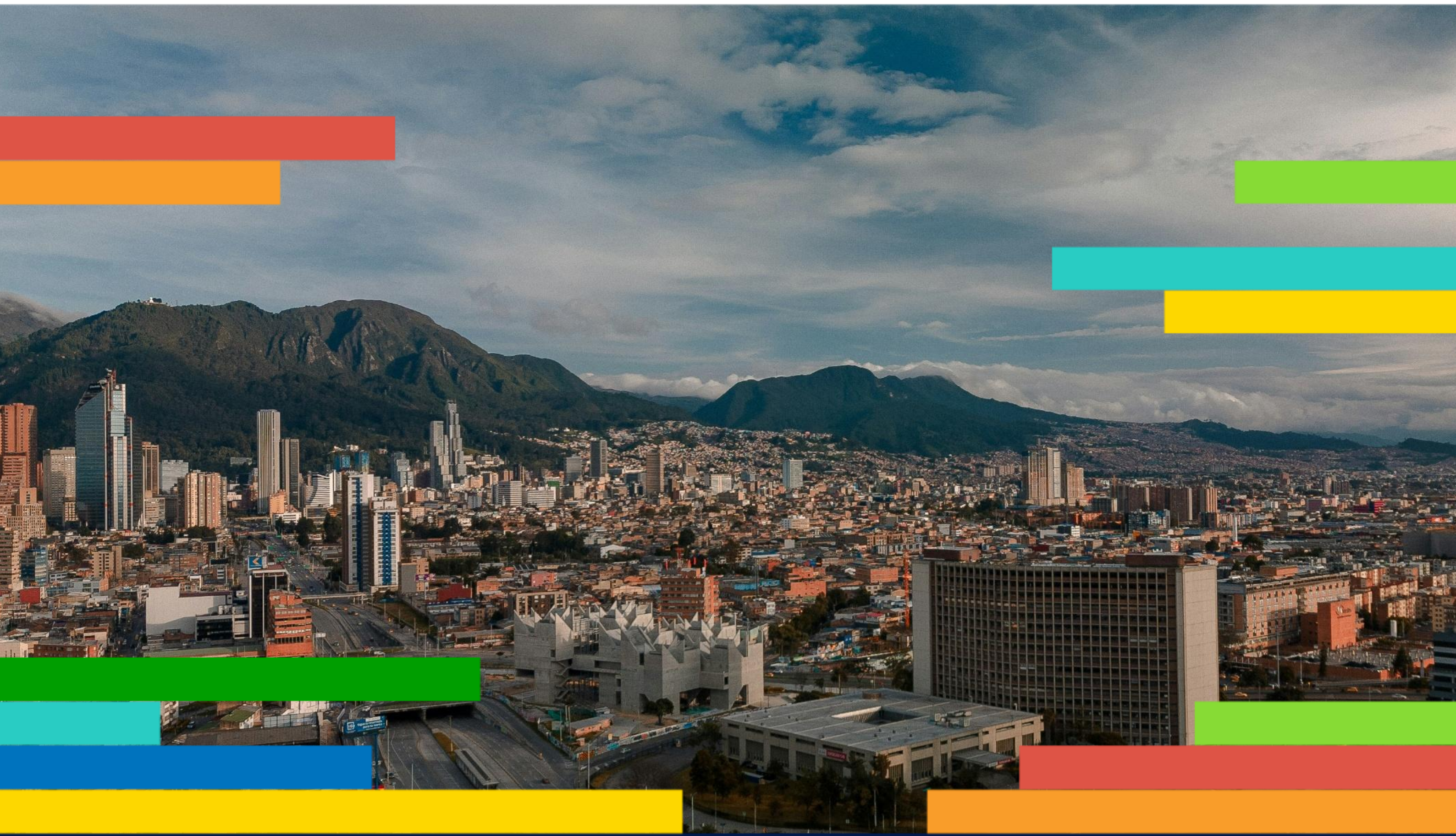

From commitment to implementation: Corporate transition readiness in Colombia

Insights from WBA benchmarks on climate, nature and people

September 2026

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Executive summary

This discussion paper draws evidence from WBA's Climate, Nature and Social Benchmarks, it examines corporate transition readiness in Colombia and Latin America, and asks a central question: **how can companies move beyond strategy and disclosure towards credible implementation in complex and interconnected operating environments?**

This question is becoming increasingly important. Companies face growing expectations not only to set targets and disclose policies, but to demonstrate how these translate into investment, operational change and tangible outcomes. At the same time, climate, nature and social challenges are increasingly difficult to address separately. Decarbonisation efforts affect workers and communities; agricultural and extractive value chains intersect with biodiversity, land and human rights; and the credibility of transition plans depends partly on whether the people affected by them have a meaningful role in shaping decisions.

Colombia provides a particularly relevant setting in which to explore these connections. Its exceptional biodiversity, natural resources and renewable-energy potential create significant transition opportunities, while dependence on fossil-fuel revenues, inequality, informality and complex territorial dynamics make implementation particularly challenging. Colombia is also increasingly contributing to international debates about what a just and credible transition should look like. In 2026, it co-hosted with The Netherlands the first international conference dedicated to the Transition Away from Fossil Fuels (TAFF), focused on practical and equitable pathways for reducing fossil-fuel dependence. Earlier in the year, Colombia's former government also introduced a substantial increase in the statutory minimum wage, explicitly connecting the debate on wages with the cost of securing a decent standard of living for workers and their families. These illustrate well how environmental, economic and social dimensions of transition are converging in the Colombian context.

WBA brings a distinct perspective to this discussion. Rather than examining climate, nature or social performance in isolation, this paper brings evidence from multiple benchmarks together to identify connections between corporate governance, financing, environmental performance, labour and human rights. The analysis covers eight WBA-assessed companies headquartered in Colombia (Colombian companies) alongside multinational companies with significant operations or sourcing relationships in the country, with regional and global comparisons used where relevant. As WBA assessments rely on publicly available corporate disclosures in English, the findings should not be read as a complete picture of corporate activity on the ground, nor as representative of the Colombian private sector as a whole. They provide an evidence base from which to identify patterns, gaps and questions for further dialogue.

Across the benchmarks, one finding stands out: corporate transition planning is advancing faster than implementation. Companies increasingly disclose targets, policies, governance arrangements and sustainability commitments, but considerably less evidence is available of how these are translating into capital allocation, operational change, supply-chain transformation or measurable outcomes for people and the environment.

Several further patterns reinforce this overall finding. Leadership exists within Colombia but remains concentrated among a small number of companies. Multinational companies operating in the country often demonstrate stronger performance than Colombian companies, particularly in areas such as climate transition planning, human rights due diligence, stakeholder engagement and living wage. Financial institutions are beginning to recognise their role in the low-carbon transition, but evidence of detailed transition planning, climate-solution financing targets, and engagement on just transition remains limited. In nature-related value chains, disclosure around deforestation and traceability is comparatively strong among multinational companies operating or sourcing in Colombia, while comprehensive value-chain commitments remain much less common.

Across climate, nature and social dimensions, **supply chains emerge as a particularly important implementation gap**. Companies generally demonstrate stronger governance and disclosure within their own operations than across their business relationships. Evidence related to emissions reductions, labour standards, living wages, deforestation and Indigenous Peoples' rights become considerably weaker when the analysis moves further into value chains.

The findings also highlight the importance of people within corporate transition. Evidence of meaningful engagement with workers, Indigenous Peoples, local communities and other rights holders remains limited, while few companies demonstrate how they are preparing workers for the employment and skills implications of the transition. At the same time, the analysis identifies areas of emerging strength, including comparatively high collective bargaining disclosure within LAC and examples of Colombian leadership that provide a basis for wider learning.

Taken together, the findings suggest that **the next phase of corporate transition in Colombia will depend less on creating new commitments and more on turning existing ambitions into credible action**. This means directing finance towards transition activities, embedding responsible practices throughout supply chains, strengthening implementation of human rights and environmental commitments, and ensuring workers and affected communities have a meaningful role in decisions that shape the transition.

The paper is therefore intended not as the final word on corporate performance in Colombia, but as a starting point for collective discussion. The chapters that follow explain how the benchmark evidence should be interpreted, situate it within Colombia's transition context, and examine climate (including financial institutions, just transition), nature and social performance in greater depth. The final section brings these findings together into six cross-cutting insights and questions for stakeholders. These will provide an evidence base for WBA's 2026 Action Forum in Bogotá and for wider conversations about what credible, integrated corporate transition can look like across Latin America and the Caribbean.

1. How to read this discussion paper: What benchmark data captures and what it cannot capture

This paper draws on multiple WBA Benchmarks to explore corporate transition readiness across climate, nature and social dimensions in Colombia. Using publicly available company disclosures, it examines how Colombian companies, multinational companies operating in Colombia and regional peers are responding to evolving sustainability expectations. The objective is not to provide definitive judgments on corporate performance, but to establish a shared evidence base that can inform dialogue on the opportunities and challenges of corporate transition in Colombia.

