



The world  
is our  
home

Let's make it more prosperous,  
inclusive and green

> **Annual** 2024  
Report

Avenida Calle 26 No. 68C-61, Bogotá, Colombia · [www.davivienda.com](http://www.davivienda.com)





## Report of the Board of Directors and the Chairman to the General Shareholders' Meeting Year-end Report 2024

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# About This Report

**T**his report presents the key management results of our operations in Colombia and Central America for the period from January 1 to December 31, 2024. It has been structured around our material topics, which are also those of Grupo Bolívar: **Prosperity, Trust, Service, Well-being, Inclusion, Natural Capital, and Economic Capital.**

This document allows our stakeholders to understand how we approach what we have defined as our sustainable business strategy, which stems from our higher purpose of “Enriching Lives with Integrity.” This commitment materializes in our efforts, together with our stakeholders, to make the world our home—a place where everyone progresses, is included, and contributes to building a greener future.

Through this disclosure, we demonstrate our contribution to the 2030 Global Agenda, specifically the Sustainable Development Goals (SDGs), as well as our commitments to the Paris Agreement on climate change, the Kunming-Montreal Global Biodiversity Framework, and the Ten Principles of the United Nations Global Compact.

Our alignment with and genuine commitment to sustainable growth have earned us global recognition in this field. For the eleventh consecutive year, we have been included in the Dow Jones Sustainability Index (DJSI) for the MILA Pacific Alliance, now renamed Dow Jones Best in Class Indices. Additionally, for the eighth year, we are part of the S&P Global Sustainability Yearbook, which evaluates and highlights the responsible and transparent performance of leading global companies across environmental, social, economic, and governance (ESG) dimensions.





This report was prepared based on the best international best practices in reporting, ensuring transparency and comparability of information. These include adherence to the Global Reporting Initiative (GRI) standards for sustainability reporting and the double materiality approach (impact materiality and financial materiality) to identify and prioritize relevant topics. Additionally, we have incorporated the Sustainability Accounting Standards Board (SASB) indicators for commercial banks, which have been independently verified.

Furthermore, we have voluntarily adopted global disclosure frameworks for ESG management, such as the Carbon Disclosure Project (CDP), the Principles for Responsible Investment (PRI), the Task Force on Climate-related Financial Disclosures (TCFD), the Task

Force on Nature-related Financial Disclosures (TNFD), the United Nations Environment Programme Finance Initiative (UNEP-FI), and the Principles for Responsible Banking (PRB), with our most recent adoption being the Equator Principles (EP).

Finally, this report includes an analysis of our financial results alongside various chapters and annexes that provide comprehensive insights and form an integral part of this document, including Individual and Consolidated Financial Statements, our first PRB report, and our fourth TCFD report. These disclosures also ensure compliance with the Decree 151 of 2021 issued by Colombia's Ministry of Finance and Public Credit and the External Circulars 031 of 2021 and 012 of 2022 from the Financial Superintendency of Colombia (SFC).



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# Message From The Ceo







# Message From The Ceo

**A**lthough 2024 was a challenging year, it reflected the consolidation of a positive trend in our financial results, demonstrating the effectiveness of our execution and paving the way for continued progress in 2025.

During 2024, inflation rates in Colombia began to normalize. However, the Central Bank slowed its pace of interest rate reductions as a preventive measure against potential inflation resurgence, exchange rate pressures, and a complex fiscal environment. Meanwhile, Central America's economic activity decelerated, while inflation maintained a positive trajectory.

In this context, our consolidated gross loan portfolio reached COP 145.5 trillion, reflecting 7%

annual growth; our financial margin showed an upward trend, driven primarily by our interest rate risk management strategies; and our cost of risk declined due to improvements in our consumer portfolio risk profile, driving profitability in both the third and fourth quarter, reflecting a clear recovery trend.

Our **capital ratios remained at healthy levels**, reaffirming our equity strength. By the end of 2024, our Total Capital Adequacy Ratio reached 15.57%, and our Common Equity Tier 1 Ratio closed at 10.95%, allowing us to continue executing our strategy. In March 2024, we successfully issued **36 million shares, raising COP 720 billion**, increasing our total outstanding shares by 8%, reflecting the market's confidence in us.



1. **COP:** Colombian pesos (\$). Exchange rate as of December 31, 2024: COP 4,409.15 per USD 1 (US dollars).





*Our service model leverages our innovation expertise **and our comprehensive service offerings.***

## ***Our customers: the core of our business model***

We constantly work to strengthen relationships with our customers and enhance their experience. We have developed a modern and robust multichannel offering that allows individuals and businesses in Colombia and Central America to move their money, obtain funding for their projects, save, invest and purchase insurances digitally, as well as through a wide network of branches, ATMs and banking agents.

In 2024, we served **24.9 million customers** across Colombia and Central America, adding 1.3 million new customers. For them, we remain committed to our long-term strategy: to be their **primary bank**.

We also aim to be the best ally for businesses, supporting their growth; therefore, **we acquired ePayco**, which allows us to strengthen our digital payment solutions and have a more complete and value-added offering.

At Davivienda, **innovation is embedded** in our business model, talent, products, and services, allowing us to quickly adapt to the new banking industry trends. As a result, digital adoption continues to rise: 93% of our customers in Colombia and 72% in Central America are now digital.

Additionally, in 2024, we consolidated our **Super App** in Colombia, which has become our main digital interaction point with customers, offering more than 150 services and improving our responsiveness to meet their needs.

**DaviPlata**, our native digital bank, has positioned itself as an everyday financial solution for diverse population segments across Colombia. In 2024, it reached 18.5 million users, 56% of whom are women. The platform continued to show positive trends in deposits, transactions, purchases, and revenue, driven by its differentiating factors: service, innovation, and financial inclusion.

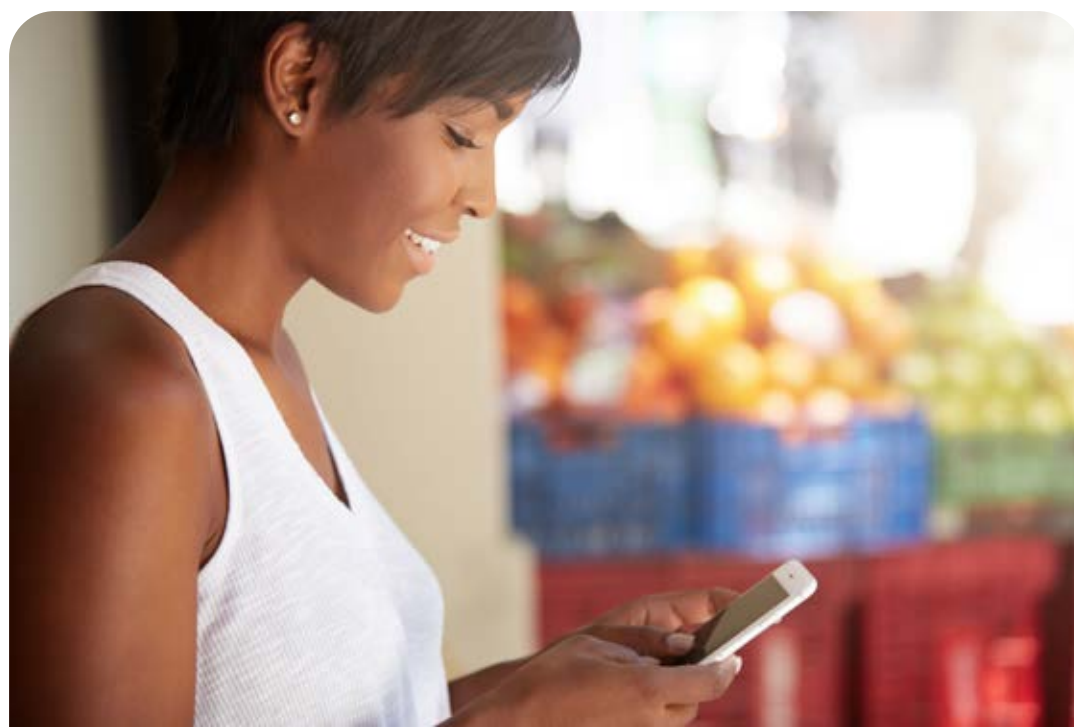




***We serve nearly 24.9 million customers in Colombia and Central America.***

DaviPlata offers a reliable service through a resilient platform which has allowed us to earn a **Net Promoter Score of 78.4**. It also features a redesigned interface, a new virtual store, and continues to expand financial access for youth, ethnic groups, migrants, and vulnerable populations: 4.5 million users in Colombia now **rely on DaviPlata as their only financial product**, and 2.4 million microbusinesses use this platform for sales transactions.

During the last couple of years, we've never stopped working on increasing our digital and technological capabilities, delivering clear results: **increased productivity and operational efficiency** through automation, data analytics, and artificial intelligence (AI).



## ***We will continue working to deliver a world-class customer experience***

We will continue to be industry leaders, ensuring a seamless transition between hybrid and digital environments and, of course, we will continue to strengthen the effectiveness and resilience of our platforms, while maintaining the reliable, friendly and simple seal that has characterized our relationship with our clients.

## ***Davivienda, a more sustainable bank***

We understand that the world is constantly evolving and that the banking sector plays a vital role in the progress of nations. For this reason, we have strengthened our commitment to sustainability through the declaration of our sustainable strategy, materialized in the policy "The world is our home: Let's make it more prosperous, inclusive, and green," which guides our operations across all banking segments. This approach fosters

business growth in harmony with community development and environmental protection.

As part of this vision, we expanded our Sustainable Taxonomy, allowing us to identify and expand financing opportunities aligned with national and international environmental and social criteria. Under this renewed framework, our sustainable portfolio reached COP 24.7 trillion, representing 17% of our total portfolio, driving us forward on the path toward our 30% target by 2030.

In this sustainable financing effort, we structured our first loan linked to sustainable performance, an instrument designed to support our clients in adopting better sustainability practices.

Additionally, we continued to promote financial inclusion in Colombia's rural regions, achieving a 68% growth in our agro-sustainable portfolio, helping producers implement environmentally and socially responsible practices. In partnership with the National Federation of Coffee Growers of Colombia, we launched the Cédula Cafetera, aimed at facilitating financial access for over 556 thousand families.





And, in Central America, we remain committed to renewable energy and energy efficiency financing, while actively supporting the growth of SMEs in El Salvador.

### ***Integration of Biodiversity and Climate Action Agendas***

In 2024, the integration of biodiversity and climate action agendas took a central role. During COP16, held for the first time in Cali, Colombia, we took pride in actively participating in multi-sector dialogue and promoting nature protection through concrete actions such as the signing of an agreement with the International Finance Corporation (IFC) for the subscription of the first Biodiversity Bond in the Colombian capital market for approximately COP 210 billion.

### ***Access to Our Services for All***

Our financial and non-financial services are designed to ensure access for everyone, advancing our purpose to be a bank that, rooted in universal rights principles, that reaches more people with comprehensive, accessible, and tailored solutions. Among our non-financial

services, this year we launched “*El Profe de Finanzas*” (The Finance Professor), the first financial education assistant powered by artificial intelligence in Colombia and Central America through which we provide personalized answers on financial wellbeing to everyone.

Moreover, we strengthened the integration of ESG (Environmental, Social, and Governance) criteria into our credit and investment decision making processes and we also adopted the Equator Principles to strengthen, with the highest international standards, the environmental and social risk management that we have been developing for more than a decade. Additionally, we incorporated recommendations from the Task Force on Nature-related Financial Disclosures (TNFD) into our TCFD report as a pilot to consolidate our approach towards risks and opportunities at the intersection of climate, biodiversity, and sustainability.







## ***We are moving forward to establish ourselves as a leading bank in the region***

Despite ongoing macroeconomic challenges and global uncertainty, we remain optimistic about 2025, expecting to continue on our recovery path, with results to keep improving.

We are enthusiastic by over 50 years of growth, fueled by the trust of our shareholders and investors as well as the commitment, dedication, and performance of our more than 17,000 employees across the countries in which we operate and to whom I want to express my sincere gratitude.

Our top priority is to keep creating value for all our stakeholders, accelerating the improvement of our financial results while contributing to prosperity, inclusion, and environmental responsibility.

Looking ahead, we will continue supporting our customers with memorable experiences and top-tier service standards, strengthening our position as their primary bank, powered by innovation and efficient execution.

**Together, we will continue working to consolidate our leadership in the region.**

**JAVIER JOSÉ SUÁREZ ESPARRAGOZA**  
CEO

**Banco Davivienda S.A.**





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# Our Strategy

*The world  
is our  
home*







# Our Strategy

**Grupo Bolívar's Higher Purpose**

**Our Higher Purpose**

## *Enriching Life With Integrity*

We achieve our shared Higher Purpose as a Business Group through our culture and a management model geared towards **adding value** to our stakeholders and the organization.

**Organizational Culture**

***A culture that ties all Grupo Bolívar companies together***

Our culture has enabled us to support people's wellbeing, help families build their equity, grow businesses and fund projects to benefit the countries where we operate.





## Our mission

We add value for our customers, community and investors through an integral, committed and friendly team that is always willing to learn and work with integrity.

## Our Management Model

**We strive to deliver straightforward, reliable, and user-friendly customer experiences.**

To achieve this, we rely on a team that builds a value proposition founded on innovation, risk management, efficiency, and synergy between companies.

We strive to realize **Grupo Bolívar's Higher Purpose:**

**Enriching life with integrity**



## Our principles and values

- ▶ Respect
- ▶ Equity
- ▶ Honesty
- ▶ Discipline
- ▶ Enthusiasm
- ▶ Joy
- ▶ Cheerfulness

These values enable us to contribute to people's well-being, building equity for families, grow businesses and fund projects designed to contribute to the countries where we operate.

We build, execute and challenge our strategy, making sure that we remain aligned with the management model adopted by our Business Group.

We build a **value proposition tailored to fulfill the needs of our customers**, offering them peace of mind and helping them build their equity through products, processes and services designed to deliver positive experiences and forge long-term emotional bonds. To this end, we rely on an integral and committed team that is always willing to learn.





## STRATEGIC FOCUSES

Our strategy is built on six key pillars:

### Significant Improvement of the Loan Portfolio

We aim to achieve profitable and sustainable growth in our loan portfolio through selective origination, optimizing collection processes, and protecting and retaining our best clients.

### Revenue Generation

We focus on enhancing our revenue streams through diversification strategies, expanding our product and service depth, and strengthening our housing ecosystem.

### Enhancing Service and Customer Experience

We are committed to delivering a world-class service, providing innovative solutions through memorable experiences. We prioritize security and trust, ensuring that our clients feel confident in our services, supported by a highly skilled and dedicated team.

### Strengthening Operations in Central America

We are dedicated to supporting and accompanying our regional clients, consolidating ourselves as a leading multinational organization operating as one unified bank. Leveraging our international presence, we offer Colombian clients tailored solutions in savings, investments, and dollar-denominated financing.

### Margin and Funding Management

We seek to increase our presence in the transactional market while maintaining expected margins, offering our clients a comprehensive portfolio of products and services to facilitate their financial transactions.

### Efficiency Prioritization

We strive for greater efficiency by continuously transforming our organization, enabling higher productivity, process optimization, and resource management. We prioritize cost control, profitability, and risk management to ensure the sustainable growth of our business.







## Our Strategy is Sustainable

At Davivienda, we declare that **our business strategy is sustainable**, which ratifies that, in addition to pursuing the business's profitability objectives, we assume with determination and commitment the important role we play in society as enablers of progress, competitiveness, closing gaps, and mobilization towards a greener economy. Therefore, we are constantly strengthening our skills to identify the social and environmental issues that have an impact on our stakeholders and the business, and we work decisively on those where we can have a greater capacity to provide innovative solutions.

Aware of the power of teamwork, with our clients, investors, our people, allies, and others, we recently raised the

commitment to our home, understood as that space of value, so that in it everyone can fulfill their dreams, grow, feel comfortable and live in harmony with the environment.

In this way, we make the world our home by promoting innovative actions to make it more prosperous, inclusive, and green, which is possible thanks to our ability to create economic value, provide a reliable, friendly and simple service, guarantee the well-being of our people and honor the trust placed in us.

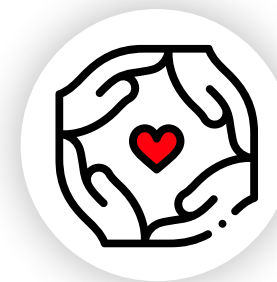
These core focuses guide our journey and define our purpose as a bank. They shape our material issues, allowing us to manage impacts and risks, and transform them into opportunities:

*We manage impacts and risks **to transform them into opportunities and generate value.***



### Prosperous

We facilitate the achievement of the dreams of people, families, and businesses through innovative and sustainable solutions that contribute to their progress and the competitiveness of the countries in which we operate.



### Inclusive

We promote access for all to financial and non-financial services, driving the financial well-being of individuals, families, businesses, and communities.



### Green

We promote initiatives that contribute to a resilient, low-carbon economy with positive results for nature.





***Our sustainable management is comprehensive*** and voluntarily aligned with national and international reference frameworks:

## Rating agencies

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA

**S&P Dow Jones Indices, now renamed Dow Jones Best in Class Indices:** Over the past 11 years we have been invited to participate in this corporate

sustainability global evaluation due to our commitment to economic, environmental and social matters. resulting in our inclusion in the Latin American Integrated Market (MILA) Pacific Alliance list, as one of the best entities in our class in this category. S&P Global recognized us for the eighth consecutive year in its **Sustainability Yearbook**, for being part of the 15% of companies in the sector with the best sustainability practices in the world.



**CDP Disclosure Insight Action:** For the tenth consecutive year, we are part of the Carbon Disclosure Project (CDP) disclosure by measuring our environmental sustainability factors and adopting the best practices for their management.

## Methodologies and Reporting Frameworks



**Global Reporting Initiative (GRI):** Methodology of standards for sustainability management, and the planning, measurement and evaluation of our sustainable performance indicators.



**Task Force on Climate-Related Financial Disclosures (TCFD):** Recommendations with which we evaluate, measure, prioritize and manage the opportunities and risks associated with climate change, and that allows us to anticipate negative impacts and mobilize opportunities. It is also, for the Colombian context, the standard on which the Colombian Financial Superintendency asks issuers such as Davivienda to disclose their climate issues.



**Task Force on Nature-related Financial Disclosures (TNFD):** A reference framework, aligned with the Kunming-Montreal Global Biodiversity Framework, designed to identify, assess and manage the risks and opportunities associated with nature within operations and financing. Through the LEAP approach (Locate, Evaluate, Analyze and Prepare), we have prioritized sectors with high dependence on ecosystem services, improved the analysis of impacts on biodiversity and laid the foundations for informed decision-making on natural capital.





**Sustainability Accounting Standards Board (SASB):** Standards that provide sectoral information on sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance or cost of capital in the short, medium or long term. Under this standard, by provision of the Colombian supervisor, we disclose social and environmental performance indicators.



**UNEP FI:** United Nations Environment Programme Finance Initiative, which, through six principles, guides financial institutions in adopting measures to take advantage of business opportunities and address social and environmental risks, prioritized after the implementation of a thorough assessment implemented by Davivienda in the year 2024.



**Partnership for Carbon Accounting Financials (PCAF):** Through this standard, we strengthen the measurement of our Scope 3 financed emissions to properly assess transition risks associated with climate

change, set goals aligned with the Paris Agreement and develop effective strategies to decarbonize the economy.



**Paris Agreement Capital Transition Assessment (PACTA):** We have adopted

the Pacta methodology for scenario analyses pertaining emissions derived from our corporate portfolio financing activities, aiming at steering our strategy towards a positive climate impact.



**Sustainable Development Goals (SDG):** We align our strategy with the goals and objectives of the United Nations' 2030 Agenda, integrating our contribution to its achievement through timely management of material issues, risks and opportunities. We have prioritized 8 goals and 18 targets, with which we seek human development, the prosperity in the nations we serve and global well-being.







## Memberships

In a free competition environment, we recognize that there are scenarios where collaboration with other actors in the financial sector and other sectors helps to positively transform the environment in which we operate. That is why we consider it strategic to belong to the banking associations of the countries where we operate and we actively participate in the guild action. We believe that union management articulates cooperation between the public and private sectors, which is so necessary to face the various challenges that the development of our countries represents.

As a financial entity with diversified services, our guild participation also encompasses institutions from sectors such as sustainable construction, trust, intermediation in the stock market and business associations, among others. Experience has shown that the visions of those who represent these activities significantly nurture our own vision of the challenges, opportunities and solutions that we must implement in the consolidation of our strategy and in the construction of favorable conditions in the territories where we are present.

We exercise an active role and act as mobilizers of change through them, always seeking to build together the favorable conditions for the prosperity and competitiveness, inclusive and green, of our economies. We adopt a **clear and public position statement** on the policies related to environmental issues, including climate change, which are currently aligned with the SDGs and the Paris Agreement. This statement emphasizes our commitment to reducing greenhouse gas emissions and promoting sustainable practices in all our operations.



To guarantee proper alignment between our strategy and guild initiatives, we conduct periodic reviews of our memberships to confirm that their policies and actions do not contradict our commitments, including those related to climate, ensuring constant monitoring of action plans, decisions and the impact of the initiatives developed.

In the event that discrepancies are identified between the statements or policies on various fronts, such as those relating to climate change, of business associations and our position, including climate change, we try to engage in an active and constructive dialogue to promote alignment, within the framework of adherence to competition laws, and always seeking the general good to prevail.

Similarly, we understand the importance of following best practices and being part of global initiatives that pursue our same purpose of collectively mobilizing transformations that generate a positive impact on society and the planet. For this reason, we seek not only to be part of these scenarios, but also to exercise leadership that promotes accelerated changes towards green and inclusive growth.







## Associations:



**Asociación Bancaria y de Entidades Financieras de Colombia (Asobancaria):** Leading trade organization representing the Colombian financial sector, promotes public trust in the financial sector and contributes to the modernization of the sector.

We highlight the bank's contribution to the 34 committees and four strategic boards, where thematic discussions are led and in which members of our Senior Management participate:



**Javier Suárez**, president of Davivienda, is part of the Board of Directors of Asobancaria



**Alejandra Díaz**, Sustainability Director, was elected president of the Sustainable Finance Committee, where discussions have been held on taxonomy, COP16, and the management of social and environmental risks, including those of climate change, among others.



**Juan Camilo Osorio**, Vice President of Constructors and Mortgage Banking, attended as a delegate of the Strategic Housing Board, where issues related to Social Interest Housing (VIS) and sustainable construction are related.



**Maritza Pérez**, Executive Vice President of Personal Banking and Marketing, attended as a delegate on the Strategic Board of Financial Inclusion, which guides the development of projects aimed at improving the access and use of financial products and services by the population.



**Felix Rozo**, Vice President of Liability and Channel Operations, attended as a delegate to the Cybersecurity and Fraud Prevention Committee, seeking to promote cooperation to optimize the response to incidents and improve overall security for financial consumers.



**Laura Gómez**, Vice President of Payment Methods, attended as a delegate to the Advisory Committee on Innovation and Development of Payment Methods, which develops initiatives aimed at research and promotion of new technologies for the massification of payment methods, the reduction of cash use and the increase of digital payments.



**Gladys Corredor**, Vice President of Business Businesses, attended as a delegate to the Committee on Access to SME Financial Products and Services, with the aim of creating and promoting active solutions aimed at improving the well-being of the segment on these fronts.



**Jaime Castañeda**, Vice President of Treasury, attended as a delegate to the Financial Affairs Committee, which analyzes, proposes and monitors the management of treasuries and the capital market.



**Danilo Cortés**, Vice President of Audit, attended as a delegate to the Audit Committee, a space that serves as a communication channel between tax auditors, internal audit and entities.

*We are part of the **34 committees and 4 strategic boards** organized by Asobancaria.*



**Asociación Bancaria Salvadoreña (Abansa):** The Salvadoran Banking Association promotes actions and ideas aimed at enabling the banking system to operate efficiently for its own development and for the country as a whole.



**Asociación Hondureña de Instituciones Bancarias (Ahiba):**

The Honduran Association of Banking Institutions strives to improve the legal and regulatory framework for the banking system, promoting legal compliance, standards, international guidelines and free competition.



**Asociación Colombiana de Instituciones Microfinancieras (Asocmicrofinanzas):**

Colombian Association of Microfinance Institutions. Its purpose is to represent the industry in order to promote financial inclusion and other related services.



**Asociación Nacional de Empresarios de Colombia (ANDI):**

The National Business Association of Colombia is a non-profit association dedicated to disseminating and promoting the political, economic and social principles of a healthy free enterprise system. From our participation in the Decarbonization Committee, we jointly promote topics of environmental interest at the regional and sectoral levels among the member companies.



**Cámara de Bancos e Instituciones Financieras de Costa Rica:**

The Chamber of Banks and Financial Institutions of Costa Rica is in charge of representing the Costa Rican financial system and promoting its growth and consolidation.



**Cámara Colombiana de la Construcción (Camacol):**

The Colombian Chamber of Construction is a non-profit trade association that brings together national companies and individuals related to the construction value chain.

Juan Camilo Osorio, Vice President of Constructors and Mortgage Banking, was elected as a member of the National Board of Directors of Camacol. On the other hand, Ricardo Pérez, National Director of Construction Credit, represented us on the Regional Board of Bogotá and Cundinamarca.



**Colombian Chamber of E-Commerce:**

Private non-profit trade association whose purpose is to promote and strengthen the e-commerce industry in Colombia.



**Colombia Fintech**

**Colombia Fintech:**

Brings together *fintech* companies in Colombia aiming to energize the digital financial services ecosystem through positioning strategies, knowledge and relational capital targeting 3 main fronts: investment, talent and digital financial inclusion.



**Consejo Colombiano de Construcción Sostenible (Colombia Green Building Council - CCCS):**

Private non-profit organization founded in 2008 whose mission is to inspire and drive people to create a sustainable world.

We participate in dialogue spaces with different actors in the sustainable construction chain to seek synergies as enablers and mobilization of certifications in the country. In addition, through the Council we have focused on transferring this knowledge to our clients, thus strengthening the adoption of sustainable practices in the sector.





## Initiatives:

### FINANCIAL ALLIANCE FOR WOMEN

#### Financial Alliance for Women:

Leading association that unites financial services institutions to share information on best practices, lessons learned and resources to effectively serve the women's market.



#### Glasgow Financial Alliance

#### for Net Zero (GFANZ):

Global coalition of leading financial institutions committed to accelerating the decarbonization of the economy and leveraging sustainable financing.



#### Net Zero Banking Alliance (NZBA):

Global alliance in which bank members commit to aligning their loan and investment portfolios to achieve a net-zero greenhouse gas emissions balance, at the latest by the year 2050, with intermediate targets by 2030, using science-based guidelines and standards.



#### United for Wildlife:

Organization that promotes global collaboration in the private sector to stop the trafficking of wildlife products, through two working groups: financial and transportation.



#### Basura Cero:

Created by ICONTEC, Zero Waste seeks to

promote a culture of responsible consumption with the implementation of a "zero waste management system", based on models of circular economy and industrial ecology.



#### Climate Finance Leadership Initiative (CFLI):

Driven by

Bloomberg, it brought together relevant actors in climate financing in the country, with the aim of supporting national climate goals, accelerating and enabling green financing flows, and creating productive, sustainable and scalable projects. Our contribution focused on two areas: promoting the development of grid-connected solar energy projects in public buildings and analyzing the relevance of allocating resources from existing unexecuted forced investments to projects aligned with compliance with the country's NDCs.



#### Climate Finance Accelerator (CFA):

A platform that brings together

different actors to support the formulation, development and access to financing for quality climate projects that contribute to the country's effort to achieve the Nationally Determined Contribution (NDC).

We collaborate with diverse actors in the spaces provided by the CFA under the leadership of the British Embassy, sharing and receiving knowledge on financial and sustainability aspects, which enriched the development of these projects that contribute to the country's climate goals.



### Pacto Global Red Colombia

#### Global Compact:

Encourages the private and public sectors and civil society to align their strategies and operations with universally embraced sustainability principles.



### PRINCIPLES FOR RESPONSIBLE BANKING

#### Principles for Responsible Banking (RBP):

Promoted by UNEP FI, its principles seek to guide financial institutions to strategically align their business with the development and sustainability goals that the world has set.



### PRINCIPIOS DE ECUADOR

#### Equator Principles (EP):

Voluntary framework for the management of social and environmental risks in financed and investment projects, minimizing negative impacts on the environment and communities. They are based on international standards such as those of the International Finance Corporation (IFC) and apply due diligence, evaluation and monitoring criteria in projects with high risks.



#### Principles for Responsible Investment (PRI):

International network of companies that implement six principles to promote responsible investment as a means to increase profitability and better manage risks.



### SCIENCE BASED TARGETS

#### Science Based Targets (SBTi):

Global initiative that enables companies and financial institutions to set ambitious emissions reduction targets in line with the latest climate science. The initiative focuses on accelerating corporate climate action in line with halving global emissions by 2030 and achieving net-zero emissions by 2050.



#### Repack:

Collective plan for the environmental management of packaging, a leader in Colombia.



#### United by SDGs:

Driven by Global Compact Red Colombia, the Bolívar Davivienda Foundation, the Corona Foundation and the Chamber of Commerce of Bogotá, to promote knowledge about the 2030 Agenda and the Sustainable Development Goals, in addition to measuring the contribution of the Colombian business sector in this regard.

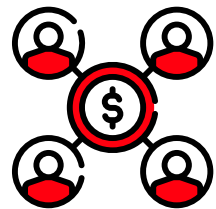




## DIALOGUE WITH OUR STAKEHOLDERS

We continued **forging stronger relationships with our stakeholders**, with actions geared to respond promptly to their needs and expectations. We understand that the key to generating long-term value with our stakeholders lies in strengthening our relationship based on our values: respect, equity, discipline, honesty, enthusiasm, joy, and cheerfulness.

### SHAREHOLDERS AND INVESTORS



**Value Proposition.** We work to respond to the trust of our shareholders and investors, seeking profitability and sustainable business growth taking into account best corporate governance practices, ethics and transparency, delivering information to them in a clear, sufficient and timely manner.

#### Engagement Mechanism

- ▶ Annual General Shareholders' Meeting
- ▶ Quarterly and annual reports
- ▶ Investors' website and email
- ▶ 1-on-1 meetings
- ▶ Attendance to events

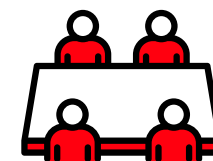
#### Accountability

- Board of Directors-
- C-Suite
- Investor Relations Department

#### 2024 Performance

1. We released our quarterly and annual results in Spanish and English.
2. Additionally, we had 1.019 interactions with investors and shareholders, participating in 4 results conference calls, 9 events and 115 calls/meetings.

### BOARD OF DIRECTORS



**Value Proposition.** We enable the Board to make informed, timely, and diverse decisions to steer the company and its subsidiaries adding value to our stakeholders.

#### Engagement Mechanism

- ▶ Board Meetings.
- ▶ Board supporting committees

#### Accountability

- Chairman of the Board
- Members of the Board of Directors





## EMPLOYEES



**Value Proposition.** We uphold our values and facilitate opportunities for wellbeing and growth, as well as a safe environment that fosters innovation and allows employees to positively impact society.

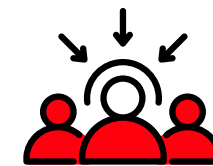
### Engagement Mechanism

- ▶ Workplace
- ▶ Training Platforms
- ▶ Performance evaluations
- ▶ Personal oneonone conversations
- ▶ Organizational climate survey
- ▶ Transparency line

### Accountability

- C-Suite
- Leaders
- Dedicated HR technical teams

## CLIENTS



**Value Proposition.** We offer a wide range of inclusive, competitive, accessible, innovative, and sustainable products and services, fostering long-term business relationships founded on trust.

### Engagement Mechanism

- ▶ Branch
- ▶ Chat
- ▶ Call center
- ▶ Email
- ▶ Text messages
- ▶ Social media
- ▶ Customer service phone line

### Accountability

- Executive Commercial Vice Presidency
- Commercial force
- Personal Banking and Marketing Executive Vice Presidency
- Customer Service Direction
- Call center

## PARTNERS



**Value Proposition.** We promote our value chain through comprehensive development, via supplier development processes and sustainable purchases, always seeking their growth, quality assurance, service and the development of sustainable practices by offering equitable and mutually beneficial business opportunities.

### Engagement Mechanism

- ▶ Vendors and contract supervisors website
- ▶ 'Inspira' Awards
- ▶ Sustainable sourcing
- ▶ Green Mission 2030

### Accountability

- Administrative Vice Presidency
- Contract Supervisors
- Transparency Line
- Legal Vice Presidency



**Value Proposition.** We enter into fair and clear agreements to achieve common goals and generate positive environmental, social and/or economic impacts.

### Engagement Mechanism

- ▶ Annual Report
- ▶ Social media
- ▶ Press releases
- ▶ Events

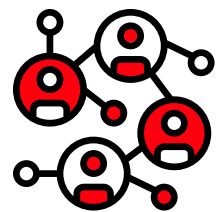
### Accountability

- Commercial and Corporate Vice presidency
- Personal Banking and Marketing Executive Vice Presidency





## TRADE UNIONS AND ASSOCIATIONS



**Value Proposition.** We support collective actions that positively impact public policies affecting the industry and promote sustainability, delivering value and contributing to competitiveness and development.

### Engagement Mechanism

- ▶ Reports
- ▶ Committees and meetings
- ▶ Events
- ▶ Forums
- ▶ Media and communication

### Accountability

- C-Suite
- Public Relations

## AUTHORITIES



**Value Proposition.** We provide authorities with our visions to collaborate and co-create with them the most favorable conditions for the countries where we operate. In addition, we timely fulfill our obligations and keep the authorities informed about our performance in a transparent manner.

### Engagement Mechanism

- ▶ Reports and briefings
- ▶ Direct communication with regulators and authorities
- ▶ Participation through trade associations

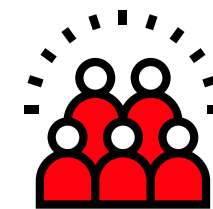
### Accountability

- Legal Vice Presidency
- Specific business lines

### 2024 Performance

We rely on an assurance system to implement and monitor compliance with the different provisions and regulations applicable to our business.

## COMMUNITIES AND THE ENVIRONMENT



**Value Proposition.** We enrich lives by facilitating human growth, wellbeing, and access to the financial system through friendly and personal engagements for a genuine interaction. Furthermore, we minimize our operation's negative environmental impacts and maximize the positive ones through our business activities.

### Engagement Mechanism

- ▶ Investments
- ▶ Financing
- ▶ Volunteering program
- ▶ Environmental programs and products
- ▶ Ecoefficiency
- ▶ Environmental and social risk
- ▶ Social programs
- ▶ Program
- ▶ management in collaboration with Fundación Bolívar Davivienda
- ▶ Social and environmental ecosystems
- ▶ DaviPlata

### Accountability

- Commercial and Corporate VP
- Administrative Management
- Sustainability, Social, and Environmental Risk Management
- Fundación Bolívar Davivienda

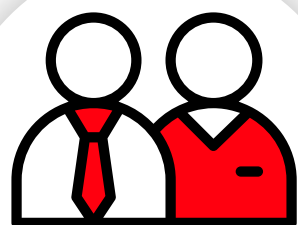
*We create value propositions **oriented to sustainability** for our different stakeholders.*



## Sustainable Culture

*Integrating sustainability ever more deeply  
as a strategic pillar of our organizational culture.*

Throughout the year, we have driven various initiatives and actions aimed at strengthening our ties with diverse stakeholders, fostering spaces for learning and collaboration to make the world a more prosperous, inclusive, and greener place—together.



**Employees**

**1** Through *Señal Roja*, our internal communications channel, we launched the special edition “The World is Our Home: Behind the Scenes,” showcasing how each of our 17,000 employees contributes daily to this shared mission.

**3**

At our corporate university, Uxplora, we designed courses to equip more than 6,500 employees with the knowledge and tools to integrate sustainability into their roles. To this end, we developed 25 courses covering topics such as risk management, biodiversity finance, nature-based financial solutions, science-based targets, and unconscious bias in DEI, among others.

**2**

Since 2021, we have trained and certified 4,308 environmental leaders and managers in collaboration with the World Energy Council and Vértebra. These individuals actively promote water and energy conservation at work and at home.

**4**

We provided specialized training sessions for our Agro, Construction, and Mortgage Banking teams, strengthening their ability to guide clients toward adopting sustainable and environmentally responsible practices in their projects.

**5**

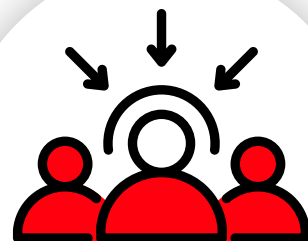
Our environmental education program, “The World is Our Home,” extends to employees’ families, teaching children, teenagers, and adults how to contribute to environmental stewardship.

**6**

Using Workplace, our corporate social network, we implemented quick-format content and informational capsules to engage employees with sustainable finance and illustrate how they can help address climate change and biodiversity loss through their roles.







### Customers

1

In partnership with strategic allies, we trained clients in the construction sector on sustainable building certifications, creating learning spaces that enhanced their ability to implement environmental best practices in their projects.

