansion of Proquinal® Costa Rica, we faced the challenge of connecting the production plant to a new Distribution Center (CEDI), located nearby.

To achieve this, we built a 230-meter bridge equipped with Wi-Fi, lighting, security cameras, and transparent acrylic walls. We also acquired two autonomous guided vehicles (AGVs) to transport products to the Distribution Center. These vehicles identify products using cameras, pick them up in a transfer area, and lift them to the 5-meter-high bridge for delivery to the Distribution Center. The AGVs complete 120 cycles per day.

Equipped with navigation sensors, LED lighting, and artificial intelligence, this is the world's first system to integrate AGVs, automatic doors, automatic elevators, recognition cameras, and a bridge, according to KUKA and Aldakin, the technology providers.



KUKA Cart / Costa Rica Plant

Advancements in Calendering Operations

In 2024, we officially began manufacturing calendered products for various market segments, including technical protection, lightweight protection, medical device films, residential upholstery, and flooring. By year-end, we managed an inventory of more than one hundred SKUs (product codes) as part of our sales portfolio.

During the reporting period, we formally launched the production validation process to enter the medical industry, specifically with biomedical film. This has also opened the door to other similar materials currently under development.

The calendering process has already been integrated into our management systems and has undergone audits, just like other operational processes of the Company.



Calender / Costa Rica plant



Collection Center / Costa Rica Plant

New Collection Center

In September 2024, we inaugurated a new collection center measuring nearly 900 square meters for managing the various types of waste generated at Proquinal® Costa Rica.

As a result, we expanded from five to seven waste collection modules, with four-level racks, appropriate floors and areas for handling and safeguarding loading equipment, as well as an increased number of loading docks for deliveries to waste management providers.

“

With the new collection center, waste storage can be centralized and recovery projects strengthened.

”

An aerial photograph of a dense, lush green forest. The canopy is thick and vibrant, with various shades of green. In the lower center, a small figure of a person wearing a blue shirt is visible on a clearing, providing a sense of scale to the vastness of the forest.

Environmental Dimension

HOW DO WE MEASURE AND MANAGE OUR ENVIRONMENTAL FOOTPRINT?

Responsible management of our environmental impact is a core pillar of our sustainability strategy. That is why we have committed to designing and implementing efficient processes that minimize our environmental footprint and ensure compliance with the highest international standards.

As part of this commitment, since 2010, our production plant in Costa Rica has been certified under the ISO 14001:2015 Environmental Management System—a recognition that validates our ongoing efforts to reduce the impact of our operations on the planet and its ecosystems. This commitment was extended in 2020, when our plant in Colombia also achieved ISO 14001:2015 certification. This consolidated our sustainability vision across the region.



Both production plants
are ISO 14001:2015
certified.

At our production plants, we have an Environmental Department and an Interdisciplinary Committee that form part of our Environmental Management System. Additionally, we are working to provide guidelines and promote initiatives for implementation across our commercial units in all our regions.



All our environmental efforts focus on optimizing the use of resources such as potable water and different types of energy, reducing waste, and implementing responsible practices at every stage of the production process, in line with circular economy principles and sustainable development.

Our focus lies in building an organizational culture rooted in environmental education and awareness, where values of conservation and environmental protection are promoted. In doing so, we not only ensure a profitable and sustainable business model, but also generate a positive environmental impact, embracing our role as leaders in the textile industry.



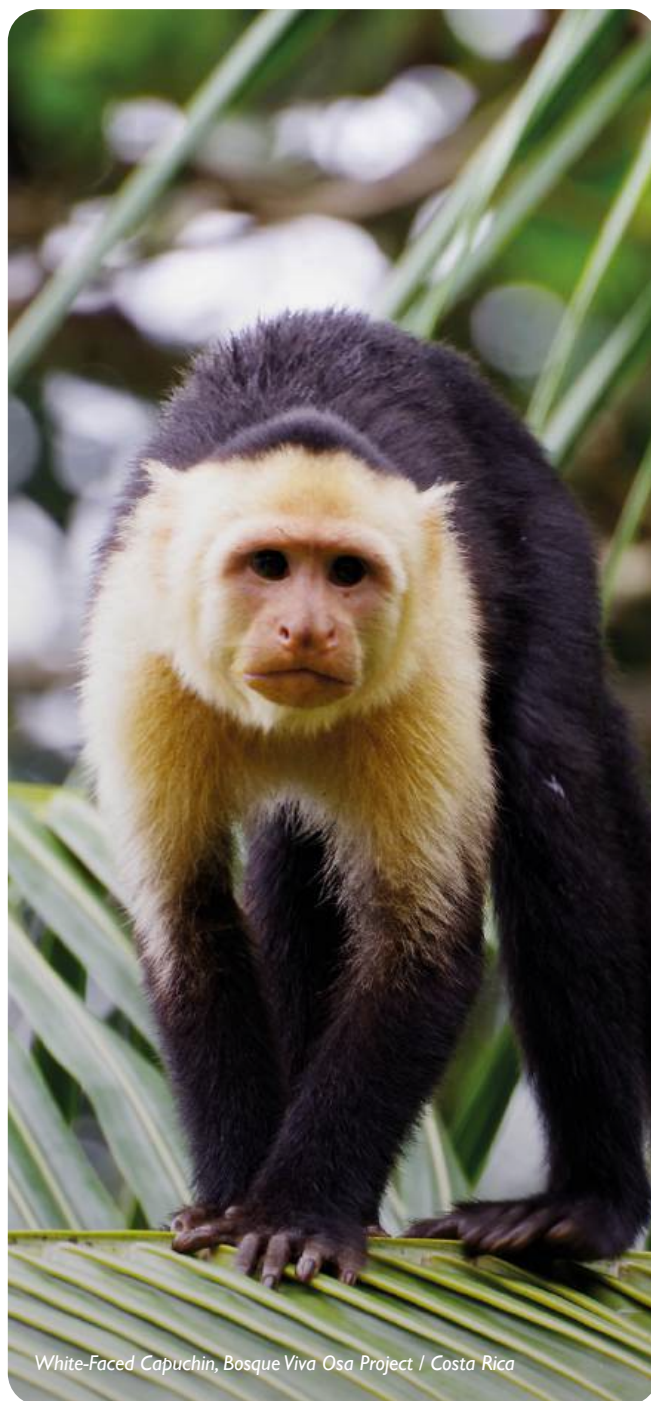
Canopy Trees, Monteverde / Costa Rica

Climate Action

At Spradling® Group, we take with responsibility and determination the critical role companies play in the fight against climate change. We are fully committed to the global goal of limiting the planet's temperature increase, and for that reason, the management of our greenhouse gas (GHG) emissions is a key pillar of our sustainability strategy.

In 2024, we took a pivotal step by integrating all our business units in an effort to achieve carbon neutrality as a corporate group. This milestone not only reaffirms our belief that sustainability is a shared and cross-cutting responsibility, but also lays the foundation for further reducing our environmental impact through more ambitious targets and concrete actions.

- 2015** • We certified the first GHG inventory of Proquinal® Costa Rica (for the year 2013).
- 2019** • We certified the first GHG inventory of Proquinal® Colombia (for the year 2018).
- 2023** • We certified the most recent GHG inventory of Proquinal® Colombia, corresponding to the year 2022.
- We verified the 2021 GHG inventory of Proquinal® Costa Rica.
- We initiated the process to certify the carbon neutrality of the entire Spradling® Group by conducting diagnostics of commercial units, analyzing significant indirect emissions in each region, and performing an internal pre-audit.
- 2024** • We verified the 2022 GHG inventory of Proquinal® Costa Rica, which was the last inventory submitted by this plant individually.
- We aligned the production plants under a unified methodology for significant indirect emissions, and carried out the verification, internal audit, and external audit. Thanks to these efforts, in December we achieved carbon neutrality as a business group for the 2023 inventory.



For the first time, we achieved carbon neutrality for the entire Group.

We reinforced our control mechanisms by implementing cross-checks. With support from the Finance Department, we optimized the accounting classification of expenses associated with emission sources, enabling greater traceability and more efficient information management. Starting in 2025, this system will be formally adopted across the entire Group. Additionally, we will implement continuous monitoring to detect and promptly address any unjustified increase in emissions.

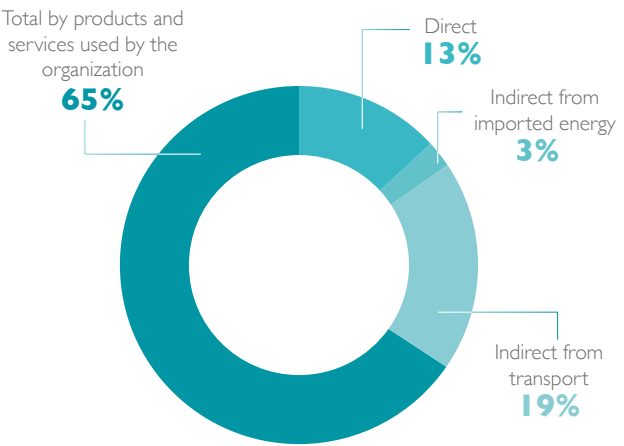
Having a base year and detailed mapping of all our emissions (direct, indirect from imported energy consumption, and other significant indirect emissions) provides a solid foundation for decision-making and for planning future strategies aimed at emission reduction and offsetting.