The findings should be interpreted within the context of where the data is collected and what the data is designed to measure. WBA benchmarks assess publicly available evidence of corporate policies, governance, targets and implementation. Public disclosure is itself an important dimension of corporate accountability, enabling investors, policymakers, workers, communities and other stakeholders to understand how companies manage sustainability risks and opportunities. At the same time, the absence of public evidence should not automatically be interpreted as the absence of action. Some companies may have operational practices, internal systems or locally embedded approaches that are not fully reflected in publicly available reporting.

Several methodological considerations are particularly important. First, the analysis covers a selected group of influential benchmarked companies, rather than the Colombian private sector as a whole. Given that micro, small and medium-sized enterprises account for most businesses in Colombia, the findings should not be interpreted as representative of all companies operating in the country. Second, the assessments rely on publicly available information in English or English translations provided by the companies. Finally, WBA's publicly available benchmark methodologies apply consistent global criteria, assessing companies on disclosed evidence of their policies and practices. References to national legislation alone are generally insufficient without evidence of how requirements are implemented in practice

These considerations do not diminish the value of the findings. Rather, they help frame how the evidence should be interpreted. The benchmarks are designed to identify common patterns, emerging practices and areas where further dialogue is needed. For this reason, the report should be read as a starting point for discussion rather than a definitive assessment of corporate transition performance.

The findings are intended to support dialogue among companies, investors, policymakers, workers, local communities, civil society and other stakeholders seeking to advance credible corporate transition. The 2026 WBA Action Forum in Bogotá provides one immediate opportunity to bring these perspectives together, complementing benchmark evidence with experience from stakeholders on the ground and helping translate evidence into shared understanding and more effective action.

2. Colombia as a transition stress test: Opportunity, complexity and corporate accountability

Colombia offers a powerful lens through which to examine what credible corporate transition looks like in emerging markets. The country sits at the intersection of several issues shaping global sustainability debates: biodiversity protection, energy transition, extractive industries, agricultural value chains, social inequality, Indigenous Peoples' and local community rights, and sustainable finance. These dynamics make Colombia a particularly relevant setting for examining how climate, nature and social considerations come together in practice, and what this means for corporate accountability.

Colombia combines significant transition opportunities with equally significant implementation challenges. Environmentally, the country hosts around 10% of global biodiversity and more than 59 million hectares of natural forest, while hydropower generates roughly two-thirds of national electricity. It also possesses exceptional solar and wind resources, particularly in La Guajira, while geothermal development is beginning to emerge (OECD, 2026; Reuters, 2026). At the same time, fossil fuels remain economically significant, contributing substantially to exports, fiscal revenues and GDP, while agriculture remains central to employment, livelihoods and land use[1] (OECD, 2026; Climate Bonds Initiative, 2025).

These opportunities exist alongside persistent structural challenges. Colombia continues to face high levels of inequality[2] and territorial conflict[3], while Indigenous Peoples, Afro-descendant communities and rural populations remain disproportionately affected by disputes over land, natural resources and infrastructure development (OHCHR, 2026). These realities shape the environment in which companies operate and reinforce why transition planning cannot focus on environmental performance alone: governance, meaningful participation and social legitimacy are also central to credible implementation.

These tensions are particularly visible at territorial level. Renewable energy development is essential for decarbonisation, yet projects can face significant challenges where consultation processes, land rights, benefit-sharing and community trust are not adequately addressed. Mining remains economically important and increasingly relevant to the global demand associated with the energy transition, yet this importance must be reconciled with the realities of

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[1] The IEA estimates that fossil fuels represented 10% of Colombia's GDP and 45% of its exports in 2024 (IEA, 2025). Meanwhile, the IMF estimates that fossil fuels account for approximately 10% of fiscal revenues, 35% of exports and 4% of the economy's value added (IMF, 2025). Agriculture, forestry and fishing also remain central to livelihoods and land use, accounting for approximately 14% of employment and 9.9% of GDP in 2025 (World Bank, 2026).

[2] With one of the highest levels of income inequality in the region, the OECD also notes that Colombia's GDP per capita is among the lowest in the OECD, at around USD 21,000 compared with the OECD average of USD 59,000. (OECD, 2026)

[3] The Office of the High Commissioner for Human Rights reported that 410 human rights defenders were killed between 2022 and 2025, while armed groups continue to affect communities, especially in areas linked to illicit economies, land disputes and resource extraction (OHCHR, 2026).

illegal mining[4], and the pressures on biodiversity, water resources and local communities. Likewise, Colombia's forests and agricultural landscapes are globally important carbon sinks and biodiversity hotspots, but are also closely connected to the livelihoods and rights of Indigenous Peoples, Afro-descendant communities, peasant communities and rural populations. In this context, environmental and social dimensions of transition are difficult to separate.

Colombia's relevance also extends beyond its national economy. Its export sectors and commodity value chains are increasingly exposed to international sustainability requirements, including traceability obligations and expectations for deforestation-free supply chains under regulations such as the EU Deforestation Regulation[5] (Radwin, 2026). At the same time, Colombia has emerged as a regional leader in sustainable finance. It was the first country in the Americas to launch a national Green Taxonomy[6] and continues to expand sustainable finance instruments, including sovereign and municipal green bond issuances (Climate Bonds Initiative, 2025). Together, these developments make Colombia an important case for understanding how international regulation, finance and corporate governance interact with domestic transition priorities.

The structure of Colombia's economy adds another layer of complexity. While the country is home to influential companies in energy, food production, finance, construction and infrastructure; micro, small and medium-sized enterprises account for nearly all formal businesses, generate most employment and contribute significantly to national GDP[7]. Informality remains widespread, while access to finance varies considerably across firm sizes[8] (OECD, 2026). Transition therefore cannot depend solely on the performance of the country's largest corporations. It will also be shaped by how large companies, financial institutions, public authorities and international actors influence suppliers and wider value chains and create enabling conditions for smaller businesses.

For companies operating in this context, **transition readiness cannot be understood solely through emissions targets, environmental commitments or disclosure**. Increasingly, credible transition requires companies to demonstrate how climate action connects with nature stewardship, human rights, stakeholder engagement, workforce resilience and responsible value

[4] In 2022, 73% of alluvial gold extraction was illegal, affecting nearly 95,000 hectares and causing the loss of 11,014 hectares of high-value ecosystems in Colombia. The OECD also links illegal mining to coca cultivation, illegal logging, wildlife trafficking, mercury contamination and socio-environmental conflict. (OECD, 2026)
[5] From 30 December 2026, the EU Deforestation Regulation (EUDR) will require large and medium-sized operators to ensure that relevant products placed on, made available in, or exported from the EU market are deforestation-free. The Regulation covers cattle, cocoa, coffee, oil palm, rubber, soy and wood, as well as specified derived products (European Commission, 2026). Colombian authorities have warned that producers will need to guarantee the full traceability of their products to maintain access to the European market (UPRA, 2025). As part of Colombia’s response to deforestation risks in beef supply chains, the country adopted Law 2585 of 2026, which establishes traceability instruments intended to ensure a sustainable and deforestation-free cattle supply chain (Republic of Colombia, 2026). This is particularly important because land clearance for land grabbing and unsustainable extensive cattle ranching remain among the main direct drivers of deforestation in Colombia (Ministry of Environment and Sustainable Development, 2025).
[6] In 2025, Bogotá issued its first international green bond, equivalent to USD 600 million, with 93.4% participation from international investors (Climate Bonds, 2025; IFC, 2025).
[7] MSMEs account for 99.5% of Colombia’s formal businesses, generate 79% of employment and contribute approximately 40% of GDP (BBVA Research, 2024). In 2024, 297,475 new businesses were registered in Colombia, of which approximately 99.7% were microenterprises (Confecámaras, 2025).
[8] The OECD reports that 77% of micro-enterprises (with fewer than 10 employees) operated informally between 2019 and 2022, and only 15.3% of them had access to credit, compared with 74.8% of medium-sized firms. (OECD, 2026)

chains. Renewable energy development must consider community participation and land rights; agricultural competitiveness increasingly depends on biodiversity protection, traceability and responsible sourcing; and decarbonisation raises questions about jobs, skills, financing and the resilience of workers and communities.

The companies examined in this paper:

Against this backdrop, the analysis draws on eight assessed companies headquartered in Colombia: Banco Davivienda, Bancolombia, Cementos Argos, Ecopetrol, Grupo Aval, Grupo Nutresa, Promigas, Sura Asset Management[9]. Throughout the paper, these are referred to as *Colombian companies*. The analysis also includes 153 assessed multinational companies headquartered elsewhere but with significant operations in the country, referred to as *multinational companies operating in Colombia*.

Where relevant, findings are compared with 93 assessed *companies headquartered in other Latin American and Caribbean (LAC) countries* and with WBA's global benchmark sample of 2,000 assessed companies. A complete list of companies included in each analytical sample is provided in Annex I.

Taken together, these characteristics make Colombia a unique case study for corporate transition both regionally and globally. They also raise the central question underpinning this paper:

How can companies move beyond strategy and disclosure towards credible implementation in complex and interconnected operating environments?

The following sections examine what WBA benchmark data and experiences in Colombia can tell us about this question across climate, nature and social dimensions.