2

We launched an initiative to recognize SME clients with the highest sustainability maturity levels. This included a sustainability performance assessment covering corporate governance, environmental, and social factors, conducted with 48 Colombian companies. As part of the Inspira Awards, our Sustainable SMEs recognition highlighted one outstanding client for exceptional ESG performance.

3

At COP16, the UN Biodiversity Conference in Cali, Colombia, we led initiatives to foster awareness, education, and engagement on biodiversity: Biodiversity Webinars with Experts: Through Visión de Davivienda Corredores, our economic research platform, we reached thousands with fresh insights on the interdependencies and economic impacts of ecosystem service loss across industries. Key results:



6 webinars



Over **47,000** average views per webinar



27 expert partners

**Topics covered:** nature-based solutions, carbon markets, financial solutions for the agricultural sector, and more.





**Vendors**

We launched the Supplier Development Program to encourage the adoption of best sustainability practices in their businesses. This program includes initiatives focused on awareness, training, and recognition:

**1**

**Training:**

We expanded Uxplora to pilot a program with seven suppliers, granting them access to five courses covering climate change, biodiversity, waste management, and Diversity, Equity, and Inclusion (DEI).

**2**

**ESG Maturity**

**Assessment Platform:**  
We evaluated 199 suppliers across Colombia and Central America.

**3**



**Recognition:**

More than 100 initiatives were submitted to the Inspira Awards by our suppliers in Colombia, Honduras, El Salvador, Costa Rica, and Panama. 20 of these initiatives fell under the sustainability category. A total of 24 initiatives were recognized as winners.







## Partners

We strengthened our portfolio of ESG-aligned products through strategic partnerships, achieving the following:

**1** Implementation of the USAID-DAI “Financing for Equity” program: This international cooperation agreement aims to drive the adoption of digital financial tools and enhance financial capabilities through financial well-being initiatives in 204 municipalities affected by armed conflict (ZOMAC and PDET areas).

**2** Collaboration with Finance in Motion (FIM): We worked together to identify sustainable criteria for disbursed agricultural portfolios and define key indicators to measure the socio-environmental impact of our financing.

**3** Support from Banca de las Oportunidades: We received guidance in developing financial inclusion and well-being programs from the perspective of the popular economy.

**4** Daviplata’s participation in an innovation challenge: In partnership with Seguros Bolívar and the National Federation of Merchants (Fenalco), Daviplata joined a challenge organized by Banca de las Oportunidades, Fasesolda, and the United Nations Development Program (UNDP). The initiative aimed to develop innovative solutions to improve access to financing and insurance for small shopkeepers in Colombia.

*We participate in different programs and initiatives to **strengthen our relationship with our allies.***

**5** Additionally, in collaboration with our strategic partners, we promoted various dialogue spaces to raise awareness and create opportunities around sustainable finance and biodiversity:

**6** UNEP FI Regional Roundtable on Sustainable Finance for Latin America and the Caribbean 2024: This event brought together over 400 banks, insurers, government representatives, investors, support institutions, academics, and civil society to explore the necessary actions for integrating sustainable finance across the region.

**7** Dialogue on aligning financial flows with the Global Biodiversity Framework: As part of COP16, and in collaboration with PRI, UNEP FI, and Clarity, we led a discussion on the policies and practices needed to ensure financial flows support global biodiversity goals.




3

Participation in 38 national and international events: We actively engaged in discussions on sustainable finance, sharing insights, analyzing trends, and driving conversations to collectively work toward making the world a more prosperous, inclusive, and greener home.


4

Strengthening social impact ecosystems to promote financial inclusion and education: We reached diverse vulnerable communities to enhance their financial knowledge and skills:

 **13,900** members of the Zenú Indigenous community

 **18,900** residents of the San Andrés, Providencia, and Santa Catalina archipelago

 **24,000** artisans

 **180,000** people in marketplace settings

2

Showcasing impact through social media: We amplified how we are making the world a more prosperous, inclusive, and greener home by sharing stories of how sustainable financing is transforming our clients' lives.




## Communities and the Environment

1

#CaminoalaCOP16 awareness campaign: In the months leading up to COP16, we launched a series of educational capsules to foster awareness, education, and consciousness about biodiversity and sustainability.

5

Financial education and well-being as fundamental pillars:

More than  **2.5** million young people engaged in financial literacy programs

 **8,000** individuals trained through digital learning platforms

Launch of “El Profe de Finanzas” – the first AI-powered financial education assistant in Colombia and Central America, which has already provided over 34,000 personalized responses.





> Annual Report 2024

# Our Sustainable Management





# *Environmental and social criteria implemented by the issuer*

We present the practices, policies, processes and indicators in relation to social and environmental matters, including climate issues, which take as a reference the instructions issued by the Superintendency of Finance of Colombia in its External Circulars 031 of 2021 and 012 of 2022, without prejudice to the internal adaptation processes carried out by the Bank to align and strengthen the actions of identification and management of risks, opportunities and ESG criteria aligned with the highest standards of information disclosure:

**Financial  
materiality**

**SASB  
indicators**

**TCFD  
Report**







# Materiality

In line with our sustainable business strategy and the material issues defined by Grupo Bolívar, we present our double materiality that includes impact materiality and financial materiality.

In 2023, supported by the guidelines and orientations of the international GRI standards methodology, for the definition of the material impact issues of organizations, we recognized the principle of stakeholder inclusion as a requirement for the proper management of sustainability; Thus, we identified the issues that have particular relevance, both in their impact dimension for stakeholders and in their financial dimension for the business. During this year, this exercise was reviewed in detail and the material issues were not modified. In addition, the indicators that ensure progress and adequate monitoring regarding their management were related.

## Impact materiality

Prioritization of the issues on which our activity could have an effect on the economy, the environment or people, including effects on human rights, and which, in turn, may be indicative of its contribution (positive or negative) to sustainable development<sup>1</sup>.



## Financial materiality

Prioritization of issues where economic, environmental or social issues could have an effect on the company's financial performance.



## Double materiality

Two-way analysis of the impact that companies generate on the economy, the environment and people, including human rights, as well as the effect that these impacts have on the company's financial performance.



The integration of these criteria into our sustainable business strategy allows us to properly manage possible risks and opportunities, as well as anticipate their potential financial implications in different time horizons.

<sup>1</sup> GRI, 3 Material Topics 2021.



# Material topics Banco Davivienda 2024

The environmental, social and governance topics, resulting from the double materiality exercise and aligned with Grupo Bolívar's Higher Purpose: "Enriching Life with Integrity", which were prioritized by the Bank due to their impact on our stakeholders, their scope in the financial planning of the business and in our strategic objectives.

## 4. Service

We provide **reliable, friendly and simple** experiences to all our clients, we accompany them in the achievement of their projects and we make sure to extend this commitment to service to our suppliers, whom we also accompany in the sustainable management of their businesses.



## 3. Trust

We build **relationships of trust** with our stakeholders and ensure that we always act **ethically and transparently** under the highest standards of **good corporate governance**, anticipating and managing risks, including emerging risks, information risks and other risks inherent to the businesses we operate.



## ECONOMIC AND CORPORATE GOVERNANCE DIMENSION

## 1. Prosperity

We facilitate the achievement of the dreams of **individuals, families and businesses** through innovative and sustainable solutions that contribute to their **progress** and the **competitiveness** of the countries in which we operate.



## 2. Economic capital

We create **long-term value for our shareholders and investors**, equitably rewarding their trust with solid returns that maximize the value of their investments, in line with our Superior Purpose, mission and Principles and Values.







# *We are driven by purpose in our home.*

## 5. Well-being

We offer a **safe, diverse, equitable and inclusive** work environment, based on respect for **human rights**; we care for the **well-being** of our people and encourage the development of their potential, seeking to permeate these commitments throughout our supply chain and other stakeholders.



## 6. Inclusion

We facilitate access for all to financial and non-financial services, promoting **socioeconomic development, the construction and protection of their assets and the financial well-being** of individuals, families, companies and communities where we are present, and we contribute to the construction of capital and social fabric, developing talent to build a country.



## SOCIAL DIMENSION

## ENVIRONMENTAL DIMENSION

## 7. Natural capital

We promote business initiatives that contribute to the **protection, conservation, restoration and regeneration** of ecosystems and natural resources, as well as mitigation and adaptation to climate change. This leads to a resilient, low-carbon economy with positive results for nature.





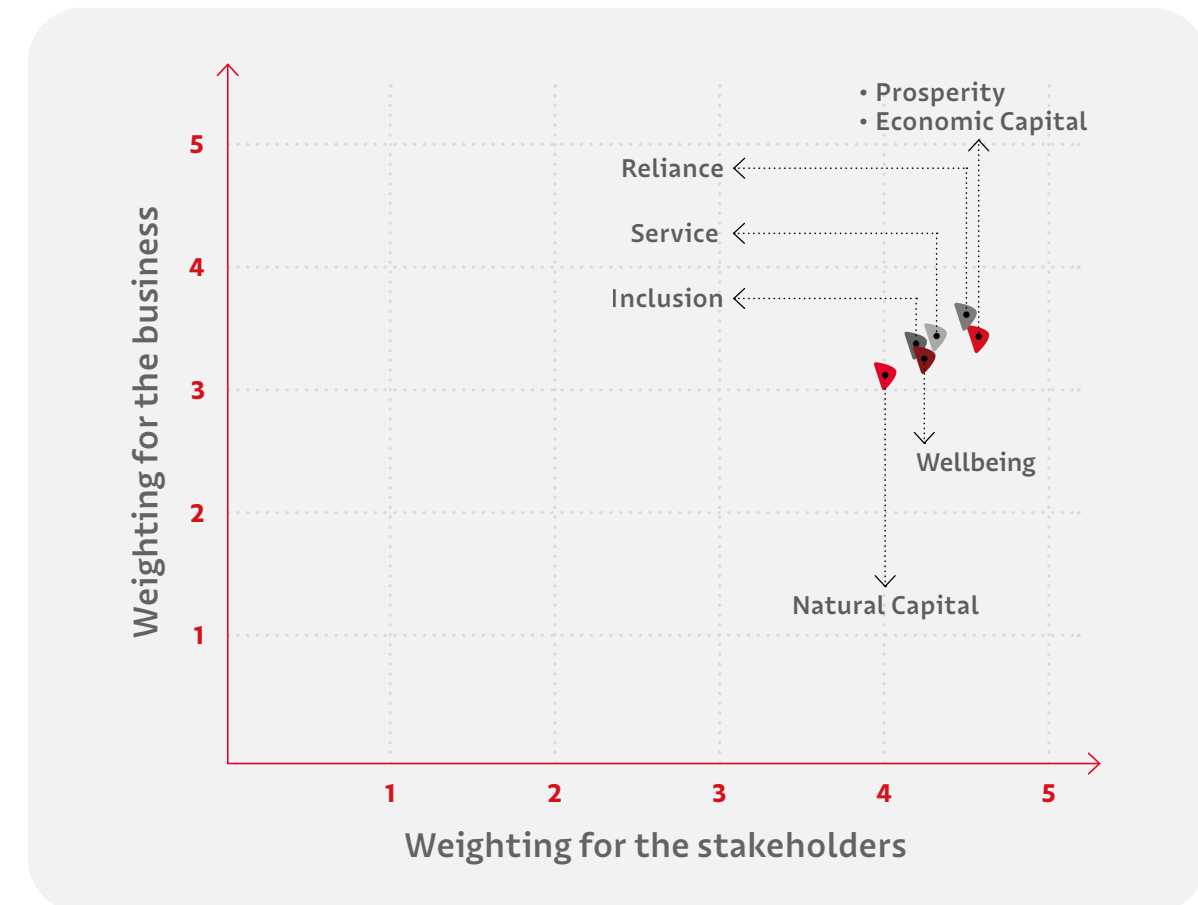
## Double materiality process

To carry out the exercise, we started by recognizing the issues that the financial sector regularly manages in the ESG dimensions. To do this, we conducted a comparative exercise to identify material issues, risks and opportunities prioritized by industry peers at the local and international level; an analysis of the recommendations of international organizations such as the World Bank, and of the risks prioritized in the short and long term by the World Economic Forum, as well as the review of the GRI and SASB reference frameworks.

Later, we listed all the identified issues, differentiating those that we consider to be ends for our strategy, from those that we consider to be means to achieve it. This input was taken to consultation with external stakeholders (clients and suppliers) and internal (Senior Management and collaborators).

In a next step, we carried out a perception survey in which the participants were asked to rate (1 low, 3 medium and 5 high), each of the material issues identified as ends, the different aspects that would allow determining the level of importance for the business and for the stakeholders, and the probability of occurrence of the possible risks and opportunities associated. With this weighting we built our impact materiality matrix.

***The prioritized material issues represent the priorities of our stakeholders and their scope in our financial planning and objectives.***







To strengthen the impact materiality matrix and advance financial materiality, we identified potential risks and opportunities that could cause positive or negative financial effects on our financial statements.



Risks	Opportunities
Direct impact on the financial flow or value of the Bank, in terms of legal or reputational implications.	Generation of efficiency in the use of resources.
Increased costs, fines, cost overruns or penalties.	Development of new products and services with ESG criteria, such as loans and social and green credit lines.
Affectation of cash flows and financial yields.	Access to new markets, through cooperation with governments, development banks, small local entrepreneurs and community groups.
Loss of operating income.	Resilience to changes that may affect value chain networks and resources.
	Generation of long-term sustainable financing.

These identified risks and opportunities were subsequently consulted with the Bank's Risk Managers to determine their scope and prioritization, both in terms of their negative influence and their ability to generate value through their appropriate management.

We strengthened these results with an additional qualitative assessment and quantification exercise (perception) of the possible positive and negative impacts on the Financial Statements.

***By identifying opportunities, we generate value for the future.***

**NEGATIVE INFLUENCE  
ON FINANCIAL  
PERFORMANCE**

Impact on the reduction  
of profits due to the decrease  
in demand for goods  
and services.

Negative impact  
on revenues.

Operating cost impact  
(e.g., higher compliance costs  
or increased insurance  
premiums).

Negative impact on capital  
plans, debt level or capital  
required for financing.

Impact on asset  
impairment or early  
retirement of existing  
assets due to policy changes.

*Identifying risks allows us to anticipate  
them and manage them properly.*

**ABILITY TO  
GENERATE  
BUSINESS VALUE**

Impact on efficiency and  
operating cost savings.

Positive impact on revenues  
from potential opportunities  
to develop new products and  
services.

Positive impact on existing and  
future activities and decisions  
requiring investments,  
restructuring or amortization.

Positive impact on capital  
plans, debt level or capital  
required for financing.

Positive impact on the increase  
in the value of fixed assets.

Impact on the increase in  
earnings due to the growth in  
demand for goods and services.

Positive impact on investment  
in innovation and research and  
development.

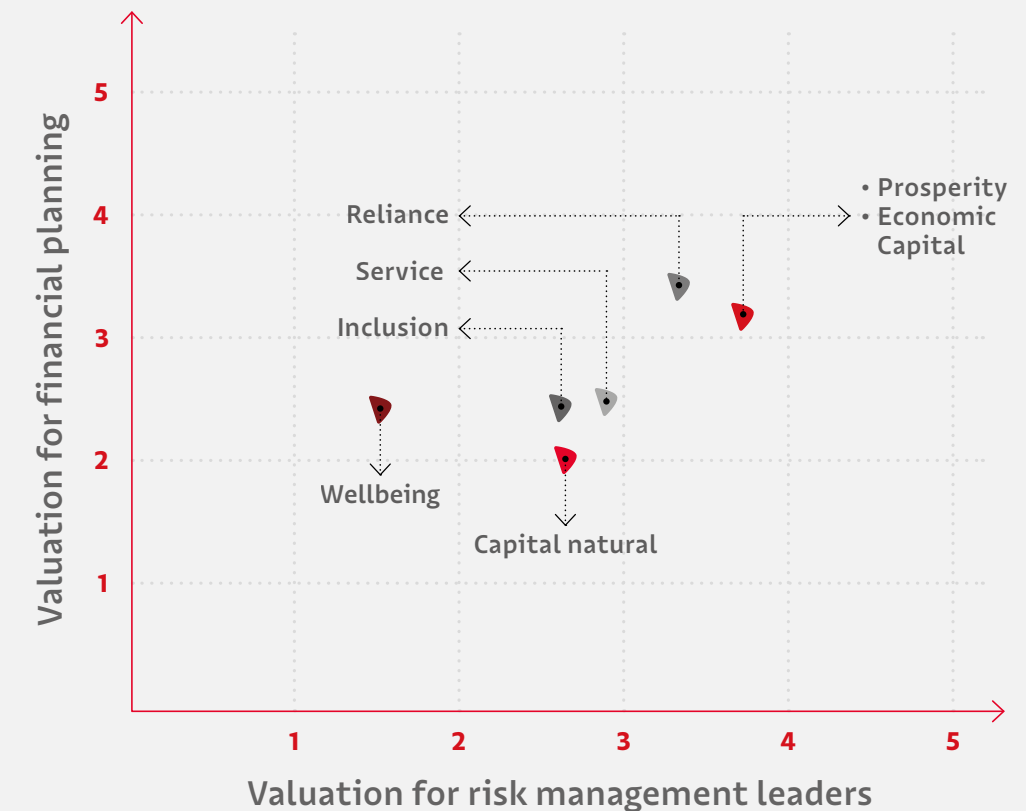




In this case, Financial Planning weighed in:

- ▼ The negative influence that inadequate management of material issues could have on our operations and, subsequently, their potential impact on performance and financial performance in the event of significant financial implications.
- ▼ Our ability to generate business value, that is, to obtain profits and higher profitability with the appropriate management of the opportunities associated with each topic.

As a result of the review and assessment by the risk and financial planning expert areas, we constructed the financial materiality matrix, which presents the weighting obtained by the risk managers (x-axis) and financial planning (y-axis).

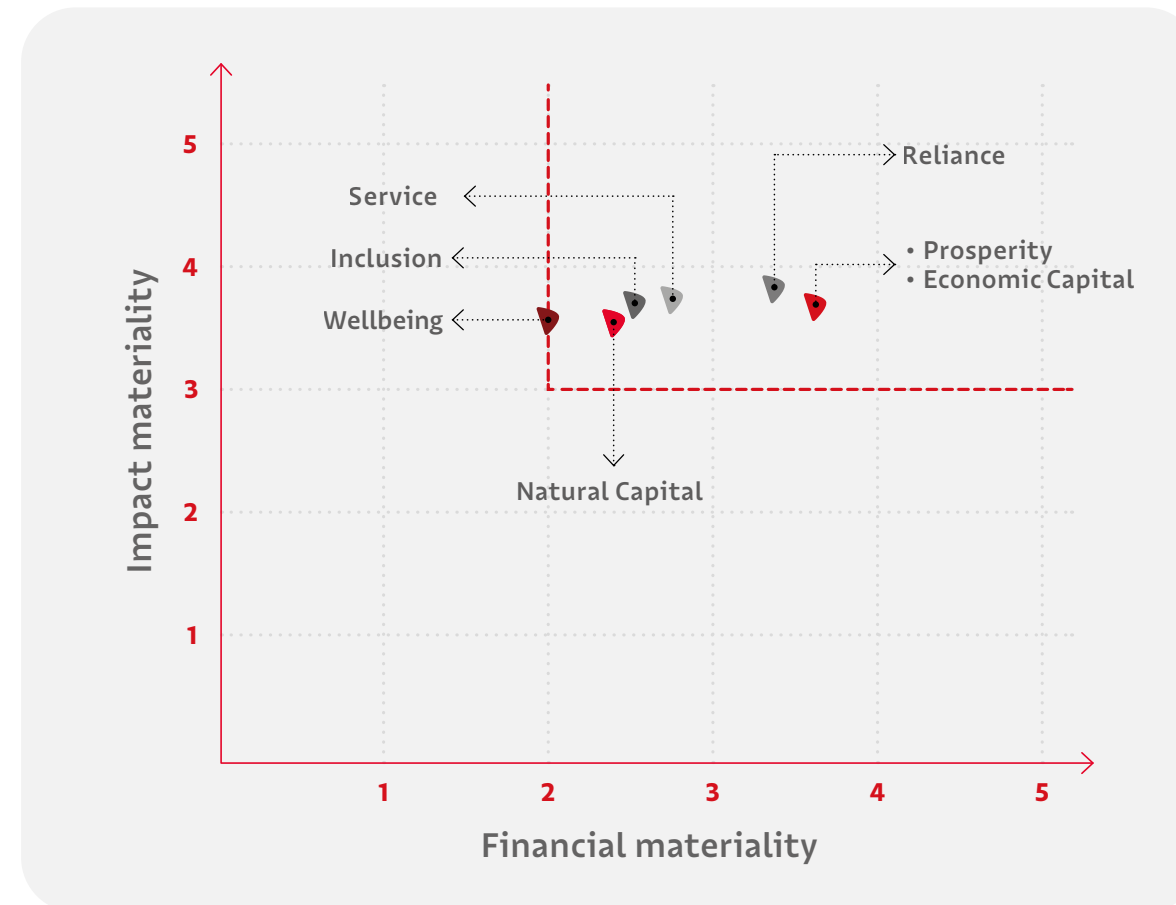


*With the financial materiality matrix we anticipate the **impact of risks on our financial statements.***

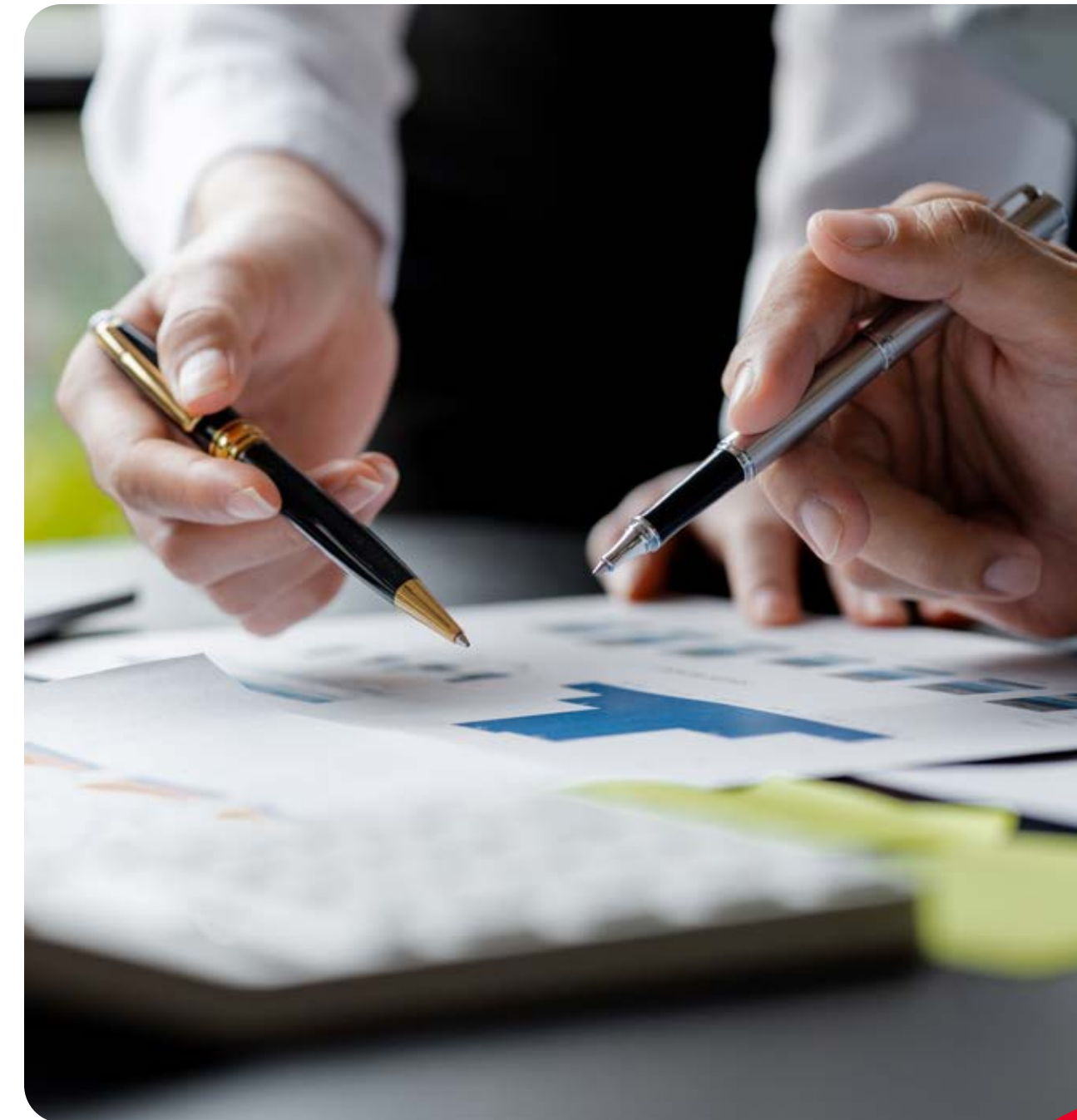


## DOUBLE MATERIALITY MATRIX

We obtained the double materiality matrix with the weighted results of impact materiality and financial materiality. In this, the issues that have an impact on our activity, the environment and stakeholders: **impact materiality** were prioritized as material, as well as their scope, in terms of the possible risks and opportunities identified that could have an impact on our economic performance and our operations: **financial materiality**.



*With our double materiality matrix, we understand how our business can impact the environment*







## APPROVAL BY SENIOR MANAGEMENT AND THE BOARD OF DIRECTORS

The dual materiality construction process was permanently supervised by the Internal Sustainability Committee. In it, members of Senior Management were in charge of reviewing, giving feedback and approving the results of each of the stages, defining and approving the conceptualizations of each material topic and the grouping of the topics consulted.

Once the exercise was completed, the materiality was approved by this committee on November 22, 2023, and on December 15 by the Corporate Governance and Sustainability Committee, made up of three members of the Board of Directors, which was presented with this exercise in its session at the beginning of 2024.

Additionally, the GRI 3-1 and 3-2 indicators related to materiality were part of the limited assurance process of Davivienda's sustainability indicators for the year 2023.

*Each stage is supervised by **members of Senior Management.***



## STRATEGIC INDICATORS BY MATERIAL TOPIC

To embed material topics more effectively into our sustainability strategy and track their progress over time, we established key strategic indicators for 2024, measuring their year-over-year evolution:

Dimension	Material Topic	Indicator	Measurement Unit	Scope	2024	2023	Year to Year Variation
Prosperous	Prosperity	Prosperous Portfolio Balance	COP	Consolidated	145.46 Trillion	135.97 Trillion	7.0%
		Total Retail Banking Clients	#	Consolidated	24.5 Million	23.2 Million	5.4%
		Total Davivienda Clients	#	Colombia	18.5 Million	17.4 Million	6.7%
		Total Business and Corporate Banking Clients	#	Consolidated	434.5	411.7	5.6%
	Economic Capital	Profit <sup>[1]</sup>	COP	Consolidated	-89.66 Billion	-372.33 Billion	75.9%
		Return on Equity (ROE) <sup>[2]</sup>	%	Consolidated	-0.58%	-2.38%	180 pbs
		Dividend per Share (#) <sup>[3]</sup>	#	Consolidated	0	0	0.0%
	Trust	Cost of Risk <sup>[4]</sup>	%	Consolidated	3.57%	4.35%	-78 pbs
		Recognized in the S&P Global Sustainability Yearbook, ranking among the top 15% of highest-rated entities.	Yes/No	Colombia	Yes	Yes	-





Dimension	Material Topic	Indicator	Measurement Unit	Scope	2024	2023	Year to Year Variation
Prosperous	Customer Service	Merco ESG Ranking Position	#	Colombia	15	15	0 positions
		Net Promoter Score	#	Colombia	78	74	4 points
		Share of Digital Customers	%	Consolidated	92.10%	91.34%	76 pbs
		Technological Resilience	%	Colombia	99.89%	99.97%	-8 pbs
Inclusive	Wellbeing	Conectados Survey Score <sup>[5]</sup> - Overall	#	Consolidated	4.41	4.37	0.04
		Conectados Survey Score - Wellbeing Index	#	Consolidated	4.47	4.47	0
		Conectados Survey Score - DEI Index	#	Consolidated	4.60	4.56	0.04
		Reports to the transparency hotline	#	Consolidated	332	343	-3.2%
	Inclusion	Total Individuals Covered by One or More Differential Approaches	#	Colombia	19.1 Million	-	New Indicator
		Balance of Loan Portfolio with Social Benefit - New Taxonomy <sup>[6]</sup>	COP	Consolidated	16.87 Trillion	11.83 Trillion	42.6%
		Balance of Loan Portfolio with Social Benefit - Without New Taxonomy <sup>[7]</sup>	COP	Consolidated	13.99 trillion	11.83 Trillion	18.3%
		Total Loan Portfolio Balance Linked to Sustainability Indicators	COP	Colombia	-	-	New indicator
		Average Financial Well-Being Index (FWI)	Under construction				



Dimension	Material Topic	Indicator	Measurement Unit	Scope	2024	2023	Year to Year Variation
Green	Natural Capital	Total Carbon Emissions (Location Based) <sup>[8]</sup>	Ton CO <sub>2</sub> e	Consolidated	9.7 Million	7.3 Million	32.4%
		Total Carbon Emission (Market Based)	Ton CO <sub>2</sub> e	Consolidated	9.6 Million	7.3 Million	32.5%
		Carbon Emission Intensity of Operations Scope 1, 2, and 3 (Category 1-14) (Location Based) <sup>[9]</sup>	Ton CO <sub>2</sub> e / FTE	Consolidated	40.9	39.1	4.6%
		Carbon Emission Intensity of Operations Scope 1, 2, and 3 (Category 1-14) - Market-Based	Ton CO <sub>2</sub> e / FTE	Consolidated	36.7	34.7	5.8%
		Scope 3 (Category 15) - Intensity of Financed and Invested Emissions	Mton CO <sub>2</sub> e / COP Trillion	Consolidated	0.10	0.11	-9.1%
		Balance of Loan Portfolio with Environmental Benefit - New Taxonomy <sup>[10]</sup>	COP	Consolidated	7.58 Bn	5.34 Bn	41.9%
		Balance of Loan Portfolio with Environmental Benefit - Without New Taxonomy <sup>[11]</sup>	COP	Consolidated	7.12 Bn	5.34 Bn	33.3%
		Total Loan Portfolio Balance Linked to Sustainability Indicators	COP	Colombia	0.22 Trillion	-	New Indicator

<sup>[1]</sup> Accumulated Net Profit (12 months)

<sup>[2]</sup> ROAE (12 months) = Net Profit (12 months) / Average Equity (5 periods)

<sup>[3]</sup> Declared Dividend per Outstanding Share

<sup>[4]</sup> Cost of Risk (12 months) = Provision Expense (12 months) / Gross Loan Portfolio

<sup>[5]</sup> Annual employee engagement survey. The details of the methodology can be found in the Talent Management section.

<sup>[6]</sup> The 2024 figure for social financing includes: i) COP 2.88 trillion identified under the new Sustainable Taxonomy with a social benefit.

<sup>[7]</sup> The 2024 figure for social financing is calculated excluding the effects of the Sustainable Taxonomy to maintain a comparable baseline based on the previously contemplated criteria.

<sup>[8]</sup> The categories excluded based on the business model are: Category 8 (Upstream leased assets), Category 10 (Processing of sold products), and Category 14 (Franchises).

<sup>[9]</sup> Emission intensity of operations (Scope 1 and 2, and Scope 3 in applicable categories from 1 to 14) calculated in terms of full-time equivalent employees (FTE).

<sup>[10]</sup> This 2024 green financing figure includes: (i) COP 456 billion identified under Davivienda Bank's new Sustainable Taxonomy, and (ii) COP 400 billion in Green Mortgages identified within the existing portfolio.

<sup>[11]</sup> This 2024 green financing figure is calculated without applying the Sustainable Taxonomy in order to maintain a comparable baseline across the established criteria.





# Transitioning Toward a More Sustainable Bank



In 2024, building on the commitments and declarations made by Senior Management in 2023-and thanks to a collaborative effort across multiple areas-we implemented two key initiatives to strengthen sustainable financing at Davivienda: the policy The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green Through Our Banking Services and our Sustainable Taxonomy.

## a. Policy

By implementing this policy, we reaffirm our commitment to growing our business and advancing sustainable development in the countries where we operate-embodied in our declaration: The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green Through Our Banking Services.

This powerful declaration encapsulates pivotal issues for Davivienda that, if not proactively managed, could pose risks-but which also unlock significant opportunities to drive long-term value for both the Bank and all its stakeholders.

This policy includes key guidelines for the efficient and responsible management of sustainable finance. Among them: the list of activities excluded or restricted from financing; principles and approaches for financial inclusion-with a focus on both financial and non-financial products and services, including financial well-being; eligible green and social financing activities; alignment with the SDGs; the catalog of financial products; our engagement strategy; and more. For further details,

the full policy is available at [www.sostenibilidad.davivienda.com](http://www.sostenibilidad.davivienda.com).

## b. Sustainable Taxonomy

We believe that every time someone fulfills a dream through a loan, makes a purchase, saves, invests, manages their finances, or protects themselves with insurance, they're not just improving their own life-they're helping drive progress for their families and for their country's economy. With this vision in mind, last year we began developing a comprehensive framework to identify activities that go beyond individual prosperity. These are initiatives that help close social gaps, foster financial inclusion, and accelerate green growth across Colombia and Central America-while uplifting the people and communities we serve.





In 2024, we launched Davivienda's Sustainable Taxonomy—a new system for identifying businesses, projects, and initiatives that the Bank considers eligible within the scope of sustainable finance. Developed using both national and international frameworks, this taxonomy complements the definitions behind our existing green and social finance lines. Its purpose is to help us identify new financing opportunities

that support our clients in transitioning their businesses toward more sustainable models.

To improve the classification and tagging system for our sustainable portfolio, strengthen client engagement, and attract new sources of capital to support sustainable business, we expanded the categories, activities, and criteria that define what qualifies as sustainable portfolio in 2024.

Davivienda's Sustainable Taxonomy includes 10 categories, 25 subcategories, and 134 sustainable activities—representing new financing opportunities for our clients. These definitions were built upon a review of local and global references, including: Colombia's Green Taxonomy (TVC), the European Union Taxonomy, the eligible activities under the Green and Social Bond Principles of the International Capital Markets Association (ICMA), the International Finance Corporation's (IFC) Biodiversity Finance Reference Guide, among others.

***Our sustainable taxonomy will consolidate sustainable financing.***







## Categories and Subcategories of our Sustainability Taxonomy

### Sustainable Infrastructure and Construction

Financing infrastructure and construction projects with environmental and social impact, focused on adopting sustainable practices in resource use, climate change adaptation and mitigation, as well as promoting human well-being and regional development. These initiatives aim to foster inclusion, safety, resilience, and sustainability within communities.

- ▶ Certified Construction
- ▶ Affordable Housing Development
- ▶ Health and Education Infrastructure
- ▶ Territorial Development Infrastructure

### Sustainable Production and Circular Economy

Financing projects and investments aimed at developing more sustainable production models that implement a preventive environmental strategy to reduce pollution (waste, emissions, and discharges), optimize the use of renewable and non-renewable natural resources (such as water, minerals, biodiversity, etc.), and improve overall production processes. This includes the implementation of control and monitoring systems to support the transition toward a more sustainable industrial sector.

- ▶ Waste Management and Circular Economy
- ▶ Sustainable Manufacturing



### Sustainable Water Management

Financing investments and projects related to water supply systems, sewerage, and wastewater treatment that generate environmental benefits through efficient water management and use, as well as social benefits by expanding access to clean drinking water and basic sanitation services for communities.

- ▶ Drinking Water Management
- ▶ Wastewater Management

### Sustainable Transport and Mobility

Financing investments and projects aimed at improving transportation systems—including public passenger transport, private vehicles, and freight—along with the necessary technologies to support the transition toward low-emission operations. These initiatives also seek to deliver high-quality services that enhance the quality of life in communities.

- ▶ Low-Emission Transport and Mobility
- ▶ Access to Public Transportation







### ICT for Sustainability

Financing investments and projects focused on the development and use of digital and information technologies to reduce greenhouse gas (GHG) emissions.

▶ Green ICT

### Sustainable Energy

Financing investments and projects for the generation, transmission, distribution, storage, and use of energy that promote a reduction in fossil fuel consumption, the transition to a low-carbon economy, and improved energy efficiency-while also supporting universal access to affordable and efficient energy services for communities.

- ▶ Generation and Cogeneration
- ▶ Transmission and Storage
- ▶ Energy Efficiency
- ▶ Access to Energy





### Sustainable Agricultural and Livestock Development

Financing investments and projects in the agricultural, livestock, and forestry sectors that ensure the sustainability of production systems, promote the protection of natural resources, support ecosystem restoration and conservation, and foster climate change adaptation and mitigation. These efforts aim to strengthen agricultural production and investment, contribute to national food security, and improve the social and economic conditions of rural communities.

- ▶ Agricultural and Rural Financing
- ▶ Sustainable Agricultural Practices
- ▶ Sustainable Livestock Practices
- ▶ Sustainable Forestry Practices

### Biodiversity Conservation and Sustainable Use

Financing projects and investments that promote the conservation, recovery, restoration, and responsible use of resources from terrestrial and marine ecosystems.