In fact, we have already developed a strategy—validated and approved by the certifying body—that includes specific emission reduction projects for 2025 and 2026. As part of our responsible approach, we also have a policy stating that offset projects must be carried out in the Americas and Europe—regions where we operate—and under internationally recognized standards such as Gold Standard, Verified Carbon Standard, Clean Development Mechanism, and CerCarbono, among others.



The results of our measurements are detailed in the following table:

Spradling® Group Consolidated Inventory	
Category	GHG Emissions (t CO2e)
Direct	19,284.7
Indirect from imported energy	3,614.4
Subtotal	22,900.0
Indirect from transport	27,808.8
Indirect from products and services used	95,497.1
Subtotal significant indirect	123,305.9
Total	146,205.0



Employees / Costa Rica Plant

What Indirect Emissions are Included in our Inventory?

At Proquinal® Colombia, during 2024, we replaced the decontamination equipment in the production process with a thermal regenerator for the treatment of process gases (RT03), which increased efficiency without the need for water for its operation.

Category	Details	Proquinal® Costa Rica	Proquinal® Colombia	Commercial Offices
Emissions by products used	Main raw materials(PVC, solvents, plasticizers, yarn, paper, filling, packaging), fuels	✓	✓	
	Transportation of raw materials (land, air, and sea)	✓	✓	
	Transportation of employees	✓	✓	
	Transportation of final products (air, land, sea)	✓	✓	✓
	Business travel (air)		✓	✓
Emissions from services used	Emissions from disposal of recycled, co-processed, and landfilled waste	✓	✓	✓

Reduction Projects

As part of our sustainability and environmental management strategy, we make considerable efforts to reduce our emissions across all regions and in efficiency projects at our production plants. **The following table provides a better understanding of the amount of greenhouse gas emissions (in tons of CO₂e) accounted for in 2023 and 2024:**

t CO ₂ e Emitted Spradling® Group				
Geography	2023	2024	% Variation	Efficiency (t/First-Quality Meter)
Proquinal® Colombia	70,691.79	73,996.21	4.67%	0.0045
Proquinal® Costa Rica	62,259.77	65,578.55	5.33%	0.0068
Calypso®	6,307.25	6,191.75	-1.83%	0.0014
Spradling® Germany	90.09	107.27	27.04%	0.0001
Spradling® Spain	645.72	567.54	-12.11%	0.0004
Spradling® United States	4,109.66	3,688.49	-10.25%	0.0006
Spradling® Mexico	31.21	34.68	11.12%	0.0001
Spradling® United Kingdom	45.90	35.37	-22.94%	0.0002
ACIF*	2,023.59	2,044.24	1.02%	N/A
Total	146,205.00	152,244.10	4.13%	0.0038

*ACIF is a logistics center; therefore, it does not account for first-quality meters

We achieved a reduction of

164.15

t CO₂e at Proquinal® Costa Rica, through reductions in diesel use, changes in the chiller process and in the burners of the gas decontaminator, as well as better use of energy for lighting.

In Colombia, we reported a reduction in emissions of 114.74 t CO₂e due to improvements in the chiller process and the switch to high-efficiency motors.

Due to the nature of our commercial units, the increase or reduction in GHG emissions is directly related to energy consumption, primarily electricity, for office operations or product transportation.

At Calypso®, the increase in emissions compared to 2023 corresponds to the opening of two new commercial units. On the other hand, the increase in emissions at Spradling® Germany is due to a significant increase in land transportation of products.

The reduction reported at Spradling® Spain is linked to the solar panel project, which reduces electricity consumption. It should be noted that in the case of Spradling® United Kingdom and Spradling® Mexico, there is a difference between last year's report and the data in this report, as the data has been adjusted with greater accuracy.



Solar Panels / Spradling® Spain

Emissions Compensation

Our approach to climate management is not limited to reducing our greenhouse gas (GHG) emissions through process and technology improvements; we also take responsibility for offsetting direct emissions and those from imported energy. **We do so through conservation projects that not only capture carbon effectively, but also generate environmental, social, and economic benefits in the regions where they operate.**

“

We offset our emissions through ten projects across the Americas.

”

In Costa Rica, we offset emissions from our plant through an agreement with the National Forest Financing Fund (FONAFIFO) for the payment for environmental services (PSA), under the Guanacaste GHG Offset Project, which aims to offset 10,803 t CO₂e.



Within this program, we support two specific initiatives:



Bosque Vivo in Osa

Financial support for landowners with forests of high importance for the conservation of flora and fauna. **In this area, 20 wild species have been recorded, 10 of which are under some degree of protection.**



Monteverde

Support for forest owners located within the distribution range of *Ocotea montevertensis*, a tree species endemic to Monteverde, classified as critically endangered by the International Union for Conservation of Nature (IUCN).



Spider Monkey, Bosque Viva Osa Project / Costa Rica



Ocotea Fruit, Monteverde Project / Costa Rica



Cherepo, Bosque Viva Osa Project / Costa Rica



Gallito, Monteverde Project / Costa Rica



Passiflora Vitifolia, Bosque Viva Osa Project / Costa Rica

These projects in Costa Rica also offset the GHG emissions of our office in Spradling® Mexico, which amount to less than one ton.

In Colombia, we offset our plant's emissions through several projects:



Carbono Inmunizar

An effort to offset 2,454 t CO₂e, managed by Inmunizadora Rionegro, focused on establishing forest plantations with species such as *Pinus patula*, *Cupressus lusitanica*, and *Pinus maximinoi* across 235.07 hectares. It is located in the municipalities of Abejorral and Guarne (Antioquia).



AGA FANO S.A.

This project enables the offsetting of 4,611 t CO₂e through an initiative by a producer of liquid CO₂ and other industrial gases. The project captures residual CO₂ from the fermentation process at the Ingenio Providencia sugar mill and converts it into liquid CO₂, eliminating the need for natural gas at its facilities in Bogotá. This project is located in El Cerrito, Valle del Cauca.



Climate Change Mitigation Project: Caribbean Region

Located in the departments of Bolívar and Córdoba, this project spans over 14,000 hectares and allows us to offset 3,528 t CO₂e. It is focused on reducing and removing greenhouse gases through the conservation of dry and very dry tropical forests and the planting of trees in the Montes de María subregion and the Momposina Depression.

Finally, in our other regions, the compensation projects are as follows:



Carbono CAS

This initiative is aimed at compensating 66 t CO₂e generated by Calypso®. It is located in northeastern Antioquia, Colombia, and covers more than 7,500 hectares with *Pinus tecunumanii* plantations.



Climate Change Mitigation Project: Caribbean Region

It offsets the emissions from our offices in Spradling® United States thanks to the substitution of sulfur hexafluoride (SF₆) with sulfur dioxide (SO₂), which does not generate global warming, for a total of 1,369 t CO₂e.



Conservation Project UNU-MAI REDD+:

It encompasses 131,619 hectares of forest within the Laguna Niñal Cocuy Loma Baja and Loma Alta Indigenous Reserve in the municipality of Inírida, department of Guainía, Colombia, to offset emissions from our offices in Spradling® Spain, Spradling® United Kingdom, and Spradling® Germany, totaling 36 t CO₂e. In Spradling® United Kingdom, we also promote public transportation and the use of electric vehicles for customer visits in London.



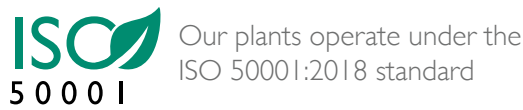
Chonta Corozo REDD+ Project

Located in the collective territories of the Alto Guapi Community Council in the department of Cauca, Colombia, this project seeks to reduce deforestation and conserve 93,142 hectares of very humid forest. Thanks to this project, we guarantee the offsetting of 33 t CO₂e for ACIF emissions.



Environmental Footprint
of our Operations

At Spradling® Group, we consider it essential to optimize energy usage to ensure business continuity. Therefore, we manage this resource following the highest international standards and recertify our plants every three years under the ISO 50001:2018 standard.



This enables us to improve energy performance, directly contributing to the reduction of greenhouse gas emissions (GHG) and reinforcing our commitment to climate change mitigation.



Total Energy Consumption

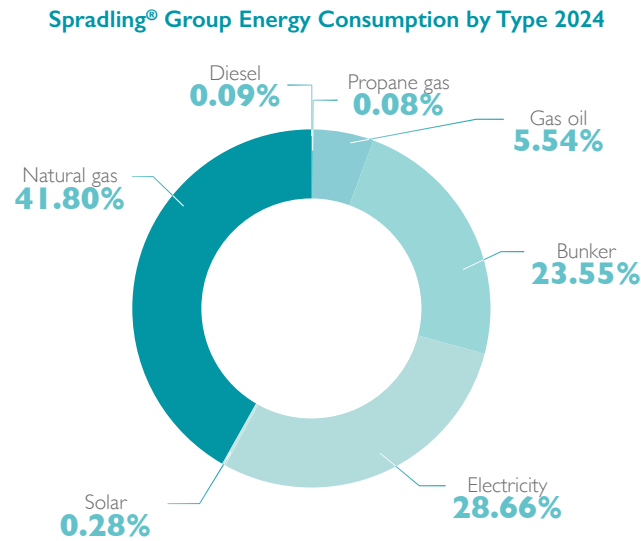
The variations observed in 2024 in our total energy consumption are due to the opening of new Calypso® warehouses, relocation to larger facilities in Spradling® Mexico, changes in plant processes favoring greater efficiency, machine modifications and maintenance, as well as the natural dynamics of our daily operations, such as product shipments to customers.