[9] In addition to the eight assessed Colombian companies included in this analysis, Transmilenio and **Interaseo** were identified by WBA as impactful companies and selected for assessment in several benchmarks. However, both were classified as "Not Assessed" because insufficient publicly available information in English was available to complete the assessment under WBA's methodology. As a result, they are not included in the quantitative analysis presented in this paper.

3. Climate transition: from commitment to implementation

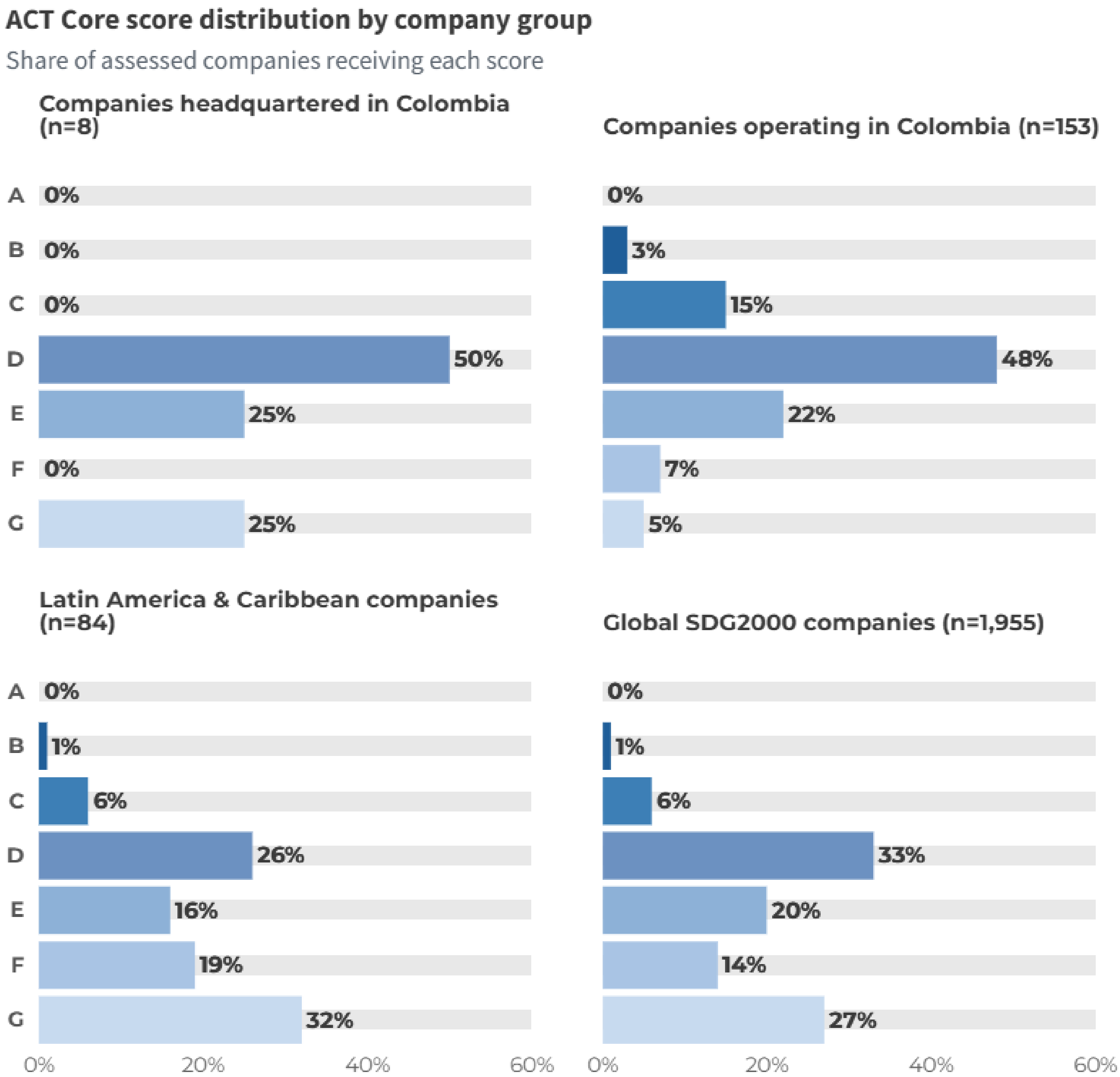
Corporate climate transition is no longer defined solely by the existence of emissions targets or climate strategies. Increasingly, it depends on whether companies and financial institutions are translating ambition into credible implementation through investment, governance, operational change and capital allocation. This section examines what WBA benchmark data reveals about the state of climate transition preparedness among Colombian companies, multinational companies operating in Colombia and the country's financial institutions.

3.1 Climate transition readiness among companies

The WBA 2026 ACT Core Benchmark, assessing all 2,000 companies on WBA's list on the credibility and integrity of their transition plan, suggests that Colombian companies remain at an early stage of climate transition maturity. None of the eight Colombian companies assessed achieve a score above D[10], while many multinational companies operating in Colombia perform better, with 28 out of 153 receiving B or C scores. This points to a clear maturity gap between domestic companies and international peers and highlights the important role that foreign companies play in advancing decarbonisation across the Colombian economy.

[10] In the WBA ACT Core Benchmark, a **D** score indicates that a company has some evidence of detailed transition planning. However, it does not provide sufficient evidence that it is influencing suppliers or investors to reduce greenhouse gas (GHG) emissions across its value chain.

FIGURE 1. ACT SCORE OVERVIEW



Explaining this gap requires understanding the difference between planning for transition and delivering on it**. Planners** demonstrate the core elements of a good-practice climate transition plan, including strategic ambition, governance, emissions targets and coverage of their most material emissions. [11]go a step further by demonstrating evidence of implementation, such as deploying sector-specific decarbonisation measures, investing in climate solutions and, where relevant, engaging their value chains to set requirements that support emissions reductions[12].

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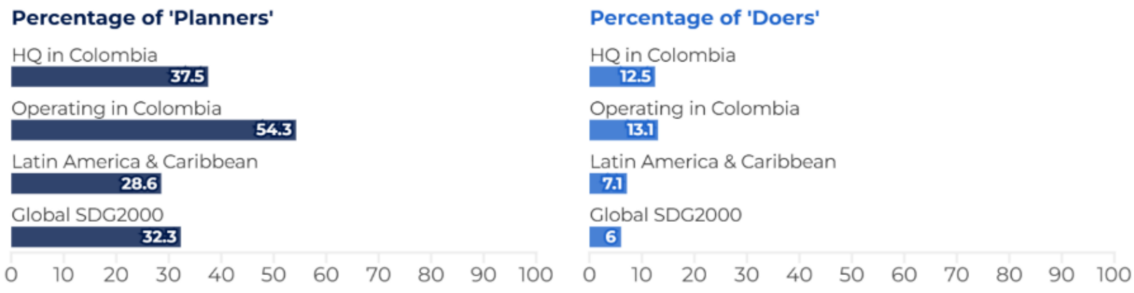
[12] ***A credible low-carbon transition plan*** *sets out how a company intends to align its business model with a low-carbon economy. Good practice generally includes a clear strategic ambition, governance and board oversight, time-bound emissions reduction targets, an implementation strategy covering the company's most material emissions, mechanisms to monitor progress, and an approach to engaging stakeholders and value chains. Throughout this report, transition planning refers to publicly disclosed evidence of these core elements. (Transition Plan Taskforce, 2023)*

Across the 153 multinational companies operating in Colombia, more than half meet the criteria to be considered *Planners*, indicating that transition planning has become relatively widespread. Meanwhile, only 20 companies (13%) show evidence of implementation and therefore qualify as *Doers*, highlighting the gap between ambition and delivery even among the stronger-performing multinational sample. In comparison, Colombian companies broadly mirror regional trends in planning and delivery: Three of the eight Colombian companies qualify as *Planners*, with only one company, Promigas, disclosing evidence of investing in climate solutions and implementing material low carbon levers. This is similar to the wider Latin American sample, where 28% of 84 companies qualify as *Planners*, and 7% meet the criteria for *Doer*.