- ▶ Bioeconomy
- ▶ Biodiversity Management
- ▶ Blue Economy





### Social Well-Being and Financial Inclusion

Financing projects and investments aimed at improving quality of life-especially for vulnerable populations-by expanding access to essential services that support personal and business growth, reduce inequality, and promote social and economic inclusion.

- ▶ Health and Education Services
- ▶ Financial Inclusion and Economic Development

### Sustainability-Linked Loans

Loans that recognize our clients' commitment to sustainability by setting specific goals and indicators that meaningfully contribute to the achievement of the Sustainable Development Goals (SDGs) and the country's environmental targets.

- ▶ Sustainability-Linked Loans





To explore the Sustainable Taxonomy in greater detail, see Annex 6 of the “The World is Our Home” policy, available at [www.sostenibilidad.davivienda.com](http://www.sostenibilidad.davivienda.com). There, you’ll find a full breakdown of the criteria we use to determine whether the projects we finance meet social, green, or sustainable objectives.

Bringing the Sustainable Taxonomy to life has meant transforming the way we operate. It’s involved reworking core processes, upgrading our systems, training our teams, and strengthening internal capabilities. We’ve reviewed data alongside our clients

and analyzed technical documents and key literature to ensure every step aligns with the highest standards. This is a cross-functional effort, backed by senior leadership and driven by teams who are committed to making our shared home more prosperous, inclusive, and green.

In the spirit of transparency-and as this is a transitional report-the following section outlines the year-end figures for sustainable financing based on the previous eligibility criteria. These reflect the balances as of December 31, their share of the portfolio, and the change compared to the previous year:

### Consolidated Sustainable Portfolio - Previous Criteria

(Figures in COP billions)

Eligibility Criteria	2024 Balance	2023 Balance	Share of the Portfolio in 2024	Balance YoY Variation
Sustainable Construction	2,313.4	1,663.7	11.0%	39.1%
Renewable Energy	844.8	641.7	4.0%	31.6%
Energy Efficiency	157.0	171.4	0.7%	-8.4%
Sustainable Infrastructure	422.4	832.0	2.0%	-49.2%
Clean Production	357.6	279.9	1.7%	27.8%
Eco-Friendly Vehicles	332.9	257.7	1.6%	29.2%
Green Mortgages	1,029.6	456.9	4.9%	125.4%
Sustainable Agriculture	1,662.9	1,038.0	7.9%	60.2%
Women-Led SMEs	1,165.6	1,229.4	5.5%	-5.2%
Low-Income Housing - Women	5,416.7	4,468.5	25.7%	21.2%
Low-Income Housing (VIS)	7,404.8	6,127.8	35.1%	20.8%
<b>TOTAL</b>	<b>21,107.9</b>	<b>17,167.0</b>	<b>100.0%</b>	<b>23.0%</b>







The sustainable portfolio, based on pre-Taxonomy eligibility criteria, closed the year at COP 21.1 trillion, up 23.0% year-over-year. Colombia accounted for 90% of the total, reaching COP 19.0 trillion, driven by strong performance in Green Mortgages<sup>2</sup>, Renewable Energy, and Sustainable Construction, which together fueled 21.5% growth. Central America contributed the remaining 10%, totaling USD 478.9 million—a 38.4% increase—primarily led by gains in Sustainable Construction, Eco-Friendly Vehicles, and Low-Income Housing.

As part of our transition toward reporting under the Bank's Sustainable Taxonomy framework, we mapped the previous green and social criteria to the new structure. The results are as follows:

### Consolidated Sustainable Portfolio - Alignment with Sustainable Taxonomy

(Figures in COP billions)

Category	2024 Balance
Sustainable Infrastructure and Construction	3,351.5
Sustainable Production and Circular Economy	138.5
Sustainable Water Management	392.2
Sustainable Transport and Mobility	338.6
ICT for Sustainability	0.0
Sustainable Energy	1,017.1
Sustainable Agricultural Development	1,882.8
Biodiversity Conservation and Sustainable Use	0.0
Social Well-Being and Financial Inclusion	13,987.2
Sustainability-Linked Loans	0.0
<b>TOTAL</b>	<b>21,107,850</b>

*Our sustainable taxonomy was an effort made by several areas within the bank.*

In close collaboration with teams across Commercial, Credit, Credit Risk, and Environmental and Social Risk, among others, we carried out a rigorous exercise to identify clients and transactions whose activities or use of disbursed funds align with the categories, subcategories, and activities defined in the Sustainable Taxonomy. As a result, we identified an additional COP 3.6 trillion in aligned financing, spanning 850 transactions and 172 existing clients whose operations meet the criteria established under the new framework.

<sup>2</sup> An increase of COP 400 billion resulted from improvements in the identification and tagging of affordable housing (VIS) and non-VIS mortgage and leasing loans. Excluding this effect, the portfolio would have grown by 20.5%.





## Newly Identified Portfolio - Sustainable Taxonomy Criteria

(Figures in COP billions)

Category	Colombia
Sustainable Infrastructure and Construction	845.5
Sustainable Production and Circular Economy	15.2
Sustainable Water Management	108.3
Sustainable Transport and Mobility	494.4
ICT for Sustainability	0.0
Sustainable Energy	969.2
Sustainable Agricultural Development	688.1
Biodiversity Conservation and Sustainable Use	0.0
Social Well-Being and Financial Inclusion	218.0
Sustainability-Linked Loans	217.2
<b>TOTAL</b>	<b>3,556.0</b>

This identification exercise focused on our operations in Colombia. Throughout 2025, we will deepen the analysis across our portfolio in Central America.







The consolidated results under the Sustainable Taxonomy, with balances broken down by our operations in Colombia and Central America, were as follows:

### Consolidated Sustainable Portfolio - Sustainable Taxonomy Criteria

(Figures in COP billions)

Category	Subcategory	Colombia 2024 Balance	Central America 2024 Balance	2024 Consolidated Balance
Social Well-Being and Financial Inclusion	Financial Inclusion and Economic Development	13,275.5	711.7	13,987.2
	Health and Education Services	218.0	-	218.0
Sustainability-Linked Loans	Sustainability-Linked Loans	217.2	-	217.2
Sustainable Agricultural Development	Agricultural and Rural Financing	518.6	-	518.6
	Sustainable Agricultural Practices	1,683.2	96.2	1,879.4
	Sustainable Livestock Practices	63.1	109.7	172.9
Sustainable Energy	Energy Access	313.3	-	313.3
	Energy Efficiency	117.4	-	117.4
	Power Generation and Cogeneration	729.9	692.8	1,422.7
	Transmission and Storage	133.0	-	133.0
Sustainable Water Management	Drinking Water Management	276.1	2.8	278.8
	Wastewater Management	143.0	-	143.0
	Mixed	78.7	-	78.7
Sustainable Infrastructure and Construction	Certified Construction	3,206.7	144.8	3,351.5
	Regional Development Infrastructure	415.3	-	415.3
	Health and Education Infrastructure	430.3	-	430.3
Sustainable Production and Circular Economy	Waste Management and Circular Economy	15.5	137.4	153.0
	Sustainable Manufacturing	0.7	-	0.7
Sustainable Transport and Mobility	Access to Public Transportation	494.4	-	494.4
	Low-Emission Transport and Mobility	222.5	116.1	338.6
TOTAL		22,552.4	2,111.4	24,663.9



By integrating both the preexisting green and social eligibility criteria and the newly defined activities, our consolidated sustainable portfolio grew from COP 21.1 trillion to COP 24.7 trillion—an overall increase of 43.7% year-over-year. This growth reflects the improvements in our processes and our ability to identify sustainable assets more effectively. Excluding the impact of enhanced credit tagging, the implementation of the Sustainable Taxonomy, and the inclusion of sustainability-linked loans, the sustainable portfolio would have posted a 23% increase versus the prior year. The category with the largest share was Social Well-Being and Financial Inclusion, accounting for 56.7% of the

total—primarily driven by Low-Income Housing, Low-Income Housing - Women, and new activities such as financing for health and education services. This was followed by Sustainable Infrastructure and Construction and Sustainable Agricultural Development, with shares of 17.0% and 10.4%, respectively.

From a business segment perspective, Retail Banking held the largest share of the consolidated sustainable portfolio at 57.4%, primarily due to the significant contribution of the housing loan portfolio. This was followed by Corporate Banking at 23.0% and the Construction segment at 7.9%.

### *Consolidated Sustainable Portfolio - Sustainable Taxonomy by Banking Segment*

(Figures in COP billions)

Banking Segment	2024 Balance
Construction	1,940.7
Corporate	5,674.9
Business	1,483.6
Retail	14,161.9
SME	1,402.8
<b>TOTAL</b>	<b>24,663.9</b>

To dive deeper into what we finance through a social and green lens, we invite you to explore the Inclusion and Natural Capital sections of this report.

***The consolidated sustainable portfolio reached COP 24.7 trillion.***





# Indicators of sustainability-related issues under the SASB standard commercial bank



To present comparable indicators that meet the most demanding global standards and local regulations on sustainability, we have adopted

the Sustainability Accounting Standard (SASB) indicators. Below, and in accordance with the principle of transparency, we present the results

for each of the related indicators for commercial banks, detailing those that were part of the scope of Deloitte as an independent third party.

## Data security

### Code: FN-CB-230a.1

*(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected.*

**Bank Response:** In relation to data security in 2024, no events involving data leakage were recorded.

*\*Indicator within Deloitte's scope*

### FN-CB-230a.2

*Description of the approach to identify and address data security risks.*

At Banco Davivienda, the approach to identify and address personal data protection risks related to the rights and freedoms of individuals, in connection with the processing of personal data, is developed based on a preliminary analysis to establish whether it is necessary to execute a *Data Protection Impact Assessment*, an activity in which, initially, the inherent risk level is identified, and subsequently the controls are evaluated to determine the residual risk level and categorize.

**Generation of  
financial inclusion  
and capacity****FN-CB-240a.1**

*(1) number and (2) amount of qualified loans for programs designed to promote small business and community development*

Response:

(1) Number of obligations outstanding: 79,639

(2) Amount: \$6,386,865,502,450

**FN-CB-240a.2**

*(1) Number and (2) amount of past due and nonperforming loans qualified for programs designed to promote small business and community development.*

**Response:**

Delinquency indicator: > 30 days: 15%.

No. of loans: 13,253

Amount: 927,036,462,433

Non-performing loans indicator: > 90 days: 12%.

No. of loans: 11,224

Amount: \$768,905,831,139

(Information on small and medium-sized companies with sales up to 20,000,000,000,000 per year)

**FN-CB-240a.3**

*Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers*

**Answer:** 4,518,703







Generation of  
financial inclusion  
and capacity

**FN-CB-240a.4**

**Number of participants in financial education initiatives for unbanked, underbanked and underserved clients**

**Response:**

- ▶ Number of young clients reached with financial education content: 2,245,858
- ▶ Number of people reached with financial education actions, within the framework of financial inclusion(DaviPlata): 7,817,298
- ▶ Number of beneficiaries of government subsidies 1,123,534
- ▶ Number of non-customers reached with financial education content: 2,311,933

*Figures and segments are not mutually exclusive. Colombia. From January 1 to December 31, 2024.*

Incorporating  
environmental,  
social and  
management factors  
in credit analysis

**FN-CB-410a.2**

**Description of the approach to incorporating environmental, social and corporate governance (ESG) factors into credit analysis.**

**Response:**

Aligned with the Policy “The world is our home: Lets make it more prosperous, inclusive and green”, Banco Davivienda has implemented the Environmental and Social Risk Management System SARAS, which includes policies and procedures to identify, evaluate and manage environmental, social, including climate and human rights risks in the credit analysis. Scope policies consider amounts, terms, sensitive activities and local regulations, and based on them, credit applications (including Project Finance) from clients in the Corporate, Business, Leasing and Construction segments are evaluated. Likewise, once the loan is disbursed, environmental and social risk monitoring is performed. Climate change risk management is part of the SARAS, and all the details are included in the TCFD annex.



**Incorporating  
environmental,  
social and  
management factors  
in credit analysis**

- ▶ The SARAS is aligned with the International Finance Corporation (IFC) performance standards and norms, where climate change and human rights aspects are considered and includes a list of excluded or restricted activities for financing. SARAS is managed by the Environmental and Social Risk Department of the Vice-Presidency of Credit Risk; the officers who manage SARAS have the knowledge and experience to assess these risks. The environmental and social risk concept is part of the credit assessment and is an input for decision making. The risk assessment process includes the review of information provided by the client, legal compliance, and research in external sources. The number of evaluations performed and amounts are published in Banco Davivienda's annual year-end report.

Since its inception in 2011, we have been improving SARAS and extending our procedures to different management areas, and our system currently covers:

- ▶ Environmental and social risk assessment of credit applications from our corporate and construction clients, as well as the evaluation of the Bank's strategic suppliers.
- ▶ Management of physical and transitional climate change risks.
- ▶ Human rights risk management.
- ▶ Evaluation of ESG aspects in the framework of responsible investment.
- ▶ Definition and evaluation of eligibility criteria for green financing.
- ▶ The SARAS process applied to credit evaluation includes specific scoping policies considering amounts, terms, sensitive activities, local regulations, and when required by credit approval bodies, prioritizing projects or activities with potential impacts on the environment and/or surrounding communities.







### Incorporating environmental, social and management factors in credit analysis

The internal rating model of the entities and/or projects that are evaluated and/or monitored for compliance with environmental, social, and governance aspects; incorporates impacts on the final rating if during the review of reports and/or valuations in reference there are non-positive perspectives on the debtor's situation. This rating is a fundamental input in the calculation of the provisions that are quantified in IFRS.

For the financing of large infrastructure projects (project finance), in the environmental and social risk assessment we also consider elements of the Equator Principles methodological reference, taking into account the due diligence performed by an independent advisor and accompanying the process from the credit structuring stage until the completion of the obligation with the Bank by the client.

#### The aspects evaluated in SARAS correspond to:

- ▼ Assessment and management of environmental and social risks and impacts, where we consider aspects such as the environmental and social policies of projects or activities, the identification of risks and impacts and management programs for their prevention, mitigation and control, governance and organizational capacity for the implementation of environmental and social programs, emergency preparedness and response, and monitoring and evaluation processes.
- ▼ Labor and working conditions to recognize the generation of employment in line with the protection of workers' rights, fair treatment and the provision of working conditions in compliance with the Occupational Health and Safety Systems, as well as non-discrimination and equal opportunities, protection of the labor force in relation to child labor and forced labor.
- ▼ Efficiency in the use of resources and prevention of pollution in accordance with technical standards and good sectoral practices
- ▼ Community health and safety to avoid or minimize the risks and impacts on the health or safety of the communities where projects or activities are carried out
- ▼ Land acquisition and involuntary physical and economic resettlement to improve the livelihoods of affected people.
- ▼ Biodiversity conservation and sustainable management of living natural resources where we recognize activities for the protection and conservation of biodiversity, the management of ecosystem services and the sustainable management of living natural resources.



### Incorporating environmental, social and management factors in credit analysis

- ▶ The processes of participation and free, prior and informed consent of the ethnic communities (Indigenous, Black, Afro-Colombian, Raizal, Palenquero and Rom or gypsy) affected by the development of the project or activity.
- ▶ Protection of cultural heritage from adverse impacts generated by the development of project activities.

To perform the environmental and social risk assessment, we ask our clients for information on the project or activity, on which we apply the methodology that allows us to identify the environmental and social risks, including climate risks, generate a categorization of environmental and social risk A, B or C, from higher to lower potential environmental or social impact respectively, evaluate possible impacts, legal compliance, research in external sources, and management measures (prevention, mitigation, compensation), to generate a concept of environmental and social risk, in which a technical feasibility is given, and action plans are established with follow-up and monitoring measures during the life of the loan, as well as opportunities are identified. The environmental and social risk concept is part of the information necessary for decision making by the Credit Committees. We have environmental and social clauses that are incorporated in the legalization of loans.

SARAS as a process is administered and managed by specialized internal officers, with knowledge, professional training and experience in the management of these risks belonging to the same organizational unit; likewise, it is applied in conjunction with other procedures of the credit cycle where roles and responsibilities have been established for officers of the commercial, credit, credit risk, disbursement and legal areas, among others.

As an element of SARAS, we developed training plans, both for the environmental and social technical staff involved in the management, as well as for the staff involved in the process chain in the commercial, credit, disbursement and legal areas, among others.

#### SARAS Results

Our goal is to apply the evaluation to 100% of the credit applications that meet the established criteria. In Colombia, for the projects and activities that we finance for our clients in the Corporate, Construction, Business and leasing operations segments, we performed 255 environmental and social risk assessments corresponding to COP 8.8 trillion, as well as 697 monitoring of current loans.







**Incorporating  
environmental,  
social and  
management factors  
in credit analysis**

Environmental and social risk assessments of projects reached a coverage of 64% based on the total number of project finance and housing construction projects financially evaluated; of these 340 were financially closed, 47 were declined for financial reasons and one was declined for environmental issues.

At the end of 2024, SARAS monitoring was carried out on eight projects evaluated under the framework of the Equator Principles with a portfolio balance of COP 1.3 Billion and two new projects evaluated without disbursement commencement, with an evaluated amount of COP 151.6 billion.

On the other hand, in 2024 we advanced in the knowledge of the climate change management of our clients in the carbon-intensive sectors, and in this sense, we continued strengthening the methodology to evaluate and establish the Climate Change Maturity Level, which considers aspects such as carbon footprint measurement, greenhouse gas reduction strategy, identification and management of physical and transition risks, carbon neutrality or Net Zero goals, and participation in trade union initiatives. Based on these results, we categorize our carbon-intensive clients from Incipient to Advanced level in climate change risk management.

We strengthened the identification of physical risks by applying the sectoral threat rating methodology. Similarly, we analyzed the trends that can affect sectors and industries based on the analysis of the dependencies and potentially material impacts associated with each of the financed economic activities using the LEAP (Locate, Evaluate, Analyze, Prepare) approach proposed by TNFD. This information is expanded in the 2024 TCFD Report.

These results were part of the training and sensitization contents for the commercial, credit and risk areas, with the purpose of increasing capacities in the identification of risks and opportunities in environmental, social and climate change issues based on information from our clients.

Additionally, with the purpose of establishing synergy with credit risk procedures, we have made progress in prioritizing and incorporating environmental and social criteria in the variables of the model for infrastructure projects during their construction stage, together with their integration in the quantification of expected losses during the evaluation of credit granting in such projects. This activity has allowed us to initiate a dialogue to broaden and strengthen the criteria that will lead us to greater integration.



**Incorporating environmental, social and management factors in credit analysis**

As part of the SARAS progress, we synergize with the credit areas to collaborate and periodically inform credit decision makers about relevant environmental and social factors that should be considered at the productive sector level and about trends that favor business opportunities.

*\*Indicator within Deloitte's scope*

**Emissions financed**

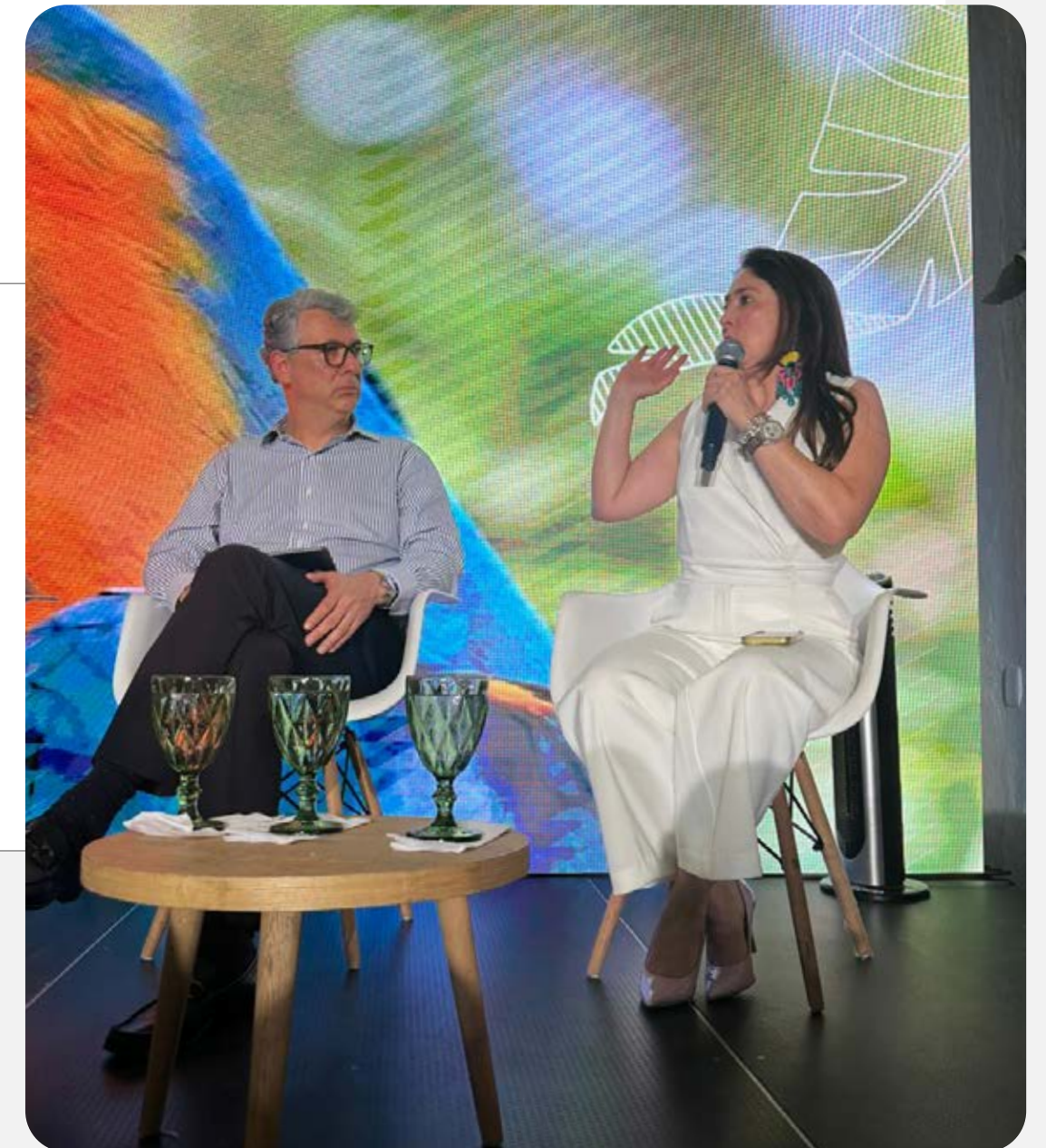
**FN-CB-410b.1**

***Absolute financed emissions, broken down by (1) Scope 1, (2) Scope 2 and (3) Scope 3***

**Response:**

In accordance with the Partnership for Carbon Accounting Financials (PCAF) methodology for disclosure, the measurement of emissions is broken down by scope 1+2, scope 3 and total.

Measurement of Financed Absolute Emissions for the assets of Commercial Loans, Project Finance, Residential Mortgage, Commercial Real Estate, Sovereign and Corporate Bonds and shares.







## Emissions financed

	Commercial Loans	Project finance	Corporate Bonds and shares	Sovereign bonds	Residential Mortgage	Commercial Real Estate	Total emissions 2024
Total Scopes 1, 2, 3 (Mton CO <sub>2</sub> e)*	4.95	0.36	0.24	0.50	1.16	0.001	7.21
Scopes 1 and 2 (Mton CO <sub>2</sub> e)	2.59	0.05	0.16	0.50	1.16	0.001	4.47
Scope 3 (Mton CO <sub>2</sub> e)	2.35	0.31	0.08	N.D.	0	0	2.74
Coverage percentage	75%	100%	88%	100%	94%	100%	-
Emissions intensity (Mton CO <sub>2</sub> e / BCOP)	0.19	0.04	0.06	0.07	0.02	0.001	0.08
Data quality level	3.60	3.98	1.15	2.00	4.00	1.00	-

- Figures of financed emissions expressed in million tons CO<sub>2</sub>e.
- In the case of Corporate Bonds and Equities, the percentage of coverage is over the total portfolio and not over the commercial portfolio as stated in the title, I don't know if it can be clarified with a note.

\*Indicator within Deloitte's scope



## Emissions financed

## FN-CB-410b.2

*Exposure of each sector by asset class**The measurement of emissions financed for disclosure is broken down by sector and scope 1+2, scope 3 and total by sector.***Response:**

Financed emissions, broken by economic sector

Industry	Level of data quality	Scope 1 and 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	Total (MTon CO <sub>2</sub> e)	Emission intensity (MTon CO <sub>2</sub> e / COP trillion)
Agricultural	3.78	0.68	0.53	1.21	0.31
Commerce	3.88	0.05	0.23	0.28	0.09
Construction	3.72	0.46	0.36	0.82	0.17
Energy	2.54	0.67	0.13	0.80	0.47
Oil, gas and mining	3.31	0.28	0.34	0.63	0.38
Financial, insurance and investments	3.99	0.00	0.01	0.01	0.01
Commercial Real Estate	1.00	0.00	0.00	0.00	0.00
Industrial	3.86	0.23	0.54	0.77	0.31
Government	4.00	0.01	0.04	0.05	0.03
Services	3.61	0.26	0.48	0.75	0.06
Residential mortgages	4.00	1.16	0.00	1.16	0.01
<b>TOTAL</b>	<b>3.78</b>	<b>3.81</b>	<b>2.66</b>	<b>6.48</b>	<b>0.10</b>





## Emissions financed

Invested emissions, broken by economic sector

Industry	Industry	Scope 1 and 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	Total (MTon CO <sub>2</sub> e)	Emission intensity (MTon CO <sub>2</sub> e / COP trillion)
Construction	1.00	0.02	0.01	0.03	0.73
Energy	1.04	0.04	0.00	0.05	0.04
Oil, gas and mining	1.00	0.01	0.06	0.07	0.50
Financial, insurance and investments	1.18	0.00	0.02	0.02	0.01
Industrial	1.00	0.11	0.00	0.11	0.22
Services	1.00	0.00	0.00	0.00	0.02
Government	2.00	0.50	N.D.	0.50	0.07
<b>TOTAL</b>	<b>1.70</b>	<b>0.65</b>	<b>0.08</b>	<b>0.73</b>	<b>0.06</b>

\*Emissions figures expressed in millions of tons CO<sub>2</sub>e.

## Notes based on PCAF standard:

- Expansion of scope 3 emissions for all sectors taking into account SQAP recommendations.
- It includes financed clients from all stages of the value chain of the different sectors.



## Emissions financed

- ▼ Data quality level between 1 and 5 obtained from the calculation of the weighted average score of the weight of portfolio balances in the sector and classification of CO2 emissions data source.

*\*Indicator within Deloitte's scope*

### FN-CB-410b.3

#### Percentage of exposure included in the calculation of financed issues -2023

#### Response:

The percentage measured corresponds to:

- ▼ Commercial Loans: 75% measured, 25% unmeasured since the Financial Statements of the borrowers are not available
- ▼ Project Finance: 100%
- ▼ Residential Mortgage: 94% measured, 6% unmeasured since the origination value of the property is not available
- ▼ Commercial Real Estate: 100%
- ▼ Corporate Bonds and Shares measured 88%, the remaining 12% corresponds to Mortgage Securitizations (TIPs) or participations in investment funds to which the methodology does not apply.
- ▼ Sovereigns 100%

*\*Indicator within Deloitte's scope*







Emissions financed	<p><b>FN-CB-410b.4</b> <i>Description of the methodology used to calculate the financed emissions</i></p> <p>Banco Davivienda uses the PCAF methodology to measure the emissions financed, considering that this is a globally recognized methodology for measuring carbon emissions.</p> <p><i>*Indicator within Deloitte’s scope</i></p>
Business Ethics	<p><b>FN-CB-510a.1</b> <i>Total amount of monetary losses resulting from legal proceedings related to fraud, insider trading, antitrust, unfair competition, market manipulation, malpractice or other related financial industry laws or regulations.</i></p> <p><b>Response:</b> For the period from January 1 to December 31, 2024, there were no events described above in which the Bank was subject to penalties or fines and, consequently, there were no monetary losses.</p> <p><i>*Indicator within Deloitte’s scope</i></p> <p><b>FN-CB-510a.2</b> <i>Description of whistleblower policies and procedures</i></p> <p><b>Response:</b> We are an organization inspired by our higher purpose of “<b>Enriching Life with Integrity</b>” and that guides our daily actions.</p> <p>▼ Our people live an open-door culture that provides different channels of contact through which they can turn to when they feel their principles and values have been violated, or when they detect irregularities of any kind. This allows us to maintain an environment of trust.</p>



## Business Ethics

In our interaction with the different stakeholders we have the “Transparency Line”, in line with the provisions of External Circulars 007 of 2019 and 008 of 2023, as an additional alternative to the traditional channels, which are our leaders, the Human Talent team, phone, web page and e-mail, to ensure ethical and open behavior. This allows us through our management and governance model to address the different cases in the defined instances, and in case improvement opportunities are identified, we can implement action plans that seek to resolve the root cause of the identified findings.

This is a confidential and anonymous channel in which each case has a management model that includes:

- ▶ Analysis and assignment of the complaints received.
- ▶ Intervention definition / investigation of steps to address cases.
- ▶ Accompaniment for case management.
- ▶ Receipt and analysis of action plans (resolving the root cause of the situation identified in the case) and closure.

In this way, we ensure an effective response aligned with our principles and values, ethics and good governance, as described in our Code of Ethics, Transparency Model and Transparency Line protocols.







## Business Ethics

In addition, we have communication channels for our suppliers to report any type of irregularities, which allows them to use our “Transparency Line” with greater clarity.

The information is managed by a provider to ensure objectivity and transparency in case management. For events managed through the Transparency Line channel, the policies and process, with its flow and procedure, are documented in the tool defined by the organization.

Finally, and in line with our commitment to ethics and transparency, we have a governance model composed, among others, of an Ethics Committee that facilitates the attention and follow-up of complaints and the implementation of practices that promote alignment with the principles and values. The Committee meets periodically and presents the complaints received and closed, the management report, statistics, trends, and key performance indicators.

Lastly, there were no violations of whistleblower regulations.

*\*Indicator within Deloitte’s scope*

## Systemic risk management

### **FN-CB-550a.1**

**Global systemically important bank (G-SIB) assessment score, by category**

#### **Response:**

Not applicable. Currently no Colombian bank is listed as a “global systemically important bank” (<https://www.fsb.org/wp-content/uploads/P271123.pdf>).



**Systemic risk  
management****FN-CB-550a.2**

*Description of the approach for incorporating the results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy and other business activities.*

**Response:**

Stress tests are an exercise that seeks to identify the risks to which the Bank is exposed and which, if they materialize, may affect its viability. The results of these tests are used to identify risks and to define the appetite framework within which the business plan is developed.

Within the framework of stress tests, the Stress Testing Scheme (EPR) is developed under the guidelines of Chapter XXVIII of the Basic Accounting and Financial Circular. This scheme seeks to identify the vulnerabilities of the entities, enrich the decision-making process for risk management, examine the quantity and quality of their capital, liquidity, assets and liabilities according to their risk profile, as well as assess the viability of their business plans. In this way, the EPR helps to strengthen risk management and complements the capital adequacy assessment processes. Based on the results of this exercise, the loss absorption capacity of the capital components and their adequacy to the current and potential risks faced by the entity in the development of its business plan are sized.

The Bank develops the EPR in accordance with the timelines established by the Financial Superintendency of Colombia. The results obtained in the regulatory exercise are evaluated throughout the year, becoming a reference point to monitor the actual evolution of solvency ratios and other projected indicators, and thus evaluate possible future scenarios of Banco Davivienda to enrich risk management. In the year 2024, the Bank conducted the EPR assuming an environment of economic recession, high inflation, without reaching the target range of the Central Bank, high interest rates and unemployment. This environment causes a generalized affectation of the portfolio, especially the consumer portfolio. On the other hand, there are also adverse effects due to restrictions in access to local and international funding. The results are used for the development of preventive and corrective mitigating measures that broaden the Bank's action framework to face real stress scenarios.



**Activity parameters****FN-CB-000.A**

(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business.

**Response:**

This information will be included in the notes to Banco Davivienda's Financial Statements as of December 31, 2024.

**FN-CB-000.B**

(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate.

**Response:**

This information will be included in the notes to Banco Davivienda's Financial Statements as of December 31, 2024.



***We comply with the highest global standards and regulations regarding sustainability.***





# Environmental and Climate Indicators Aligned with TCFD Recommendations



We recognize the triple planetary crisis—climate change, biodiversity loss, and pollution—and understand how deeply interconnected these challenges are. Ecosystems play a critical role in strengthening climate resilience, and as a financial institution, we're committed to supporting this transformation. Through innovative solutions, we help our clients advance climate mitigation and adaptation, while promoting the conservation and regeneration of biodiversity.







## Here are some of the key milestones we've achieved:



Implementation of double materiality criteria, factoring in both financial and environmental impacts.



Expanded emissions estimates across Scopes 1, 2, and 3, in all countries where we operate, in line with the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard.



Measurement of financed, invested, and insured emissions in Colombia and Central America, following the Partnership for Carbon Accounting Financials (PCAF) methodology.



Development of climate targets for 2030 and Net Zero goals for 2050, aligned with the Net-Zero Banking Alliance (NZBA) and Science Based Targets initiative (SBTi) frameworks.



Deeper integration of IFC Performance Standard 6 in the evaluation of environmental and social risks.



Publication of the policy The World is Our Home: Let's Make It More Prosperous, Inclusive, and Green across all banking segments-integrating the Sustainable Taxonomy, transition finance, and climate engagement strategies.



Creation of the Biodiversity Finance Framework, aligned with Colombia's Biodiversity Action Plan and supported by S&P, including 38 conservation and restoration activities.



Announcement at COP16 of the issuance agreement for Colombia's first biodiversity bond, in partnership with IFC-with a commitment to allocate at least 10% of proceeds to mangrove restoration. (For more details, see Section 15.3: Biodiversity and Nature-Positive Finance.)

These advancements reaffirm our strategic vision and our commitment to sustainability, innovation, and collaboration. We will continue strengthening our efforts to help build a more resilient, inclusive economy-one aligned with today's global challenges. For more information, please refer to the TCFD Annex of this report.

***Through innovative solutions, we drive the transformation towards a more sustainable economy.***







## TCFD 2024 Report Structure and Key Highlights

### GOVERNANCE

We have embedded sustainability into our business strategy and organizational culture, promoting a corporate governance model that actively engages stakeholders and aligns our actions with global objectives.

#### KEY DEVELOPMENTS:

##### Strategic Direction:

Our Board of Directors leads the management of climate and biodiversity-related risks and opportunities, oversees the implementation of the business strategy, and integrates incentives to ensure accountability.

##### Internal Management:

Executive Vice Presidencies, Vice Presidencies, and their respective departments drive action and make decisions that bring our ESG guidelines to life. These directives are defined and monitored by the Internal Sustainability Committee.

##### Oversight and Control:

We have established Corporate Governance & Sustainability, Corporate Risk, and Audit Committees, which monitor environmental and social risks. Each committee includes at least three Board members to ensure active oversight.

##### Environmental and Social Risk Management:

Through the Credit Risk Vice Presidency and the Environmental and Social Risk Management System (SARAS), we have strengthened project risk assessments, defined green eligibility criteria, and manage risks related to climate, biodiversity, and human rights.



## STRATEGY

We have integrated climate management across the organization, driving mitigation and adaptation through products, programs, and initiatives that strengthen our strategic vision.



### KEY DEVELOPMENTS:

#### **“The World is Our Home” Policy - Let’s Make It More Prosperous, Inclusive, and Green Across All Our Banking Segments:**

We established guidelines for financing the transition in carbon-intensive sectors, setting decarbonization targets, engaging clients on climate action, estimating financed emissions, and managing physical and transition risks.

#### **Sustainable Finance:**

We expanded our financing solutions for mitigation and adaptation projects, enabling investments that deliver positive climate impact.

#### **Climate Risk Management:**

We enhanced the analysis of physical and transition risks within the SARAS framework to strengthen impact assessments across our credit portfolios.

#### **Operational Eco-Efficiency:**

We implemented initiatives to reduce our environmental footprint and improve resource efficiency across our operations.

#### **Climate Scenario Analysis:**

We assessed the resilience of our strategy under various climate scenarios-including pathways above and below 2°C-to anticipate risks and support informed decision-making.

#### **Opportunity Quantification:**

We measured the impact of our climate initiatives, tracking performance and milestones achieved.

***We manage climate change as a cross-cutting issue throughout the organization.***



## RISK MANAGEMENT

We have integrated climate risk management into our overarching risk framework and ensured its alignment with SARAS. Our strategy addresses both physical and transition risks, taking into account current and future impacts on our credit portfolio.

*Through risk management, we seek business growth and the maximization of opportunities.*

### KEY DEVELOPMENTS:

#### Physical Risk Analysis:

We assess the impact of climate change at both the transaction and portfolio levels by cross-referencing credit exposures with natural hazard maps. This includes issuing climate alerts based on local authority data and promoting adaptation and mitigation measures in high-risk sectors.