Geography	Spradling® Group Energy Consumption					
	Total Energy Consumption MWh			Efficiency (MWh/First-Quality Meter)		
	2023	2024	% Variation	2023	2024	% Variation
Proquinal® Colombia	44,663.43	49,918.33	12%	0.002987	0.003067	3%
Proquinal® Costa Rica	40,251.33	39,322.46	-2%	0.004408	0.00410	-7%
Calypso®	288.05	367.86	28%	0.000065	0.00009	32%
Spradling® Germany	5.63	5.31	-6%	0.000006	0.00001	-8%
Spradling® Spain	52.76	60.93	25%	0.000034	0.00004	17%
Spradling® United States	5,412.03	4,935.63	-9%	0.000594	0.00077	29%
Spradling® Mexico	1.58	2.20	39%	0.000003	0.00000	30%
Spradling® United Kingdom	20.26	19.86	-2%	0.000099	0.00010	1%
ACIF*	103.48	79.82	-23%	N/A	N/A	N/A
Total	90,798.56	94,712.41	6%	0.00223	0.00238	7%



*ACIF is a logistics center; therefore, it does not account for first-quality meters

The following chart shows a breakdown of Spradling® Group’s energy consumption by type and use:



Type of Energy (Use)	Number (MWh)	Percentage
Diesel (Fire suppression system)	85.87	0.09%
Propane gas (Forklifts, gas decontaminators)	71.65	0.08%
Gas oil (Gas decontaminators)	5,193.64	5.54%
Bunker (Thermal oil heaters)	22,093.10	23.55%
Electricity (General plant, service equipment, and administrative offices)	26,885.47	28.66%
Solar	264.23	0.28%
Natural gas (Thermal oil heaters, gas decontaminators, heating)	39,227.93	41.80%
Total	93,821.90	100.00%

During the year, we also implemented various initiatives to improve energy efficiency at all our sites.

Proquinal® Costa Rica



Installation of automatic shut-off valves on air compressors to reduce energy consumption by 1%.



Transition from gas oil purchased from the national refinery to recovered gas oil.



Replacement of burners in the gas decontaminator with smaller ones that meet equipment needs, thus avoiding fuel waste.



Adjustment of lighting controls in the calendering process, with actual savings of 38,591 kWh/year.



Implementation of an operational improvement through chiller alternation, with an actual reduction of 58,819 kWh/year.

Proquinal® Colombia



Application of changes in the chiller process and implementation of *inverter technology*.



Strengthening of the production process: motor replacement for material molding, elimination of motor pumps, replacement of heating systems with thermoregulators and transfer rollers, upgrade of the three-cylinder mill, and technology update for gas decontamination.



Budget evaluation for the installation of solar panels at the plant and at Calypso®.

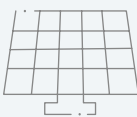
Spradling® Spain

Analysis of the installation of chargers for electric vehicles.



Spradling® United Kingdom

Research for the installation of solar panels at Spradling® House.



Spradling® United States

Drilling machine upgrade in Indiana, United States, to reduce energy consumption and improve product quality.



Fossil fuels

Due to the nature of our operations, the highest fossil fuel consumption occurs at production plants, where we use stationary fossil fuels (gas oil, bunker, diesel, and propane gas). On the other hand, this is the first time we have included mobile combustion sources in our Sustainability Report. These refer to energy consumed by equipment within the plant, such as forklifts.

Additionally, the fossil fuel indicator also includes information from Spradling® United States, due to the operational dynamics of this office, which requires extensive logistics operations.

Fossil Fuel Consumption Spradling® Group

	Stationary Fossil (MWh)	Mobile Fossil (MWh)
Type of Energy (Use)	2024	2024
Proquinal® Colombia	36,105.87	71.65
Proquinal® Costa Rica	27,382.55	66.18
Spradling® United States	3,688.01	29.78
ACIF*	0.00	23.55%
Total	67,176.42	386.28

*ACIF is a logistics center; therefore, it does not account for first-quality meters

The variations in stationary fossil fuel consumption are mainly due to a decrease in gas oil consumption at the Costa Rica plant and the commissioning of the new gas decontamination system, which led to higher natural gas consumption between November and December 2024 in Colombia. Data collection was also improved, incorporating new sources such as propane gas for the operation of gas decontaminators and diesel for the fire protection system.

With regard to mobile fossil fuels, in Costa Rica, the decrease in consumption is due to the increased use of electric equipment, such as stackers. Meanwhile, at the Colombia plant, the increase in consumption is attributed to the improvement in the quantification methodology in 2024.



Distribution Center / Colombia Plant

Electricity

When adding the energy generated by solar panels to the energy consumed from the electrical grid in each geography, the total electricity consumed during the year increased by 8%. For a better analysis, the following table shows the breakdown of electricity consumption (solar + grid) across all our regions, compared to what was reported in 2023.

Electricity (Solar + Grid)						
Geography	Consumption (MWh)			Efficiency (MWh/First-Quality Meter)		
	2023	2024	% Variation	2023	2024	% Variation
Proquinal® Colombia	12,557	13,741	9%	0.0008	0.0008	1%
Proquinal® Costa Rica	11,265	11,688	4%	0.0012	0.0012	-1%
Calypso®	288	368	28%	0.0001	0.0001	32%
Spradling® Germany	6	5	-6%	0.0000	0.0000	-8%
Spradling® Spain	53	61	15%	0.0000	0.0000	17%
Spradling® United States	997	1,029	3%	0.0001	0.0002	46%
Spradling® Mexico	2	2	39%	0.0000	0.0000	30%
Spradling® United Kingdom	20	20	-2%	0.0001	0.0001	1%
ACIF*	64	50	-22%	N/A	N/A	N/A
Total	25,252	26,964	7%	0.00062	0.00068	10%

*ACIF is a logistics center; therefore, it does not account for first-quality meters

MWh consumption per first-quality meter also varied by 11%. This efficiency percentage increased due to various projects, such as the installation of the gas decontamination system in Colombia, machine upgrades at Spradling® United States, the office relocation at Spradling® Mexico, and the opening of Calypso® warehouses in the Dominican Republic and Costa Rica, among other actions.

Despite these increases, at Spradling® Group we understand that renewable energy generation—particularly solar energy—is a key tool for reducing our environmental footprint. In 2024, we had a total of 870 solar panels that generated 264.23 MWh, representing a 14% increase compared to the previous period.

This increase is mainly due to the fact that the solar panels installed at Calypso® began operating in October 2023, so they only partially contributed to the indicator for that year.

Annual Solar Energy Generation (MWh)	
Geography	2024
Proquinal® Colombia	11.43
Proquinal® Costa Rica	186.01
Calypso®	37.69
Spradling® Spain	29.10
Total	264.23

Our efforts are in addition to the fact that Costa Rica's and Colombia's energy matrices are based on 86% and 71%, respectively, on renewable sources. Therefore, even when we use electricity from local suppliers, it is mostly generated by hydroelectric plants, wind turbines, solar panels, or biofuels.



In 2024, we generated **14%** more solar energy.



Water consumption

As an environmentally responsible company, we are aware of the importance of protecting our natural resources and managing water consumption efficiently.

Overall, our actions aimed at the optimal use of this vital resource led to a 13% reduction in consumption during 2024.

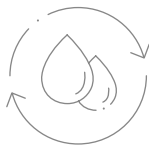
Geography	Water consumption					
	Consumption (m³)			Efficiency (m³/First-Quality Meter)		
	2023	2024	% Variation	2023	2024	% Variation
Proquinal® Colombia	17,438.00	16,159.50	-7%	0.0012	0.0010	-15%
Proquinal® Costa Rica	18,300.44	14,864.85	-19%	0.0020	0.0016	-23%
Calypso®	6,097.18	5,821.76	-5%	0.0014	0.0014	-1%
Spradling® Germany	33.00	26.21	-21%	0.0000	0.0000	-22%
Spradling® Spain	244.00	278.00	14%	0.0002	0.0002	16%
Spradling® United States	3,193.04	2,229.65	-30%	0.0004	0.0003	-1%
Spradling® Mexico	29.28	29.28	0%	0.0001	0.0001	-6%
Spradling® United Kingdom	0.72	1.17	63%	0.0000	0.0000	68%
ACIF*	55.20	55.20	0%	N/A	N/A	N/A
Total	45,390.86	39,465.62	-13%	0.0011	0.0010	-11%

*ACIF is a logistics center; therefore, it does not account for first-quality meters

Specifically, we achieved a significant 19% reduction in drinking water consumption at Proquinal® Costa Rica, equivalent to 3,436 m³ less. The main actions to reduce water usage were linked to awareness campaigns during the dry season, monitoring to minimize waste in contractor activities, the use of rainwater for structural work, and treated water for green area irrigation.

Along these lines, we developed specific projects aimed at optimizing water use in our processes. Among them, the implementation of a closed-loop system to reuse drinking water in the lacquer room dilutor stands out. We also incorporated a system that reuses chiller water in the calendering process.