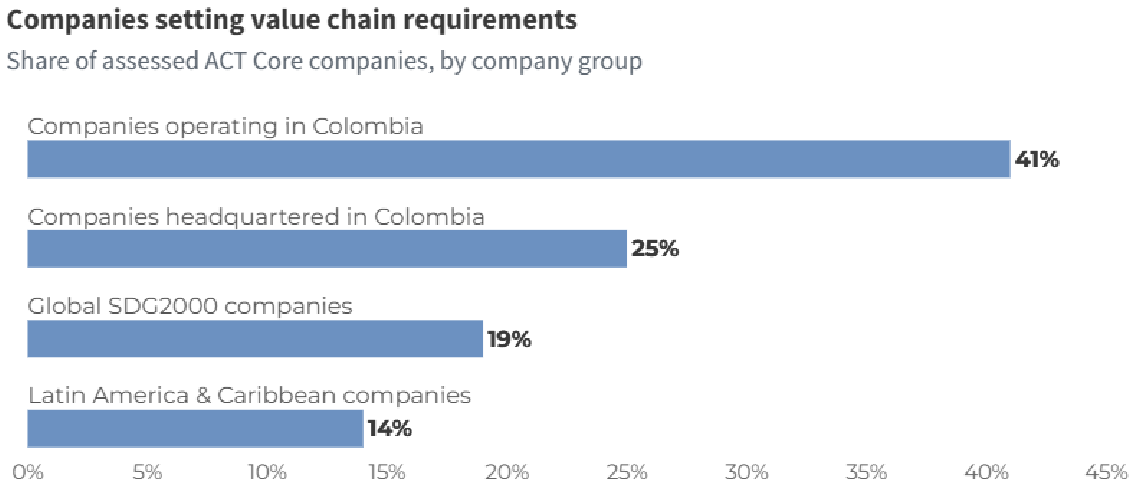
FIGURE 2. PLANNERS VS. DOERS



Despite these overall trends, several Colombian companies demonstrate elements of leading practices in transition planning. Four companies - Cementos Argos, Ecopetrol, Promigas, and Bancolombia - disclose strategic ambitions, governance arrangements and emissions reduction targets. Moreover, seven of the eight Colombian companies assessed disclose Scope 1, 2 and 3 emissions, showing that measurement and transparency are becoming relatively established practices among the country's largest companies. The next challenge for these companies is to translate commitments into implementation through investments, deployment of sector-specific decarbonisation measures and broader value chain action.

One area where Colombian companies are lagging is on supply chain leadership. Only two Colombian companies, Cementos Argos and Banco Davivienda, showed evidence of engaging with the value chain to set emissions reduction requirements, compared to 14% of regional peers i.e. assessed LAC companies. This type of engagement appeared more frequently across multinationals operating in Colombia, with 41% of these companies setting requirements for suppliers.

FIGURE 3. % OF ASSESSED COMPANIES THAT SET VALUE CHAIN REQUIREMENTS



The findings suggest that climate transition maturity across the Colombian market remains concentrated on planning rather than delivery. Companies increasingly recognise the need for transition planning, but large-scale implementation remains limited. Closing this gap through greater investment in low-carbon solutions, deployment of sector-specific decarbonisation measures and stronger engagement across value chains will be essential if Colombian companies are to move beyond planning and play a leading role in the country's transition to a low-carbon economy.

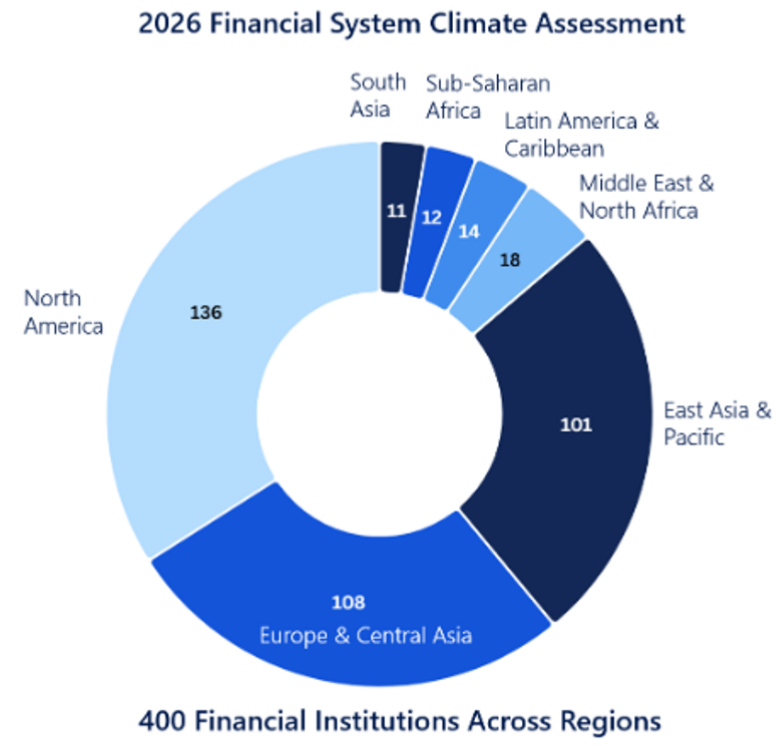
Key insights

1. Across the board, transition planning is more common than transition implementation, and, while there is progress in measuring and reporting climate impacts, credible implementation strategies are still difficult to find.
2. Multinational companies operating in Colombia generally outperform both Colombian-headquartered companies and LAC peers, in this direction. This means, considering not only Colombian companies but the wider corporate ecosystem operating in the country, multinationals matter enormously for Colombia's climate transition.
3. Supply-chain leadership remains relatively uncommon, despite its importance for achieving economy-wide emissions reductions, indicating that corporate climate maturity in the region is still concentrated on strategy and target-setting rather than large-scale implementation and value-chain transformation.
4. Investment in low-carbon solutions remains one of the weakest dimensions of transition preparedness, and therefore the greatest opportunity for improvement lies in accelerating low carbon investment and deploying decarbonization actions.

3.2 Financial institutions: enabling the climate transition

WBA has also released an updated 2026 Financial System Climate Assessment, benchmarking 400 of the world's most influential financial institutions (FIs) on the state of their climate transition. Fourteen of these institutions are headquartered and operating in five LAC countries: Brazil, Chile, Peru, Mexico and Colombia[13]. Four are headquartered in Colombia: Bancolombia, Davivienda, Grupo Aval and Sura Asset Management.

FIGURE 4. DISTRIBUTION OF 400 FINANCIAL INSTITUTIONS ACROSS REGIONS



The purpose of this assessment has been to accelerate the shift of capital towards a low-carbon economy as repeated fossil fuel crises continue to expose both FIs and real economy companies to economic and financial instability[14].

FIs play a critical role in determining how quickly economies decarbonise. Beyond managing their own emissions, banks and asset managers increasingly shape transition outcomes through lending, investment decisions and capital allocation. The benchmark findings suggest that Colombian FIs have begun recognising this role but remain at an early stage of implementation.

One of the strongest decarbonisation levers for financial institutions is to strategically direct capital away from fossil-fuels and deforestation. In Colombia, Banco Davivienda and Bancolombia, demonstrate some evidence of considering fossil-fuel phase-out commitments. This may reflect a global trend in which fossil fuel phase-out and no-new-financing

[13] Five FIs in Brazil: Banco Bradesco, Banco BTG Pactual, Banco do Brasil, Caixa Econōmica Federal, Itau Unibanco Holding; Two FIs in Chile: Banco de Credito e Inversiones, Banco del Estado de Chile; Two FIs in Mexico: GNP, Grupo Financiero Banorte; One FI in Peru: Credicorp.
[14] Evidence from five key benchmark indicators has been considered for this analysis: The company identifies key sector-specific decarbonisation levers/actions in its transition planning (GEC_01191); The company's decarbonisation levers/actions are considered for the near and long term (GEC_01192); The company's decarbonisation levers/actions account for future risks and uncertainties (GEC_01195); The company is investing in climate solutions (GEC_01207); The company is actively adjusting its business models to align with a low-carbon economy (GEC_1208).

commitments are increasingly adopted but remain subject to varying thresholds and other qualifying criteria.

Globally, less than 1% of assessed FIs show sufficient evidence of exclusion strategies that cover deforestation, thermal coal, and oil and gas - including commitments to fully phase out existing exposure and stop new financing flows. Only two of the 400 FIs assessed - ING in The Netherlands and Zürcher Kantonalbank in Switzerland - demonstrate a sufficient level of specificity in their phase-out strategies, underscoring how detailed transition planning remains limited across the financial sector.

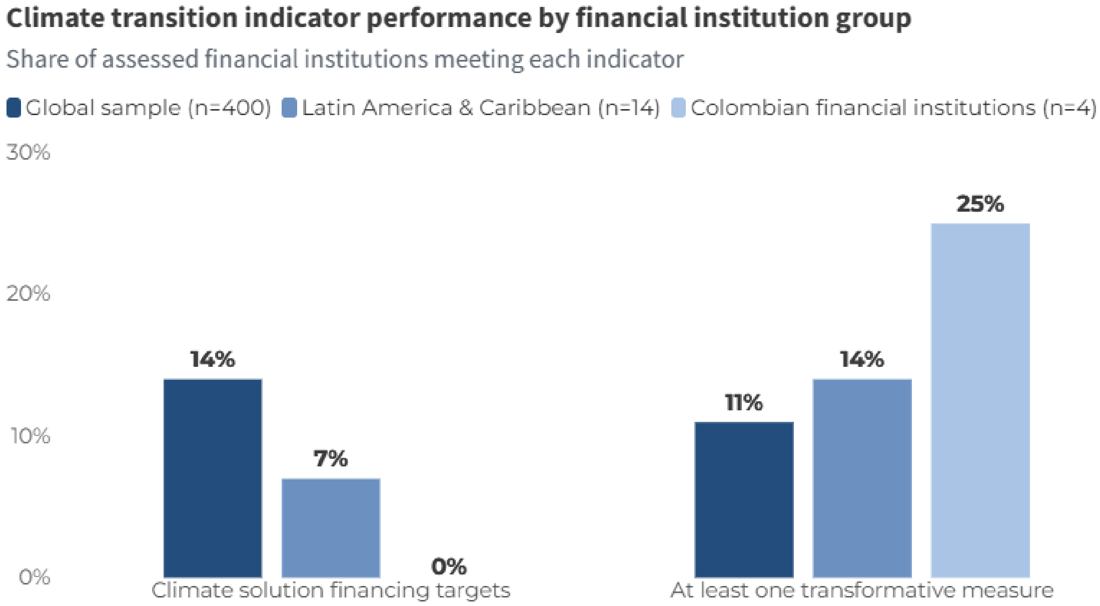
In terms of providing financing services to advance a low-carbon economy in Colombia, both Banco Davivienda and Bancolombia show signs of implementing at least one transformative measure. Transformative measures are defined as innovative measures that facilitate lending and financing to support the transition to a low carbon economy. In this regard, Colombia performs roughly in line with the global average at 47% but falls behind the broader LAC region, where most banks have already begun implementing one or more transformative measures.