#### Transition Risk Management:

We conduct sensitivity analyses of our portfolio to regulatory and economic risks linked to the climate transition, closely monitoring exposure to carbon-intensive sectors.

#### Financed Emissions Estimation:

We have implemented the measurement of financed, invested, and insured emissions (Scope 3, Category 15), identifying high-carbon hotspots by sector and client.

#### Climate Maturity Scoring:

We evaluate our clients' readiness for the climate transition, identifying risks, opportunities, and recommended mitigation and adaptation measures.

#### Climate Engagement Strategy:

We have developed client engagement models to support the transition to a lower-carbon economy, aligning financing opportunities with our Sustainable Taxonomy.

#### Integration into Decision-Making:

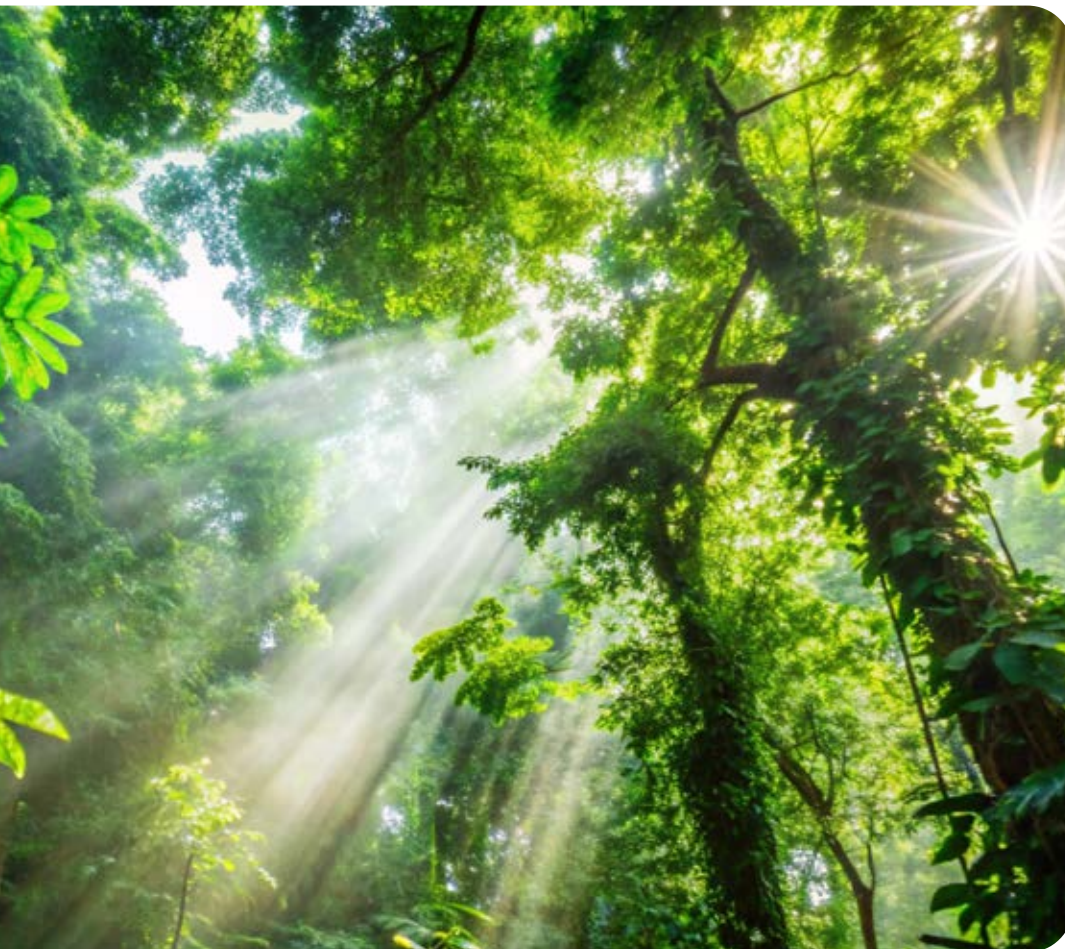
Climate risk insights are now embedded into our broader risk strategy. We use these results to issue alerts for loan origination and monitoring, enhancing the resilience of our credit portfolio.





## OBJECTIVES AND METRICS

We have strengthened our metrics framework to more accurately track progress and assess the environmental impact of our business and operations.



### KEY DEVELOPMENTS:

#### Financed Emissions Estimation:

We have made significant progress in measuring financed, invested, and insured emissions to complete our greenhouse gas (GHG) inventory. This has allowed us to establish baselines that will inform our emissions reduction targets—currently in development and aligned with the climate transition.

**9,655,634 ton CO<sub>2</sub>e**

is the total volume of financed, invested, and insured emissions across Colombia and Central America.

**98.7%  
of total emissions**

come from financed and invested activities.

**0.10 MtCO<sub>2</sub>e /  
COP trillion**

is the carbon intensity of financed and invested emissions.

#### Methodology Used to Estimate Financed Emissions:

We used the PCAF methodology to estimate financed, invested, and insured emissions in Colombia and Central America. The measurement is based on the Global GHG Accounting & Reporting Standard for the Financial Industry, assigning emissions proportionally to the level of financing provided.

#### Green Finance:

We conduct ongoing monitoring of the performance of our green finance portfolio to ensure that resources are directed toward projects focused on climate change mitigation and adaptation. For further detail, refer to the Natural Capital section, which presents the corresponding figures.



### Operational Emissions Estimation:

We expanded the estimation of emissions across our value chain (Scope 3, Categories 1 through 14) to assess the operational impact of our business in Colombia and Central America. This initiative is part of our Green Mission 2030 strategy, focused on eco-efficiency, circular economy, and sustainable procurement. The 2024 result was:

Greenhouse Gas Emissions (Ton CO2e) / Year		Colombia	Central America
Scope 1	Direct Emissions	671	1,581
	Location-Based	4,689	4,209
Scope 2	Market-Based	95	0
	Other Indirect Emissions	77,507	29,850

***We didn't have Scope 2 market based emissions in Central America.***

### Methodology Used to Estimate Operational Emissions:

We applied the Greenhouse Gas Protocol standards-specifically the Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Standard-to estimate the emissions from our operations in Colombia and Central America.

### Emissions Reduction Target:

We have committed to reducing our absolute GHG emissions (Scope 1 and 2) by 42% by 2030, using 2022 as the base year. This target was developed using the Science Based Targets initiative (SBTi) methodology for financial institutions.







# Information on the subordinated companies: Fiduciaria Davivienda S.A

Additionally and voluntarily, we included the reporting of the indicators of our Colombian subsidiary Fiduciaria Davivienda, under the SASB standards for Asset Management and Custody Activities, and the progress in the integration of the TCFD recommendations, to present a broader view of other economic activities that integrate our sustainable offer.

## ***Fiduciaria Davivienda Materiality***

Following Davivienda Bank's path, and with the purpose of evaluating the strategic issues for the sustainable management of Fiduciaria Davivienda, in 2024 this entity carried out its first double materiality exercise, considering both impact materiality and financial materiality. This assessment provided a comprehensive view of relevant risks, opportunities and impacts, aligned with the expectations of stakeholders (suppliers, our people and customers) and with the philosophy and priorities defined by Grupo Bolívar.



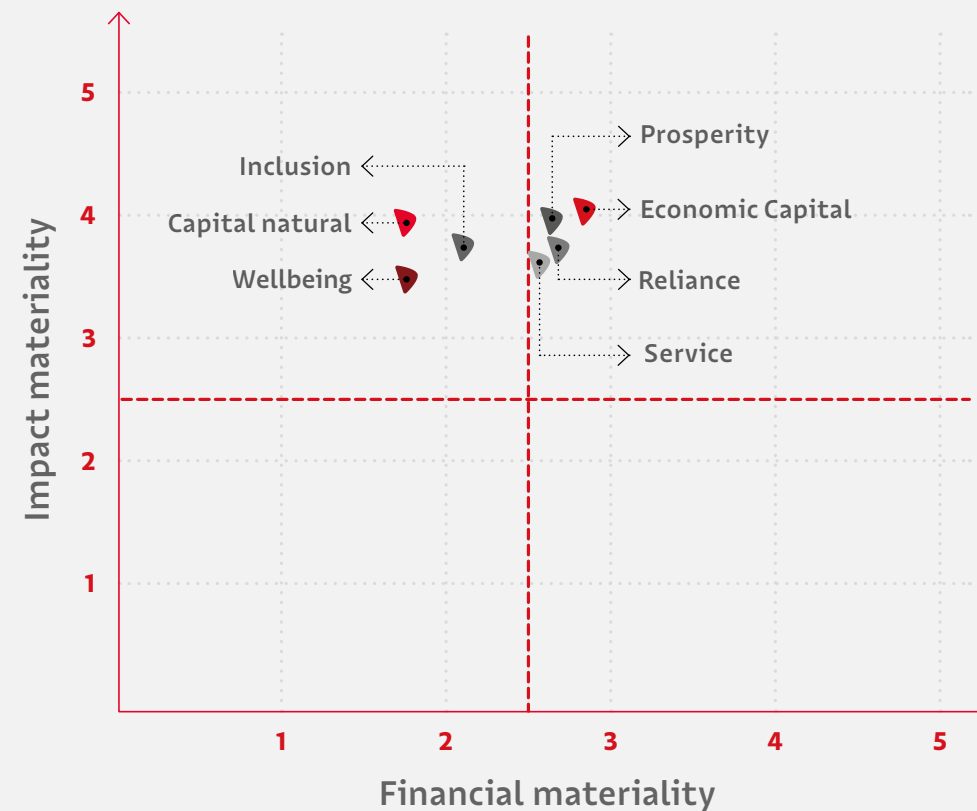
*In 2024 Fiduciaria Davivienda developed its **first double materiality exercise.***





The result allowed us to understand the current position of the entity and define where we want to go, thus establishing the fundamental pillars of the sustainable strategy and identifying the significant aspects that will generate long-term value, strengthen the competitive advantage and that will help mitigate priority risks.

Below is the double materiality matrix with the weighted results of the impact and financial materiality assessments. This prioritizes the issues that impact the entity's activity, the environment and stakeholders, as well as those with the greatest potential impact on the company's economic performance and operations.



***The double materiality matrix helps mitigate priority risks.***








## SASB indicators

Topic	Response
Professional integrity	<p><b>Code FN-AC-270a.1</b> <i>(1) Number and (2) Percentage of covered employees with a history of investigations related to investments, consumer complaints, private civil litigation or other regulatory proceedings.</i></p> <p><b>Response:</b> In 2024, Fiduciaria had no employees with a history of related investigations.</p>
	<p><b>Code FN-AC-270a.2</b> <i>Total amount of monetary losses as a result of legal proceedings related to marketing and communication of information related to financial products to new and existing customers.</i></p> <p><b>Response:</b> In relation to the regulatory entities, there were no monetary losses as a result of legal proceedings related to the events indicated, considering that the judicial processes in progress are in the evidentiary stage.</p>
	<p><b>Code FN-AC-270a.3</b> <i>Description of the approach to ensuring professional integrity, including the duty of care.</i></p> <p><b>Response:</b> In Grupo Bolivar we have an organizational culture that commits us to live and care for our Principles and Values: respect, honesty, fairness, discipline and enthusiasm, joy and good humor. Additionally, we have a statement of our Higher Purpose: “Enriching life with integrity”, which invites us all to behave with integrity towards our stakeholders.</p> <p>This Superior Purpose, plus our Code of Ethics, are delivered to all members of the organization for their knowledge and application at the time of joining.</p>





Topic	Response															
Professional integrity	On the other hand, as part of the appropriation of these declarations, the Principles and Values and the Code of Ethics are recertified annually, which are mandatory for our people.															
Employee Diversity & Inclusion	<div><div><div>Code FN-AC-330a.1</div><div>Percentage representation of gender and racial/ethnic group for (1) Executive management, (2) Non executive management, (3) professionals (4) other employees</div><div>Response:</div><div><div>Gender representation percentage</div><table><tr><th>Level</th><th>Women</th><th>Men</th></tr><tr><td>Executive management</td><td>76.9%</td><td>23.1%</td></tr><tr><td>Non-executive management</td><td>61.9%</td><td>38.1%</td></tr><tr><td>Professionals</td><td>69.6%</td><td>34.4%</td></tr><tr><td>All other employees</td><td>69.1%</td><td>30.9%</td></tr></table></div></div><div></div></div>	Level	Women	Men	Executive management	76.9%	23.1%	Non-executive management	61.9%	38.1%	Professionals	69.6%	34.4%	All other employees	69.1%	30.9%
Level	Women	Men														
Executive management	76.9%	23.1%														
Non-executive management	61.9%	38.1%														
Professionals	69.6%	34.4%														
All other employees	69.1%	30.9%														



*The organizational culture at Fiduciaria commits us to **live by the Principles and Values of Grupo Bolívar.***





Topic	Response
Incorporation of environmental, social and governance factors in asset management and custody activities.	<p><b>Code FN-AC-410a.1</b> <i>Number of assets under management, by asset class, used (1) Integration of ESG issues (2)Thematic investment in sustainability (3) screening</i></p> <p><b>Response:</b> Total assets under management (AUM): COP 20.5 trillion</p> <p>Fixed income, AUM: COP 20.13 trillion Variable income AUM: COP 384.8 billion</p> <p>Total AUM: COP 60 billion Global Share: 2,946 clients and AUM for COP 36 billion Sustainable Global: 1,380 clients and AUM for COP 24 billion</p>
	<p><b>Code FN-AC-410a.2</b> <i>Description of the approach to incorporating ESG factors into investment or wealth management processes and strategies.</i></p> <p><b>Response:</b> This report includes a chapter on responsible investment that describes the methodology developed for integrating ESG factors into investment assessment. During 2024, Davivienda’s Board of Directors approved updates to the Responsible Investment Policy, which incorporated improvements identified in the results of the voluntary report to PRI. Among the main adjustments made are the alignment of the exclusions defined at the corporate level, as well as the definitions made for the engagement process, the aspects that are involved in the internal ESG assessment according to the economic sector and the clarifications of Corporate Governance for the presentation of monitoring and updating issues.</p> <p>On the other hand, during 2024, External Circular 005 of 2024 of the SFC was complied with, which seeks to promote responsible investment by requiring that Collective Investment Funds (FIC) integrate Environmental, Social and Governance (ESG) factors into their investment policies and the information they disclose to investors.</p>



Topic	Response
Incorporation of environmental, social and governance factors in asset management and custody activities.	<p><b>Code FN-AC-410a.3</b> <i>Description of proxy voting and investee voting policies and procedures.</i></p> <p><b>Response:</b> The general definitions of these aspects are incorporated into the <i>Responsible Investment Policy</i>. Additionally, a strategic exercise of active relationship with issuers prioritized from the analysis of transition risks and measurement of emissions was carried out. A key piece to develop a detailed profile of the issuers that were considered relevant in terms of decarbonization. This can be consulted more broadly in numeral 2.2.2. Climate Engagement Strategy 2024 of the TCFD report, annexed to this report.</p> <p>Additionally, work was done on the initial document of the voting policy that is in the process of review and approval by the Board of Directors.</p>
Business Ethics	<p><b>Code FN-AC-510a.1</b> <i>Total amount of monetary losses as a result of legal proceedings related to fraud, insider trading, antitrust, unfair competition, market manipulation, malpractice or other related industry laws or regulations.</i></p> <p><b>Response:</b> there were no events described above in which the Trust was subject to sanctions or fines; consequently, there were no monetary losses.</p>
	<p><b>Code FN-AC-510a.2</b> <i>Description of whistle-blowing policies and procedures.</i></p> <p><b>Response:</b> The Fiduciaria has a whistleblower channel with permanent access for its people: the Transparency Line, which can be accessed by:</p>







Topic	Response
Business Ethics	<ul style="list-style-type: none"><li>Telephone line</li><li>Web form</li><li>E-mail address</li></ul> <p>It is an anonymous and confidential channel in which each case has a management model that includes:</p> <ul style="list-style-type: none"><li>Analysis and assignment of the complaints received.</li><li>Definition of the intervention/investigation and steps to address the cases.</li><li>Accompaniment in case management.</li><li>Receipt and analysis of action plans (resolving the root cause of the situation identified in the case) and closure.</li></ul> <p>In addition, a supplier manages the information to ensure objectivity and transparency in its handling. Regarding the events managed by the Transparency Line channel, the policies and the process, with its flow and procedure, are documented in the tool defined by the organization.</p> <p>Finally, in line with our commitment to ethics and transparency, the Fiduciaria has a governance model composed, among others, of an Ethics Committee that facilitates the attention and follow-up of complaints and the implementation of practices that promote alignment with our Principles and Values. The Committee meets periodically and presents the complaints received and closed, the management report, statistics, trends and key performance indicators.</p>





Topic	Response
Systemic risk management	<p><b>Code FN-AC-550a.1</b> <i>Porcentaje de activos de fondos de composición abierta gestionados por categoría de clasificación de liquidez.</i></p> <p><b>Response:</b> Fiduciaria has five Open Collective Investment Funds (FICs), which by regulation have a liquidity classification, by virtue of the application of the regulatory IRL of Chapter XXXI, Annex 11, as follows: Two monetary funds comprising a total of assets under management (AUM) of COP \$1.5 trillion; and three balanced funds with AUM of COP \$7.8 trillion (figures as of December 31, 2024).</p>
	<p><b>Code FN-AC-550a.2</b> <i>Description of the approach for incorporating liquidity risk management programs into portfolio strategy and redemption risk management.</i></p> <p><b>Response:</b> No portfolio strategy or redemption risk management is applied to the trust business. However, as a reference, liquidity risk management is performed by portfolio according to its own characteristics.</p>
	<p><b>Code FN-AC-550a.3</b> <i>Total risk in relation to securities financing transactions (quantitative - currency to report).</i></p> <p><b>Response:</b> Not applicable, Fiduciaria does not finance securities.</p>





Topic	Response
Systemic risk management	<p><b>Code FN-AC-550a.4</b> <i>Net exposure to credit derivatives entered into (quantitative - reporting currency).</i></p> <p><b>Response:</b> There are no credit derivatives.</p>
Activity Parameters	<p><b>Code FN-AC-000.A</b> <i>(1) Total registered assets (2) Total non-registered assets under management (AUM).</i></p> <p><b>Response:</b> Vehicles in which the management (investment decision making) is exercised by Fiduciaria Davivienda as of December 31, 2024. FICs + FVP + PA/Fees + Consortia/Pension Plans</p> <p>Total: COP 20.6 trillion</p> <p>FICs: COP 9.2 trillion. FVP: COP 3.2 trillion. PA/Charges: COP 2.8 trillion. Consortia/Pension Plans: COP 5.3 trillion</p> <p><b>Code FN-AC-000.B</b> <i>Total de activos bajo custodia y supervisión</i></p> <p><b>Response:</b> Total assets under custody and supervision. FICs: COP 20.6 trillion.</p> <p>Assets related to custody activity: Not applicable.</p>





## Alignment of the Trustee with the TCFD Recommendations

The following are the environmental and climate indicators for the Trust, constructed in accordance with TCFD recommendations.

TCFD	
<b>Governance:</b> <b>Fiduciaria has the following policies associated with climate change management:</b>	<p>Davivienda has a Responsible Investment Policy which defines the general guidelines for the incorporation of environmental, social and corporate governance (ESG) criteria in the process of evaluation and decision-making in the selection of issuers, from which it is authorized to invest in investment portfolios, assuming an active role in risk management and developing responsible practices, including those relating to climate change management.</p> <p>This policy is aligned with the Principles for Responsible Investment (PRI) promoted by UNEPFI, of which the Bank has been a signatory since 2022 and covers its subsidiaries Fiduciaria Davivienda and Davivienda Corredores (<a href="https://sostenibilidad.davivienda.com/">https://sostenibilidad.davivienda.com/</a>)</p> <p>This policy is the central framework of the strategy for investment portfolios and as such, is presented to the Financial Risk Committee and Board of Directors. The methodologies, results and monitoring of responsible investment are brought before the Financial Risk Committee, where the actions to be taken for each specific investment are defined.</p> <p>In addition, Fiduciaria Davivienda has established its Environmental Policy which, in accordance with the mission of Grupo Bolívar and the sustainable business strategy, recognizes that ESG dimensions are fundamental to achieving sustainable development and generating benefits for the community, its shareholders, employees and customers.</p> <p>As part of the application of this policy, the improvement of the environmental and social risk management processes in structured trust businesses, in which the Bank is a financier, was established as a guideline.</p>
<b>Strategy</b>	<p>In order to identify and assess the risks related to climate change in investment portfolios, Fiduciaria has an internal ESG issues assessment, which includes aspects related to climate change.</p>





## TCFD

Strategy	<p>Based on the analysis of transition risks and emission estimation, a strategic exercise of active engagement was carried out with prioritized issuers, who represented a key piece to develop a detailed profile of those considered relevant in terms of decarbonization.</p> <p>As the Bank is a signatory of PRI, which covers its subsidiary Fiduciaria Davivienda, in 2024 the first mandatory evaluation was completed, which can be consulted on the official PRI website by selecting Banco Davivienda as a signatory.</p> <p>During the year, work was done to close the identified gaps, implementing actions such as: updating the Responsible Investment policy and developing collaborative work with the Treasuries to incorporate ESG aspects into investment decisions, which were developed to comply with Circular 005 of 2024 issued by the SFC.</p>
Risk management	<p><b>Transition Risks Investments</b></p> <p>In 2023, the Fiduciary continued working with the Bank's Environmental and Social Risk Department in the application of methodologies for the identification of climate change risks, for the characterization and management of its Investment Portfolio (own position and managed portfolio), identifying that 0.2% of the exposure is in sectors of high and medium sensitivity, while 99.8% is in sectors of low sensitivity.</p> <p>This scope in the analysis of transition risks in investments strengthens its management of ESG issues and reaffirms the Fiduciary's commitment to responsible investment.</p> <p><b>Environmental and social risk assessment for the Fiduciaria</b></p> <p>In accordance with the Trust's environmental policy, in 2023 it continued to identify, manage and report on structured trust businesses that have an environmental and social risk assessment because they have been financed by the Bank. The assessment incorporates the review of the exposure to climatic hazards of landslides and floods. Based on this review, 219 projects were identified jointly by the Trust Fund and the Bank. This exercise led to the analysis of 14% of the Trust's business, most of them being real estate products.</p>



## TCFD

### Risk management

To date, 14% of the businesses managed by Fiduciaria have been evaluated in terms of environmental and social risk, which corresponds to a total of 219 active businesses, with real estate products predominating. Additionally, we continue to monitor them to assess the performance of these projects in relation to the effective management of environmental and social risks, in order to ensure their proper management and compliance with current regulations.

### *Identification of fiduciary businesses with SARAS*

Total fiduciary businesses	1,511
Common businesses fiducia-SARAS	311
% Common businesses	14%
Current Common Businesses	216

This approach reflects the Fiduciary's commitment to sustainability and compliance with ethical and responsible standards, both in the environmental and social components, contributing to mitigating the associated risks and guaranteeing the positive impact of its operations on the community and the environment.

### Objectives and metrics

In accordance with the Bolivar Group's mission and sustainable business strategy the Fiduciary recognizes that the environmental and social dimensions are fundamental to achieve sustainable development and benefits for the community, its shareholders, collaborators and clients.

Therefore, it has established the following guidelines oriented to the knowledge, assessment, treatment and opportunities of environmental and social impacts and climate change in its operation and that of its customers and suppliers:

- Comply with applicable environmental and social laws and regulations.







## TCFD

- ▶ Evaluate and mitigate the negative impact on the environment and society that may be generated by its processes and projects.
- ▶ Maintain the environmental and social risk management system for the businesses managed by the Fiduciary in which Banco Davivienda is a financier.
- ▶ To ensure that the construction companies with which the entity works have programs that mitigate negative impacts on the environment.
- ▶ Seek to improve environmental and social risk management processes.
- ▶ Promote in suppliers the management of environmental and social impacts generated by their processes, and include these criteria in the purchasing processes of goods and services of the entity that are carried out through the Bank's administrative area.
- ▶ Provide support to environmental and social projects that are considered relevant, in accordance with the sustainable business strategy.
- ▶ Develop awareness and training programs for its employees on environmental and social issues.

Similarly, Fiduciaria continues to work on the process of integrating TCFD recommendations to define its objectives and metrics regarding climate change management.

### Objectives and metrics



***At Fiduciaria, we recognize that ESG criteria is key to sustainable development.***



# Our Commitment to the Sustainable Development Goals (SDGs)



We are committed to the United Nations' call to positively transform our world by integrating the 2030 Agenda and the Sustainable Development Goals (SDGs) into our sustainable business strategy. Guided by the policies under The World is Our Home: Let's Make It More Prosperous, Inclusive, and Green, we reaffirm our contribution-through our banking operations and internal practices-to the creation of economic, social, and environmental value.

Based on the methodology proposed by the Center for the Sustainable Development Goals for Latin America and the Caribbean (CODS), which is grounded in the *Corporate Ecosystem Services Review (ESR)* and was applied during 2023<sup>3</sup>, we prioritized seven SDGs and sixteen targets to which we make a substantial contribution through our operations and the definition of our material topics.

In 2024, we updated our prioritization by including SDG 1: No Poverty and SDG 2: Zero Hunger, specifically focusing on targets 1.4, 2.3, and 2.4. This update reaffirms our ambition to develop solutions that contribute to global challenges through the achievement of our business objectives.

Below, we present the prioritized targets along with the Bank's commitments, indicators, and key actions that contribute meaningfully to their fulfillment. It is important to note that some indicators may contribute to more than one target, given the interconnections between goals and their enablers. However, we have selected those that demonstrate the most direct and significant impact on each target.

<sup>3</sup> The details of the applied methodology can be consulted in full in the 2024 Annual Report, available at: <https://sostenibilidad.davivienda.com/politics/informe-anual-2023.pdf>



1 NO POVERTY



# 1. No Poverty

## DAVIVIENDA'S CONTRIBUTION

We promote access for all to financial and non-financial services, facilitating the achievement of the dreams of individuals, families, and businesses, contributing to their progress and well-being. At the same time, we recognize that certain population groups have particular needs and have historically been underserved, and that access to financial services contributes positively to closing these gaps.

SDG Target

1.4

*"By 2030, ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services, including microfinance".*

## CONTRIBUTION INDICATOR

### From our banking business:

- ▶ Microfinance portfolio balance and number of individuals accessing their first microfinance product.  
Balance: **COP 9.9 billion**  
Individuals: **8.5k**
- ▶ Amount disbursed and number of individuals benefiting from subsidies.  
Amount: **COP 720 billion**  
Individuals: **530k**
- ▶ Number of individuals who accessed DaviPlata in PDET municipalities and transactions carried out.  
Individuals: **28,082**  
Transactions: **3 thousand**  
Amounts: **COP 53 billion**

## NOTABLE ACTIONS

Strengthening of nanocredit offerings backed by the National Guarantee Fund (Fondo Nacional de Garantías - FNG) and the Guarantee Fund of Antioquia (Fondo de Garantías de Antioquia - FGA).

In partnership with the United States Agency for International Development (USAID), we reached 203 PDET municipalities, providing training to over 54,000 individuals, financially including more than 20,000 individuals, and mobilizing COP 345 million in nanocredit.





## 2. Zero Hunger

### DAVIVIENDA'S CONTRIBUTION

We contribute to the transformation of the agricultural sector by channeling resources that support increased productivity and the adoption of sustainable practices, which: enhance resilience and adaptation to climate change; drive improvements in the social and economic conditions of the sector; and contribute to national food security.



*“By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, Indigenous peoples, family farmers, pastoralists, and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets, and opportunities for value addition and non-farm employment”.*

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Loan portfolio balance for the small-scale agricultural producer segment and its share relative to the total national loan portfolio.

Balance: **COP 136.0 billion**

Share: **2.4%**

### NOTABLE ACTIONS

Third edition of the agricultural fair, with placements totaling COP 665 billion, representing a 16% increase compared to 2023.

Through the The World is Our Home Policy, implemented across our banking units, we incorporate a territorial approach as an analytical perspective that allows us to deepen the support we provide to the country's rural population.



## 2. Zero Hunger

SDG  
Target

2.4

“By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, help maintain ecosystems, strengthen capacity for adaptation to climate change, extreme weather, drought, flooding, and other disasters, and progressively improve land and soil quality”.

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Loan portfolio balance allocated to the financing of sustainable agricultural development projects.

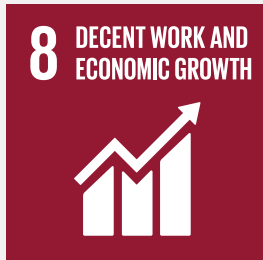
Balance: **COP 2.6 trillion**

Clients with access to the Tranquilidad Mujer Parametric Insurance: **120**

### NOTABLE ACTIONS

Creation of the “Sustainable Agricultural Development” category within the Bank’s Sustainable Taxonomy framework.





## 8. Decent Work and Economic Growth

### DAVIVIENDA'S CONTRIBUTION

We aim to become the primary ally of microenterprises and SMEs, recognizing their key role in the country's economic growth and job creation. We implement actions that allow us to support our clients with solutions that empower them to believe, grow, and consolidate their business activities.

SDG Target  
**8.3**

*"Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services".*

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Loan portfolio balance and number of companies in the MSME (Micro, Small, and Medium Enterprises) segment.

SME financing balance:

**COP 6.4 trillion**

Small business financing balance:

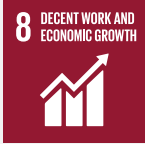
**COP 31 trillion**

**2.4 million** microenterprises using DaviPlata

### NOTABLE ACTIONS

We support SMEs through our Factoring service, which allows them to advance payment on their clients' invoices, improve cash flow, obtain immediate liquidity, track their negotiated invoices, and improve their accounts receivable indicators.





## 8. Decent Work and Economic Growth

SDG  
Target

**8.4**

“By 2030, improve progressively, through 2030, global resource efficiency in consumption and production, and endeavor to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production”.

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Loan portfolio balance and number of companies with access to environmentally beneficial financing.

Balance: **COP 4.98 trillion**

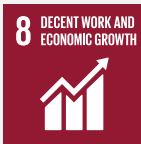
Companies: **3.4 thousand**

### NOTABLE ACTIONS

Expansion of eligibility criteria within the framework of the Sustainable Taxonomy, incorporating activities included in Colombia's Green Taxonomy, such as sustainable livestock practices; generation, cogeneration, transmission, and storage of energy from renewable sources; among others.

***We develop solutions that contribute to global challenges.***





## 8. Decent Work and Economic Growth

SDG  
Target

8.5

“By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value”.

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Total number of employees and percentage representation of women and young people.

Total: **17.9k** people

Women: **61%**

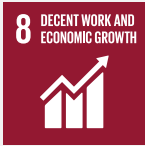
Young people: **22%**

### NOTABLE ACTIONS

We achieved a 96% participation rate in our Gallup engagement survey, with an average score of 4.37 out of 5.







## 8. Decent Work and Economic Growth



SDG  
Target

**8.10**

*“Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance, and financial services for all”.*

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▼ Total number of individuals and businesses with access to financial services through Davivienda.

Individuals: **24.5 million**

Businesses: **433k**

DaviPlata users: **18.5 million**

### NOTABLE ACTIONS

Support provided to businesses in managing government subsidies under the Empleo para la Vida program, led by the Ministry of Labor.





## 9. Industry, Innovation and Infrastructure

### DAVIVIENDA'S CONTRIBUTION

We have positioned ourselves as a key bank in the financing of high-impact infrastructure projects that drive Colombia's development, contributing to regional competitiveness and progress. Additionally, through our Builder, Corporate, and Business Banking units, we support the transformation and adoption of more sustainable practices across the economic sectors we finance.

SDG  
Target

9.1

*"Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all".*

### CONTRIBUTION INDICATOR

#### From our banking business:

- Saldo de cartera de proyectos de infraestructura social y planes de desarrollo territorial.

Saldo: **COP 1.7 trillion**



### NOTABLE ACTIONS

Within our Sustainable Taxonomy, under the category of Sustainable Infrastructure and Construction, we have included financing for projects related to urban and rural development, recreation, culture, transportation, and other activities that promote well-being and improve the population's quality of life.



## 9. Industry, Innovation and Infrastructure



### SDG Target 9.2

*“Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry’s share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries”.*

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Percentage share of sustainable portfolio over the total portfolio for the three main economic sectors financed:

Agricultural: **30%**  
Construction: **27%**  
Public Sector: **12%**

### NOTABLE ACTIONS

We were nominated for the Emprender Paz Award and selected as one of 11 finalists out of 127 entries in the category Best SME Financier of the Year with our Agro Ecosystem project.



## 9. Industry, Innovation and Infrastructure

SDG  
Target  
**9.3**

“Increase the access of small-scale industrial and other enterprises, particularly in developing countries, to financial services, including affordable credit, and their integration into value chains and markets”.

### CONTRIBUTION INDICATOR

From our banking business:

- Loan portfolio balance for companies with access to financing, disaggregated by size:

Corporate: **COP 23.1 trillion**

Business: **COP 2.9 trillion**

Builder: **COP 7.8 trillion**

SME: **COP 6.4 trillion**

*With the alliances between Finagro and Fundación Bolívar Davivienda, we support small producers.*

### NOTABLE ACTIONS

Through the Agro Ecosystem, we financed COP 2.8 billion in associative loans-a modality that enables small producers, through associations, to access resources that support working capital and collective and/or individual investment plans. This was achieved in partnership with Finagro and the Bolívar Davivienda Foundation.







## 9. Industry, Innovation and Infrastructure

SDG  
Target

9.4

“By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities”.

### CONTRIBUTION INDICATOR

From our banking business:

- Percentage share of sustainable portfolio over the total portfolio for the three main segments financed:

Builder Banking: **25%**

SME Banking: **16%**

Public Sector Banking: **12%**

### NOTABLE ACTIONS

Through our The World Is Our Home Policy, we incorporated guidelines for financing the transition in carbon-intensive sectors, defining decarbonization targets, and engaging clients in climate-related dialogue across our banking units.

**The 3 main segments are Builder Banking, SME's and Public Sector.**



10 REDUCED INEQUALITIES



## 10. Reduced Inequalities

### DAVIVIENDA'S CONTRIBUTION

We support the life projects of all individuals to foster diversity and promote equity by facilitating access to financial products and services, and by recognizing historically marginalized populations within our strategic approach.

SDG Target

10.2

*“By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or other status”.*

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Number of individuals and companies included in our differential approaches who have been financially empowered with products to transfer money, save, invest, finance, and protect.

Total individuals: **19.1 million**

#### From our operations:

Percentage of our employees included in the following differential approaches:

Ethnic focus: **8.4%**  
Gender focus: **61.1%**  
Sexual diversity: **6.5%**

### NOTABLE ACTIONS

More than COP 432 billion disbursed to women-led SMEs and COP 1.4 trillion to women-owned VIS (social interest housing), under our Gender Thematic Bond framework.

As part of our DEI Strategy (Diversity, Equity, and Inclusion), we are building a world that values difference within our organization. 286 Human Talent team members were trained to address their biases, supporting the implementation of our DEI Policy and strategic purpose.



11 SUSTAINABLE CITIES AND COMMUNITIES



## 11. Sustainable Cities and Communities

### DAVIVIENDA'S CONTRIBUTION

We continue to strengthen our leadership in housing finance in Colombia, supporting low-income individuals, women, and young people in fulfilling their dream of owning a home under favorable conditions. We also mobilize resources to finance hybrid and electric vehicles, contributing to emission reductions in urban mobility.



*We support the most vulnerable populations in their dream of owning a home.*

SDG Target

11.1

“By 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums”.

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Loan portfolio balance and number of affordable homes with active financing.

Affordable housing (VIS) balance:

**COP 13.1 trillion**

Active homes financed:

**244,000 homes**

### NOTABLE ACTIONS

Adjustment of interest rates to encourage home purchasing decisions. Rates decreased from 16.15% E.A. in January to 9.5% E.A. in December.





## 11. Sustainable Cities and Communities

SDG  
Target

11.2

*“By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons”.*

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Loan portfolio balance and number of low-emission vehicles and transportation systems financed:

Eco-vehicle balance:

**COP 216.9 billion**

Total vehicles: **2,942** electric and hybrid vehicles

### NOTABLE ACTIONS

Through leasing, we have financed more than 516 environmentally friendly projects and productive assets, for a total amount of approximately COP 534 billion.



***We financed 2,942 environmentally friendly vehicles.***



# 11. Sustainable Cities and Communities

SDG  
Target

11.3

“By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries”.

## CONTRIBUTION INDICATOR

From our banking business:

- Loan portfolio balance and number of certified sustainable construction projects financed:

Sustainable construction balance:

**COP 2.3 trillion**

Total projects financed: **270+ projects**

*We mobilized resources to financing electric and hibrid vehicles.*

## NOTABLE ACTIONS

We impacted 36 developers who acquired knowledge about sustainable certifications and were motivated to develop projects with sustainable benefits.



12 RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION

# 12. Responsible Consumption and Production

## DAVIVIENDA'S CONTRIBUTION

We work continuously to ensure the proper management of resources and waste generated by our operations, recognizing that the effective development of our strategy must align with technological innovation and the establishment of partnerships with our suppliers and other key actors across the value chain.