At Proquinal® Colombia, drinking water consumption decreased by 7.33%. This reduction was driven by changes in cooling towers and the chiller process, the elimination of the gas scrubber from the atmospheric decontamination equipment, and the installation of more efficient restroom fixtures.



We reduced water consumption for our operations by

13%

Variations in water consumption at Calypso® resulted from water rationing, which required the implementation of contingency plans and the opening of the warehouse in the Dominican Republic. Additionally, improvements were made to the calculation methodology in other regions, and the variations are due to operational dynamics, as water consumption is primarily linked to human use (restrooms, water jugs, etc.).



Water discharges

Our production plants treat their wastewater to comply with the current legislation in each country. This process includes daily maintenance, periodic measurements, and reporting to the authorities on water quality.



Ground Waste / Colombia Plant

Waste Management

At Spradling® Group, we recognize that responsible waste management is key to the success of our operations. For this reason, we have worked consistently over the years to identify the waste generated in our various regions. In addition, we have explored alternatives to reduce, reuse, recycle, or manage it appropriately.

However, factors such as office relocations, the opening of new facilities, changes in waste disposal methods, processing restrictions, and process adjustments affected the amount of waste generated in 2024.



Selvedges / Colombia Plant

Waste Generated by Geography			
Geography	2023 (t)	2024 (t)	% Variation
Proquinal® Colombia	2,774.78	2,769.49	-0.19%
Proquinal® Costa Rica	2,731.19	3,784.49	38.57%
Calypso®	123.83	131.51	6.21%
Spradling® Germany	3.10	3.10	0.00%
Spradling® Spain	5.59	4.16	-25.58%
Spradling® United States	524.99	411.30	-21.66%
Spradling® Mexico	1.72	2.07	20.20%
Spradling® United Kingdom	102.61	87.12	-15.10%
ACIF	114.84	114.84	0.00%
Total	6,382.65	7,308.08	14.50%

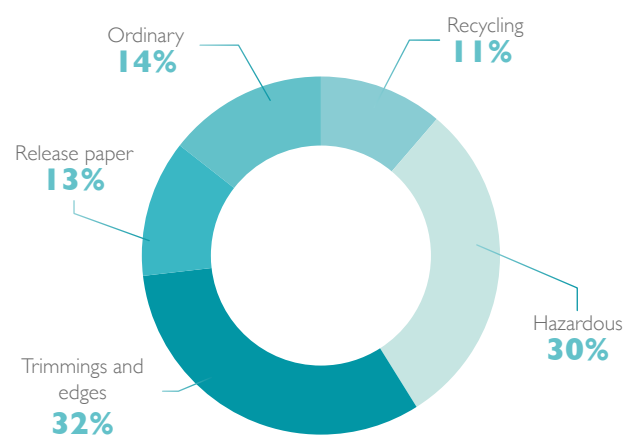
71%

of our total waste as Spradling® Group is recovered through recycling, reuse, or co-processing.

Waste Generated by Disposal Method										
Geography	2023					2024				
	Recovered (t)	Not Recovered (t)	Total Generated (t)	% recovered	Efficiency (t/ Meter of Fabric)	Recovered (t)	Not Recovered (t)	Total Generated (t)	% recovered	Efficiency (t/ Meter of Fabric)
Proquinal® Colombia	2,164.91	609.86	2,774.78	78%	0.000186	1,845.53	923.95	2,769.49	67%	0.00017
Proquinal® Costa Rica	2,528.17	203.02	2,731.19	93%	0.000299	3,248.98	535.52	3,784.50	86%	0.00039
Calypso®	6.10	117.73	123.83	5%	0.000028	9.89	121.63	131.51	8%	0.00003
Spradling® Germany	0.00	3.10	3.10	0%	0.000003	0.00	3.10	3.10	0%	0.00000
Spradling® Spain	3.22	2.37	5.59	58%	0.000004	3.11	1.05	4.16	75%	0.00000
Spradling® United States	89.17	435.82	524.99	17%	0.000058	32.36	378.94	411.30	8%	0.00006
Spradling® Mexico	0.00	1.72	1.72	0%	0.000004	0.00	2.07	2.07	0%	0.00000
Spradling® United Kingdom	55.97	46.64	102.61	55%	0.000502	47.52	39.60	87.12	55%	0.00044
ACIF*	0.00	114.84	114.84	0%	N/A	0.00	114.84	114.84	0%	N/A
Total	4,847.54	1,535.10	6,382.65	76%	0.00015	5,187.39	2,120.70	7,308.08	76%	0.00018

*ACIF is a logistics center; therefore, it does not account for first-quality meters

Due to the nature of our business, during the reporting period, the most frequently generated type of waste was trimmings and edges, followed by hazardous waste, as shown in the following chart:



“
In 2024, we advanced our sustainability strategy, focusing on waste recovery and reduction.
”



Ground Waste / Colombia Plant

War on Waste

At Proquinal® Costa Rica, in 2024, we held the fourth edition of War on Waste, an initiative aimed at developing innovative ideas to ensure better environmental management and resource conservation with minimal investment and maximum savings.

This program, carried out by different employee groups, includes three categories:



Savings



Sustainability



Innovation

In the savings category, projects were submitted that achieved total savings of USD 332,467 with an investment of USD 2,074. The proposals included modifying the method for changing the filters in the stabilization oven, installing a sensor to prevent paper splits, and implementing a system for defect notifications—applied to the coating, foaming, and lamination processes.

In the sustainability category, a project was presented to correct coated fabric deformation to prevent wrinkles during the lacquering process. This led to savings of USD 35,964 and a reduction in waste of this material.

Finally, in the innovation category, a proposal was made to change the selvage collection method in the inspection area to eliminate more than 528 kilograms of plastic bags, resulting in savings of USD 22,885 during the six-month project implementation period.

Environmental Education and Culture

In 2024, we developed a robust environmental training program that covered all our regions. Depending on each office's needs, the program addressed topics such as our environmental policy, GHG offset programs, environmental and energy management system operations, responsible waste management, the importance of recycling, water rationing strategies, and each country's environmental legal requirements. Most of these training sessions were designed for staff, though contractors were also trained.

Through this, we aim to share our business group's sustainability efforts and highlight the contributions of each individual and stakeholder group toward fulfilling our commitments.

Environmental Education at Our Production Plants

Costa Rica



319
Training Hours



868
Recorded Attendees

Colombia



2,501
Training Hours



1,903
Recorded Attendees

Training sessions, volunteer work, and awareness campaigns or events were effective strategies to promote greater environmental awareness among our employees during 2024. We created concrete spaces where each person could get involved in initiatives that support sustainable development.

In Costa Rica, we carried out a campaign with the participation of **32 employees, which allowed us to collect 243 kilograms of special waste for recovery, including electronics, batteries, and fluorescent bulbs.**



Additionally, five employees from Proquina® Costa Rica visited the site of the *Ocotea Monteverdensis* species protection program—a key project within our compensation program with FONAFIFO. This initiative aims to preserve a tree species endemic to Monteverde and highlights the importance of conserving Costa Rica's unique ecosystems.

Throughout the year, to offset the environmental impact of printing our 2023 Sustainability Report, we planted a total of **210 trees across Costa Rica, the United States, and Mexico in collaboration with the organization Planta Mi Árbol. This was in addition to 325 trees planted under other reforestation initiatives.**

At Proquina® Colombia, we held a campaign as part of Occupational and Environmental Health Week, which included setting up a booth to train staff on waste management, responsibilities within the management system, and the handling of chemical substances in accordance with ISO 14001.

We joined the collective plan for the management of packaging and container waste in Colombia.



Additionally, we reached 86 employees through the “Saving the Planet” campaign, which raised awareness about solid waste separation, and we actively participated in initiatives such as Bogotá's Car-Free Day and in efforts to promote bicycle commuting to our workplaces.

Also in Colombia, from our production plant and Calypso® Distribution, we joined the collective environmental waste management plan for packaging and containers (ACOREP), led by Acoplásticos. This initiative encourages companies to take responsibility for closing the life cycle of the products they produce and the resulting packaging and container waste.

These initiatives reflect our belief that sustainability is a collective effort. At Spradling® Group, we will continue promoting environmental education, the active participation of our teams, and the strengthening of partnerships to move toward increasingly responsible operations for the planet.





Social Dimension

WHO ARE OUR EMPLOYEES AND WHAT CONDITIONS DO WE OFFER THEM?

At Spradling® Group, we recognize our more than 2,000 employees as the fundamental drivers of our operations.

Without their daily dedication and passion, our company would not exist; they play critical roles in our production cycle and act as brand ambassadors to external audiences around the world.

To honor their commitment, loyalty, and effort, we design our facilities and optimize our processes to provide the best possible conditions for their development and individual well-being.