However, these positive signals are not yet matched by evidence of comprehensive transition implementation. None of the assessed Colombian FIs present evidence of accounting for future transition uncertainties within their planning, lagging slightly behind regional peers (only one LAC FI - Itau Unibanco Holding in Brazil) and global peers (17% of FIs globally). Similarly, no Colombian FI demonstrates evidence of setting climate solution financing targets, which is a significant gap in comparison with 14% of FIs globally. Only one LAC peer shares evidence in this regard (Banco do Brazil).

Leadership in all these aspects is therefore concentrated in a small number of FIs, and climate preparedness across the wider financial sector remains uneven.

Overall, the benchmark suggests that Colombian financial institutions are beginning to recognise the strategic importance of the low-carbon transition. However, there is still limited public evidence that this is translating into detailed sector strategies, systematic capital allocation or financing decisions that actively support decarbonisation. Progress remains concentrated in a small number of institutions, indicating that transition readiness across the wider Colombian financial sector is still uneven.

FIGURE 5. CLIMATE TRANSITION INDICATORS: GLOBAL VS LAC VS COLOMBIAN COMPARISON



Key insights

1. Strategic awareness is emerging through transformative measures, with two of Colombian FIs already implementing at least one transformative measure to support the low-carbon transition. This is comparable to global performance.
2. Evidence of detailed transition planning is lacking, suggesting transition plans remain high-level and do not clearly explain how emissions reductions will be achieved. Also, concerns about the resilience of these plans under different climate and economic scenarios are justified by the lack of accounting for future risks and uncertainties.
3. The practice of setting climate solution financing targets is not yet evident, and this is one of the clearest weaknesses compared to global peers. It also represents a great opportunity. None of the assessed Colombian FIs provides evidence of setting climate solution financing targets, and globally progress remains concentrated in a small number of institutions. Strengthening the role of financial institutions in directing capital towards climate solution activities will be critical to supporting Colombia's broader low-carbon transition.

3.3. Just Transition: Integrating the social dimension into climate

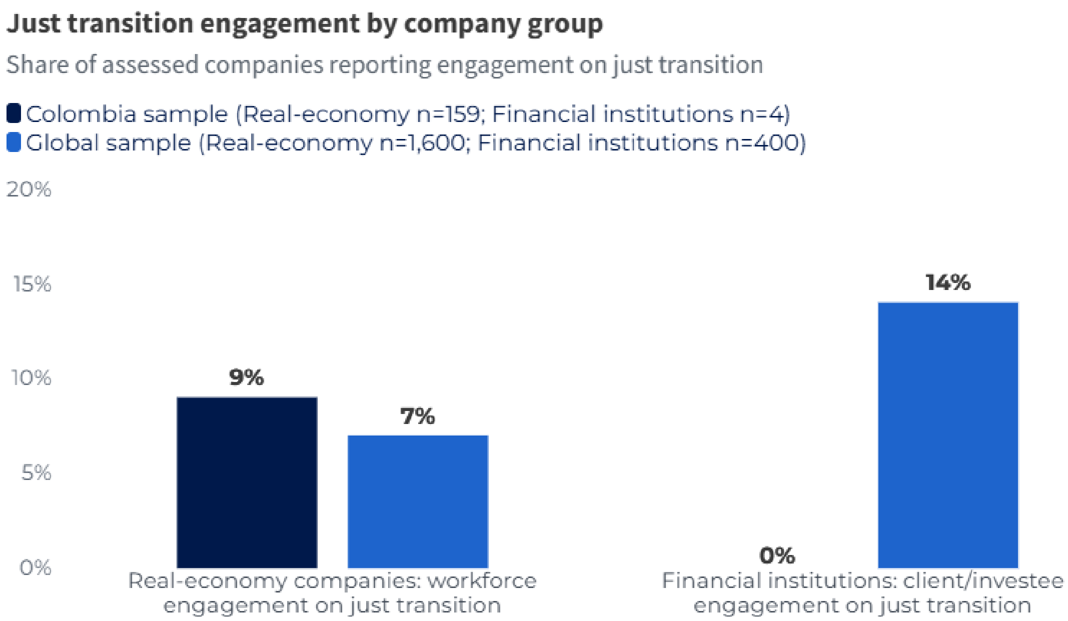
For Colombia, climate transition is inseparable from questions of work, inequality and community resilience. The country's dependence on fossil fuels, regional inequalities, high levels of informality, and the importance of land, livelihoods and local communities mean that the success of decarbonisation will depend not only on reducing emissions, but also on ensuring that workers, communities and vulnerable groups are included in the transition. In this context, a just transition means moving towards a low-carbon and climate-resilient economy in a way that is fair, inclusive and leaves no one behind.

Recognising this, WBA's 2026 Just Transition Assessment forms an integral part of the 2026 Climate Benchmark, alongside ACT Core. It assesses whether companies are integrating the social dimension into their climate transition planning by examining three key areas: social dialogue and engagement, plans and targets, and jobs and skills across the same sample of companies.

The benchmark suggests that public recognition of just transition remains limited. Although explicit reference to just transition is not a scored element of the assessment, it provides a useful indication of whether companies publicly acknowledge the social dimension of climate transition. Among the eight Colombian companies, only three explicitly reference the concept in their public disclosures: Ecopetrol, Promigas and Banco Davivienda. Across the 153 multinational companies operating in Colombia, only 12 do so. Mentioning the term is not, in itself, evidence of implementation, but its limited use suggests that anticipating, managing and mitigating the social impacts of climate transition has yet to become a mainstream feature of corporate climate disclosures. The concept also provides a common language through which companies, workers, trade unions, financial institutions, and policymakers can discuss the social implications of transition.

Looking beyond terminology, evidence of meaningful worker engagement on just transition remains limited. Among the Colombian companies assessed in the real economy (outside the financial sector), only Ecopetrol demonstrates engagement with workers as part of its just transition approach. The other 13 examples come from multinational companies operating in Colombia, indicating that worker engagement is already emerging across sectors including construction materials, food production, logistics, mining, chemicals and apparel. Although these examples demonstrate that good practice exists, they also suggest that structured dialogue with workers remains the exception rather than the norm.

FIGURE 6. JUST TRANSITION ENGAGEMENT: COLOMBIA AND GLOBAL COMPARISON



The benchmark also highlights a significant gap in the role of financial institutions. None of the four Colombian FIs, nor any of the 14 FIs assessed across the LAC region, demonstrate evidence of engaging investee companies or clients on just transition. This contrasts with the global benchmark, where 14% of assessed FIs show evidence of such engagement. The findings point to an important gap in stewardship, client engagement and transition finance across both Colombia and LAC.

Jobs and skills represent another critical dimension of a just transition. Here too, evidence remains limited. Among the 159 real economy companies either headquartered in Colombia or operating there, only 5% (8 companies) demonstrate that their transition planning explicitly considers the social impacts arising from their own climate transition plans and the same share commit to creating jobs or improving access to employment as part of the transition. Commitments to reskill or upskill workers are more common, but still limited, at 14%. Among Colombian companies, Ecopetrol is the only company with evidence across these jobs-and-skills indicators. Overall, the findings suggest that, although many companies are developing climate transition plans, relatively few are systematically preparing their workforce for the social and economic changes that those plans may entail. n.

One area where stronger performance emerges is workforce disclosure. Globally, 23% of real economy companies disclose involuntary turnover data, while companies headquartered in LAC lead with 36% providing this information. The Colombia real- economy sample performs at a similar level, with 35% of companies, 55 of 159, disclosing this information. This includes four Colombian companies. Although these disclosures do not distinguish transition-related workforce impacts, they provide an important starting point for understanding how companies monitor workforce change and strengthen accountability around the social consequences of transition.