SDG  
Target

12.2

*“By 2030, achieve  
the sustainable  
management and  
efficient use of natural  
resources”.*

### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Loan portfolio balance allocated to the financing of sustainable energy and water management projects:

Balance: **COP 2.5 trillion**

#### From our operations:

- ▶ Reduction in operational water and energy consumption:

Water savings: **-6%**

Energy savings: **-3%**

## NOTABLE ACTIONS

We financed territorial and decentralized entities in their investment plans for aqueduct, sewage, and energy generation, distribution, and transmission projects, contributing to improved service quality and coverage.





## 12. Responsible Consumption and Production

SDG Target  
**12.5**

*“By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse”.*



### CONTRIBUTION INDICATOR

#### From our banking business:

- ▶ Loan portfolio balance allocated to the financing of sustainable production and circular economy projects:

Balance: **COP 153.7 billion**

#### From our operations:

- ▶ Reduction in operational waste generation and increase in reuse/recycling:

Total waste generated: **771 tons**

Reduction: **-37%**

Reuse/recovery rate: **56%**

### NOTABLE ACTIONS

We implemented strategic initiatives such as awareness-raising around the zero-waste model, promotion of the circular economy, and optimization of source separation.

***We finance circular economy, sustainable production and responsible consumption projects.***



## 13. Climate Action

### DAVIVIENDA'S CONTRIBUTION

We enrich life with integrity-for both people and the planet-through the transformative power of our sustainable business models. We have designed a portfolio of products and services with innovative solutions that promote inclusion, encourage the adoption of eco-efficient practices with a lower environmental footprint among our clients, and reflect our commitment to creating long-term value responsibly with our stakeholders, always with full awareness of the environment.



*"Integrate climate change measures into national policies, strategies and planning".*

### CONTRIBUTION INDICATOR

#### From our banking business:

- Financed emissions intensity (Scope 3, Category 15):  
Financed intensity:  
**0.10 MTon CO<sub>2</sub>e / COP trillion**

#### From our operations:

- Operational carbon emissions intensity (Scopes 1, 2, and 3, Categories 1 to 14):  
**8.5 tons CO<sub>2</sub>e / FTE** (Location-based)  
**8.0 tons CO<sub>2</sub>e / FTE** (Market-based)

### NOTABLE ACTIONS

We developed a methodology to prioritize clients within our engagement strategy. This approach enabled the creation of a risk rating that helped identify and prioritize clients with high carbon impact.

We established our science-based target for Scope 1 and 2 emissions: a 42% absolute reduction.



> Annual Report 2024

# Prosperity

*The world*  
is our  
**home**







## Prosperity

We facilitate the achievement of the dreams of **individuals, families and businesses** through innovative and sustainable solutions that contribute to their **progress** and the **competitiveness** of the countries in which we operate.





# Main Figures 2024

## Consolidated Figures - Banco Davivienda and its subsidiaries

(COP trillion, except percentages and bp\*)

	Dec. 24	Dec. 23	Variation
Assets	191.3	178.2	7.4%
Gross Loans	145.5	136.0	7.0%
Loan Loss Reserves	-5.5	-6.1	-9.0%
Deposits**	136.3	123.4	10.4%
Equity	16.2	14.8	9.5%
Net Profit	-0.09	-0.37	-75.9%
Total Capital Adequacy Ratio	15.57%	14.54%	103 bps
Common Equity Tier 1 (CET1) Ratio	10.95%	10.25%	70 bps

## Individual Figures - Banco Davivienda S.A in Colombia

(en COP billones, excepto porcentajes y pb\*)

	Dec. 24	Dec. 23	Variation
Assets	144.3	138.7	4.1%
Gross Loans	105.9	103.1	2.8%
Loan Loss Reserves	-6.6	-6.9	-4.6%
Deposits**	100.4	94.6	6.2%
Equity	14.6	13.0	12.3%
Net Profit	0.9	0.1	704.9%
Total Capital Adequacy Ratio	18.58%	16.76%	182 pbs
Common Equity Tier 1 (CET1) Ratio	12.11%	10.73%	138 pbs

\* Basis points.

\*\* Includes savings accounts, checking accounts, electronic deposits, and CDs



# Main Figures 2024

## Consolidated Figures - Banco Davivienda and its subsidiaries

	Banco Davivienda and national subsidiaries	International subsidiaries	Total
Branches	518	140	658
Customers	23.04 millions	1.82 millions	24.86 millions
ATMs	2,243	568	2,811

## Individual Figures - Banco Davivienda S.A in Colombia

	Dec. 24	Dec. 23
Branches	518	533
Customers	23.04 millions	21.91 millions
ATMs	2,243	2,291

## Risk Ratings as of December 2024

	International			Local	
	S&P	Fitch	Moody's	BRC	Fitch
Long-Term	BB+	BB+	Baa3	AAA	AAA
Short-Term	B	B	P-3	BRC 1+	F1+
Outlook	Negative	Stable	Negative		Stable





# Innovation

**Innovation is one of our main competitive advantages and is part of our culture's DNA.** During 2024, we continued to build a robust innovation ecosystem founded on trust and strong relationships with strategic partners. We have developed a culture of innovation by enhancing the capabilities and skills of our employees while collaborating with key ecosystem players such as emerging businesses, companies from other industries, and the National Government to design simple, reliable, and user-friendly digital solutions powered by exponential technologies, delivering unique and high-quality experiences to our customers.

Through our Open Innovation approach whose objective is to generate a relationship with third parties such as startups, fintechs, and big tech companies to seek alliances that allow us to take the way we solve challenges to another level, we identified more than 1,400 solutions that potentially solve the challenges faced by the different lines of business of the companies that make up Grupo Bolívar. Of these solutions, we implemented **28 pilots** with startups and **launched more than 10 initiatives** in the market. In addition, we developed 3 solutions focused on wellness, the agro ecosystem and re-banking. we sought partnerships to elevate how we tackle challenges. This year, we identified

over 1,400 solutions with the potential to address business challenges across Grupo Bolívar's companies. From these, we launched 28 pilot projects in collaboration with startups and brought more than 10 initiatives to market. Additionally, we incubated three solutions focused on well-being, the agricultural ecosystem, and re-banking.

In 2024, we filed a new patent, further strengthening our **portfolio to 6 patents**, four under review and two already granted.

## Young Talent

We have created a program that integrates young university interns into "innovation cells", where they develop prototypes to address real organizational challenges. This approach has driven the incubation of two patented solutions and engaged over 215 young talents in solving around 150 challenges.

In 2024, we deepened our commitment to young people and sustainable innovation by hosting our first ever **biodiversity focused Hackathon**. This initiative brought together over 100 students from the Valle del Cauca region in Colombia to develop bio-business models centered on the use, regeneration, and conservation of biodiversity.



**patents  
registered  
in our  
portfolio.**





## Entrepreneurship and Social Innovation

This year marked the sixth edition of **Social Skin**, a social innovation award dedicated to recognizing, empowering, and motivating young entrepreneurs from Colombia and Central America who contribute to solving social and environmental challenges. Through initiatives like this, **we've positioned ourselves as a reference in the impact entrepreneurship ecosystem.** Over Social Skin's six-year history, we've awarded more than COP 1.564 million in prizes and provided over 200 hours of specialized mentorship. Additionally, our podcast, "Mano Emprendedora", featuring 17 episodes and more than 4,000 listeners, has created a space for exchanging best practices, inspiring a new generation of changemakers.

**Efecto i**, a free initiative promoting innovation methodologies, has reached 4,279 children and young people across 261 municipalities in both rural and urban areas. In just two years, we've empowered a new generation of local leaders, fostering their creative abilities to transform their communities.

We reaffirmed our leadership in social innovation by **becoming the first Latin American organization to join the Global Alliance for Social Innovation, promoted by the World Economic Forum.** This collaboration enables us to exchange

knowledge, showcase our best practices, and actively contribute to a global network committed to social and environmental well-being. This alliance strengthens our commitment to open and collaborative innovation, ensuring that our programs generate lasting, positive change.

At Davivienda, we understand that innovation flourishes when collaborating with others. That's why we continue to strengthen entrepreneurship through strategic partnerships and by participating in forums that foster collaboration and collective growth.







Throughout 2024, we championed key initiatives focused on mentorship, capital raising, and designing new value propositions, participating in global events such as Volcano Summit, Pagos Digitales RM Netherlands, Japan Forum, and She is Forum. Furthermore, using the Venue Partner model, we hosted more than 400 entrepreneurs at our Domo i Innovation Center during events like Startup Latam, Connect's Climatech Demoday, Deal Flow Davivienda at Colombia Tech Week, and Disruptoras Day by Iupana.

### ***Innovation Award***

**Our annual Innovation Award celebrates the achievements of our teams, promoting collaboration and the sharing of best practices.** In 2024, 444 projects were submitted, resulting in 27 winners across three categories: processes, organizational innovation, and value propositions.

As part of the recognition, winning teams earned spots in Grupo Bolívar's Innovation Expedition. In 2024, the 22 winners from 2023 traveled to the Amazon, where they experienced a transformative journey focused on biodiversity, environmental impact, and compensation mechanisms.







# Digital Transformation

We are focused and committed with operational excellence and the continuous development of our digital strategy, providing our customers with a reliable, simple, and user-friendly experience across physical, analog, and digital channels. Our strategy aims to achieve financial optimization and continuously enhance the customer experience through a culture of innovation and data-driven process transformation, enabling us to be more agile and gain a competitive edge.

**In 2024, we continued to strengthen key strategies encompassing all digital solutions and channels that play a role in both its operations and business models within the organization.**

We have implemented open architectures that drive the creation of reusable components through Building Blocks<sup>1</sup> across the organization, enabling flexible systems and seamless integration. This strategy also includes artificial intelligence adoption, driving optimization and automation.

We consolidated our technology stack to eliminate redundancies in architectural components and strengthen technological know-how (or business experience), turning it into a competitive advantage.

<sup>1</sup> Building Block refers to a fundamental component or element that is used to build and develop more complex systems, applications or solutions through modular units that can be combined and assembled in various ways to create a larger architecture or structure.







We constantly seek to accelerate time-to-market<sup>2</sup>, driving the organization to establish clear objectives and OKR goals (Objectives and Key Results), formalize processes through agile tribe structures, build an automation-based development pipeline, develop talent through incubator programs, and integrate reusable Building Blocks within these frameworks.

We are advancing our strategy designed to **maximize organizational productivity** by incorporating advanced technological tools and efficient operational practices. This positions Davivienda as a leader in innovation and ensures a resilient, agile, and competitive business model in the face of market challenges.

In 2024, we optimized and implemented over 20 operational processes, boosting organizational efficiency, maximizing resource utilization, and enhancing the customer experience. Additionally, **transactions across physical and digital channels reached 1,132**

***We mobilized COP 1,594 trillion in transactions through physical and digital channels.***

million, moving COP 1,594 trillion, which allowed us to **position ourselves as the second most preferred financial institution among Colombians for monetary transactions.**

During 2024, we continued expanding our virtual assistant, “**Vivi**,” across the Super App and web channels, enabling customer self-service and resolving inquiries on first contact. Additionally, the Bank implemented cross-selling strategies in service calls, focusing on boosting sales of deposit and credit products. This approach maximized income and leveraged every customer interaction to offer relevant and personalized solutions.

We remain committed to supporting sustainability to make better use of resources, while developing our digital strategy. As a result, we transformed the EcoDocs document process from end to end to make it more sustainable and efficient, optimizing our management indicators and adapting our processes and technologies in favor of the environment, which resulted in a reduction of 12 thousand tons of CO<sub>2</sub>.

<sup>2</sup> Time to market is the time that elapses from the time a product or service is conceived until it is launched on the market.





# Banco Davivienda Colombia

We are a commercial bank, incorporated under the laws of Colombia, authorized to engage in the following activities:

- ▶ Obtain deposits from the public
- ▶ Grant loans
- ▶ Act as a foreign exchange market intermediary
- ▶ All other operations and investments authorized or to be authorized in the future for commercial banks

Our services include checking and savings accounts, commercial, consumer, and mortgage loans, debit and credit cards, electronic wallets, mobile banking, term deposits, and other services.

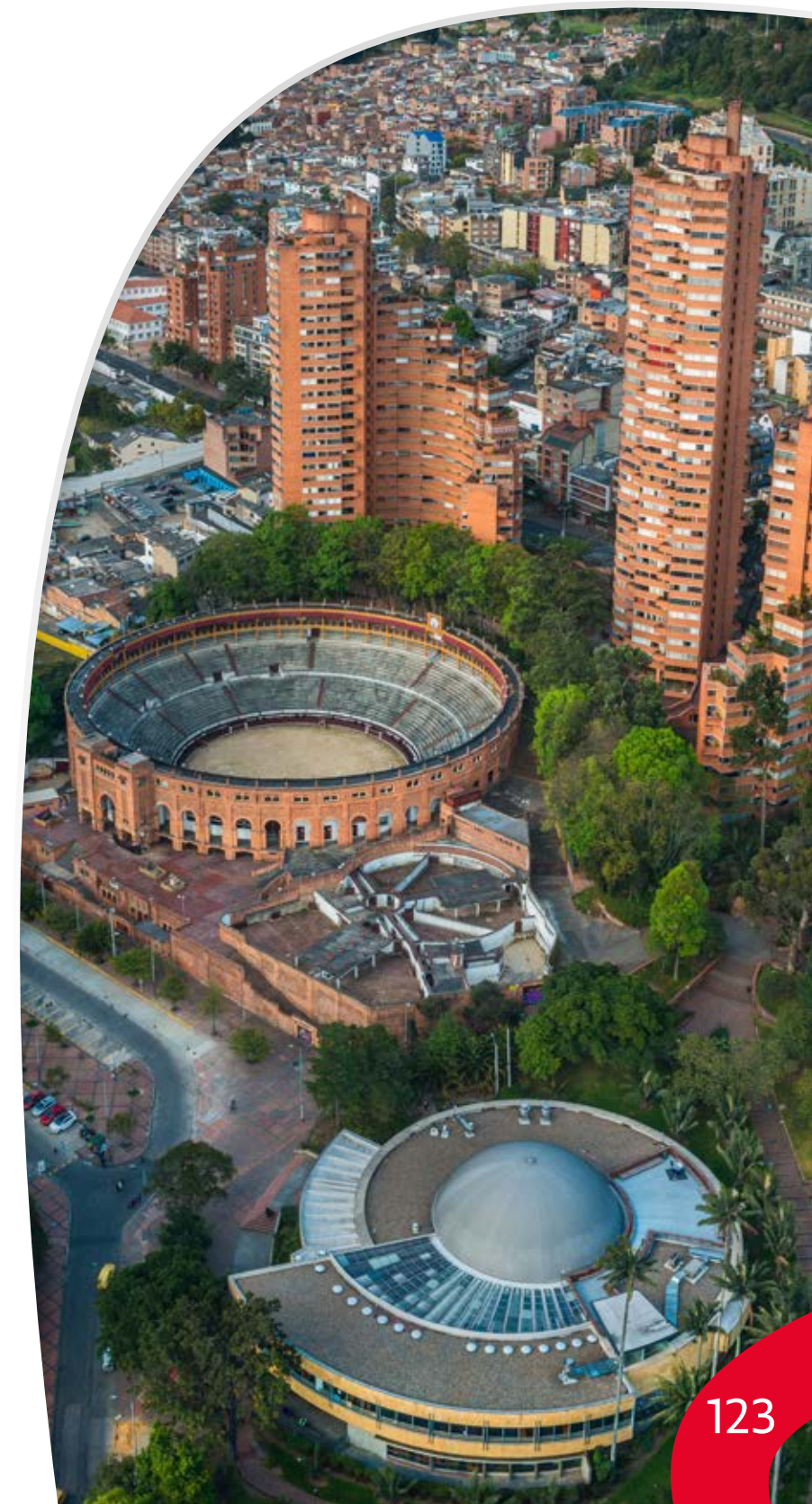
Our two main business segments are **Retail Banking** and **Commercial Banking**. Individuals and families comprise the core of our retail banking customers; while corporations, financial institutions, small and medium-sized enterprises (SMEs), agricultural business, state-owned enterprises, and Government entities predominate in our commercial banking.

At the Bank, we offer comprehensive and customized financial solutions that meet the needs of our diverse customers. To achieve this, we have segmented our market into two main groups: commercial and retail.

In the **Retail** segment, the main income-generating products are personal loans, credit cards, and savings and investment products. These products and services are designed to meet the financial and investment needs of our clients.

In the **Corporate** segment, the main income-generating products are commercial loans and treasury services in both local and foreign currencies. These products and services are aimed at companies in various sectors of the economy, in order to help them finance their operations and manage their cash flows efficiently.

*We are  
partners of  
individuals,  
families and  
companies.*







23

**23 million customers.**  
**We increased our**  
**number of customers**  
**by 5.2% over the**  
**previous year.**



Regarding seasonal income, it is important to note that some of the income may be related to the year-end season, when there is greater consumption and, therefore, greater demand for credits, while savings and investment products generate more stable revenues throughout the year. In addition, it is common that during certain months of the year, such as July and December, the flows in remittances received by customers increases, which translates into higher income from financial services. As for Corporate Banking, the tourism and foreign trade sector can also generate seasonal income, especially during periods of high demand, while treasury services generate more stable revenues.

Regarding cyclical income in our bank, it is possible that it is linked to the country's economic situation. For example, during periods of economic growth, it is common for loan demand to increase, which translates into higher interest income. On the other hand, in times of economic uncertainty, clients may choose to save more and borrow less, which could reduce the bank's income. In addition, cyclical income may also be related to developments in capital markets and investment levels.

Finally, regarding occasional income, it is important to mention that this can come from various sources, such as the sale of non-strategic assets or the recovery of bad loans. These revenues can occur at any time and are not linked to a specific period of the year or market fluctuations. The sale of non-strategic assets may be related to our asset management strategy, while the recovery of bad loans may be linked to the effectiveness of our debt recovery process or specific decisions to sell written-off loans.

By year-end 2024, we served approximately 23 million clients, reflecting a 5.2% increase over the previous year.

We are proud to have achieved a solid customer base in both segments. At the end of December 2024, we had close to 22.5 million customers in the retail segment and close to 435 thousand commercial customers in Colombia.



In terms of our market position, we are **the second largest credit institution operating in the Colombian financial system in terms of assets, gross loans, and deposits**. By year-end 2024, our market share in total loans stood at 15.1%<sup>3</sup>, representing a 14 basis point reduction compared to 2023, driven by our strategic decision to adjust the credit risk profile of our consumer loan portfolio. Likewise, we held a 14.2%<sup>4</sup> market share in total deposits.

At Davivienda **we go beyond delivering financial products** to provide our customers with unforgettable experiences; we offer them **100% digital solutions** to simplify their lives. As a result, digital adoption continues to grow, with 91.8% of our customers considered digital users, compared to 92.6% in 2023. We have positioned ourselves as leaders in the transformation of traditional banking, with 64% of monetary transactions and 55% of our sales in Colombia conducted through digital channels in 2024.

Regarding our strategic approaches, we seek to:

Provide **greater added value** to our clients, we offer a wide range of financial products tailored to their needs, carefully assessing their risk profile in order to maintain healthy risk levels in the bank and improve the profitability of our business.



**We offer savings and investment products** to our clients, such as high-yield accounts and term deposits (CDTs), which help them increase their wealth. This also allows us to continue our efforts to restructure our liabilities into less costly segments, resulting in higher net profit for the bank.



Expand our customer base **promoting financial inclusion**. Our goal is to attract new customers who have not previously used financial services, delivering a broad digital offer, for example through Daviplata, which has enabled us to forge partnerships and reach populations that had not previously used any formal financial services.



We want to position ourselves as a **key partner for SMEs**, a market segment that is still characterized by limited use of financial services. We aim to customize our products to meet the needs of SMEs and respond to market trends.



On the other hand, at the end of 2024, we had approximately 13<sup>5</sup> thousand employees in Colombia, 5.6% less than in 2023.

3 Source: Financial Superintendence of Colombia. Figures as of December 2024.

4 Source: Financial Superintendence of Colombia. Figures as of December 2024.

5 Individual figure limited to our operations in Colombia as of December 2024.





## Retail Banking

Aligned with our commitment to making the world our home and our purpose of enriching the lives of our clients, individuals, and families, in 2024, **we implemented innovative projects focused on the development of new mobile products and the enhancement of existing ones, leveraging emerging technologies such as artificial intelligence and big data.**

The Retail Banking portfolio in Colombia closed the year with a total loan balance of COP 56.8 trillion<sup>6</sup>, reflecting an annual decline of 5.7%, primarily driven by the consumer loan portfolio, which continued to contract due to lower credit demand and reduced disbursements within the

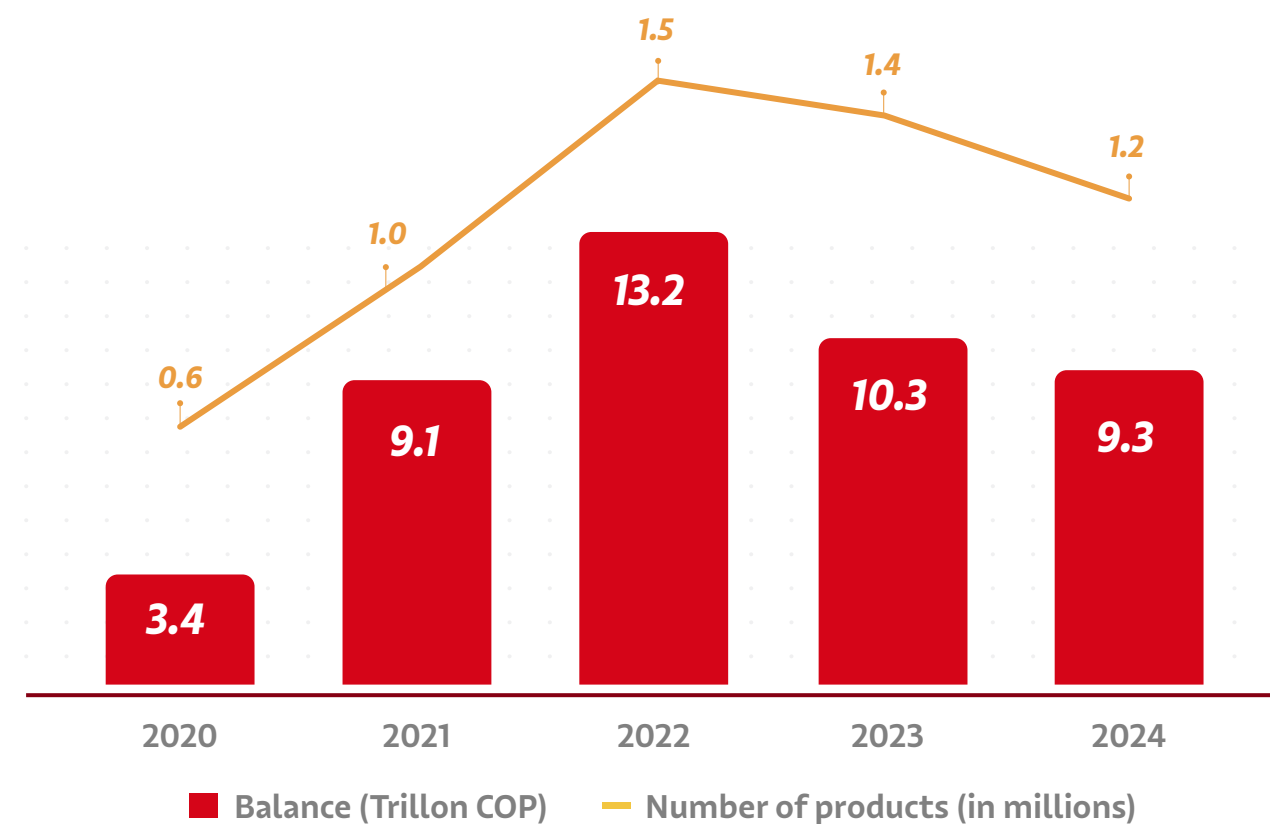
context of an economic environment still undergoing normalization for households and individuals.

The diversification and modernization of financial practices in Colombia underscore a shift in consumer behavior toward digital banking solutions. As a result, we added over 1.1 million new clients to the Retail Banking segment, with 65% of them joining through digital channels.

In 2024, we continued our digital transformation journey, closing the year with 53% digital adoption in sales and 73% digital customer onboarding, **reinforcing our leadership in mobile banking offerings** with over 30 products available through digital channels.

**65% of new Retail Banking customers are reached through digital channels.**

## Digital Loans<sup>7</sup>



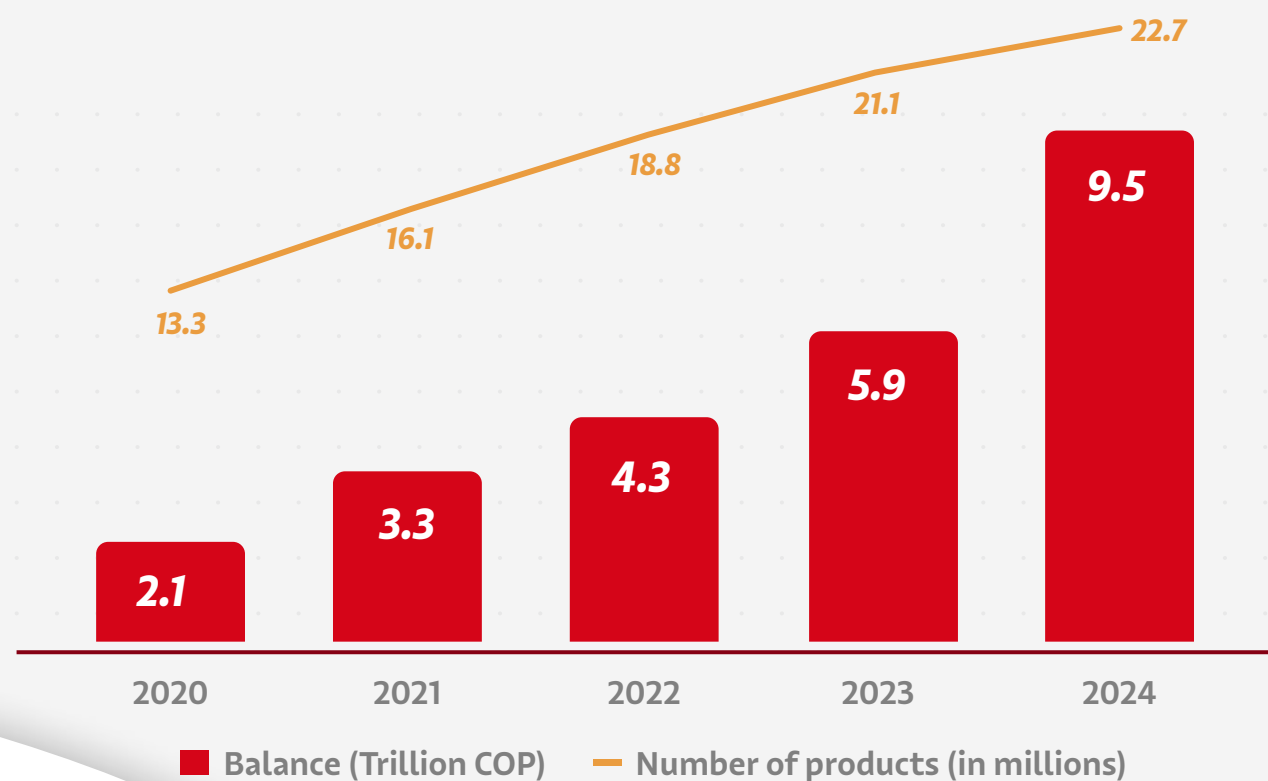
<sup>6</sup> Individual figures for the Colombian operation as of December 2024.

<sup>7</sup> Digital loans include mobile loan, mobile debt purchase, mobile payroll debt purchase, mobile credit card, mobile payroll loans, payroll advance, nanocredit, mobile car loan.





## Digital Deposits<sup>8</sup>



In 2024, we successfully launched our new Personal Banking application, further solidifying our position as a leader in digital innovation within the financial sector. The application integrates over 150 functionalities designed to enhance the user experience, including a *marketplace* that connects clients with relevant products and services, home-focused financial ecosystems, and an AI-powered virtual assistant that streamlines financial interactions and management. This platform not only expands users' financial possibilities but also reinforces our commitment to digital transformation and value generation in the market.

To ensure a secure and innovative digital banking experience, we implemented a new facial biometrics system in our mobile application, achieving significant advancements in security and customer trust. As a result, **authentication success rates increased from 68% to 80%**, strengthening security without compromising user experience.

<sup>8</sup> Digital deposits include mobile account, payroll account, mobile payroll account, CDAT and DaviPlata.

**93%**

**of customers  
in Colombia  
are digital.**



*We acquired ePayco to provide **new possibilities for our commercial clients to collect payment for their products and services.***

We continue to evolve and innovate, launching major new products throughout the year, including the Digital Revolving Credit, which allows clients to apply for and access funds instantly via the Davivienda App. Customers can choose their preferred repayment term and receive funds directly into their Davivienda account within minutes.

In October 2024, we acquired **ePayco**, further strengthening our position as one of the most comprehensive payment acceptance platforms in the financial sector. This acquisition reinforces our presence in the *e-commerce* ecosystem, enabling merchants to access secure, seamless, and efficient digital payment solutions. We continuously seek innovative alternatives that provide businesses with multiple payment collection options, improve the shopping experience for their customers, and offer value-added services that help merchants grow their businesses.

Throughout 2024, we remained dedicated to promoting diversity, equity, and inclusion, implementing initiatives that drive greater accessibility and equal opportunities within our financial ecosystem.



## CONSUMER

The consumer loan portfolio in Colombia<sup>9</sup> reached a balance of COP 23.6 trillion, representing an 18% annual decrease, in line with lower credit demand and reduced loan disbursements within the context of an economic environment still undergoing normalization for households and individuals. Our market share in the consumer portfolio stood at 11.9%<sup>10</sup> as of December 2024, positioning us as the third-largest financial institution in this sector. Additionally, we disbursed COP 7.7 trillion in fixed loans, payroll loans, and revolving credit lines, with 64% of transactions conducted via mobile channels.

As part of government-backed programs, we participated in the Fondo Nacional de Garantías (FNG) initiative, which facilitated access to credit for individuals across all economic sectors, promoting business growth and financial inclusion. Through this program, we disbursed COP 27 billion to 3.7 thousand clients.

<sup>9</sup> Individual figures for Colombian operation.

<sup>10</sup> Market share as of December 2024, Financial Superintendency of Colombia.





## Debit Card

Our debit card portfolio expanded to 4.8 million clients and 5 million active products, achieving a **10.6% increase in point-of-sale (POS) turnover**, consolidating our position as the second-largest bank in this segment.

We strengthened our 100% digital offering, issuing 142 thousand digital debit cards in 2024, with a total billing of COP 6.4 trillion. As part of our sustainability strategy, we reduced 19.1 tons of CO<sub>2</sub> emissions, a milestone recognized with the 2024 Grupo Bolívar Innovation Award, reaffirming our commitment to innovative and sustainable financial solutions.

We remain at the forefront of the payments industry, transforming the customer experience and delivering unique innovative benefits that foster trust and long-term value.

## Credit Card

The credit card portfolio reached a 10% increase in annual turnover, reaching COP 20.5

trillion, positioning us as the second-largest player in this market with a credit card loan portfolio of COP 6.5 trillion.

We remain focused on enhancing our product offering, ensuring simplicity, security, and user-friendliness. In 2024, we developed self-service functionalities within our mobile app, significantly improving the experience of over 70 thousand credit card users by enabling dispute reporting, credit limit increases, PIN resets, and installment plan modifications. These solutions optimized customer service, reduced operational costs, and improved processing times, making our services more efficient and accessible.

As part of our customer-centric approach, **we became the first bank in Colombia to offer customized assistance services by credit card segment**, providing benefits such as airport transfers, psychological counseling, mixology courses, furniture assembly assistance, and bicycle maintenance. Each client is entitled to five complimentary services per year, reinforcing our commitment to personalization and customer engagement.





Within our loyalty program, over 85% of Davipuntos redemptions were made digitally in 2024, benefiting more than 100 thousand clients. With new redemption options, including Vive Terpel points conversion and Davipuntos payments in the Davivienda Marketplace (available via our app), we expanded our value proposition, driving a 15% increase in active users.

## Digital Revolving Credit

In 2024, we launched the Digital Revolving Credit product, allowing customers to apply and utilize credit directly through the Davivienda app within minutes. Clients can select their preferred repayment term and allocate funds to any Davivienda account of their choice.

This initiative led to the approval of 17,000 revolving credit lines, totaling COP 138 billion since August, and 24,000 active credit lines, with COP 55 billion in disbursements.

## Youth

We expanded our young customer base to over 2 million, with a loan portfolio balance of COP 6.6 trillion as of December 31, 2024.

To strengthen this segment, we introduced specialized products, including the Kids Account and the G-Zero Account, which feature zero maintenance fees and a digital debit card, reducing plastic waste while promoting digital payments. We also launched the G-Zero Credit Card, designed for environmentally conscious young consumers, offering Green Cashback, which can be donated to WWF for biodiversity conservation.

Regarding youth credit access, 374 thousand young customers held at least one active loan, with 207 thousand credit cards, 193 thousand consumer loans, 27 thousand mortgage loans, and 1,6 thousand vehicle loans. Total loan disbursements reached COP 2.1 trillion in 2024, following COP 2.5 trillion in 2023.

Among this segment, 72% maintained an excellent credit profile with zero days past due, while 25% were classified as non-performing loans. Additionally, 81 thousand young clients earned a minimum wage or less, and 69,3 thousand received at least one government subsidy in 2024.

To further enhance financial literacy, we provided educational programs such as “Finanzas en Jeans”, “Monetarium”, and a gamified learning platform to promote financial well-being among young Colombians.



***We launched the Digital Revolving Credit.***



## Freelancers and Small Business

Davivienda remains committed to supporting small businesses and independent professionals, offering tailored financial solutions. **We currently serve 4.5 million clients**, with a loan portfolio of COP 31 trillion, of which COP 2.7 trillion (8.7%) is allocated to working capital financing.

Our offer has impacted economic sectors focused mainly on services, commerce and manufacturing, and we have managed to reach 262 thousand young people and 1.2 million women in the segment.

Our financial inclusion strategy in 2024 was reinforced through government programs such as “Economía Popular” and “Unidos por el Cambio”, benefiting over 6,5 thousand businesses with COP 24 billion in financing.

Additionally, we continued to support business growth, enrolling 68 thousand merchants in the “Mi Comercio” program. Since July 2024, we have integrated 10 thousand businesses into interoperable QR payment solutions, improving sales and cash flow management.

## Deposits

Deposit balances grew by 8.8% year-over-year, primarily driven by savings accounts and fixed-term deposits (CDTs), which recorded positive variations of 10.5% and 8.0%, respectively, compared to 2023, closing the year at COP 404 trillion and COP 19.4 trillion, respectively.







*We are leaders in the housing business in Colombia with a market share of close to 25.6%.*

In 2024, we opened 634 thousand mobile accounts, representing a 12.8% annual increase, of which 118 thousand were G-Zero accounts, specifically designed for the young population segment. These accounts offer zero maintenance fees and one of the lowest interest rates in the market, contributing to the financial inclusion of Colombians.

Additionally, we opened 306 thousand CDTs, of which 149 thousand were digital, reflecting a 29.6% growth in annual CDT openings via digital channels. This aligns with our digital adoption strategy, promoting investment and savings among our clients while reducing paper-based certificate issuance.

Regarding new payroll agreements, we facilitated fee-free payroll accounts for employees and companies without an existing agreement with Davivienda, reducing service charges for new clients and encouraging the adoption of digital transactions. This initiative led to a 13.4% annual increase in payroll agreements.

Moreover, throughout the year, we maintained special benefits for accounts held by independent professionals and self-employed individuals through the Mi Comercio platform, extending the same advantages to interoperable QR payments, enabling users to receive sales proceeds efficiently. This offering includes fee-free account maintenance and additional transactional benefits, enhancing financial mobility for Colombians. As a result, we benefited 68 thousand clients, representing a 5.6% annual growth.

## MORTGAGE

We are committed to expanding homeownership opportunities for Colombians, with a particular focus on vulnerable populations and female heads of households. As a result, in 2024, our gross mortgage loan portfolio in Colombia grew by 5.6%<sup>11</sup>, reaching COP 33.2 trillion. **We also maintained our leadership position in this segment, with an estimated market share of 25.6%<sup>12</sup>.**

<sup>11</sup> Individual figures for the Colombian operation as of December 2024.

<sup>12</sup> Market share as of November 2024, Financial Superintendency of Colombia.





During 2024, we reduced our interest rates for housing loans in anticipation of rate cuts by the Central Bank, promoting access for Colombians to own their homes. This action, along with those of other banks, allowed for a greater flow of resources into the construction sector, boosting the continuity of projects.

We actively collaborated with government housing programs, representing approximately 27% of all subsidies granted by the National Government and an equivalent share of mortgage disbursements under the “Mi Casa Ya” program. Additionally, we participated in local government initiatives, including “Mi Techo Propio” in Barranquilla and “Reduce Tu Cuota” in Bogotá.