We not only work to create a safe and healthy work environment with an organizational climate that fosters creativity, productivity, and efficiency, but we are also committed to offering meaningful opportunities for professional growth within the organization. We are proud to see individuals grow their careers at Spradling® Group. In fact, in 2024, **28.5% of open positions were filled by internal employees**, and **5.32% of our staff had the opportunity to transition to a new role within the company.**

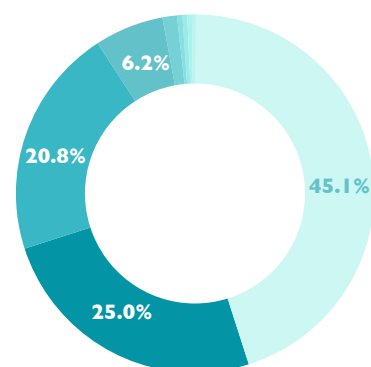
28.5%

of the open positions in 2024
were filled by internal personnel.

This is how we build high-quality, sustainable products while fostering an environment where every employee can thrive and contribute to the collective success of our company.



Employee — Costa Rica Plant



- Proquinal® Colombia
- Proquinal® Costa Rica
- Calypso®
- Spradling® United States
- Spradling® Europe
- ACIF
- Spradling® United Kingdom
- Spradling® Mexico
- Spradling® Germany

Spradling® Group Employees	
Geography	Total
Proquinal® Colombia	915
Proquinal® Costa Rica	507
Calypso®	421
Spradling® Germany	9
Spradling® Spain	26
Spradling® United States	125
Spradling® Mexico	10
Spradling® United Kingdom	7
ACIF	7
Total	2,027



21.36%

female participation in our workforce

That success also translates into growth. Although there were no significant fluctuations or mergers in 2024, new positions were created and some departures were replaced. Specifically, we hired 379 individuals who joined the company with their talent, capabilities, and dedication.



5.32%

of our personnel in new roles within the company



379

new hires

New Hires by Age – Spradling® Group		
Age	Total	Total
Between 18 and 30 Years	233	61.48%
Between 30 and 50 Years	137	36.15%
Over 50 years old	9	2.37%
Total	379	100%

Note: Includes new positions and replacements for departing staff



Employees – Colombia Plant

How Do We Manage our World Class Talent?

Human Talent governance is a challenge for any organization. When we add that we are a global leader with two production plants, distribution companies, and commercial offices in Spradling® Spain, Spradling® Mexico, Spradling® United States, and ACIF (logistics center), attracting and retaining world-class talent becomes a top priority.

To manage our human team, we rely on a multidisciplinary structure aligned with the business needs of each geography. Its objective is to connect the human team with the company's purpose—through their skills, motivations, knowledge, and passions—so that their contributions drive the achievement of results and organizational success.

At the Proquinal® Colombia and Proquinal® Costa Rica production plants, we have Human Talent departments that support all areas of the organization, with standardized processes for recruitment, selection and evaluation, well-being, training and development, compensation, and payroll management, among others.

At Calypso®, Human Talent management is centralized in a team based in Bogotá. In 2024, this team **focused on promoting job stability, enhancing employee well-being and mental health, and digitizing processes related to human resource care.** In addition, the opening of new stores in Costa Rica and the Dominican Republic led to an increase in the number of employees.



Employees – Costa Rica Plant

A key tool for identifying growth opportunities, recognizing achievements, and ensuring that individuals have the necessary conditions to perform their work effectively is the performance evaluation. This process not only makes it possible to identify potential obstacles to fulfilling responsibilities, but also provides employees with valuable feedback for their professional development.

In 2024, this evaluation was implemented at Proquinal® Colombia with the participation of 712 people, representing

96.45%

of the total number of employees in this geography at the time of the evaluation.



Our Human Talent management philosophy is to attract individuals with adaptability and vision to take on the challenges of each role, while developing new skills and knowledge and putting their talents to work in service of Spradling® Group.

Thanks to this initiative, we observed an improvement compared to the previous evaluation in the areas of leadership and social relations at work, rewards, and training. Additionally, to foster a more positive organizational climate, our “Coffee with Human Talent” sessions were reinforced. These are spaces to address needs and share information about projects. In 2024, **20 sessions were held with the participation of more than 280 employees.**

At Calypso®, 200 individuals took part in the performance evaluation for management, department heads, coordinators, analysts, and store managers.



Reinaldo Alvarado: 16 Years Contributing to the Success of Proquinal® Costa Rica

Reinaldo Alvarado, 38 years old, married and father of two children, is a man dedicated both to his family and his work. He finds his greatest joy in walking and enjoys life in a balanced way. Sixteen years ago, he arrived at Proquinal® Costa Rica in search of opportunities, after working for several companies in Coyol, in the province of Alajuela. From his earliest days at the organization, he felt welcomed by the warmth of his colleagues.

Over the course of his career at Proquinal®, Reinaldo has held several roles: laboratory assistant, physical testing assistant, and currently works in maintenance—an area he joined after studying electromechanics at a vocational school.

Reinaldo values how the company has supported his professional development by allowing him to complete his electromechanics internship and later join the maintenance team. To him, Proquinal® is not just a workplace, but an environment that has positively impacted his life.

With a focus on continuous learning and advancing his education, Reinaldo is an example of perseverance and self-improvement. He embodies the spirit of many employees at Proquinal®.

How Do We Win the Hearts of our Human Talent?

Our strategy to retain world-class talent and maintain such a low turnover rate is to offer benefits beyond salary that help our employees meet their needs.

This is complemented by excellent training opportunities, team-building efforts, and respect for the highest standards of occupational health and industrial safety.

Benefits for the Development of our People and their Families

The benefits we offer at Spradling® Group stem from a genuine interest in understanding our employees' conditions beyond the workplace.

We apply assessment tools such as the Multidimensional Business Poverty Index at Proquinal® Costa Rica and the Psychosocial Risk Survey at Proquinal® Colombia and Calypso® to better understand the reality and needs of our people.

In retail stores, we apply the survey every two years. At Proquinal® Colombia, in 2024, we surveyed 800 employees, representing 90% of the total workforce at the time of the survey.



Employees – Colombia Plant

Housing **Benefits**

Our flagship program to ensure our employees have access to dignified housing is the Housing Plan, active at Proquinal® Colombia since 1980 and at Proquinal® Costa Rica since 2023.

This plan allows employees who meet certain requirements—such as owning a home or land, having at least five years with the company, and maintaining an excellent conduct record—to apply for financial assistance for debt amortization, home remodeling, or expansion.

13

employees from our production plants benefited from the Housing Plan. The total investment was more than USD 70,000.



Beneficiary – Housing Plan Colombia 2024



Housing Plan Colombia 2024

Results – Housing Plan 2024

Colombia



9 Employees Benefited
Amount Invested (USD)
\$28,935.00

Costa Rica



4 Employees Benefited
Amount Invested (USD)
\$43,332.42

Total



13 Employees Benefited
Amount Invested (USD)
\$43,332.42

Our employees also have access to other housing-related benefits through social organizations, such as the Solidarista Association at Proquinal® Costa Rica and the compensation funds at Proquinal® Colombia. These mechanisms allow them to apply for loans and subsidies that improve their chances of acquiring, improving, or maintaining dignified housing. **In 2024, a total of 13 employees benefited from these external organizations.**





A Story of Gratitude, Effort, and Opportunity

Paola Andrea Contreras Juyar found much more than a job at Proquinal® Colombia—she fulfilled her dream of owning a home.

When she finished her degree, she managed to save enough for a down payment to purchase a property. She secured a bank loan with a 26-year repayment term. This motivated her to apply for the Housing Plan and, after four years, she was selected as a beneficiary.

“

I applied to the plan and asked God with all my heart to be selected—and I was. They awarded me nearly COP 15,000,000 (USD 3,500), which significantly reduced my debt and repayment term. My brother and my mother, who live with us, told me I deserved it and were overjoyed, she shares. Today, I feel radiant and am just steps away from finishing the payments on my beautiful home.

”

For Paola, Proquinal® has not only been an employer but also a catalyst for her dreams. “Not only have I received support through the Housing Plan, but I also became a professional thanks to the educational assistance I was provided throughout my degree. Additionally, I’ve worn glasses for a couple of years and benefit from optical assistance; my son Mateo and I are also enrolled in the Premium Medical Plan thanks to the health subsidy, and finally, the money I receive every five years is something I invest in meaningful ways—it holds great value for me.”

Support in the Face of Adversity

At Spradling® Group, we understand that beyond the workplace, our employees go through moments that may challenge their personal and family stability. That is why **we’ve developed financial and emotional support mechanisms to assist them in unforeseen situations**. These benefits reflect our commitment to a compassionate, empathetic workplace culture that values the human being at every stage of life.

In Colombia, our employees at Proquinal® and Calypso® have access to 0% interest loans in cases of hardship or the death of a family member. These loans are repaid via payroll deductions over a six-month period.

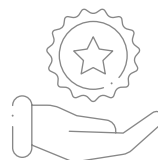
Meanwhile, in Costa Rica, Proquinal® covers the cost of funeral services when a direct employee passes away. Support is also provided through grocery allowances for the employee and their family. Additionally, if necessary, the company helps cover the cost of specialist consultations and medical tests.

In 2024, **125 employees received these benefits: 18 from Calypso®, 92 from Proquinal® Colombia, and 15 from Proquinal® Costa Rica.**

Other Benefits

In 2024, we provided benefits such as public transportation subsidies, meal service support, special leave, seniority bonuses, and royalties to our teams in manufacturing plants and retail locations. This ensures that our human talent feels valued and supported by the company, both inside and outside the workplace.