4. Nature transition: What companies operating in Colombia reveal about evolving expectations

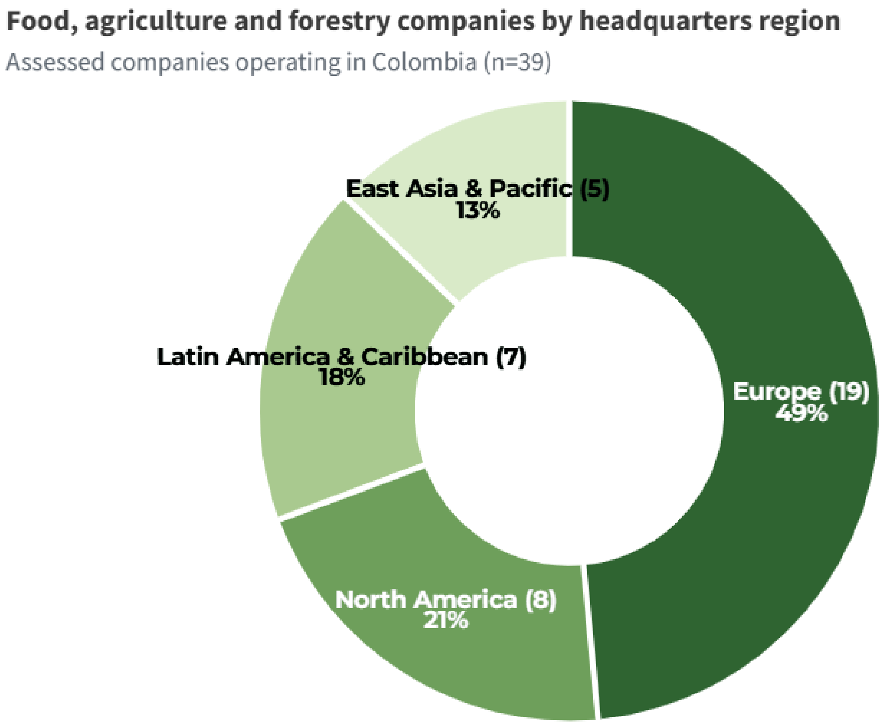
Food, agriculture and forestry lie at the centre of Colombia's nature transition. Together with fisheries, these sectors contribute around 9% of national GDP (World Bank Group, 2024) and underpin globally significant value chains for commodities such as coffee, cocoa, bananas, and palm oil (*Ministerio de Agricultura y Desarrollo Rural*, n.d.). At the same time, they are closely linked to some of Colombia's greatest sustainability challenges, including biodiversity loss, deforestation, land-use change and rural livelihoods. (UNEP, 2026)

WBA's 2026 Nature Benchmark assesses how the world's most influential companies are advancing a nature-positive future by reducing harmful practices across their operations and supply chains, and by actively restoring and improving ecosystems. Although only one Colombian company, Grupo Nutresa, is included in the 2026 Nature Benchmark, WBA identified 39 benchmarked multinational companies with operations or sourcing relationships in Colombia, several of which source high-impact commodities from the country, including Nestlé, Dexco and Dole. Examining these companies provides insight into how international expectations around deforestation, traceability and responsible sourcing are increasingly influencing corporate practices within Colombian value chains[15].

The benchmark suggests that companies operating in Colombia demonstrate relatively stronger disclosure on deforestation-and conversion-free (DCF) commodities than the wider benchmark population. Of the 275 food, agriculture and forestry companies assessed globally, 13% identify DCF-driving commodities and disclose the proportion of verified DCF volumes, compared to 38% of the 39 companies operating in Colombia.

15 Due to limitations in publicly available disclosure and traceability data, benchmark results cannot generally be attributed specifically to companies' Colombian sourcing, suppliers or operations. This analysis therefore reflects the practices of multinational companies participating in Colombia's food, agriculture and forestry economy, providing an indication of how international sustainability expectations may influence Colombian commodity value chains.

FIGURE 7. FOOD, AGRICULTURE AND FORESTRY ASSESSED COMPANIES OPERATING IN COLOMBIA BY REGION



While companies operating in Colombia disclose DCF commodity information at substantially higher rates than the benchmark average, this is unlikely to be directly related to operating in Colombia itself. One likely explanation is the growing influence of international regulatory and market expectations. Notably, over half of these companies are headquartered in Europe and North America, and many sell to the EU, where expectations regarding deforestation-free supply chains have increased significantly. Regulations such as the EU Deforestation Regulation (EUDR), together with investor expectations and corporate sustainability commitments, may influence disclosure practices within Colombian commodity value chains. Although the EUDR enters into application in December 2026, companies have been preparing since its adoption in 2023, strengthening traceability and disclosure in anticipation of these requirements.

The high-disclosure pattern is also reflected in the commodities receiving the greatest attention. Soy and palm oil —the most frequently disclosed commodities— both fall within the scope of the EUDR and benefit from well-established multi-stakeholder certification initiatives, including the Roundtable on Sustainable Palm Oil (RSPO) and the Round Table on Responsible Soy (RTRS). These findings suggest that regulation, certification schemes and market expectations can reinforce one another in driving greater transparency across global commodity supply chains.

However, stronger disclosure has not yet been translated into comprehensive commitments. Only three companies operating in Colombia: Cargill and ADM sourcing palm oil, and Louis Dreyfus sourcing coffee, have adopted deforestation-free and conversion-free targets covering their full value chains. Notably, these commitments are directly relevant to Colombian ecosystems through sourcing relationships involving palm oil and coffee. As in the climate chapter, the benchmark points to a familiar pattern: transparency is advancing faster than implementation.

Taken together, the findings suggest that sustainability practices among companies operating in Colombia are increasingly shaped by international regulations, investor expectations, certification initiatives and corporate governance frameworks. They also raise an important question for Colombia's transition: How can these external drivers be complemented by stronger domestic governance, wider corporate commitments and collaborative action to accelerate deforestation-free production across Colombian commodity value chains?

5. The social dimension of corporate transition: From policy commitments to implementation

Respect for human rights and responsible labour practices are the social foundations of a credible corporate transition. In Colombia, where business activity often intersects with complex social realities, including inequality, informality, Indigenous Peoples' and local communities' rights, territorial dynamics of post conflict and labour market challenges, credible corporate transition requires more than environmental ambition. It also depends on how companies identify, prevent and address risks to people throughout their operations and value chains.

Drawing on WBA's 2026 Social Benchmark, this section explores four aspects of corporate social performance that are particularly relevant to transition in Colombia: human rights due diligence, labour rights, living wage, and stakeholder engagement. While examples of good practice exist, the benchmark suggests that social performance remains uneven, with leadership concentrated in a relatively small number of companies and important implementation gaps remaining.

5.1. Human rights due diligence (HRDD) and corporate governance

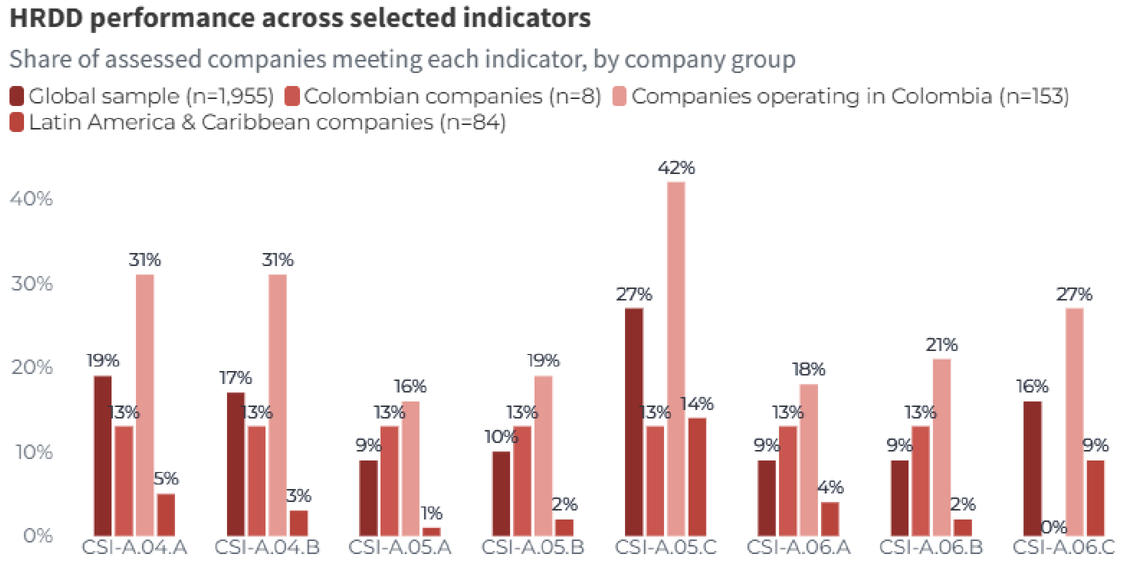
The benchmark reveals a mixed picture. Among Colombian companies, performance is concentrated in a very small number of companies, particularly Ecopetrol, with disclosures on the identification, assessment and management of salient human rights issues. Outside the extractive sector, evidence is considerably more limited. Colombian companies in banking, utilities, food production and construction materials obtain little or no score across many HRDD indicators despite stronger global sector averages.

By contrast, multinational companies operating in Colombia consistently outperform both global and regional peers across all HRDD elements. Their average score (26%) is almost double the global average and more than five times higher than the average for LAC (5%). This may reflect greater exposure to investor scrutiny, international reporting expectations, and global corporate governance frameworks.

Compare with other regions, LAC performs on par with North America and trails Europe and Central Asia (33%) as well as East Asia and the Pacific (12%), while slightly outperforming South Asia and the Middle East and North Africa (4%) as well as Sub-Saharan Africa (2%). This points to some relative strength in HRDD compared with several other developing regions, although LAC remains well behind East Asia and the Pacific.