Moving forward, we will continue supporting public sector initiatives that enhance access to development funds,

delivering streamlined and accessible financing solutions tailored to individuals and families seeking to purchase new low-income housing (VIS) or priority housing (VIP). These efforts will further strengthen and expand our housing finance portfolio.

### ***Low-income housing***

At year-end 2024, the low-income housing (VIS) loan portfolio stood at COP 6.7 trillion, generating significant social impact despite a 1.7%<sup>13</sup> annual decline.

<sup>13</sup> Individual figures for the Colombian operation as of December 2024.



As the leading mortgage lender in Colombia, we are committed to promoting sustainable homeownership. The Guadua Project in Pereira serves as a successful example of social interest housing financing, supported by Davivienda in partnership with Incol, a developer with over 50 years of experience. The project, financed through a developer loan disbursed in four stages, enabled the construction of 596 EDGE-certified apartments, ensuring significant savings in energy, water, and materials while avoiding 169.27 tons of CO<sub>2</sub> emissions. Furthermore, the initiative facilitated homeownership for numerous families by leveraging government subsidies, contributing to reducing Colombia’s housing deficit.



## ***Residential Leasing***

In 2024, we continued to offer residential leasing solutions for both low-income housing (VIS) and non-VIS properties, expanding financing opportunities for this segment. By year-end, our residential leasing portfolio reached COP 13.8 trillion, reflecting a 3.7% annual decrease.

## ***Mobile Mortgages***

As part of our efforts to enhance the digital home financing experience, we enabled customers and non-customers to apply for mortgage loans directly via our Super App. By streamlining processes and improving response times, **we achieved over 34 thousand financial approvals and 3,4 thousand mortgage disbursements by year-end 2024.**

To further drive digital adoption, we now enable Colombians to obtain mortgage approval in less than five minutes, while also searching for and selecting their preferred property within the platform.

In alignment with this strategy, we continued advancing digital solutions to facilitate fully online real estate pre-sale processes, initial payment collections, and other key functionalities.

The optimization of property buying, selling, renting, and residential management experiences, supported by CienCuadras' technological infrastructure, has resulted in added-value services, including customer profiling and a reduction in appraisal costs. Additionally, digital promissory note signings and the implementation of efficient information-sharing mechanisms stand out as key achievements in our mortgage lending processes.

***We advance in digitalization to offer friendly, simple and reliable solutions.***





## Daviplata

In 2024, Daviplata remained a key player in Colombia's financial system, reaffirming our commitment to financial inclusion. We continued to deliver innovative solutions that positively impact millions of Colombians, providing tools that simplify money management and enhance opportunities for individuals and microbusinesses.

As a result, we reached **18.5 million users**, of which 56% are women who rely on Daviplata to save and support their businesses. Additionally, 26% of our users are young people, and in 2024, we successfully implemented a 100% digital registration process for **minors aged 14 to 17**, providing 115,000 minors with their first financial product.

Our commitment revolves around financial inclusion and driving the economy, positioning us as the trusted partner for more than 2.4 million microbusinesses that rely on DaviPlata to address their basic financial needs. We also maintain a strong



presence in rural areas, serving nearly 1 million customers, and through streamlined registration processes, we have provided financial services to over 105,000 migrants.

We have established ourselves as partners in helping our customers achieve their savings goals.

To support this, we designed personalized savings campaigns that strengthened the DaviPlata savings wallet, leading to a 21% increase in the number of wallets and a total balance of COP 1.15 trillion on the platform - a 15% growth compared to 2023.

**We have 18.5 million DaviPlata customers: 56% are women and 26% are young people.**



From a financial inclusion through credit perspective, we enhanced our offering, closing the year with a loan portfolio balance of COP 11.5 billion and COP 66.5 billion disbursed throughout the year. Of this total, COP 19 billion was allocated to Nanocredits, with 82% guaranteed by the Antioquia National Guarantee Fund (FGA)<sup>14</sup> and 18% by the National Guarantee Fund (FNG)<sup>15</sup>, while COP 47.4 billion was issued in Payroll Advances. Additionally, COP 4.2 billion was directed toward 2,000 small entrepreneurs and business owners, fostering a responsible credit mindset for working capital.

We also ended the year with total revenue of COP 181 billion, 44% of which came from transactional income, growing at a 21% rate over the past year. We saw a 31% increase in insurance revenue and an impressive 141% growth in assistance services, helping customers handle unexpected daily expenses.

The rise in users and product adoption was accompanied by DaviPlata's expansion as a payment method, reaching COP 15.5 trillion in purchases made through the platform - a 38% increase compared to 2023. Additionally, **we solidified our position as Colombia's #1 digital wallet for remittances**, doubling the transaction volume in this category and enabling more than 246,000 Colombians to receive funds - primarily from the U.S., Spain, and Chile.

As part of our mission to develop a comprehensive and seamless financial ecosystem, we have advanced in the integration of DaviPlata services into third-party platforms. Our API-based payment solutions allow partner businesses to enhance digital customer experiences, achieving a 90% approval rate compared to

***Through DaviPlata, purchases of COP 15.5 trillion were made, 38% more than in 2023.***

75% with other payment methods, increase their billing volume, and optimize internal administrative processes.

To support this, we introduced a Payments Button, simplifying payment collection. This innovation has been adopted by 172,000 merchants and 1.2 million clients, who completed 7.3 million transactions in 2024. We strengthened our digital payment positioning in Colombia's e-commerce sector while also enhancing the in-person payment experience, in partnership with Epayco.

14 Antioquia National Guarantee Fund (FGA).

15. National Guarantee Fund (FNG).





## *Deposits in DaviPlata reached **COP 1.15 trillion**, increasing 15% over the year.*

Furthermore, DaviPlata expanded its merchant solutions, forming alliances with mass consumption companies and trade associations, reaching 2.4 million merchants-of which 43% have been activated. The billing volume from merchants grew by 47%, reaching COP 9.7 trillion, while the number of businesses registered under our “Mi Negocio” profile increased 17% to 809,000, with an average balance of COP 109 billion. Additionally, 1.1 million businesses now use our interoperable QR code payment solution. In 2024, DaviPlata continues to transform financial inclusion in Colombia, combining technology, accessibility, and a customer-centric approach to create opportunities for millions. By expanding credit access, simplifying payments, and driving digital financial integration, we reinforce our commitment to empowering individuals, businesses, and communities nationwide.

In the corporate segment, we strengthened our presence among businesses and compensation funds by offering secure and timely payroll payments to employees who receive their salaries through DaviPlata. In 2024, 44,000 companies processed payments through DaviPlata, with nearly 11 million payroll and recurring payments made to 1.5 million

clients. We reached 84% of the country’s compensation funds, implementing a comprehensive payment model that improved subsidy distribution. Our after-sales service stood out by delivering superior experiences, strengthening commercial relationships with corporate clients, and positioning us as a reliable solution for mass and recurring payments.

We continue to be a strategic partner of the National Government and local administrations in the distribution of subsidies. In 2024, we processed 2.2 million payments to 530,000 beneficiaries, amounting to COP 720 billion in aid directed towards recipients of programs such as Renta Joven, Gobierno Local, and Ingreso Mínimo Garantizado. These efforts were complemented by strategies that enable beneficiaries to fully utilize DaviPlata’s functionalities.

Regarding progress in **Open Finance**, in 2024, the Financial Superintendence of Colombia issued External Circular 004 of 2024, establishing the framework for data exchange and designating payment initiation, banking aggregation, and portability as the first use cases. We defined a strategic position on each of these elements to position ourselves as a payment management tool that strengthens our credit models and customer engagement. Additionally, we made internal adjustments to comply with the proposed standards and developed our vision for contributing to a more open and interconnected financial ecosystem.



In 2024, we also launched our new **Virtual Store**, expanding our offering with more than 60,000 SKUs from the retail segment. This initiative positions us as pioneers in the country by providing a broad non-financial offering, which resulted in 960,000 successful transactions throughout the year and tripled billing compared to 2023.

To enhance **our platform, we implemented cloud-based solutions for scalability and high availability**, integrating automated monitoring via Dynatrace to detect system failures in real time. We carried out key technological upgrades to prevent obsolescence and improve performance. Security remained a priority, with continuous security posture evaluations and the reinforcement of perimeter protection policies. These measures ensure a robust support system and a reliable infrastructure, allowing us to maintain an average uptime<sup>16</sup> of 99.78% in 2024.

In 2024, the Valle de Aburrá transportation app, **Civicapay**, onboarded 220,000 new clients, bringing the total to over 767,000 users, thanks to improvements in balance top-ups and expanded partnerships with

corporate allies. This resulted in more than COP 39.1 billion in transactions across 4.4 million operations. By year-end, 1.8 million trips had been completed using QR payments, and we expect to expand our operations to the entire integrated system by 2025.



We strengthened our **Smart Cities ecosystem** by integrating digital payments into multiple services. We enabled an exclusive traffic fines payment button, expanded DaviPlata's presence in Bogotá's Secretaría de Hacienda, facilitated payments in public transport and taxis, and broadened TAG recharge and parking solutions, improving urban payment efficiency and accessibility.

In the Archipelago Department of San Andrés, Providencia, and Santa Catalina, we impacted 19,000 people, including 40% of the Raizal community, by providing savings, financing, and insurance products. These users completed 1.2 million transactions totaling COP 165 billion through DaviPlata. Additionally, more than 6,300 micro-businesses, including artisans and local shops, adopted digital payments, generating 184,000 transactions worth COP 18 billion. We also conducted financial education training for 3,700 children and young people, reaching 85% of the region's educational institutions.

<sup>16</sup> This indicator is a measure of how long an application is available and working properly, without interruptions. It is usually expressed as a percentage.





**Our Net Promoter Score (NPS) improved from 70.9 in 2023 to 78.4 in 2024**, with ease of transactions, platform stability, and everyday convenience being the most highly rated aspects. To enhance user experience, we implemented in-app alerts for real-time service updates, continued anti-fraud campaigns and protocols, and introduced modifications to app functionalities based on customer feedback.

Looking ahead to 2025, significant transformations are expected in the financial sector and for DaviPlata. The implementation of the Immediate Payments System (IPS) aims to reduce cash usage and accelerate the adoption of digital payments, an initiative long championed by Davivienda. Additionally, artificial intelligence will play a critical role in enhancing our app's security, simplicity, and reliability. These innovations align with our objective of becoming an accessible digital wallet, strengthening our appeal among individuals and micro-businesses. We will also focus on building partnerships with companies,

governments, and agencies to expand financial inclusion and drive social and environmental impact across Colombia.

## Commercial Banking

In 2024, we continued to support businesses by providing the tools they need to operate efficiently and achieve new goals. Our commercial loan portfolio in Colombia closed at COP 49.1 trillion<sup>17</sup>, representing 46.4% of our total gross portfolio and reflecting an annual growth of 14.6%, driven by increased disbursement activity in key sectors such as energy and hydrocarbons, services, and agribusiness.

As of December 2024, our market share reached 12.8%, positioning us as Colombia's third-largest bank in this segment<sup>18</sup>.

We continue to be recognized in the market for our digital strategy, designed to complement and empower businesses. Throughout 2024, we further strengthened our App Empresas, incorporating a

modern, market-driven design aligned with evolving business needs. The app offers clients an all-in-one platform for quick inquiries, alerts and notifications, multi-business profile management, new product onboarding, special offers and campaigns, personalized support, and other valuable services. We have firmly positioned ourselves as the strategic partner for businesses, facilitating everyday transactions and empowering entrepreneurs to manage their companies seamlessly from anywhere, with an intuitive and user-friendly experience.

**We promote the digital adoption of payments to *reduce the use of cash.***

<sup>17</sup> Individual figures for Colombian operation

<sup>18</sup> Market share as of December 2024, Financial Superintendency of Colombia





From our renewable energy financing to corporate banking. We highlight the case of Madepatula, with 30 years of experience in the Colombian wood industry, has taken an important step towards sustainability by transforming its energy model. With our successful financing, Madepatula installed 1,800 square meters of solar panels at its Bello, Antioquia facility, supported technically by Ziklo Solar and financially backed by Davivienda. This initiative not only enhanced production efficiency but also enabled Madepatula to sell surplus energy to EPM.

Furthermore, Madepatula sources raw materials from reforestation forests and integrates circular economy principles into its processes. It maximizes wood usage by converting waste into by-products like sawdust, shavings, and wood chips for biomass energy. These materials are sold to companies that have transitioned from coal-fired boilers to cleaner energy alternatives, fostering sustainable supplier relationships and unlocking biomass potential as an alternative revenue stream and eco-friendly energy source.



## CORPORATE AND BUSINESS SEGMENTS

In Colombia, our corporate loan portfolio closed at COP 29.4 trillion, while the business loan portfolio reached COP 4.3 trillion. Together, they totaled COP 33.7 trillion, reflecting an annual growth of 20.4% as a result of an increased business activity aimed at executing investment projects and supported by our customer deepening strategy, focused on expanding relationships with existing clients who maintain solid risk profiles.

## INFRASTRUCTURE SEGMENT

We maintained our position as a **key bank in financing high-impact infrastructure projects essential for Colombia's development**, supporting projects in roads, ports, energy generation and transmission, and real estate, among others, contributing to regional competitiveness and progress. We highlight the financing of 4G roads and private initiatives, ports and energy projects.

Due to their impact, these projects also undergo evaluation under IFC Performance Standards within our Environmental and Social Risk Management System (SARAS), alongside frameworks such as the Equator Principles, which govern the financing of such projects.





## CONSTRUCTION SEGMENT

**We continued our leadership in the Construction segment in Colombia, with a market share of close to 32.6% as of December 2024.** This portfolio closed with COP 7.7 trillion, representing close to 7.3% of our gross portfolio in Colombia, with a growth of 14.1% in the year.

During the last few years, the construction sector was impacted by high interest rates that increased debt costs, the increase in the prices of construction inputs and labor, as well as the decrease in the demand for credit by households.

However, thanks to the strength of our clients and their adaptability, as well as our constant support, our portfolio showed signs of stabilization during 2024.

In addition to the above, and aware of **the role that the housing sector plays in the generation of employment and the country's economic growth, we decided to lower interest rates for new housing purchases.** This move aimed to revitalize the construction sector's value chain

and contribute to the national economic recovery.

We will continue to implement strategies to offer products aimed at sustainable construction.

***Our portfolio balance closed at COP 7.7 trillion.***





# Some construction projects financed by Davivienda in Colombia, 2024



## CUARZO

VIS  
Constructora Melendez S.A.  
Cali



## TORRE ESTACIÓN

Mayor a VIS  
Constructora Capital  
Bogotá S.A.S.  
Bogotá







### **PALMANOVA BATARÁ**

Mayor a VIS  
Ambientti Constructora Inmobiliaria S.A.  
Villetea, Cundinamarca



### **MISTRAL**

VIS  
Constructora Bolívar  
Bogotá



### **MADEIRA**

Mayor a VIS  
Coninsa Ramón H. S.A.  
Barranquilla, Atlántico





**PARQUE CENTRAL CAJICÁ - EL MOLINO**

Mayor a VIS  
Constructora Bolívar  
Cajicá, Cundinamarca

**NOVATERRA CEDRO**

Mayor a VIS  
Constructora Capital Bogotá S.A.S.  
Bogotá



**AUSTRO**

Mayor a VIS  
Constructora Bolívar  
Bogotá





**PONTEVERDI**

VIS  
Coninsa Ramón H. S.A.  
Itagüí, Antioquia



**HACIENDA PEÑALISA GUADUA**

Mayor a VIS  
Constructora Bolívar  
Ricaurte, Cundinamarca



**ASTURIAS HOGARES FELICES**

VIS  
Grupo Normandía  
Turbaco, Bolívar





### ÁMBAR

Mayor a VIS  
Prodesa y Compañía S.A.  
Villeta, Cundinamarca



### HACIENDA SAN PABLO - LIRIOS

Mayor a VIS  
Grupo Empresarial Oikos S.A.S.  
Fusagasugá, Cundinamarca



### LA ALEGRÍA 1 - LA MARLENE

VIP  
Cusezar S.A.  
Bogotá







### DAMMAR

VIS  
Prodesa y Compañía S.A.  
Cartagena

### FERRARA APARTAMENTOS

VIS  
Coninsa Ramón H. S.A.  
Bogotá



### HACIENDA LOS SAUCES - ROMERO

VIS  
Amarilo  
Madrid, Cundinamarca







### EL ROBLE

Mayor a VIS  
Constructora Colpatria S.A.S.  
Bogotá

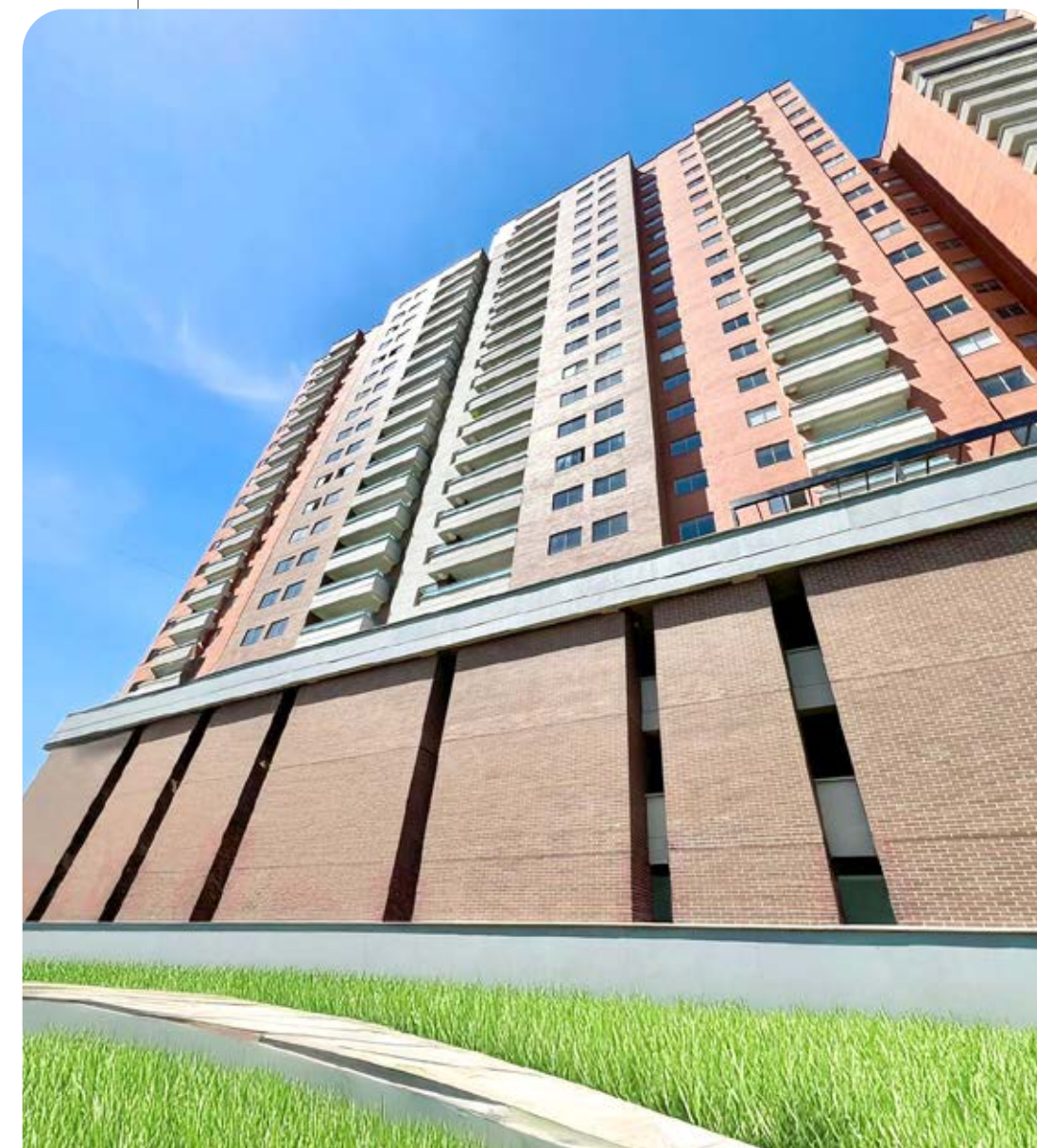
### LA UNIÓN 1 - LA MARLENE

Vis  
Cusezar S.A.  
Bogotá



### BOSQUE ALTO

Mayor a VIS  
Londoño Gómez y Arquitectura y Concreto S.A.  
Bello, Antioquia







**GREGAL**

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**L'ECO CITY**

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**LOS CERROS**

Mayor a VIS  
Constructora Colpatria S.A.S.  
Bogotá







## OCEANA

Mayor a VIS  
Londoño Gómez y  
Arquitectura y Concreto S.A.  
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## MONTE SION

VIS  
CASA - Compañía de  
Constructores Asociados S.A.  
Copacabana, Antioquia

## GUAYACÁN

VIS  
Promotora de Inversiones S.A.S - Proinsa  
Cúcuta







## SME SEGMENT

In Colombia, our SME segment closed at COP 6.6 trillion, reflecting an annual growth of 10.1%. We remained dedicated to supporting entrepreneurs through a year of lower economic activity, reinforcing our commitment to helping clients pursue their projects.

We remain committed to being the **go-to bank for SMEs**, supporting them throughout each of their business lifecycle, facilitating them access to financial and non-financial solutions, helping them strengthen and scale their businesses thanks to our commercial advisory model and providing them personalized guidance regarding our product offering, aligning with each client's unique needs, ultimately strengthening stronger, long-term relationships.

At the same time, we also played an active role in helping businesses access government subsidies under the “Empleo para la Vida” (Employment for Life) program, led by Colombia's Ministry of Labor. Over 2,900 clients benefited from our disbursements, contributing to the promotion and protection of formal employment across Colombia.

We support SMEs with an alternative financing service, our Factoring solution, which allows our entrepreneurs to advance the payment of their customers' invoices, improve their cash flow, obtain immediate liquidity, trace their negotiated invoices and improve their accounts receivable indicators; through this solution, we managed to disburse more than COP 400 billion during 2024.





As part of our commitment to support the growth of SMEs led by women, in collaboration with Fundación Bolívar Davivienda, we launched “Emprende País Mujer”, a program designed to empower high-potential women entrepreneurs, allowing them to improve their performance and take strategic decisions to reach a higher level. Participants receive training in finance, strategy, gender equity culture, and access to personalized mentorship, boot camps, and networking opportunities with other business leaders. This initiative continues Davivienda’s long-standing support, aligning with the 13 prior editions of the “Emprende País” program.

From our renewable energy financing to SMEs activity, we highlight the case of **La Cevichería El Puente**, a Tumaco-based restaurant with

nearly 40 years of history, that took a pioneering step toward sustainability by installing 108 solar panels and three 15 kW inverters on its rooftop. This initiative, supported by Smart Solar and Davivienda’s financing, helped cut operating costs and reduce environmental impact.

Beyond renewable energy, La Cevichería El Puente stands out for its commitment with the community. It sources raw materials exclusively from local artisanal fishing, promoting responsible practices and ensuring fresh, high-quality products. This approach supports local employment, boosting Tumaco’s economy. The restaurant also leads environmental awareness efforts, organizing beach cleanups and operating an in-house recycling system, inspiring other small businesses to adopt sustainable solutions.



Finally, we continued our SME training initiatives. In 2024, alongside our partners, we hosted webinars on topics like strategy, sustainable practices, marketing, and talent development, providing valuable insights to help businesses grow and thrive.





## OFFICIAL SEGMENT

We support government investment plans by financing infrastructure, health, education, culture, and sports projects, contributing to Colombia's economic growth and social well-being.

Our official segment closed 2024 with a loan portfolio of COP 5.1 trillion, reflecting an annual growth of 15.2% compared to the previous year.

We remain committed to innovation and process enhancement, ensuring efficient and timely responses to our clients' needs in this segment. This dedication keeps us among the top banks supporting territorial entities with financing solutions.

## AGRO SEGMENT

At Davivienda, we are committed to Colombia's rural development and financial inclusion, therefore we've implemented strategies to strengthen our presence in the agricultural sector, promoting

economic and social growth in rural communities. In 2024, our agricultural loan portfolio grew by 14.3%, reaching COP 6.4 trillion. This growth was supported by disbursements totaling COP 4.2 trillion. We had a strong leverage with our third version of the agricultural fair with a sustainable focus where in only 47 days we impacted 1.7 thousand clients with the placement of COP 665 billion, with a growth of 16% with respect to 2023.

*Our agro portfolio  
**increased by 14.3%  
during the year.***





***In alliance with the National Federation of Coffee Growers, we will reach 556 thousand coffee growing families with financial tools.***

With over 70 years of experience in the agricultural sector, we continued supporting Colombian coffee farmers. On December 5, we launched the **“Cédula Cafetera”** (Coffee ID Card) in partnership with the National Federation of Coffee Growers. This initiative aims to reach over 556,000 coffee-growing families, offering them financial tools to formalize their businesses and commercialize their coffee more securely. In its first year, the program is expected to benefit farmers across 605 municipalities in 23 departments, promoting

rural development and digital technology adoption in agriculture.

In the agricultural segment we are committed to the constant development of our digital strategy, which is why for the first time in Colombia **we successfully tested the use of the AlGrano tool, a customer service through WhatsApp that allows farmers to access information on weather, prices and financial education and sustainability programs.** The tool allows us to process credit and insurance applications quickly

and efficiently, offering loans in just 5 working days, and has also enabled us to improve efficiency and accessibility to credit for farmers.

We remain committed to developing tailored financial products for the agricultural sector, expanding geographic coverage, and reaching more rural communities by strengthening partnerships with agriculture industry organizations, government agencies, and private sector players to continue promoting sustainable farming and value chain development for agro-industries across Colombia.





**With our Agro-Sustainable Strategy, we have remarkable growth stories.**

One of them is the Hacienda El Bosque, located in Manizales, Colombia, an example of transformation and sustainability from a traditional farm into a nature tourism and birdwatching destination.

Our sustainable agriculture portfolio reached COP 2.3 trillion in Colombia, fueled by a strategy focused on working capital financing and investment needs, achieving a 68.2% growth compared to 2023 and COP 1.7 trillion in financing for sustainability-certified businesses meeting top international and national standards.

With financing from La Casita Roja, Hacienda El Bosque implemented reforestation, watershed conservation, and biological corridors to enhance its ecosystem, attracting over 140 bird species. The estate now boasts eight strategic birdwatching points, drawing local and international ecotourists.

The funding has been key to make the necessary adjustments to increase the farm's lodging capacity and improve its environmental conditions. In addition, its integration into programs such as FENALCO's Green Business strategy and the certifications obtained in good livestock practices and environmental conservation have consolidated its sustainable model, generating local employment and working with neighboring farms to protect the fauna and flora.

In our Corporate Banking clients, good sustainable practices are also materialized in that they are certified with agrosustainable seals that allow them to be competitive in international markets.

Guaicaramo has transformed agricultural production to a more sustainable model through regenerative agriculture. The company has invested to revitalize soil health using advanced biofertilizers and

microbiology, resulting in chemical fertilizers reduction, and improving crop resilience. The company also innovated with pyrolysis to convert palm waste into biochar, cutting emissions and supporting renewable energy production. These actions enhanced palm oil production, minimized environmental impact, and aligned operations with international sustainability certifications like RSPO and ISCC.

With a 20-year loan from La Casita Roja, featuring grace periods adapted to agricultural cycles, Guaicaramo improved cash flow and made strategic investments in its community via the Guaicaramo Foundation. Our trust in their sustainable business model beyond financial figures, helped Guaicaramo establish itself as a benchmark for sustainable, responsible development in Colombia's agro-industrial sector.





# Our Clients' Investments and Investment Banking

The Clients' Investments and Investment Banking business line consists of Corredores Davivienda S.A. and Fiduciaria Davivienda S.A. These lines are dedicated to offering a

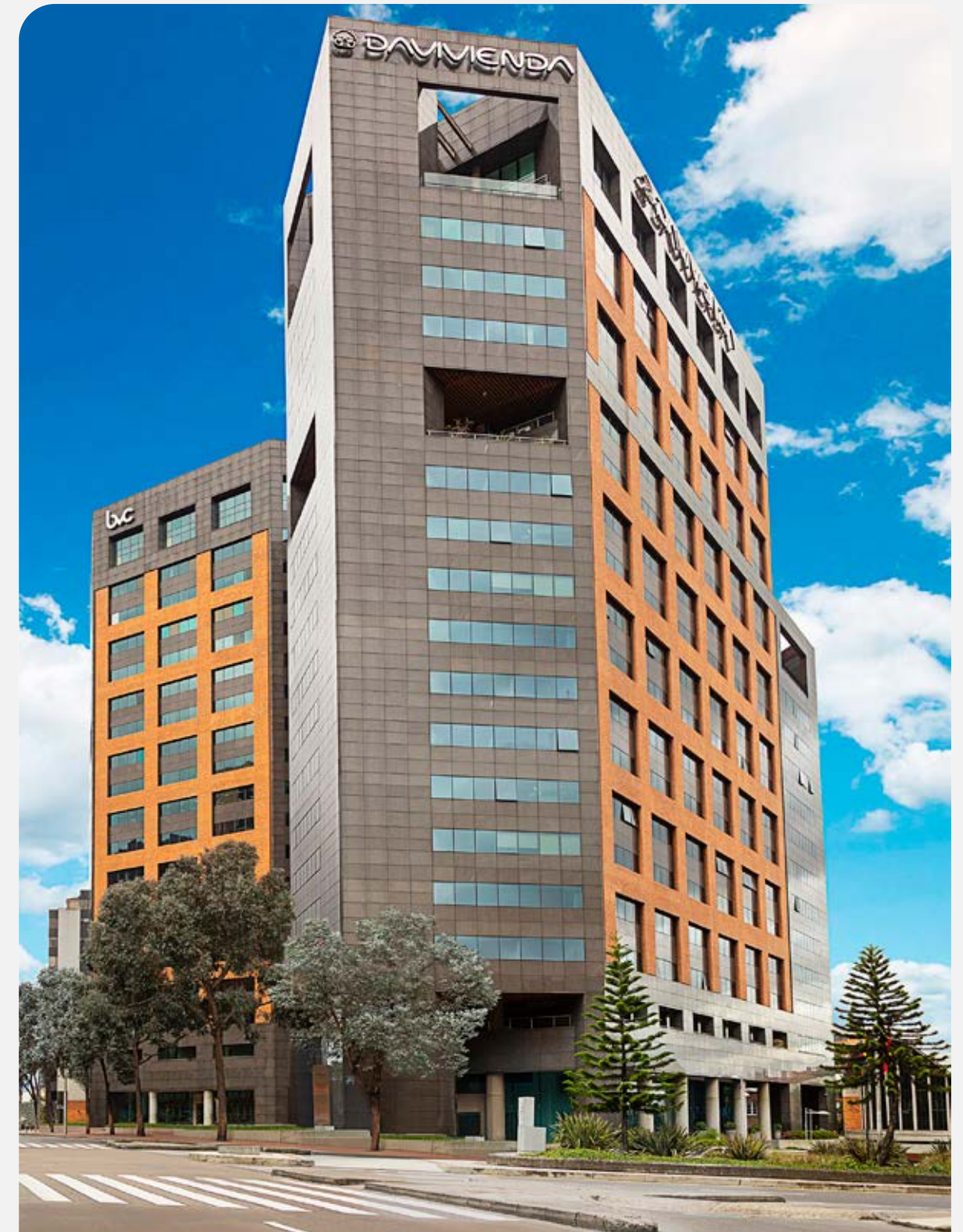
diversified portfolio of products, ensuring our clients have access to a wide range of investment options alongside top-tier advisory services tailored to their specific segments.



**Corredores Davivienda:** one of the largest and most recognized Colombian companies in the sector, offers brokerage services, administration and custody of equity and fixed income instruments for a wide range of clients, from individuals to government entities.



**Fiduciaria Davivienda:** positioned among the leading companies in the trust sector in Colombia, expands and diversifies the service portfolio of Grupo Bolívar through the design of products in investment funds and structured trusts.







In 2024, Davivienda sharpened its business strategy, delivering a segmented value proposition tailored to clients' needs. With a focus on the Premium, Premium Plus, and Private Banking segments, the Bank promoted diversified investment funds and portfolios aligned with each risk profile, empowering clients with options that optimize diversification and strategic wealth management.

In addition, we strengthened our international investment offering, and adjusted it to the needs of these segments through our subsidiaries Corredores Davivienda Panamá, Casa de Valores, and Davivienda Advisors, an investment advisor registered in the United States. Thus, we ensure a comprehensive and specialized service through various channels of advice and attention.

Driven by a winning strategy and strong performance across products and services, this business line achieved **nearly COP 400 billion in income** during 2024, **the highest in its history**.

### CORREDORES DAVIVIENDA

Total assets under management:

**COP 28.1** trillion

Total income:

**COP 178.7** billion

Net income:

**COP 15.3** billion

Number of employees:

**463**

### FIDUCIARIA DAVIVIENDA

Total assets under management:

**COP 48.4** TRILLION

Total income:

**COP 220.6** billion

Net income:

**COP 77.8** billion

Number of employees:

**261**



By year-end, Corredores Davivienda and Fiduciaria Davivienda managed COP 76.5 trillion in assets under management, reflecting a 13.9% increase from the previous year, and reported profits exceeding COP 93 billion. Meanwhile, both subsidiaries had 724 employees, representing an approximate 6% reduction compared to the previous year.

The management of third-party funds, encompassing both collective and individual investment portfolios from the two subsidiaries, closed the year with COP 30.57 trillion in assets under management, a 38% **increase from the previous year serving over 380,000 clients.** This business generated COP 254 billion in income, reflecting 30% growth compared to 2023. These recurring revenues accounted for 50% and 74% of the total income of Corredores Davivienda and Fiduciaria Davivienda, respectively.

### Collective Portfolios

(Mutual Funds, Voluntary Pension Fund, and Private Equity Funds) closed the year with **COP 21.5 trillion** in assets under management, reflecting **25%** growth compared to 2023.

### Individual Portfolios

(APTs, Autonomous Trusts, and Fiduciary Assignments) closed the year with **COP 9 trillion** in assets under management, marking an **86%** growth compared to 2023.

Throughout the year, Davivienda increased its market share in collective investment funds, rising from 11.18% to 11.53%. In the voluntary pension fund industry, we closed 2024 with an 8.48% market share.

On the other hand, Corredores Davivienda Panamá closed the year managing funds for 2,074 clients, with assets totaling approximately USD 560 million, reflecting 4.85% growth compared to 2023. Additionally, in its second year of operations, Davivienda Advisors managed resources for 118 clients, reaching USD 114.8 million, with a 6.6% growth compared to the previous year.

## Comprehensive Investment Approach

In 2024, Davivienda strengthened its commercial teams by segment and tailored its offerings to meet the unique needs of each client group. In 2025, the focus is on taking this model further, optimizing processes, enhancing agility, and increasing efficiency to deliver a seamless customer experience.

Beyond simply offering products, **we look forward to delivering comprehensive investment solutions, integrating the offerings of the Bank and its local and international subsidiaries.** We want to be recognized as the main financial partner, providing personalized guidance tailored to each client's risk profile and offering differentiated products for every segment.

This is an ongoing and unwavering effort that reinforces our commitment to becoming a leader in investment solutions, delivering value to every client through a strategic, needs-focused approach.





## INVESTMENT BANKING

Through Corredores Davivienda's Investment Banking division, **we are contributing to the country's sustainable progress, structuring two major bond issuances worth nearly COP 500 billion.** These initiatives generated impact in sustainable mobility, empower MySMEs financing, and expanded access to essential public services for vulnerable communities. We also strengthened partnerships with key players in the country's growth. We advised public utilities companies in the refinancing of their electric transmission line that serves municipalities in the department of Atlántico and structured and placed bonds for COP 710 billion in the second market for companies in various sectors of the economy.

In 2024, our Investment Banking division generated approximately COP 10 billion in income, reflecting a 58% decrease compared to 2023. This decline was primarily due to a more conservative approach from issuers and investors in the local capital markets throughout the year.



*The investment banking division is committed to sustainable development.*

## RESPONSIBLE INVESTMENT

We recognize that Environmental, Social, and Governance (ESG) dimensions are essential for achieving sustainable business development and promoting the well-being of our community, shareholders, employees, and customers. In this sense, investment decisions for proprietary and third-party managed portfolios incorporate these principles.

**Our objective is to build portfolios that integrate ESG best practices, recognizing that we can contribute to economically, socially, and environmentally responsible development. For this reason, our strategy integrates ESG (Environmental, Social, and Corporate Government or Governance) factors into the**

**investment evaluation process, enabling better risk management.**

This commitment is outlined in our *Responsible Investment Policy*, which was updated and approved by the Board of Directors in the last quarter of 2024 to incorporate improvements identified from the PRI voluntary report. Among the main adjustments, there is the alignment of corporate level exclusions, as well as the definitions made of the engagement process, the aspects involved in the internal ESG evaluation according to the economic sector and the clarifications of Corporate Governance for the presentation of monitoring and updating issues.