In our commercial offices, employees receive various benefits depending on their geography, including extended medical leave, 100% medical insurance, and major medical expense coverage, including dental care.



The benefits applicable to each geography cover **100%** of its workforce.

Parental **Leave**

To foster better work-life balance and support our employees during one of the most special times of their lives, we offer parental leave or licenses under varying conditions, in line with the laws of each country. In 2024, **33 employees took advantage of parental leave.**

Parental Leave Granted at Spradling® Group					
Geography	Number of Men	%	Number of Women	%	Total
Proquinal® Colombia	10	1.31	4	2.65	14
Proquinal® Costa Rica	12	2.64	2	3.77	14
Calypso®	3	1.07	0	0.00	3
Spradling® Germany	0	0.00	0	0.00	0
Spradling® Spain	1	6.67	0	0.00	1
Spradling® United States	0	0.00	0	0.00	0
Spradling® Mexico	0	0.00	0	0.00	0
Spradling® United Kingdom	0	0.00	1	25.00	1
Total	26	1.28	7	0.35	33

Empowering Talent: **Training and Professional Development Initiatives**

We understand that the personal and professional growth of our employees plays a key role in the results we achieve as a company.

For this reason, in 2024, we invested time and resources into the following focus areas:



Technical training



Soft skills



Regulatory compliance



28,176
total training hours delivered, with more than **6,700** attendees throughout the year.

Spradling® Group Training		
Geography	Number of hours delivered	Number of Participants
Proquinal® Colombia	20,791	1,058
Proquinal® Costa Rica	3,152	2,137
Calypso®	4,233	3,505
Total	28,176	6,700

Hours delivered by category, Spradling® Group



Calypso®

1,582 Hours

In Soft Skills

941 Hours

In Regulatory Compliance

1,710 Hours

In Technical – Performance

4,233 Hours

In Total



Proquinal® Colombia

4,408 Hours

In Soft Skills

16,384 Hours

In Technical – Performance

20,791 Hours

In Total



Proquinal® Costa Rica

48 Hours

In Regulatory Compliance

3,104 Hours

In Technical – Performance

3,152 Hours

In Total

At Proquinal® Colombia, we trained staff in communication styles, customer service, leadership, and other soft skills. For technical or job-related skills, we offered courses in Excel, Power BI, Polymeric Materials, and the Lean Manufacturing Program, among others.

At Calypso®, the emphasis was on soft skills such as emotional, stress, and grief management, sales strategies, and customer service. We also covered content related to regulatory compliance and changes in legislation. In technical training, sessions included instruction on the use of Excel, electronic invoicing systems, and product knowledge.

At Proquinal® Costa Rica, training focused on risk management, the implications of new legislation, and effective applications of artificial intelligence.

Additionally, we offer an English reinforcement program that includes virtual and in-person courses with a conversational focus—totaling **11,597 hours of training and 159 participants across both plants.**

English Program, 2024

Costa Rica

50

Participants

9,000

Hours

Colombia

109

Participants

2,597

Hours

Beyond our internal training initiatives, in 2024 we awarded scholarships to two Proquinal® Costa Rica employees: **one enrolled in a 312-hour technical program in Quality Production, and the other in a 500-hour Master's program in Modern Manufacturing Systems.**

In this way, we strive to further specialize our workforce and ensure they remain adaptable to the evolving demands of the sector, helping us maintain our leadership position.

At Spradling® Group, we operate our own Corporate University, led by Proquinal® Colombia.

During 2024, this platform enabled us to **train 1,081 employees at our Bogotá plant and 55 employees at Proquinal® Costa Rica, allowing us to exceed our annual target with 116% fulfillment.**

For 2025, we plan to expand the reach of our Corporate University to additional regions, further strengthening employee knowledge in line with Spradling® Group's growth strategy of the Company.



Team Building

From our early years, we understood that creating opportunities for interaction and celebration among colleagues improves the workplace atmosphere by fostering cohesive teams and strengthening interpersonal bonds. This contributes to teamwork, enhances communication, and enriches relationships among departments and business units.

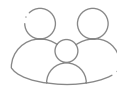
In this context, at Spradling® Group we carry out various initiatives across five categories:



Company anniversary celebrations



Various celebrations and commemorative events



Family integration activities for employees



Recognition of excellence (quality, occupational health and safety, environment, best practices, others)



Relationship-building initiatives among team members and group dynamic enhancement



“During the year, our integration activities **accounted for 17,051 attendees.**”

Participants in Spradling® Group integration activities

Geography	Anniversary	Celebrations	Family Integration Events	Workplace Integration	Recognition	Total Sum
Proquinal® Colombia	945	5,313	1,847	2,821	438	11,364
Proquinal® Costa Rica	60	1,378	440		745	2,623
Calypso®		1,534	507	59		2,100
Spradling® Germany		7				7
Spradling® Spain	26	78		26		130
Spradling® United States		495		301		796
Spradling® Mexico	11					11
ACIF*		20				20
Total	1,042	39,465.62	-13%	0.0011	0.0010	-11%

Diversity and Inclusion

At Spradling® Group, we are committed to inclusion and non-discrimination in our recruitment and selection processes, ensuring compliance with the legislation in force in each of the countries where we operate.

Our equitable methodology ensures that every candidate applying for a position within our organization is evaluated based on the competencies and experience required for the role. As such, our hiring practices are based on merit, without distinctions related to gender, age, ethnicity, or other factors.

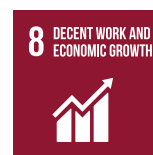
This commitment is reflected in the Great Place To Work® certification earned by both of our production plants in 2022 and 2023, where perceptions of equity and inclusion are fundamental evaluation criteria.

This has allowed us to build a highly competent team, composed of 1,594 men and 433 women.

Additionally, we believe that an intergenerational workforce offers valuable advantages such as diverse perspectives, a balance between experience and innovation, knowledge transfer, and an enriching work environment.

Total number of employees by gender and business unit

Geography	Number of Men	%	Number of Women	%	Total
Proquinal® Colombia	764	83.50	151	16.50	915
Proquinal® Costa Rica	454	89.55	53	10.45	507
Calypso®	281	66.75	140	33.25	421
Spradling® Germany	3	42.86	4	57.14	7
Spradling® Spain	15	57.69	11	42.31	26
Spradling® United States	59	47.20	66	52.80	125
Spradling® Mexico	5	71.43	2	28.57	7
Spradling® United Kingdom	5	55.56	4	44.44	9
ACIF	8	80.00	2	20.00	10
Total	1,594	78.64	433	21.36	2,027





Employees — Costa Rica Plant

How Do We Promote a Workplace Free from Discrimination?

At Spradling® Group, we foster an open-door culture that ensures direct, accessible, and barrier-free communication channels for all members of the organization. We promote a trust-based environment where any employee can voice concerns or report grievances without fear of retaliation.

In 2024, we continued creating opportunities for learning and reflection around diversity, equity, and inclusion.

+ 156

employees participated in the session delivered by the “Aprendamos Juntos” (Let’s Learn Together) Training and Development team at Proquinal® Colombia during the month of November.

We also collaborated with WorkSpire, a specialized consulting firm, to work with our organizational leaders on strengthening the respect and recognition dimensions of the Great Place To Work® (GPTW) model. Currently, we are progressing with initiatives focused on pride and organizational leadership.



In parallel, our PILO training programs—targeted at leadership and management roles—incorporate this core pillar as part of our overall strategy. Through these initiatives, we aim to reinforce employee retention and development, building trust and impact in the daily operations of our leadership teams.

Occupational Health and Safety

We promote a culture of prevention and care through our occupational health and industrial safety strategies, thereby ensuring safe and healthy work environments. Our holistic approach is rooted in disease prevention, the promotion of well-being, and the implementation of safe practices that protect both the physical and mental integrity of our teams.

Through training, risk monitoring, and continuous improvements to our workplace environments, we strengthen our commitment to sustainable and responsible operations, aligned with the highest safety standards.



PILO Training Sessions / Colombia Plant

Well-Being and Health

During the reporting period, we focused on the well-being and health of our employees, both of which impact their quality of life and job performance.

In 2024 in particular, we undertook efforts along three key lines:



Preventive Ergonomics

Actions aimed at reducing the incidence of musculoskeletal disorders.



Health Prevention

Strategies to prevent the onset of disease.



Health Promotion

Activities to foster physical, mental, and social well-being.

In total, **3,743** attendances were recorded across the three focus areas.

Participants in Health and Well-Being Activities				
Geography	Preventive Ergonomics	Health Prevention	Health Promotion	Total Sum
Proquinal® Colombia	500	681	899	2,080
Proquinal® Costa Rica	287	212	559	1,058
Calypso®	75		530	605
Total	862	893	1,988	3,743

Some of our activities included muscle conditioning sessions, active breaks, early disease detection tests, breastfeeding and disease prevention talks, among others.



Health Month / Costa Rica Plant

Medical Evaluations

We aim to ensure that our employees, especially those in our production plants, have regular access to medical evaluations as part of our commitment to health and well-being in the workplace.

Both production plants offer on-site health services staffed by qualified medical personnel, including physicians and nurses. At Proquinal® Costa Rica, consultations are held five days a week, allowing up to 24 employees to be attended per day. Meanwhile, at the Proquinal® Colombia plant, 344 medical consultations were provided to 268 employees, and an influenza vaccination campaign reached 96 beneficiaries.