Despite this relatively good performance of multinational companies operating in Colombia, and some positive examples nationally, implementation remains limited. No Colombian company provides recent public evidence demonstrating how findings from its human rights due diligence processes have translated into concrete actions to prevent, mitigate or remedy identified impacts. Without such examples, it remains difficult to assess whether due diligence processes are leading to meaningful outcomes for affected people.

FIGURE 8. HRDD RESULTS ACROSS ASSESSED CATEGORIES



Key insight

- The benchmark suggests that human rights governance is developing, but leadership remains concentrated in a small number of companies. While multinational companies operating in Colombia generally demonstrate stronger due diligence systems, evidence of implementation and remediation remains limited across the Colombian corporate landscape.

5.2 Working hours and collective bargaining

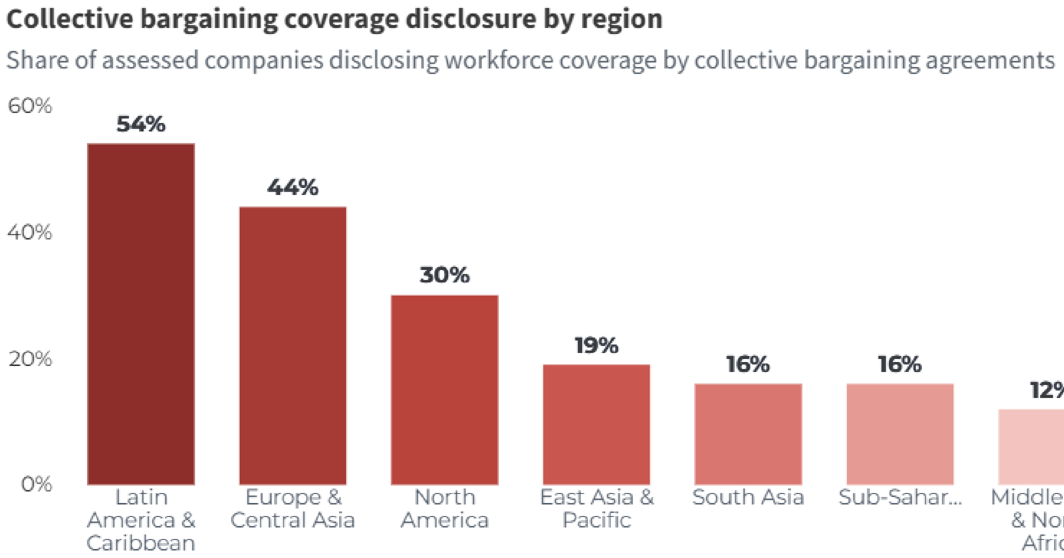
Respect for labour rights is another essential component of responsible business conduct. The benchmark examines both company commitments relating to working hours and disclosure on collective bargaining coverage. The findings reveal a striking contrast between the two.

Globally, companies perform poorly on working-hours indicators, with LAC companies among the weakest performers, scoring zero on key indicators such as respect for ILO standards and voluntary, premium-paid overtime. Colombian companies show the same pattern, with no evidence across these indicators. Multinational companies operating in Colombia perform only marginally better, achieving an average score of 3%. This slightly exceeds the global average and suggests that multinational governance frameworks may be contributing to stronger disclosure, and points to the need for Colombian and LAC companies to align more closely with international standards, as multinational companies in the country do.

Collective bargaining presents a very different picture. Here, LAC performs better than any other region globally, with companies disclosing comparatively high levels of workforce coverage by collective bargaining agreements. The scores are 54% for LAC companies, compared to 44% for Europe & Central Asia, 19% for East Asia and 16% for South Asia. Colombian companies broadly reflect this regional strength, with disclosure levels similar to multinational companies operating in Colombia.

However, these positive results remain largely confined to companies' own operations. Across Colombia and the wider region, virtually no companies provide evidence of expecting suppliers or other business relationships to uphold equivalent standards relating to working hours, freedom of association or collective bargaining.

FIGURE 9. WORKFORCE COVERED BY COLLECTIVE BARGAINING AGREEMENTS REGIONAL RESULTS



Key Insight

- Labour rights performance remains uneven. While collective bargaining disclosure represents a regional strength and potential for global leadership, commitments relating to working hours, and particularly expectations placed on suppliers, remain underdeveloped, highlighting supply chains as one of the most significant areas for improvement.

5.3 Living wage

Among Colombian companies, evidence on living wage, which beyond legally required minimum wages, remains extremely limited. Although some companies refer to fair compensation, with half of Colombian companies disclosing some evidence related to living wage, none provide sufficient evidence around how the company defines a living wage or how it has measured the gap between current wages and living wages for all workers. Similarly, none disclose sufficient evidence on how living wages are defined, measured or implemented. In summary, Colombian companies score zero across all the benchmark's living wage indicators. More broadly, the LAC region shows moderate but consistently low scores, performing at levels similar to the global average (around 3%).

Multinational companies operating in Colombia perform better, particularly in measuring the gap between current wages and living wages for all workers (four times higher) and in disclosing evidence of activities to further the payment of living wages by business relationships (six times higher). Their performance significantly exceeds both Colombian companies and LAC averages, reflecting stronger multinational governance frameworks and international stakeholder expectations.

Finally, when comparing LAC to other regions around the world, disclosure relating to living wages within supply chains remains particularly weak. LAC (4%) may be considered a mid-tier global performer, outperforming Africa (1%) and South Asia (1%), and slightly outperforming East Asia & Pacific (2%). By contrast, Europe & Central Asia dominate in this regard, with 10% disclosure on living wages within supply chains.

Key insight

- While multinational companies operating in Colombia demonstrate stronger disclosure than Colombian-headquartered companies, living wage remains one of the least developed aspects of corporate social performance. In Colombia, this gap is particularly relevant given the country's high levels of informality, persistent inequality and reliance on labour-intensive agricultural and commodity value chains. This suggests that living wage should be understood not only as a workplace issue, but as part of the broader social dimension of corporate transition readiness.

5.4 Stakeholder engagement, Indigenous Peoples and local communities

Meaningful engagement with stakeholders is vital in Colombia, as corporate activities frequently intersect with Indigenous Peoples, Afro-descendant communities, rural populations and environmentally sensitive territories such as national parks and other protected areas. Effective engagement is fundamental to identifying human rights risks, building trust and supporting legitimate decision-making.

The benchmark identifies some encouraging examples. Ecopetrol and Cementos Argos demonstrate evidence of engaging stakeholders during aspects of their human rights processes, while multinational companies operating in Colombia perform comparatively well across indicators on stakeholder identification, assessment and response. Multinational companies operating in Colombia substantially outperform LAC peers: they score around 12% or four times higher than the LAC average on identifying human rights issues, 2,5 times higher on assessing human rights issues and four times higher on taking action on identified issues.

Important gaps remain. For example, none of the Colombian companies disclosed how stakeholders' views are integrated into the assessment of their salient human rights risks and impacts. Additionally, evidence relating specifically to Indigenous Peoples and Local Communities (IPLCs) is particularly limited. Colombian companies score zero across all assessed indicators relating to Indigenous Peoples' rights and Free, Prior and Informed Consent (FPIC), suggesting protections for IPLCs remain extremely limited.

Multinational companies operating in Colombia perform only slightly better, with a 2% score on disclosing the most recent example in which they obtained FPIC or negotiated with rights-holders. Apart from these few examples of sharing some experiences of implementation, these companies still provide little evidence of broader commitments to obtain FPIC. In terms of requiring business relationships to obtain FPIC, this sample scores 6%, hinting at disclosures regarding supplier expectations remaining low across both Colombia and the wider region.

Key insight

- Stakeholder engagement is becoming visible within corporate practice, particularly among multinational companies operating in Colombia. However, meaningful integration of Indigenous Peoples' rights, FPIC and community participation remains one of the most significant opportunities for strengthening corporate accountability.

Taken together, the Social Benchmark suggests that the foundations of responsible business conduct are beginning to strengthen, but implementation remains uneven across the Colombian corporate landscape. While multinational companies operating in Colombia generally demonstrate more developed approaches to human rights due diligence, labour rights and stakeholder engagement, leadership among Colombian companies remains concentrated in a small number of organizations. Across all four dimensions examined, a consistent pattern emerges: companies are increasingly disclosing policies, governance structures and commitments, yet considerably less evidence exists of how these translate into practice, particularly across supply chains and in relation to living wages, Indigenous Peoples' rights and meaningful stakeholder participation. As with the climate and nature findings, the next stage of corporate transition in Colombia will depend less on adopting new commitments and more on embedding them into everyday business practice and demonstrating tangible outcomes for workers, communities and rights holders.

6. Cross-cutting insights: From evidence to collective action

Taken together, benchmark findings reveal a number of recurring patterns that cut across climate, nature and social dimensions. While the sample does not seek to represent the Colombian private sector as a whole, it provides valuable insight into the characteristics of corporate transition readiness, highlighting where leadership is emerging, where common challenges persist, and how Colombian companies compare with multinational companies operating in the country. Rather than viewing the benchmark themes in isolation, the following observations suggest that climate, nature and social performance are becoming increasingly interconnected.