## *The Dafuturo Voluntary Pension Fund **grew 92% in AUMs, and closed the year at COP 15.8 billion.***

As part of our commitment to integrate sustainability criteria in our investment decisions, Davivienda and our subsidiaries Fiduciaria Davivienda and Corredores Davivienda joined the United Nations Principles for Responsible Investment (PRI) in November 2022, which aims to promote responsible investment to create

sustainable markets that contribute to a healthier and more prosperous world.

Currently, ESG considerations are integrated into investment assessments via an internal questionnaire covering the 3 ESG dimensions. This produces a final score, classifying issuers into 4 categories: Outstanding, Acceptable, Deficient, or Insufficient. These results are presented to authorized decision-making bodies to select acceptable issuers for investment portfolios.

In 2024, we evaluated 234 issuers using data from 2023 sustainability or management reports or direct responses from the ESG questionnaire.

To monitor investment portfolios, we implemented a “heat map”, visualizing portfolio composition based on the ESG rating criteria. As of December 2024, portfolios were composed as follows:

### **Banco Davivienda (including Davivienda Miami branch):**

96.44% of the proprietary portfolio comprised “Outstanding” and “Acceptable” issuers.

### **Corredores Davivienda:**

Proprietary and third-party portfolios consisted of 87.26% “Outstanding” and “Acceptable” issuers, excluding assets outside ESG evaluation under the Responsible Investment Policy.

### **Fiduciaria Davivienda:**

Proprietary and third-party portfolios reached 89.17% “Outstanding” and “Acceptable” issuers.





Throughout the year, we organized workshops to design and implement the engagement process and provided training sessions to enhance understanding of decarbonization goals and advance the SBTi plan. We also upskilled the investment team with carbon footprint measurement and sustainable bonds training.

We strengthened issuer relationships, both local and international, sharing best practices and reinforcing Davivienda's ESG leadership. We selected 7 issuers for targeted engagement, holding direct meetings with local issuers and sending extended surveys to international issuers to assess their climate maturity. The total number of meetings and engagement carried out represents 71% of the issues invested for Banco Davivienda (including its Miami branch) in the base year, taking as a basis only fixed income and equity assets.

We continued identifying and measuring our investment portfolio's exposure to transition risks, helping assess sensitivity to carbon-intensive sectors and estimate invested greenhouse gas emissions (GHG).

In recent years, we've expanded and deepened our climate strategy for investment portfolios detailed in the 2024 TCFD Report, covering:

- ▶ Engagement strategy: Chapter 2.2.2. Decarbonization Strategy
- ▶ Transition risk: Chapter 3.4.1. Scope of Transition Risk Management Procedures
- ▶ Invested emissions calculation: Chapter 4.1.1. Estimation of Financed, Invested, and Insured Emissions

As PRI signatories, we completed our first mandatory assessment in

2024, which can be consulted on the *official PRI website* by selecting Banco Davivienda as a signatory; in the last measurement, we improved in the dimensions of Policy, Governance and Strategy, Fixed Income and Fixed Income Corporate.

During the year, we worked to close identified gaps, many of which were addressed through the Responsible Investment Policy update. Additional improvements included:

- ▶ Strengthening the voting policy, currently under Board review and approval.
- ▶ Collaborating with Treasury to integrate ESG criteria into investment decisions, aligning with Circular 005 of 2024, issued by Colombia's Financial Superintendence, covering

traditional fixed income and equity assets, benchmark-based funds, mutual funds, alternative funds, and real estate funds.

Finally, the Dafuturo Global Sustainable Portfolio within our Voluntary Pension Fund grew 92% in AUMs, closing the year at COP 15.8 billion.

***We had trainings and workshops to advance in the SBTi plan.***



## EVOLUTION OF OUR INVESTMENT OFFERING AND SERVICES

In 2024, we consolidated our segment-based investment offering, expanding options and enhancing the service experience.

For our premium clients segment, we enhanced their local investment offering by diversifying portfolios based on their risk profiles, allowing access to tailored investment vehicles within a single product. We also **launched capital-protected structured notes, such as Europa 2025 and Oro**, providing new opportunities without compromising principal. Additionally, the international offering was strengthened through model portfolios aligned with risk profiles for Davivienda Advisors in Miami, catering to clients interested in offshore investments.

To elevate the customer experience, Davivienda implemented a centralized service model with faster response times, ensuring specialized financial advisory for these exclusive segments.

For retail segments, Davivienda expanded its investment offering with the Conserva 12 Meses and Oportunidad 90 portfolios, reaching COP 473 billion in assets under management. Additionally, the Bank standardized service across Davivienda's channels, ensuring a seamless and consistent customer experience.

Regarding our digital strategy, we enhanced self-service capabilities by integrating the Investor section into the Davivienda Súper App, achieving a 63% adoption rate

among over 158 thousand investors, with transactions exceeding COP 3.2 trillion. Overall, clients conducted 4.2 million transactions across all digital channels, moving more than COP 52 trillion. This reflects growing trust in our investment solutions, striking the perfect balance between self-service efficiency and expert advisory support.

*Our investment clients mobilized more than **COP 52 trillion through our digital channels.***







# International Banking

Our international operation includes subsidiaries in Honduras, El Salvador, Costa Rica, and Panama. These entities generate revenue from a diverse range of financial products and services offered in each country, with the purpose of providing our clients an integral value proposition. Our portfolio is designed to meet the needs of individuals, families, and businesses in these Central American communities while complying with local regulations.

**We provide value through our portfolio** that includes savings accounts, current accounts, term certificates, loans, letters of credit, debit and credit cards, international transfers, online banking

services, mortgage financing products, digital term deposits (CDTs), insurance and leasing.

It is worth mentioning that our business is subject to seasonal factors-with heightened commercial activity in the final quarter-and to cyclical macroeconomic influences. During economic downturns, we may experience an increase in non-performing loans and a decrease in the demand for certain products and services. Nevertheless, our solid financial position, risk management strategy, and portfolio diversification enable us to address these challenges while continuing to provide quality service to our Central American clients.





During the year it was evident a **positive transitional trend in the macro-economic environment towards the stabilization of local policy rates**. This reflects the liquidity realities in various markets and addresses the inflationary pressures of recent years.

In an increasingly dynamic and competitive global economy, we have maintained our strong commitment to excellence and innovation. **Our Central American operations represented over USD 12 billion** in assets, reflecting a 5% growth over the year.

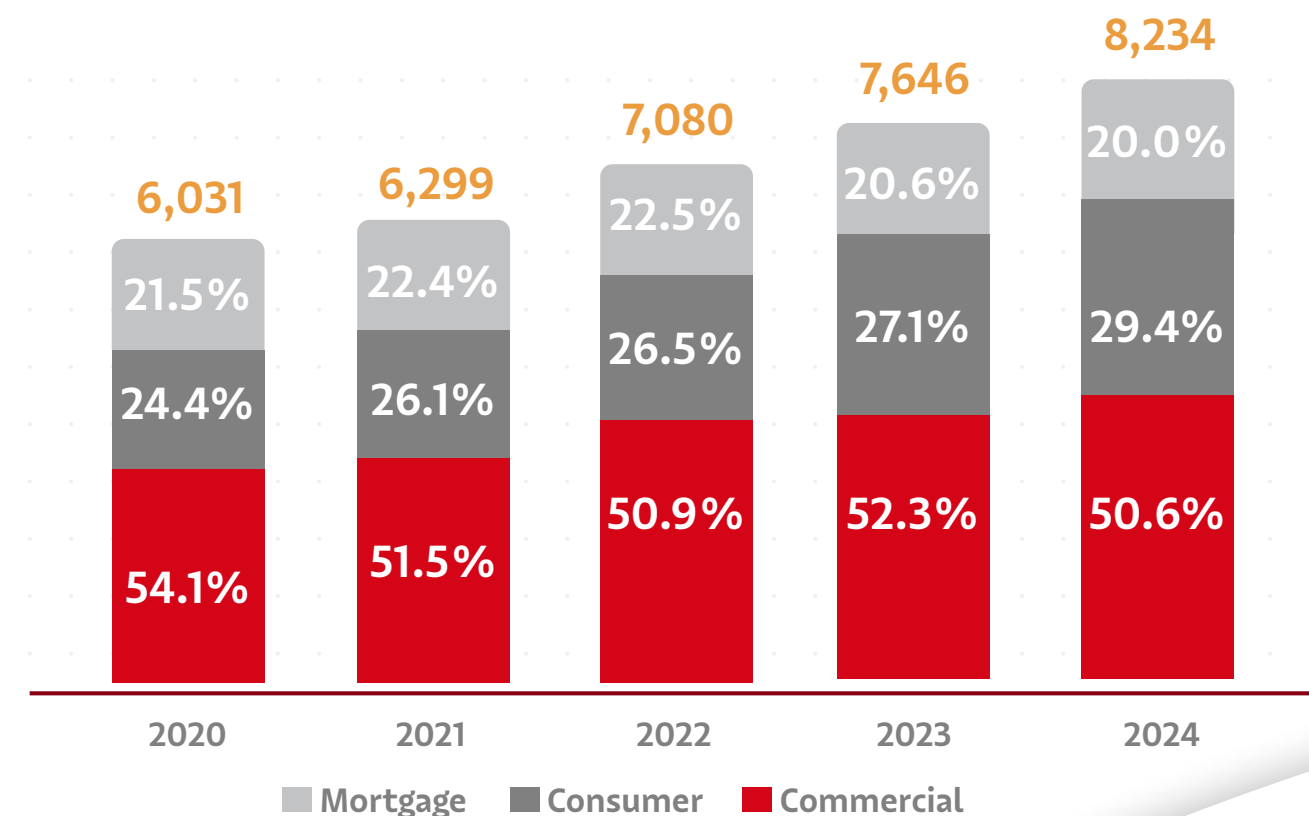
The commercial portfolio grew by 5.2% to reach USD 4.1 billion—driven especially by growth in Panama (25%) and El Salvador (10%). Meanwhile, the Retail Banking portfolio supported on our continuous digital product innovation, was able to achieve USD 4.2 billion at the close of 2024, driven by an expansion

in consumer (10.3%) and mortgage loans (10.0%). Geographically, we highlight growth of 23% in Panama, 12% in Honduras, and 13% in Costa Rica. Deposits continued to rise, reflecting our clients confidence, reaching USD 8.5 billion with a 9% annual increase.

**The consumer portfolio grew 10.3% and the mortgage portfolio grew 10.0%.**

## Gross Loans by segment

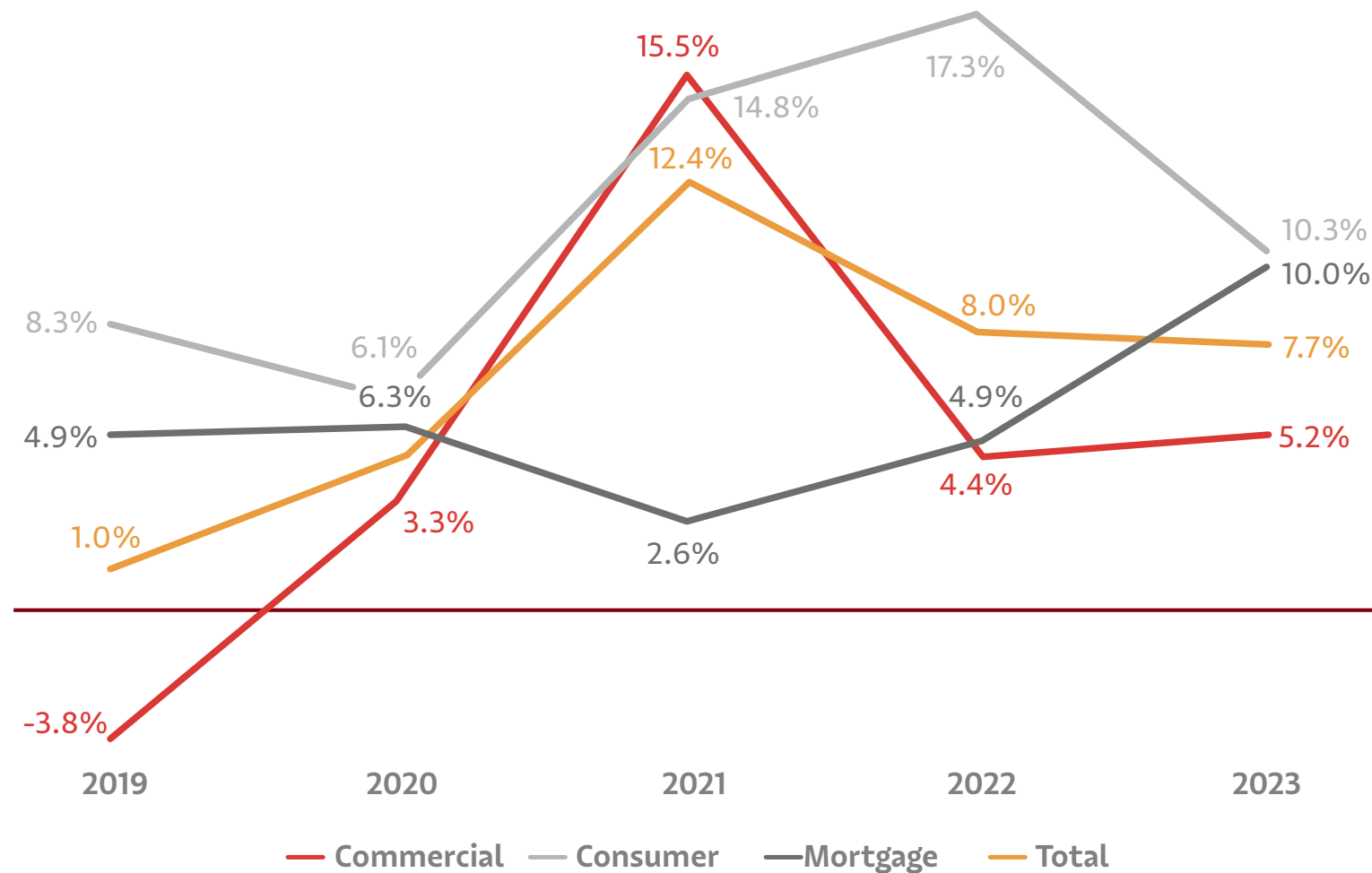
(in USD millions, except percentages)







## Gross Loans growth by segment



Our financial income from Loans and Investments increased by 9%. In addition, El Salvador's long-term foreign currency country risk rating, assigned by Moody's, was **upgraded from Caa1 in Q2 to B3 in Q4**—positively impacting investment impairment results. Conversely, financial costs rose by 15%, primarily due to local reference rate adjustments, resulting in a gross financial margin of USD 494 million.

During 2024, we worked to maintain the positive asset quality indicators in Central America. The cost-of-risk remained low at 1.6%, despite increased provisions for unsecured consumer loans. Our ongoing analytical monitoring ensures optimal coverage of our credit portfolio. Delinquency levels remained comparable to pre-pandemic periods, with 2.1% of the gross portfolio more than 90 days past due. Our goal for 2025 is to sustain this performance over time.

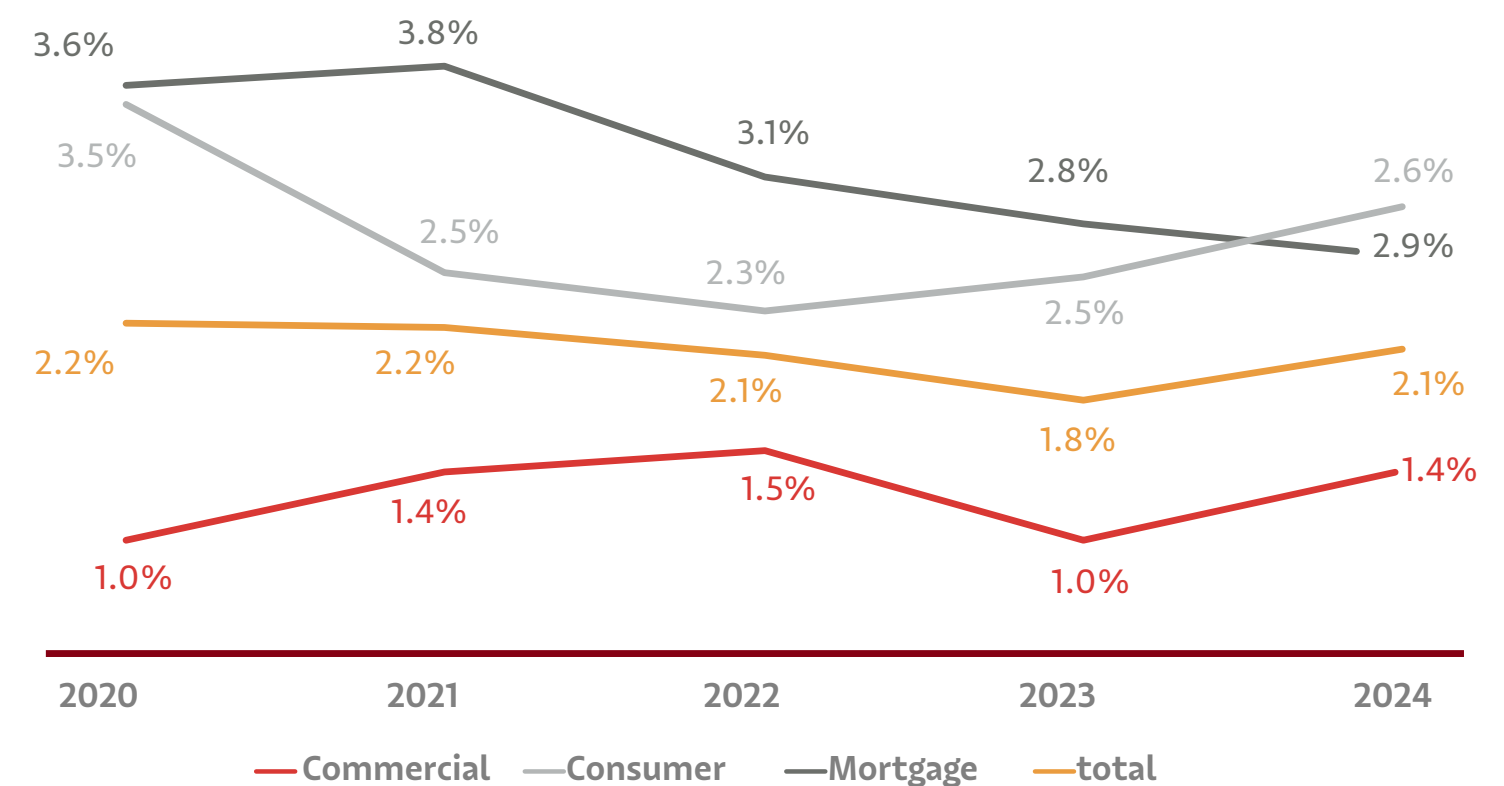




*The Central American operation achieved a profit of USD 86 million. +6% compared to 2023.*



### Portfolio quality performance in Central America



Operating expenses increased by 8% in line with expectations, and despite challenges from the 3% revaluation of the colón against the dollar, **our Central American operations profit achieved USD 86 million, representing an increase of about 6% compared with 2023.**





## We Are a Leading Bank in Central America

Thanks to our strategic position and the efforts to deliver financial solutions to thousands of households and businesses, we have become a benchmark in Central America. Our progress in digital products has resulted in stable market share figures for our loan portfolios-14.2% in El Salvador, 7.6% in Honduras, and 6.7% in Costa Rica. We highlight **the greatest share of the mortgage loan segment, which increased by 103 basis points at El Salvador, reaching 16.7%.**

Regarding deposits, our aim is to provide the best options for our clients and position ourselves as their main bank. In El Salvador, our deposit market share remained at 13.6%; in Honduras, it reached 6.8% and in Costa Rica,

excluding institutional funding, it was 5.6%.

We reaffirm our leadership in customer service with outstanding Net Promoter Score (NPS) results that reflect our commitment to excellence. In the Corporate segment, we achieved an NPS of 82 in Costa Rica and 61.8 in El Salvador, while in Honduras and Panama, the scores were 77.8 and 71.3 respectively-positioning us as the second-best in these markets. In Retail Banking, we led in Costa Rica with an NPS of 65.4, and in Honduras, El Salvador, and Panama, we achieved scores of 70.8, 58, and 59.4 respectively.

Throughout the year, we prioritized analyzing Return on Experience (ROX) and NPS to

identify key opportunities and implement strategic actions impacting both loyalty and revenue. We also advanced our Customer Voice (VOC) initiatives by integrating large language models (LLM) to enhance the customer experience through artificial intelligence.

In the coming years, we will continue to pursue differentiating initiatives, deliver memorable experiences, enhance the relevance and effectiveness of our communications, and build stronger, sustainable relationships with our clients-surpassing their expectations in an ever-evolving competitive environment.

**1.8 million clients in Central America**  
**8.9% more than the previous year.**



## Digital Transformation in Our Central American Operation

72%

**72% of digital customers in our subsidiaries in Central America.**

We continue to make progress in our digital transformation by strengthening our product offering and positioning ourselves as pioneers in Central America. This year, on our Retail Banking operation over 50% of our products were delivered virtually, and **our digital product sales increased by 16% compared to 2023**. This allowed us to grow a 63% in mobile account openings, USD 24 million in digital loan disbursements, and a 44% increase in digital insurance enrollments—helping us to meet market demands and solidify our position as a digital bank in the region.

Digital channel usage rose significantly: with 41% of transactions via our app and 72% of clients identifying as digital users. Thanks to this

transformation and the resulting digital adoption, our sales force productivity increased by 16%.

In Corporate Banking, to provide a friendly, simple, and reliable experience, we enhanced our information services to improve operational efficiency, optimize treasury management, and facilitate client interactions through Online Banking, our main transactional channel. This contributed to an 11% increase in transaction volumes in 2024, reaching a balance of USD 48 billion.

Moreover, aligned with our commitment to delivering memorable experiences, we have established channels for client feedback, enabling continuous evolution based on their needs.





### El Salvador

In El Salvador, we lead in digital product offerings, which accounted for 62.23% of Retail Banking sales-resulting in 82% of our clients actively using digital channels.

Additionally, we worked on digital transformation and financial inclusion initiatives by hosting the country's first **University Hackathon**. In this unprecedented national event, students from over ten universities, in collaboration with the Davivienda team and using the DaviPlata App, co-created value propositions for young people that will be implemented in 2025 to establish digital university ecosystems.



### Costa Rica

In Costa Rica, we achieved over 38% of our product placements via digital channels. We implemented integration with Garmin Pay, enabled digital signatures for online banking access, secured the display of credit card data, and developed workflows for digital card requests-significantly enhancing the user experience. For Corporate Banking clients, we introduced an online disbursement service that enables self-managed transactions using credit lines without additional documentation. **Digital disbursements grew by 227% compared to the previous year**, reaching USD 177 million. In 2024, 75% of our clients were digital, representing 30% of our client portfolio.



### Honduras

In Honduras, we launched digital products for term deposits and credit card portfolio purchases, expanding our digital market offering and achieving an average digital sales share in Retail Banking of 34.9%. By the end of 2024, 50% of our clients were digital, benefiting from instant account access, rapid payment services, and the ability to manage their finances remotely. We also implemented disruptive strategies in transactional ease, making us the only financial institution in the country to offer free of charge ACH transactions.



### Panama

In Panama, we made significant progress in digital transformation and innovation, consolidating our strategy to boost innovation, operational efficiency, and improve the customer experience. Colombian clients now have the option to open a 100% digital account in Panama via the Colombia App with the International Savings Account. In 2024, 70% of Retail Banking product sales were conducted through our digital channels, reflecting a growing preference for digital solutions.



## New products launched

During 2024, we remain committed to delivering simple, reliable, and user-friendly products that provide the best experiences for our Central American clients.

In the Retail Banking segment in El Salvador, we launched a fully digital **Salary Advance** product through the Daviplata App and a secured **Vehicle Loan**. In Costa Rica, we introduced a **no-minimum balance account** to facilitate mass adoption, along with Dabuenavida products and **term deposits** via our App. In Honduras, we transformed the traditional term deposit into a **100% digital, agile, and rapid operation**.

In Corporate Banking, we implemented a **regional Host-to-Host service**, making us the **only bank in the region to integrate Colombia with Central America for payments and transfers** using the international ISO-20022 standard—thereby enhancing our clients' treasury processes. In Honduras, we launched the new interoperable payment platform **"Pago QR Comercios Davivienda"**, successfully enrolling over 300 small businesses to streamline their collections. In El Salvador, we introduced **Cash Control**, a service designed to optimize cash collections through automated reconciliation, providing our clients with greater control, efficiency, and traceability in their financial operations.



***We are committed to providing new products tailored to the needs of our customers in Central America.***





## Highlights

### Davivienda El Salvador:

We focused on savings products for premium clients through the “**Megahorro Premium**” account, which offers personalized rates and a differentiated value proposition for high-net-worth individuals. For the second consecutive year, Global Finance recognized us as the safest bank in El Salvador, emphasizing our commitment to our clients dreams and projects.

### Davivienda Honduras:

We launched the new “**Banca Premium**” segment with a dedicated team and tailored benefits, offering a differentiated service experience in National Banking. Summa magazine recognized us as one of the companies with the best corporate reputation in 2024 and as a Leader in Digital Transformation in the region. Additionally, EMAT ranked us among the top five financial sector employers in the country.

### Davivienda Costa Rica:

We introduced a mortgage financing product for non-resident Costa Ricans and developed a differentiated offer in colones to the market. Training programs such as “Trampolín Comercial” and “Diplomado Pyme,” which involved over 250 entrepreneurs, reinforced our commitment to strengthening small and medium-sized enterprises. In Costa Rica, we received the Best Customer Service award from CID Gallup and achieved fourth place in the global reputation ranker Merco.

### Davivienda Panamá:

We implemented the **soft token** as a mechanism for transaction approvals. In terms of digital transformation, Fintech Américas awarded us the silver prize in the Digital Transformation category for offering the most comprehensive digital product portfolio in Panama.





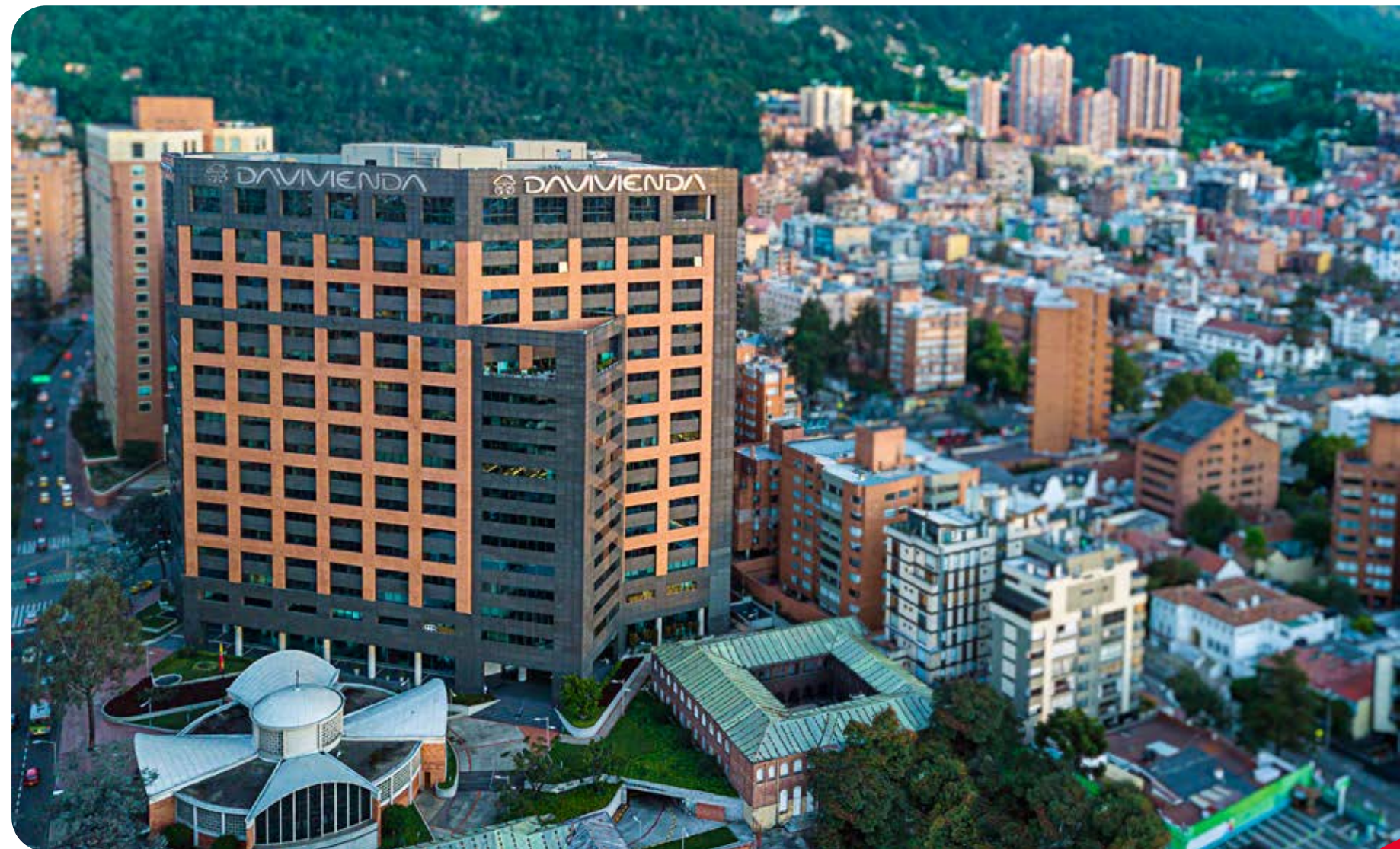


# Corporación Financiera Davivienda

Corporación Financiera Davivienda S.A. is a credit institution, subsidiary of Banco Davivienda and established in 2019, which focuses on driving economic development in Colombia and the regions where it operates, by promoting and supporting real sector companies with high long-term sustainable growth potential. The Corporation seeks not only to generate new business for the Company, but also **to contribute to job creation and to strengthen the sustainable development of companies** in order to achieve successful results for both clients and shareholders.



As of September 2024, the Colombian financial system had six financial corporations, with total assets of COP 31.6 trillion and equity of approximately COP 16.2 trillion, reflecting annual growth of 8% and 7%, respectively. Corporación Financiera Davivienda currently holds a 1.3% market share in assets and 2.5% in equity.







In 2024, Corporación Financiera Davivienda marked 5 years of operations, during which it has consistently supported the entrepreneurial ecosystem through direct investments and participation in investment funds. A major milestone for the year was **the acquisition of E-payco**, a Colombian electronic payments platform offering a broad range of solutions for merchants, reinforcing our growth strategy and value proposition.

The Corporation continued its investment strategy during the year. At the end of 2024, the investment portfolio consisted of 72% in domestic companies and 28% in foreign companies. Investment growth has been funded by shareholder capital, closing the year with equity of COP 378 billion. In terms of financial results, the Corporation reported a COP -48 billion results, primarily due to its exposure to early-stage companies still in the growth phase, working toward achieving their break-even point.

At the end of 2024, the Corporation employed 14 professionals, from which 6 were men and 8 were women.

Over the past five years, the Corporation has diversified its investments, expanding into various markets and growth stages. As of 2024, its portfolio included investments in 18 companies and 7 investment funds. Regarding the cyclical nature of the business, during periods of economic recession, there could be a decrease in income, given its impact on the results of its investments. However, during periods of economic upturn, demand for resources may increase significantly, allowing the Corporation to make a profit.

Looking ahead to 2025, Corporación Financiera Davivienda will remain committed to its strategic vision, actively identifying and pursuing investment opportunities that reinforce Banco Davivienda's long-term objectives.



***of the  
investment  
portfolio is  
concentrated  
in local  
companies.***



> Annual Report 2024

Trust

*The world*  
is our  
**home**







We build **trust relationships** with our stakeholders and ensure that we always act with **ethics and transparency** under the highest standards of **good corporate governance**. We manage and anticipate **risks**, including emerging risks, information risks, and other risks inherent to the businesses we operate.





# Comprehensive risk management

## General Framework

The comprehensive risk management of Davivienda and its subsidiaries is built on a governance structure designed to achieve the Bank's strategic objectives. This framework is based on the management, supervision, and control of risks that could impact the organization due to its operations, while also supporting growth into new businesses and capitalizing on opportunities. Within this structure, Davivienda focuses its efforts on executing its strategy while effectively managing associated risks.

*The comprehensive risk management of Davivienda and its subsidiaries **is built on a governance structure designed to achieve the Bank's strategic objectives.***





The comprehensive risk management process of Davivienda and its subsidiaries is fully aligned with the corporate risk strategy of Grupo Empresarial Bolívar. Each year, the Bank conducts a rigorous, systematic assessment to identify and evaluate both current and emerging risks that could significantly impact strategic planning, the business model, profitability, or solvency. Armed with these insights, Davivienda delivers a forward-looking vision, ensuring a balanced, diversified risk approach that drives sustainable growth and strengthens long-term resilience.

Additionally, Davivienda conducts ongoing monitoring and follow-up activities to assess risk performance, taking into account business dynamics, market conditions, and evolving regulatory requirements. These insights are promptly reported to governance bodies and senior



***lines of defense that apply transversally to the entire organization.***

management through the established risk management reporting framework, ensuring timely identification, prioritization, and mitigation of risks that could impact the achievement of strategic objectives.

To strengthen its comprehensive risk management model, Davivienda's specialized risk departments provide direct support

to the most strategic business lines and macroprocesses—those that are most representative of the Bank's strategy or pose higher risk exposures. This structured approach ensures the timely identification and mitigation of threats and material events, safeguarding the achievement of both strategic and business objectives.

**Integrated Risk Management Framework**

The above is in line with the application of the Comprehensive Risk Management model, which is framed in a clear scheme of segregation of functions, which seeks to focus efforts on the timely identification and supervision of risks and their alignment with the risk appetite, maintaining independence between business and risk control functions. To this end, we have defined three lines of defense that apply transversally to the entire organization:

**FIRST LINE OF DEFENSE:**

**Business, Operations, and Commercial**

This line comprises business, commercial, and operational teams that directly handle the initial identification, assessment, control, and monitoring of risks to which Davivienda is exposed. Their activities are guided by policies, thresholds, and risk appetite parameters set and monitored by the risk and compliance areas.

**SECOND LINE OF DEFENSE:**

**Risk areas, Internal Control, and Regulatory Compliance**

Promote and protect the appropriate control scheme on risk management through independent monitoring of exposure levels, compliance with the levels of risk, capital and liquidity of appetite levels approved by the Board of Directors.

**THIRD LINE OF DEFENSE:**

**Internal and External Audit**

The final line involves independent audit functions tasked with supervising the Bank's Integrated Risk Management model, evaluating the effectiveness of risk governance structures, and assessing the quality of the internal control environment. Findings are independently escalated to the Board of Directors and Executive Management.



These were the main milestones in Davivienda's systematic risk assessment process by the third line of defense:



**The Bank has an Internal Audit Vice Presidency** that leads assessments of the effectiveness and efficiency of the Internal Control System (SCI), applying an internal methodology based on the International Standards for the Professional Practice of Internal Auditing. The Internal Audit function is responsible for designing the annual audit plan, taking into account the Bank's nature, operations, processes, policies, regulations, and strategy, through an independent risk assessment. This approach prioritizes audit activities aimed at mitigating the most significant risks.



**Audits are conducted at least annually** for process reviews, and semi-annually or quarterly for required regulatory processes. These evaluations cover a review of the Internal Control System's components related to operations, information technology, accounting and finance, risk management systems, and regulatory compliance, among other areas.



**The Audit area reports relevant findings to the Audit Committee**, along with action plans developed by management to address identified gaps. It also monitors compliance with these commitments, including timelines and accountable parties.



Additionally, External Audit, conducted by the Statutory Auditor, follows a process of planning, structuring, and executing a work plan to evaluate the Bank's risk management. The frequency of evaluations varies according to the nature of each risk management system —some are annual, others semi-annual or quarterly.

The consolidated results of the External Audit's independent evaluation of Integrated Risk Management are

documented and published in the notes to Davivienda's Financial Statements at year-end.

Both Internal and External Audit maintain direct access to the Board of Directors and the Audit Committee, ensuring independent communication, continuous oversight, and control over risk management effectiveness. This structure supports the implementation of recommendations aimed at closing identified gaps, safeguarding the Bank's financial stability and reputation.

*Our risk management process is aligned with the corporate management of Grupo Empresarial Bolívar.*





## Governance Structure

Our organizational structure is designed to **support business development while ensuring effective risk and compliance management**. We have established the following risk management bodies:

### COMMITTEES AND COLLEGIATE BODIES STRUCTURE:

#### BOARD OF DIRECTORS

The Board of Directors serves as the primary risk manager for the Bank and its subsidiaries. It thoroughly evaluates business-related risks and supports the control bodies in matters related to Comprehensive Risk Management, following regulatory requirements. The Board defines risk policies and appetites and ensures their enforcement.

#### AUDIT COMMITTEE

The Audit Committee supports and reports to the Board of Directors, overseeing internal audit and statutory auditor activities. It evaluates the methodology and implementation of the Bank's Risk Management Model and Internal Control System, providing recommendations on the risk management performance conducted by the different risk committees.