These services have been highly valued by our teams, as they allow them to access healthcare without the need to travel to external clinics.



Taking care of health is a habit
that must be instilled from childhood

That is why, during Health Month in April, we organized an activity for the children of Proquina® Costa Rica employees, which included a track and field race. The children received prizes, medals, t-shirts, and healthy food. **A total of 171 children and 269 accompanying adults participated.**



Framework for Ensuring Industrial Health

Our organization’s commitment to occupational health and safety is strong and ongoing, focused on protecting the physical integrity and well-being of every person involved in our operations. As a reflection of this commitment, we operate under the guidelines of the international ISO 45001 standard, a globally recognized benchmark that establishes stringent requirements for managing occupational health and safety systems. **This certification not only endorses the effectiveness of our prevention protocols but also ensures we implement responsible and robust practices to continuously identify, assess, and mitigate occupational risks.**

Additionally, in Colombia, the Calypso® and Proquinal® warehouses are backed by ARL Positiva, our occupational risk insurer. Together with our insurance broker, we coordinate preventive initiatives and training programs, serving as our key partner in occupational health and safety education.

Occupational Examinations

One of our key focus areas for preventing workplace accidents and occupational illnesses is conducting occupational examinations for our personnel. This ensures compliance with occupational health and safety regulations, while also reducing costs associated with absenteeism and labor compensation.



Spradling® Group Occupational Examinations			
Type of occupational check-up	Proquinal® Costa Rica	Proquinal® Colombia	Calypso®
Occupational Entry	111	194	166
Periodic Occupational Exams	416	584	258
Occupational Exam with Height Emphasis	NA	54	16

In addition to these exams, our plants in Proquinal® Costa Rica and Proquinal® Colombia implement various initiatives aimed at reinforcing a culture of workplace safety and fostering safer work environments.

Among the shared actions is the Committed to Safety program, which includes audits and inspections conducted by area leaders. In 2024, this initiative involved **480 employees in Proquinal® Costa Rica, who carried out 557 inspections; while in Proquinal® Colombia, 750 people participated in 114 inspections.**

Both locations also promote the **Zero Accidents program**, with the goal of maintaining an incident-free environment each year. As a result, **16 areas in Proquinal® Colombia and 13 in Proquinal® Costa Rica met the target, and we recognized 190 and 245 employees, respectively.**

These efforts are complemented by significant investments in infrastructure to improve safety conditions. At Proquinal® Costa Rica, we invested over USD 450,000 in enhancements such as CO₂ suppression systems, thermal comfort solutions, infrastructure upgrades, and extraction systems. At Proquinal® Colombia, we invested over USD 226,000 in improvements such as freight elevators, safety guards, measuring equipment, safe pathways, and lifeline systems.

Additionally, we maintain strict oversight of contractor management at both Proquinal® Costa Rica and Proquinal® Colombia, training more than 1,200 individuals on safety standards in 2024.

Safety Training

Training in occupational health and safety, along with developing our team’s preventive capabilities, is essential to our operations.

For instance, our production plants implement a program that fosters ongoing communication around safety and health through guides that share best practices and measures to prevent workplace accidents and illnesses. At Proquinal® Colombia, 334 guides were distributed, and 288 at Proquinal® Costa Rica.

In total, in 2024, we delivered **2,791 hours of training, covering key topics such as load handling, hazard and risk identification, tool use, safety and traffic regulations, work procedures, and proper chemical storage, among others.**

Occupational Health and Safety Training Spradling Group®		
Geography	Number of Participants	Number of Hours
Proquinal® Colombia	799	799
Proquinal® Costa Rica	500	500
Calypso®	1,197	1,467
Spradling® United Kingdom	25	25
Total	2,521	2,791



OSH Team / Colombia Plant

Finally, at Calypso®, we strengthened our occupational health and safety management by conducting a self-assessment of the minimum standards of the Occupational Safety and Health Management System (OSHMS), in compliance with national legislation. We also conducted annual induction and re-induction processes.

Emergency Brigades



In 2024, we delivered **3,288 hours of training**, attended by brigade members from Calypso® production plants and warehouses.

Topics included first aid, electrical hazard rescue, fire extinguisher handling, earthquake response, fire protection systems, leadership and teamwork during emergencies, and chemical spill management, among others.

Spradling Group® Brigade Training Sessions		
Geography	Number of Participants	Number of Hours
Proquinal® Colombia	799	799
Proquinal® Costa Rica	500	500
Calypso®	1,197	1,467
Total	2,521	2,791

To encourage our employees to remain in the emergency brigade, we recognize their performance, commitment, and active participation. These incentives may include overtime pay, meals, and celebratory events upon reaching five years of service in the brigade.

“ Our Proquinal® Colombia production plant received the ARL Positiva Award, recognizing its effective management in occupational health, workplace safety, and environmental responsibility. ”

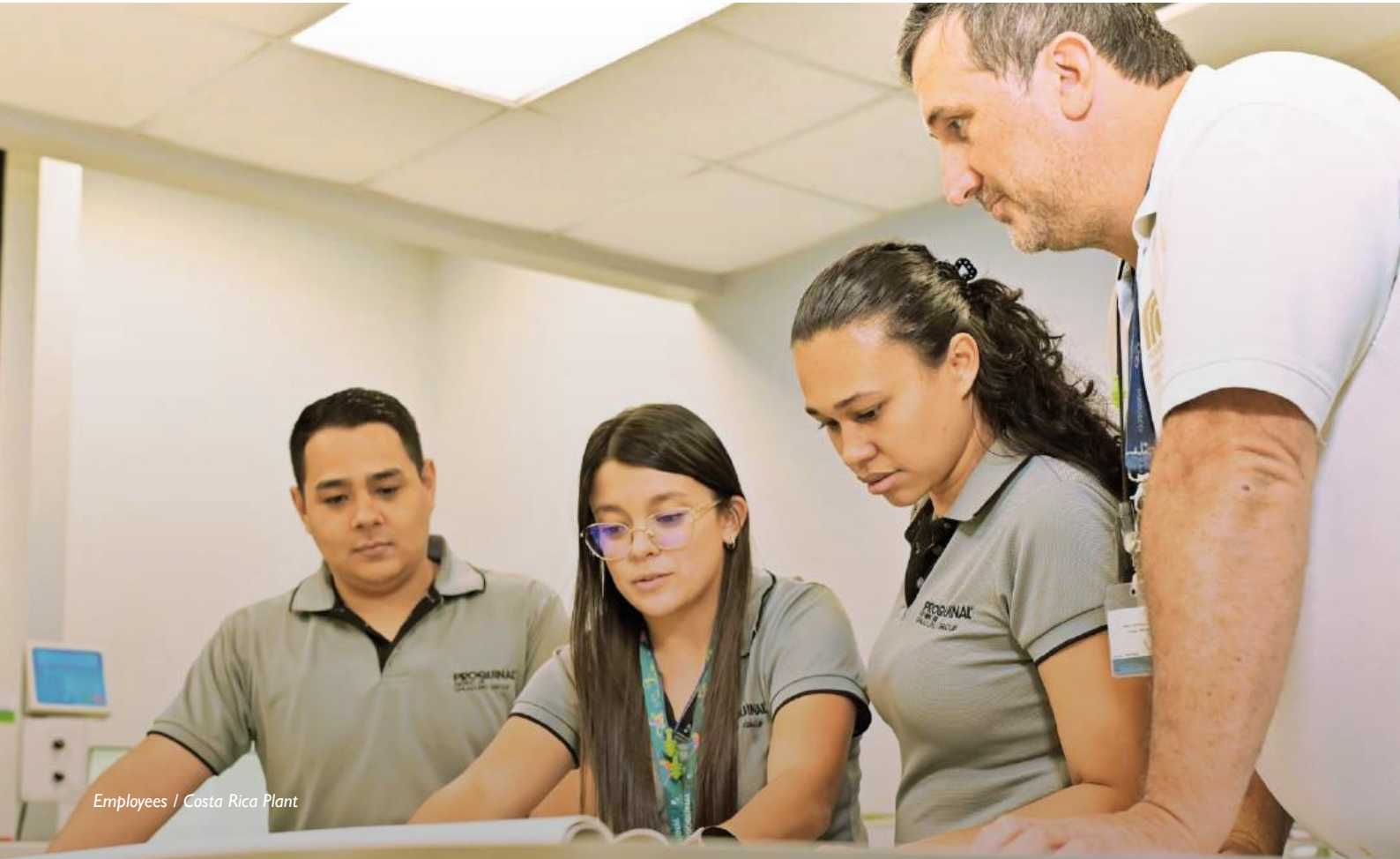
Accident **Rate Indicators**

We are proud to report that all our efforts in promoting health and sports, preventing accidents and occupational illnesses, investing in preventive ergonomics, and implementing industrial safety programs have led to a significant improvement across all our accident rate indicators.

The accident frequency rate was 4.47, compared to 5.06 in 2023, and the lost-time accident rate decreased by 7.1% when comparing 2024 to the previous period.