1. Leadership exists, but remains concentrated

Across the benchmarks, positive performance is consistently concentrated in a relatively small number of companies. Ecopetrol demonstrates comparatively strong performance across several human rights and stakeholder engagement indicators, while Banco Davivienda and Bancolombia show emerging leadership in aspects of climate transition planning and financial system readiness. These examples demonstrate that important capabilities already exist within Colombia's corporate sector. At the same time, benchmark evidence suggests that good practice has yet to diffuse more broadly across industries, resulting in an overall uneven corporate transition readiness.

What this means for stakeholders: The challenge is no longer simply to celebrate leading companies, but to understand how good practice can spread across sectors and value chains. The next step is to understand what enables leadership to emerge, and what incentives, partnerships or policy frameworks are needed to accelerate wider corporate uptake.

2. International expectations are increasingly shaping corporate practice

Across climate, nature and social dimensions, multinational companies operating in Colombia generally outperform Colombian-headquartered companies and, in many cases, regional LAC peers. This is particularly evident in areas such as human rights due diligence, stakeholder engagement, living wage and disclosure on deforestation- and conversion-free commodities. While differences in disclosure practices undoubtedly play a role, the findings also suggest that international regulation, investor expectations, international corporate governance frameworks and global reporting requirements are increasingly shaping business practices within Colombian value chains. The influence of the EU Deforestation Regulation is expected to result in stronger traceability and disclosure practices among companies sourcing commodities from Colombia, and its effects may already be emerging. Progress in this area can be tracked in future years.

What this means for stakeholders: International regulation, investor expectations and global governance frameworks are already influencing corporate behaviour in Colombia. The next question is how these external drivers can complement (not replace) strong domestic institutions, national priorities and locally relevant approaches to corporate accountability.

3. Supply chains among the weakest dimensions of corporate transition

Across almost every benchmark examined, companies demonstrate stronger governance and disclosure within their own operations than across their business relationships. Whether considering emissions reductions, labour rights, living wage, deforestation or Indigenous Peoples' rights, supply chains consistently emerge as one of the weakest dimensions of corporate transition readiness. This pattern suggests that, while companies are increasingly strengthening internal governance systems, extending responsible business practices throughout value chains remains one of the biggest challenges –as well as an important opportunity– across sectors.

What this means for stakeholders: Transition increasingly depends on extending responsible business practices beyond companies' own operations. This raises important questions for companies, investors and policymakers about how supplier engagement, procurement, financing and value-chain partnerships can support more consistent implementation.

4. Meaningful engagement with rights holders remains limited.

While the benchmarks identify some examples of stakeholder engagement, evidence relating to Indigenous Peoples and Local Communities (IPLCs), Free, Prior and Informed Consent (FPIC), and the systematic integration of rights holders into corporate decision-making remains limited across both Colombian companies and the wider LAC region. Given Colombia's rich social, cultural and territorial diversity, and the central role that Indigenous Peoples, Afro-descendant communities, peasant communities and other rights holders play in many of the country's most significant transition challenges, this suggests that meaningful engagement is becoming an ever more important indicator of credible corporate transition, particularly where business activities intersect with land, natural resources and local livelihoods.

What this means for stakeholders: For Colombia, strengthening transition readiness is likely to depend as much on the quality of engagement as on technical solutions. This raises an important question about how companies can move beyond consultation towards meaningful participation, particularly where Indigenous Peoples, Afro-descendant communities, peasant communities and other rights holders are directly affected by corporate activities.

5. Transition increasingly depends on integrating climate, nature and people

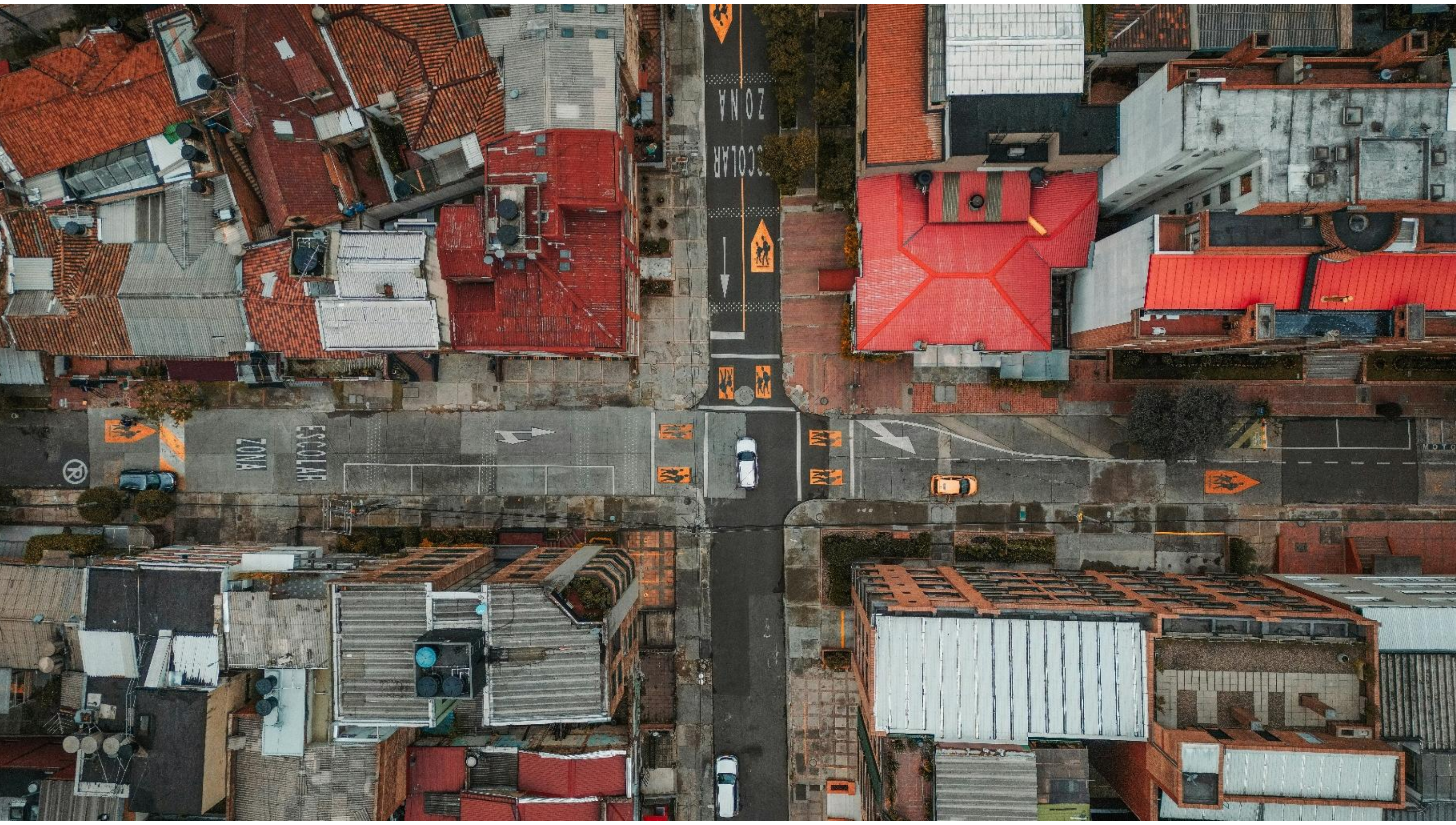
One of the clearest messages emerging from the benchmarks is that climate, nature and social performance cannot be considered independently. In Colombia, renewable energy development intersects with community engagement and land rights; agricultural competitiveness increasingly depends on biodiversity protection, traceability and responsible sourcing; and climate transition raises important needs around jobs, skills and workforce resilience. Together, these findings reinforce that credible transition increasingly depends on integrated approaches that address environmental and social dimensions simultaneously, rather than treating them as separate sustainability agendas.

What this means for stakeholders: Rather than addressing climate and nature transitions separately from their implications for people, there is value in integrated approaches to transition planning. This invites reflections on how companies, financial institutions and public authorities can better align environmental, social and economic objectives within a single transition strategy.

6. The implementation gap remains the defining challenge

Finally, a remarkably consistent pattern emerges across every benchmark included in this report: Companies are disclosing strategies, governance arrangements, policies and commitments, demonstrating that awareness of sustainability risks and opportunities is growing. However, considerably less evidence exists of implementation through capital allocation, operational change, supply-chain transformation or measurable outcomes for people and the environment. While the nature of this implementation gap differs across climate, finance, nature and social dimensions, the overall direction is the same. WBA's benchmarks suggest that the next stage of corporate transition in Colombia will be defined less by the adoption of new commitments than by the ability to demonstrate that existing ambitions are being translated into credible action.

What this means for stakeholders: Across every benchmark, the central challenge is no longer whether companies recognise sustainability risks, but whether they can demonstrate credible implementation. Future dialogue should focus less on new commitments and more on the practical conditions, financing, governance arrangements and partnerships required to turn existing ambitions into measurable outcomes.



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