Spradling® Group Accident Rate Comparison				
Geography	FREQUENCY RATE (FR)		LOST-TIME ACCIDENTS	
	2023	2024	2023	2024
Proquinal® Colombia	7.70	6.63	79	75
Proquinal® Costa Rica	1.54	1.99	8	11
Calypso®	4.38	3.57	21	18
Spradling® Germany	0.00	0.00	0	0
Spradling® Spain	0.00	0.00	0	0
Spradling® United States	4.15	0.86	5	1
Spradling® Mexico	0.00	0.00	0	0
Spradling® United Kingdom	0.00	0.00	0	0
ACIF	0.00	0.00	0	0
Total Spradling® Group	5.06	4.47	113	105
Variation 2024 vs. 2023	-11.8%		-7.1%	

These results drive us to continue honoring our commitment to the highest standards of occupational health and industrial safety, which form the foundation of our employees' comprehensive well-being. If our team is well, the company will be well too. That is how our leadership continues to be marked by a strong sense of social responsibility.



Employees / Costa Rica Plant

HOW DO WE HONOR OUR COMMITMENT TO SOCIAL DEVELOPMENT?



Worker, Suri Project / Costa Rica

Trimming and edges **Donation Programs**

At Proquinal® Costa Rica, we operate a program designed to benefit social organizations registered with the Joint Social Welfare Institute (IMAS) through the donation of production trimmings and edges.

This initiative fosters job creation and income generation, while also enabling us to manage our waste responsibly.

Before each donation, we verify that the materials are in optimal condition and cover all storage and transportation costs. Furthermore, if an organization chooses to stop using the donated material, we take responsibility for retrieving it to ensure proper environmental management.

The organizations that benefited in 2024 are the following:



Desarrollo Ecoturístico Norte (FUNDETORT): offers training to individuals facing economic vulnerability due to unemployment, enabling them to create products and generate income.



Hogar Calasanz: promotes school and technical education opportunities for young people living in conditions of vulnerability and social risk. All the donated material is used as a resource to provide their students training on upholstery, which is later sold to financially support the foundation.

During 2024, Proquinal® Costa Rica covered the salary of the sewing instructor, with an investment of more than USD 13,000 for the year.



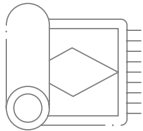
Fundación Nueva Oportunidad: its Unlock project aims primarily to rehabilitate and reintegrate individuals deprived of liberty into the workforce by training them in the handling and transformation of waste materials. It operates at the Reinaldo Villalobos Comprehensive Care Unit in the province of Alajuela, Costa Rica.

450

People benefited from the donation of **20 tons** of our material, which generated approximately USD 3,000 in income.

15

Men benefited through the donation of half a ton of scraps, generating income of approximately USD 5,000.



Siquiaries Mixed School: a public school that sells fabric selvages donated by Proquinal® Costa Rica to make rugs. These proceeds fund the maintenance of technological equipment, facility repairs and improvements, and the purchase of educational supplies and cleaning products.



Coopeambiente: a cooperative that manages environmental responsibility projects, transforming reusable materials into handbags and other accessories.

240

Tons of donations received in 2024.



Asociación Reciclando Arte en Vinil de Occidente (ARAVIO): manages donations for 960 individuals, 19.3% of whom have disabilities and 83.6% live in poverty or extreme poverty. With a circular economy approach, it trains beneficiaries in material handling and reuse.

220

Tons of materials received, which enabled them to generate approximately USD 32,000 in sales.



Proyecto Surí: provides technical training to women to help them pursue better job opportunities or launch their own microenterprises. The foundation transforms donated scraps into raw materials for entrepreneurship initiatives in the Pavas community in San José, Costa Rica, and surrounding areas.

59

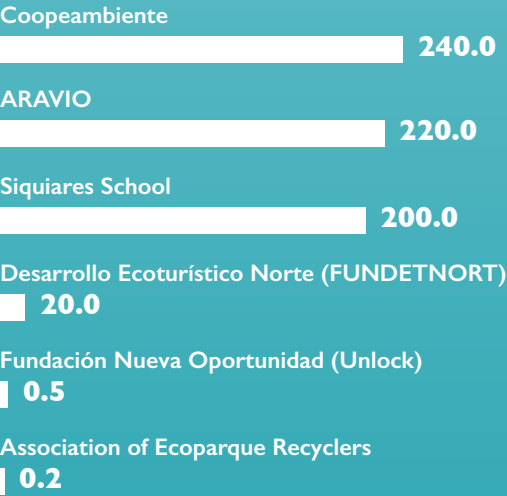
families benefited. This contribution generated an estimated USD 9,400 in sales revenue for the organization.

In 2024, we also donated 0.231 tons of fabric samples, foam, and other materials from Comercializadora Calypso® to the Asociación de Recicladores Ecoparque San Benito in Colombia. This association sends it to a foundation, where it is transformed into products that people can use in their daily lives.

6 social organizations benefited from our donation program

680.8

tons of waste donated in total to the following organizations:





Volunteering / Costa Rica

Volunteering in Communities with Direct Impact

Volunteering is a key tool for managing our social and environmental responsibility, while also providing employees with a meaningful and high-impact experience.

At Proquinal® Costa Rica, we held a volunteer event at Casa Hogar San Lázaro, where we collected **over 660 kilograms of food to be used in the dining hall for children, adolescents, and elderly individuals in vulnerable situations**. In addition, fourteen volunteers improved the home's facilities, restoring its spaces through painting, flooring installation, and support structures using scraps from our production process. In total, approximately 98 hours of volunteer work were contributed.

Additionally, during Environment Month, **26 of our employees donated a total of volunteer 156 hours** for the construction of the Proquinal® Costa Rica vegetable garden. This activity involved planting grass, vegetables, and herbs such as lettuce, radish, basil, rosemary, among others.



The garden's harvest will be used as part of the employee food service.

Meanwhile, **33 sons and daughters of our employees participated in the "Plant Your Plant" initiative**, where they planted and cared for a plant over the course of a month, later transplanting it to the garden.

At Calypso® and Proquinal® Colombia, we contributed to the SANAR Foundation, which supports children with cancer. We assisted in **collecting and donating 81.9 kilograms of plastic caps**, which are sold to recyclers to generate income.

Also at Calypso®, we designed and installed a compost bin to support the management of organic waste and the production of compost used to maintain trees planted in the Neuta Wetland, Soacha, Cundinamarca.

We built a compost bin in the Neuta Wetland in Colombia.

In the same wetland, we carried out a volunteer event to replace 20 trees planted in 2023 that did not thrive, and to plant 40 new trees. This event included participation from Calypso® employees and neighbors from nearby communities, for a total of 30 volunteers.

96

Volunteer hours dedicated to the compost bin, and 105 hours spent planting trees in the wetland.

At Proquinal® Colombia, we carried out three environmental volunteer activities, totaling 969 hours. A total of 121 employees who are part of our Proquival program participated. In total, **300 trees were planted in support of two organizations: the Chicaque Park Nature Reserve and the Fundación Verde Vivo**. We also collected and donated over 750 kilograms of rice and other non-perishable food items to the organizations ABC PRODEIN and FIAMBRE, benefiting two thousand children from vulnerable communities.

At Spradling® United States, **we developed the Spradling Cares project, where we sponsored more than 30 Christmas stockings for children in the foster system of the Shelby County DHR organization**. We also "adopted a family" for Christmas as part of an initiative by the Blount County Family Promise organization. Additionally, our employees sent digital Valentine's Day cards to patients at St. Jude Children's Research Hospital, spreading cheer and kindness to children undergoing treatment.



Internships and Participation in Forums

At Spradling® Group, we understand that the knowledge and experience gained through decades of industry leadership must not only be maintained, but also shared with the world.

We firmly believe in the importance of cultivating strong relationships with our stakeholders and empowering new generations through knowledge exchange. This commitment is reflected not only in our daily practices, but also in our internship programs and our active participation in business forums and events.



Employee — Costa Rica Plant

Internships

During 2024, **20 university students completed internships** in departments such as Administration, Human Resources, Marketing, Sales, Logistics, and Procurement at Calypso®.

Meanwhile, at Proquinal® Colombia, **60 students completed internships** in areas such as Research, Business Intelligence, Marketing, Treasury, Foreign Trade, Audit, Information Technology, and Document Management.

Student Visits

At Proquinal® Costa Rica, we received four visits throughout the year from students of public universities and schools. The 70 young people learned about the company's various processes, contributing to their training or helping them choose a career path.

At Proquinal® Colombia, we hosted eight academic visits from the universities ECCI, Católica, Distrital Francisco José de Caldas, Los Andes, La Salle, and Jorge Tadeo Lozano, as well as from the Bogotá Association of Recyclers, with a **total of 133 participants**.

Press Relations

During 2024, Proquinal® Costa Rica had a strong media presence in outlets such as Delfino CR, Revista Summa, Vida y Éxito, The Global, Rumbo Económico, Business News, and the radio programs Pulso Empresarial and Pyme Radio. It is worth highlighting our mention in the Sustainability Special of 7 Days, a program by one of the national media networks.

Additionally, at Proquinal® Colombia, we participated as expert spokespersons in Axxis Magazine, one of the country's leading publications.

In all these platforms, we shared our experience in managing our triple impact and reported on the investment made to expand the production plant as a sign of confidence in the business environment.



Article on Proquinal® Colombia / Axxis Magazine

SPRADLING®
For the long run