#### COMPLIANCE COMMITTEE

This committee supports and reports to the Board of Directors, ensuring the implementation and monitoring of the Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) program, aligned with senior management guidelines, current regulations, and market best practices.





## CORPORATE RISK COMMITTEE

This committee supports and reports to the Board of Directors and consists of three board members. It oversees the Bank's overall risk exposure, ensuring the correct functioning of risk management frameworks. It supervises risk exposure through monitoring tools, prioritizes key action areas, tracks the risk profile to ensure alignment with the risk appetite framework, evaluates the impact of regulatory changes, and reviews specialized risk functions and stress testing results.

## EXECUTIVE COMMITTEE

This committee supports Senior Management, ensuring the execution and monitoring of Davivienda's strategy and risk management, aligned with Board guidelines.

## RISK SPECIFIC COMMITTEES

Defined according to risk types, these committees manage specific risks by monitoring controls and policies to ensure compliance with the risk appetite, assessing current and potential risks, and enabling timely decision-making. They escalate issues to the Executive Committee, the Corporate Risk Committee, and the Board of Directors when necessary.







## RISK MANAGEMENT LEADERSHIP TEAM

**Álvaro José Cobo Quintero**

**Executive VP. Risk**

Leads the Bank's comprehensive risk management framework, ensuring the execution of risk principles and culture.

He operates independently from business units, providing advisory and oversight through the Risk Control Model. He reports directly to the CEO, the Corporate Risk Committee, and the Board of Directors.

**María Carolina Restrepo Frasser**

**Executive VP. Financial Risks of Grupo Empresarial Bolívar**

Oversees market, liquidity, investment credit, conduct, and operational risks for proprietary and third-party portfolios. She ensures these risks remain within the defined risk appetite. She is independent from business units and reports directly to the CEO and the Board of Directors.

**Liliana Alvis Cruz**

**VP. Compliance**

Leads and coordinates the Compliance Program, including Anti-Money Laundering and Counter-Terrorism Financing risks. She promotes, develops, and ensures the application of risk prevention and mitigation procedures. She reports directly to the CEO, the Board of Directors, and the Compliance Committee.

**Danilo A. Cortés Cortés**

**VP. Audit**

Independently evaluates risk and compliance areas, including the methodology and implementation of the Bank's comprehensive risk management model. He reports directly to the Audit Committee and the Board of Directors, escalating audit results on control effectiveness, risk status, and recommendations to the management team.

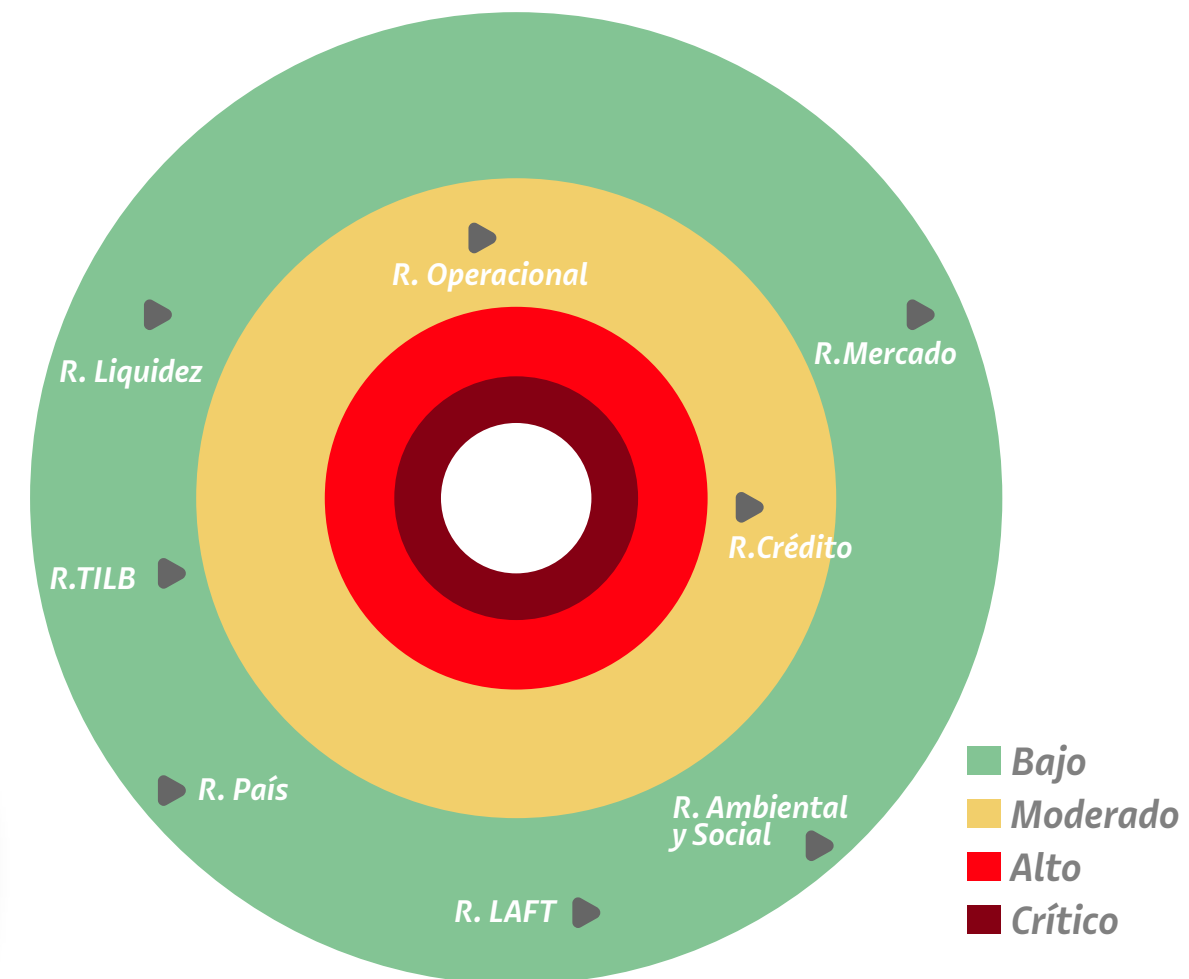


## Main Risks

We identify and monitor the main risks that have the greatest impact on the Organization by means of a taxonomy of macro categories based on international standard guidelines and regulatory taxonomies. These risks are regularly reported to the Board of Directors, the different Risk Committees and Senior Management to control the Organization's exposures. They are constantly reviewed and monitored, classifying them according to the potential impact on the development of the business, so that risk mitigation measures are appropriately prioritized in line with the strategy.

As illustrated in the heat map, the key risk areas of focus are credit risk and operational risk. For credit risk, although interest rates have been on a downward trajectory, their persistently high levels have limited portfolio growth and, in turn, slowed the recovery of risk costs. From an operational risk perspective, fraud driven by social engineering remains a critical concern. The following section provides a deeper, more detailed analysis of the performance of key risks and the mitigation actions implemented to address them.

*We classify and monitor risks **constantly** to control our exposure.*







## Risks and mitigation actions

Category	Behavior - Risk performance	Major mitigation actions
<b>Credit risk</b>	The persistence of high interest rates 2024 has limited growth dynamics. However, indicators show a significant improvement and a positive trend, which reinforces expectations of returning to appetite levels.	<ul style="list-style-type: none"><li>Adjustments to originating policies.</li><li>Strengthening in the collection models.</li><li>Continuous monitoring of the measures implemented.</li><li>Proactive sectoral review to address sectors with impaired circumstances (high rates, El Niño phenomenon etc.)</li></ul>
<b>Operational risk</b>	Operational risk management focused on monitoring and controlling the main risks that generate economic losses, as well as on operational and technological assurance of our businesses, service provision and fair treatment of our customers.	<ul style="list-style-type: none"><li>Identification and diagnosis of relevant risks with the greatest impact on the Bank and our clients.</li><li>Analytical strategies for fraud risk control and prevention.</li><li>Measurement and quantification of risk to guide management focus, aligned with risk appetite and capital requirements.</li><li>Alignment of operational risk management with process owners.</li></ul>



Category	Behavior - Risk performance	Major mitigation actions
<b>Liquidity risk</b>	<p>The moderate loan portfolio growth during 2024, along with the Bank's ongoing efforts to diversify its funding sources, has allowed short- and long-term liquidity indicators to remain within the desired risk appetite.</p> <p>Liquidity risk remained stable throughout the year, with internal and regulatory indicators being met across all entities.</p>	<ul style="list-style-type: none"><li>▶ Ongoing assessment of high-quality liquid assets, aligned with the balance sheet structure, strategy, and risk appetite.</li><li>▶ Forward-looking management that estimates contractual and non-contractual needs across different time horizons and scenarios, to ensure sufficient liquid assets are available and to anticipate potential changes.</li><li>▶ Constant tracking of the funding structure and composition for each entity to ensure the ability to finance structural assets.</li></ul>
<b>Interest Rate Risk in the Banking Book</b>	<p>The downward trend in interest rates contributed to income generation due to the faster repricing of the Bank's liabilities compared to its financial assets. The repricing gap remained at low levels, within the Bank's risk appetite thresholds, and measures were taken to reduce it.</p>	<ul style="list-style-type: none"><li>▶ <b>Hedging with derivative financial instruments:</b> In 2024, strategies were implemented to reduce the repricing gap through the use of Interest Rate Swaps (IRS) and Cross Currency Swaps (CCS), along with the adoption of fair value and cash flow accounting hedges for more than COP 4.5 trillion.</li><li>▶ <b>Optimization of funding costs:</b> Throughout 2024, strategies were developed focusing on the management of institutional term funding duration, the prepayment of high-cost loans, and the use of synthetic peso funding to reduce the additional costs associated with traditional funding sources. All of this was carried out within the framework of the Bank's interest rate risk appetite.</li></ul>





Category	Behavior - Risk performance	Major mitigation actions
<b>Market risk</b>	<p>Given the uncertainty surrounding economic recovery and the magnitude of monetary policy in response to unanchored inflation expectations, no additional directional positions were taken in the risk factors to which the portfolio is exposed. As a result, market risk remained stable.</p> <p>Exposure throughout the year remained within appetite limits, in compliance with the control framework defined for each business model.</p>	<ul style="list-style-type: none"><li>▶ Daily measurement and tracking of market risk management metrics, early warning indicators, and limit compliance based on the established risk appetite.</li><li>▶ Analysis and tracking of profits against budget and the tolerated exposure levels.</li><li>▶ Segmentation of strategies and risk profiles by business model.</li></ul>
<b>Risk of Money Laundering and Terrorism Financing</b>	<p>The management of Money Laundering and Terrorism Financing Risk in 2024 was strengthened in accordance with the prevailing context and executed in line with the established methodology.</p> <p>The implementation and reinforcement of policies, procedures, and technologies enabled the detection and mitigation of illicit activities across risk factors, with no materialized relevant risk events recorded during the period.</p>	<p>Ececution of operational controls and execution of transaction tracking through rule-based monitoring systems, which identify unusual or suspicious patterns related to ML/TF and PADM (Politically Exposed Persons and Designated Monitoring Activities).</p>



Category	Behavior - Risk performance	Major mitigation actions
<b>Country risk</b>	<p>The tracking of risk factors across target investment countries indicated stability throughout 2024, ensuring that the diversification strategy remains aligned with the Bank’s risk appetite and policies.</p> <p>As of today, the countries selected for investment have not shown warning signs related to economic, political, legal, or environmental conditions.</p>	<ul style="list-style-type: none"><li>▶ Early warning system in place for events or systemic situations that may lead to changes in country risk profiles.</li><li>▶ Interdisciplinary committee responsible for analyzing the economic, political, legal, and environmental context and conditions of target investment countries.</li></ul>
<b>Environmental and social risk, including climate related risks</b>	<p>The assessment and tracking of environmental, social, and climate risk were carried out in accordance with the established methodology, confirming that our clients demonstrate an adequate performance in line with the defined risk appetite.</p> <p><i>For further information on climate risks, refer to Annex 1 – TCFD of this report.</i></p>	<ul style="list-style-type: none"><li>▶ Methodological enhancements were implemented to deepen the understanding of climate and biodiversity risks, along with the strengthening of policies for carbon-intensive sectors.</li><li>▶ Adherence to the Equator Principles.</li><li>▶ Strengthening of the environmental, social, and climate risk appetite framework.</li></ul>

*Our diversification strategy aligns with the **risk appetite and policies.***





## Stress Testing

Stress tests are exercises designed to identify the risks the Bank may face, which, if materialized, could impact its viability. The results of these tests are used to identify risks and define the risk appetite framework within which the business plan is developed.

Within the framework of the stress tests, the Stress Testing Scheme (STS) is developed under the guidelines of Chapter XXVIII of the Basic Accounting and Financial Circular. This scheme aims to identify vulnerabilities, enhance risk management decision-making, and examine the Bank's capital quality and quantity, liquidity, assets, and liabilities according to its risk profile. It also assesses the feasibility of the Bank's business plans. The STS strengthens risk management processes and complements capital adequacy assessments. Based on the results, the Bank evaluates its capital components' loss absorption capacity and adjusts for current and potential risks aligned with its business strategy.

The Bank conducts annual resilience tests according to the timelines set by regulators and corporate best practices. The results are evaluated throughout the year, serving as a benchmark to monitor the actual performance of solvency ratios and other key financial indicators. This process also supports scenario analysis to enhance risk management strategies.

## *The Stress Testing Schemes are our baseline for assessing future scenarios and enriching risk management.*

In 2024, the Bank conducted resilience tests simulating an economic recession scenario, characterized by high inflation, slow economic recovery, failure to meet Banco de la República's inflation target, and elevated interest and unemployment rates. This scenario projected widespread portfolio deterioration. Additionally, the Bank factored in the materialization of a cyber-attack and a climate risk event, simulating an increased likelihood of collateral effects driven by the El Niño/La Niña phenomenon in

the medium term, causing deterioration in the commercial loan portfolio's risk indicators. This exercise is explained in detail in Annex 1 - TCFD. Furthermore, the Bank incorporated adverse effects from lower renewal rates on term funding and reduced depositor appetite for keeping funds in financial institutions. The results are leveraged to develop preventive and corrective mitigation measures, expanding the Bank's capacity to navigate real-world stress scenarios.





## ***Risk Management in New Products and Services***

We have a comprehensive model for the management of risks associated with new products, services, markets and channels, which is aligned with the guidelines of the Risk Appetite Framework, with the policies and guidelines of comprehensive risk management and strategy. This model evaluates the inherent risks, their impact on the exposure profile, and their financial and operational viability, impacts on liquidity and capital levels, ensuring the equality and rights of financial consumers and stakeholders in general.

The Bank has established robust policies and an approval governance framework that thoroughly assesses risks, preventive controls, and mitigation strategies across key areas, including finance, technology, cybersecurity, operations, business continuity, and legal compliance. Additionally, it ensures strict adherence to consumer protection guidelines.

Before any product or service is approved, specialized risk teams conduct a rigorous evaluation to assess potential risks and ensure compliance with internal policies. The process incorporates clear guidelines for preventive controls and continuous monitoring throughout commercialization, ensuring a proactive risk management approach and the long-term sustainability of Davivienda's innovations.

## ***Risk Appetite Framework***

For Davivienda, identifying and evaluating current and potential risks inherent to our business activities is essential for effective risk management. The Risk Appetite Framework identifies these risks and assesses whether they should be accepted, mitigated, avoided, or transferred. This framework helps quantify the maximum risk levels the Bank is willing to assume in the course of its operations, even under stress scenarios.





Based on our risk taxonomy, the risks we face are classified into three main categories: financial risks, non-financial risks and strategic risks. These risks are systematically evaluated through the Bank's Risk Appetite Framework, which establishes a set of metrics enabling the Risk Committees and Board of Directors to actively monitor risk appetite.

The framework defines specific zones that, through quantitative and qualitative analysis, determine

the Bank's risk exposure levels. These metrics are expressed in terms of capital liquidity, volatility and profitability.

In 2024, despite facing multiple economic challenges, our active risk management allowed us to maintain capital and liquidity levels aligned with our risk appetite. Additionally, we focused on improving the credit quality of our portfolio and mitigating operational risks associated with transactional fraud.

*We enriched and complemented the strategic goals dashboard, **allowing us to monitor the overall performance of the strategy.***

## **Risk management system**

### **STRATEGIC RISK**

For Davivienda, strategic risk is understood as the potential deviation from expected results due to strategic decisions, improper implementation of those decisions, or the inability to respond to changes in the environment.

Strategic risk management is an ongoing process that integrates both the oversight of strategy execution and the comprehensive, systematic evaluation of these decisions — ensuring alignment with our strategic objectives.

In this sense, during the year we expanded and enhanced our strategic metrics dashboard, which now serves as the primary tool for monitoring the overall performance of our strategy. This dashboard was further strengthened with a strategic map that helps detect early deviations from our established objectives by setting thresholds that allow for trend analysis and assessment of our business plan's progress.

Additionally, to improve our analysis of internal and external factors affecting strategic risk, **during 2024 we consolidated a specialized team dedicated to market analysis, continuously monitoring competitor behavior, the growth of existing players, and the emergence of new competitors.**

Finally, we strengthened risk management by redesigning our Strategy Governance model, aligning it with key management priorities, topics, and high-impact indicators. These scenarios were a cornerstone for systematically evaluating strategic decisions, enabling formal instances for strategy follow-up and assessment.



***We aim to enhance our processes and mitigate credit losses.***

## CREDIT RISK

The credit risk function comprehensively assesses strategic, technical, and operational risks associated with the credit cycle. It also supports managing cross-cutting risks derived from business related processes (operational risks, fraud, technology, asset and liability management, compliance, internal control, as well as environmental, social, and climate change risks).

Credit risk is defined as the possibility that a borrower or counterparty fails to meet their obligations under agreed terms, negatively impacting the Bank's portfolio value. This risk is mitigated through the diversification of portfolios across economic sectors and credit types, the use of collateral in certain loans, and risk approval parameters.

The objective of credit risk management is to maximize our profitability, adjusting to the desired risk levels. This objective is achieved by maintaining expected loss levels within acceptable parameters, without ignoring other uncertainty phenomena that may affect the portfolio's results. Integral credit risk management also includes the strategic and operational risks associated with the credit cycle.





Credit risk management is a logical and systematic process, which starts from the context of the processes associated with the credit cycle and the stages described above, and allows us to identify, analyze, evaluate, control, monitor and communicate the risks associated with the lines of business, products, services and markets where we develop the credit business plan. With this process, we seek to obtain improvement opportunities in the processes, as well as the prevention or mitigation of credit and operating losses associated with the credit cycle. This involves a risk management cycle in stages as follows:



1

▼ **Identification:**

Allows to determine (current and potential) risks inherent to activities being developed or planned in line with our strategic plan or regulatory requirements in the credit cycle. This phase is essential for implementing business plan changes, entering new markets, channels, products, and services.

2

▼ **Measurement:**

Quantifies and evaluates credit risk exposure and operational risks across all credit cycle stages, assessing their impact and consequences if materialized. The risk measurement incorporates:

- a.** Probability of Occurrence: Quantification of default probabilities across different segments, considering situations or shocks that could alter these probabilities.
- b.** Risk Impact: Quantification of loss magnitude, accounting for default probability, exposure, and loss given default, to estimate expected and incurred losses and their effect on results.
- c.** Speed: Measures how quickly the risk impact materializes after an event.
- d.** Duration: Tracks how long the default event affects our results.



3

▼ **Control:**

Establishes mechanisms to mitigate and manage risk materialization throughout the credit cycle. These mechanisms include policies, procedures, and methodologies for credit origination, deepening, and recovery, alongside operational controls to ensure effective implementation. Controls ensure compliance with regulatory limits and thresholds while providing updated, reliable, timely, and complete information for decision-making.

4

▼ **Monitoring:**

Involves continuous, effective oversight of credit cycle risk sources, deviations from limits or thresholds, the effectiveness of implemented controls, and the potential impact of materialized risks. Portfolio monitoring detects deviations and enables corrective actions within relevant governance bodies.

*We implement origination policies with which  
**we optimize credit quality indicators.***

In 2024, the contraction of the maximum legal rate implied adjustments in product offerings; however, we achieved a significant improvement thanks to the implementation of more prudent origination policies, which allowed us to optimize credit quality indicators. This positive trend, which we expect to continue through 2025, led us to reach the desired levels of risk appetite already observed in recent results.





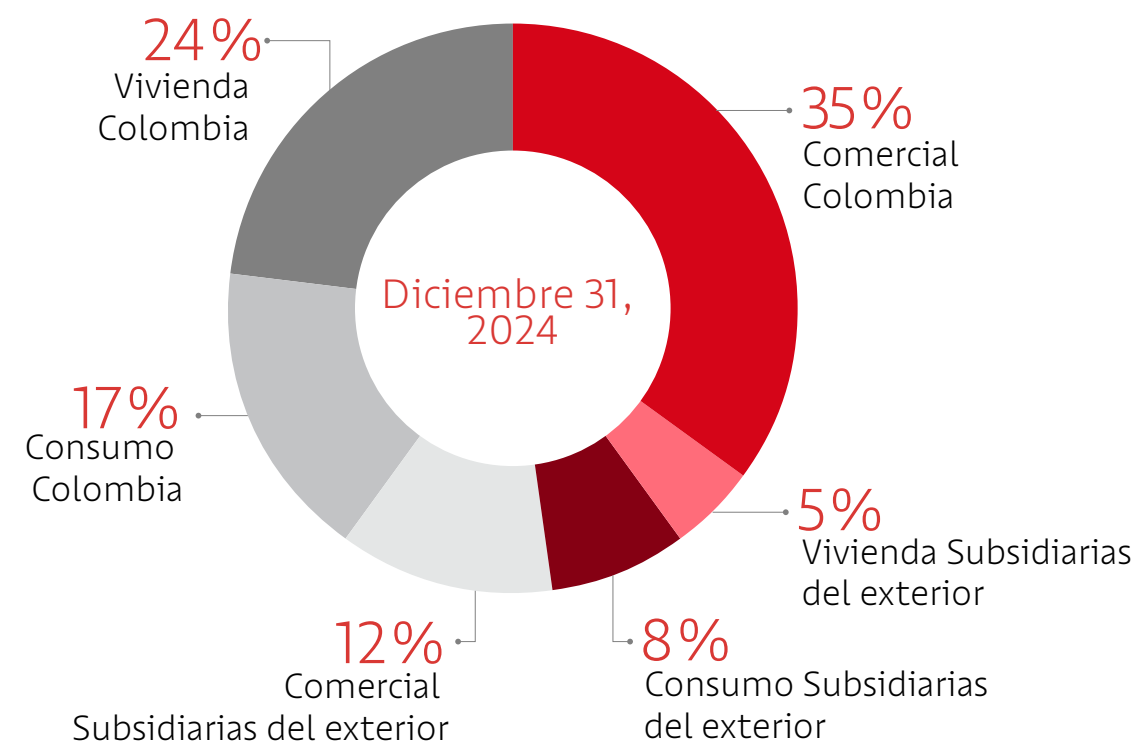
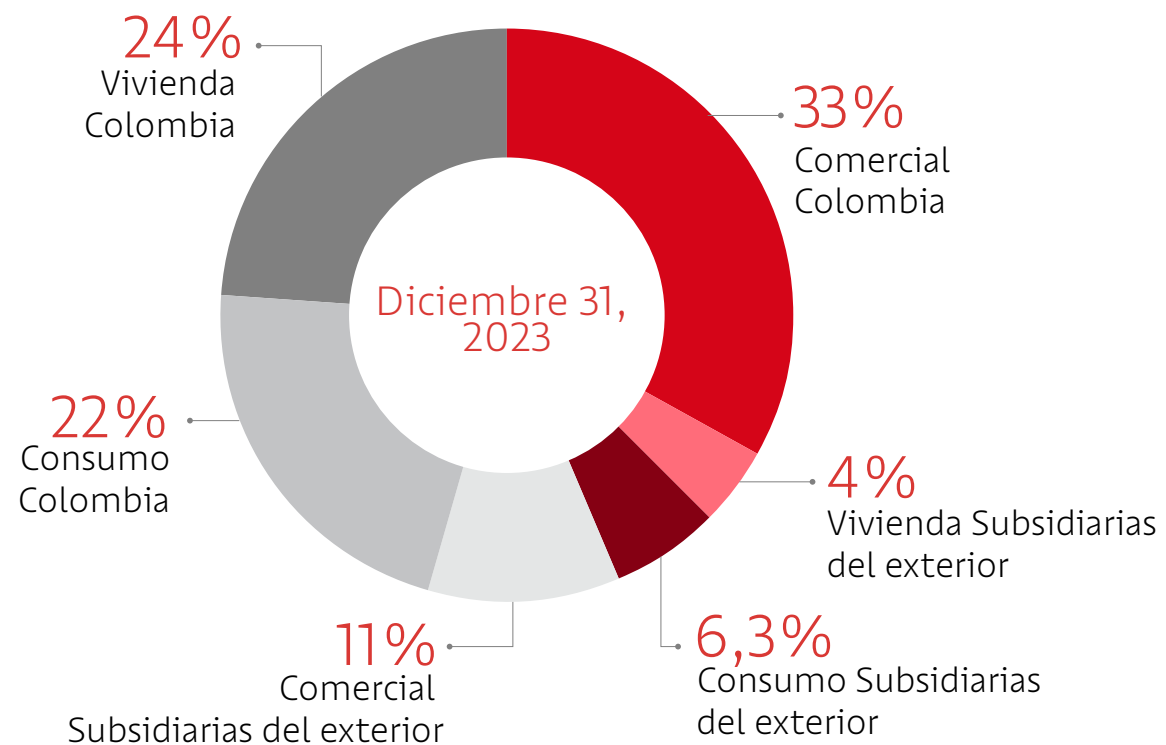


## Loan Portfolio and Growth as of December 2024

As of year-end 2024, the loan portfolio totaled COP 145.5 trillion, with 75.1% held by Banco Davivienda Colombia and the remaining 24.9% by its international subsidiaries.

### *Comparative distribution of the loan portfolio by category*

(December 2024 – December 2023)



Throughout the year, the loan portfolio declined by 7% compared to December 31, 2023, mainly led by the performance of the commercial and housing segments. The Colombian portfolio increased 2.3%, and the portfolio of international subsidiaries (expressed in pesos) increased by 24.2% (7.7% in dollar terms).



## Portfolio distribution by segment (commercial, consumer, and mortgage) along with their respective growth rates

Figures in millions of pesos.

Portfolio By Operating Segment	December 31 2024	December 31 2023	Variation		% Part
			\$	%	
<b>Davivienda Colombia</b>	<b>109,260.258</b>	<b>106,791,294</b>	<b>2,468.964</b>	<b>2.3%</b>	<b>75%</b>
Commercial	51,291,376	45,161,915	6,129,461	13.6%	35%
Consumer	24,004,783	29,443,776	-5,438,993	-18.5%	17%
Mortgage	33,964,099	32,185,603	1,778,496	5.5%	23%
<b>International Subsidiaries</b>	<b>36,198,009</b>	<b>29,183,268</b>	<b>7,014,741</b>	<b>24.0%</b>	<b>25%</b>
Commercial	17,843,112	14,744,816	3,098,297	21.0%	12%
Consumer	10,947,933	8,602,189	2,345,744	27.3%	8%
Mortgage	7,406,963	5,836,263	1,570,700	26.9%	5%
<b>TOTAL</b>	<b>145,458,267</b>	<b>135,974,563</b>	<b>9,483,704</b>	<b>7.0%</b>	<b>100%</b>

Between 2021 and 2023, Colombia's macroeconomic environment faced significant challenges, including inflation and high interest rates, which impacted both non-performing loans (NPLs) and consumer credit growth.

In 2024, stricter origination policies were implemented, significantly improving credit indicators. This approach has helped stabilize NPL levels and set the stage for a positive trend in 2025, when the Bank expects to reach its target risk appetite levels.

The reduction in the legal maximum interest rate also required adjustments to the product offering. However, it is worth noting that credit demand showed greater momentum in the second half of 2024 compared to 2023. The implementation of new origination policies has driven a gradual and positive shift in portfolio growth,

**35%**

**was the participation of our commercial portfolio in Colombia.**

supporting the projection of a sustained recovery in 2025—without increasing risk levels.

It is important to highlight that NPL indicators for 2024 vintages have already normalized, providing a solid foundation for responsible and sustained growth in 2025.





The Commercial loan portfolio recorded approximately 14% growth compared to the year-end 2023 balance. This increase was primarily driven by the Services, Energy and Hydrocarbons, Agribusiness, and Construction sectors.

In 2024, the loan portfolio of Davivienda's international subsidiaries grew by 24.0% in pesos and 7.6% in U.S. dollars, with the differential primarily driven by the depreciation of the peso against the dollar. Among Central American subsidiaries, Panama led growth, driven by Commercial Banking. El Salvador also expanded, albeit at a slower pace, with Commercial Banking as its main growth driver. Honduras saw gains in Retail Banking, particularly in credit cards and payroll loans. Meanwhile, Costa Rica recorded the most moderate growth, reflecting a reduction in corporate

loan exposure due to shifts in offshore company operations. By segment and product, the highest growth was seen in mortgage lending, corporate banking, and credit cards.

In 2025, a significant improvement in credit risk performance is projected, guiding risk management efforts toward three key areas. The focus will be on driving portfolio growth in low-risk segments while strengthening the use of collateral. Additionally, the Bank will maintain continuous monitoring of origination processes, making adjustments and calibrations as needed, particularly in new loan issuances. Lastly, efforts will be directed toward enhancing segmentation models and optimizing collection management.



***The international subsidiaries portfolio increased 24%.***

### **NPL Levels by Loan Type and Coverage**

At year-end 2024, the NPL ratio for loans past due over 90 days stood at 4.41%, marking a 52-basis-point improvement compared to year-end 2023. In the commercial loan portfolio, the NPL ratio reached 3.93%, reflecting a 14-basis-point increase from December 2023. This rise was primarily driven by deterioration in the credit quality of certain Small and Medium Enterprises (SMEs), particularly in the retail, contractor, and certain agribusiness subsectors. Additionally, some real estate developers fell into delinquency, further contributing to the increase in past-due loans. However, it is important to note that due to the collateral available for these clients, this uptick in delinquency did not result in a significant increase in provisioning needs.



The NPL ratio for the consumer loan portfolio closed at 4.29%, reflecting a 269-basis-point decrease and demonstrating continuous improvement, even amid portfolio contraction. This positive trend is attributed to the higher quality of new loan originations, resulting in significantly stronger performance compared to 2023, 2022, and part of 2021.



The NPL ratio for the mortgage loan portfolio increased by 63 basis points compared to year-end 2023. This trend was driven by macroeconomic factors, particularly the high interest rates on loans disbursed during the period of elevated inflation, which impacted borrowers' repayment capacity. However, since the beginning of 2024, the quality of new originations has improved, and delinquency levels have declined starting in the second half of the year. As a result, NPL indicators are expected to show sustained improvement throughout 2025.

*Past-due loan levels declined **during the second half of the year.***

The coverage level for the non-performing loan portfolio over 90 days was 86.1%, and the coverage level including guarantees was 139.0%.

	Dec 2024	Dec 2023
Consumer portfolio quality	4.29%	6.97%
Commercial portfolio quality	3.93%	3.79%
Mortgage portfolio quality	5.33%	4.69%
<b>TOTAL QUALITY</b>	<b>4.41%</b>	<b>4.94%</b>
<b>TOTAL COVERAGE</b>	<b>86.1%</b>	<b>90.5%</b>
<b>COVERAGE + COLLATERALS</b>	<b>139.0%</b>	<b>132.3%</b>

**Quality:** Past due loans > 90 days / Total Loan Portfolio.

**Coverage:** Loan Loss Reserves / Past due loans > 90 days





## Environmental, Social, and Climate Risk

As part of our Comprehensive Risk Management framework and in alignment with the Bank's Sustainability Strategy under the "The World is Our Home" Policy, the Bank operates the Environmental and Social Risk Management System (SARAS). This system is managed by the Environmental and Social Risk Department within the Credit Risk Vice Presidency and reports to the Corporate Risk Committee, the Corporate Governance and Sustainability Committee, the Credit Risk Committee, and the Investment Committee.

The SARAS system oversees the following key areas:

- ▶ Environmental and social risk assessment for credit applications tied to project development, including project finance, for corporate and construction clients, extending to strategic suppliers.
- ▶ Evaluation of environmental and social factors for corporate clients within the commercial loan portfolio.
- ▶ Management of climate-related risks, including both physical and transition risks.
- ▶ Oversight of human rights risks to ensure responsible business practices.
- ▶ Integration of ESG criteria within the framework of responsible investment.
- ▶ Definition and enforcement of eligibility criteria for green financing.

Furthermore, in 2024, Davivienda reinforced the SARAS system by adopting the Equator Principles.

The details of SARAS, including its components and procedures, are outlined in the policy document *The World is Our Home*, available at: <https://sostenibilidad.davivienda.com/politics/el-mundo-es-nuestra-casa.pdf>

The management of climate risks and its outcomes are described in Annex 1 – TCFD of this report. The human rights risk management process follows the established policies, covering key stakeholders such as employees, clients, suppliers, and communities. The results of this integration into business processes are detailed in the Human Rights section.

### SARAS Environmental and Social Risk Assessment Results

In 2024, in Colombia, Davivienda conducted 254 environmental and social risk assessments for projects and activities financed

in the Corporate, Construction, Business, and SME segments, including leasing operations within each category. These assessments covered a total of COP 8.8 trillion. Additionally, the Bank carried out 697 monitoring reviews on outstanding loans.





Figures in million COP, except quantities.

Category	Corporate		Construction		Business		SME		TOTAL	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
A	8	819,635	29	698,652	3	136,650	0	0	40	1,654,937
B	7	443,677	196	6,621,629	6	45,729	1	3,914	210	7,114,949
C	0	0	4	81,982	0	0	0	0	4	81,982
<b>TOTAL</b>	<b>15</b>	<b>1,263,312</b>	<b>229</b>	<b>7,402,263</b>	<b>9</b>	<b>182,379</b>	<b>1</b>	<b>3,914</b>	<b>254</b>	<b>8,851,868</b>

Environmental and social risk assessments covered 43% of all project finance and housing construction projects that underwent financial evaluation. Out of these, 53 projects secured financial closure, while 28 were either declined or withdrawn for financial reasons. Beyond Colombia, Honduras, El Salvador, Costa Rica, and Panama saw 55 projects evaluated, totaling USD 413.9 million, along with 204 ongoing monitoring reviews to ensure responsible financing across the region.

Figures in USD Million, Except Colombia and quantities

Category	Colombia		Costa Rica		El Salvador		Honduras		Panama	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
A	40	1,654,937	2	59	0	0	0		0	0
B	210	7,114,949	16	195.5	26	131	9	22.9	0	0
C	4	81,982	0	0	2	5	0		0	0
<b>TOTAL</b>	<b>254</b>	<b>8,851,868</b>	<b>18</b>	<b>255</b>	<b>28</b>	<b>136.5</b>	<b>9</b>	<b>22.9</b>	<b>0</b>	<b>0</b>
Monitoring	697	-	82	-	70	-	49	-	3	-





## ***Adoption and Progress of the Equator Principles***

In June 2024, Banco Davivienda became a signatory of the Equator Principles (EPs), further reinforcing the integration of environmental and social factors into its project financing framework. This step strengthens the Bank's long-standing approach to environmental and social risk management, which has been embedded in its credit processes for over a decade through the Environmental and Social Risk Management System (SARAS). By adopting the Equator Principles, Davivienda reaffirms its commitment to ensuring that infrastructure projects (project finance) are developed responsibly, reflecting rigorous environmental management standards and respect for local communities.

As part of the requirements to align existing policies with the Equator Principles in the second half of 2024, two members of the environmental and social risk team completed the Equator Principles training course. Next steps include expanding training coverage and further developing the work plan to achieve full alignment with the framework.

Davivienda's SARAS system already incorporates elements of the Equator Principles methodology and has been actively involved in project financing. Through collaboration with both national and international banks on various projects, the Bank has built expertise and technical and operational capabilities to effectively take on this new challenge.

At year-end 2024, SARAS monitoring was conducted on eight projects evaluated under the Equator Principles framework, with an outstanding loan balance of COP 1.3 trillion. Additionally, two new projects were assessed, with no disbursements initiated, representing a reviewed amount of COP 151.6 billion.





The following are three examples of projects or transactions that underwent SARAS environmental and social risk assessment.

### **1 Construction of a 9.9 MW Solar Park**

The 9.9 MW solar park project has been deemed environmentally and socially viable, with conditions, as it contributes to renewable energy generation. The project includes mitigation and management measures to address environmental and social impacts and has received the necessary forest utilization permit from the environmental authority for both the solar park and the transmission line. As part of the environmental and social risk assessment, an independent engineer conducted a due diligence review and found no risks preventing the project from moving forward. However, it was recommended to update the hydrological study using the final elevation data from the detailed engineering phase to determine whether containment structures may be needed during operations.

### **2 Construction of a Clinker Production Kiln**

The clinker production kiln project has been deemed environmentally and socially viable, as it has received the required environmental license from the relevant authority. This license approves the project's Environmental Management Plan, which outlines the necessary measures to mitigate and manage environmental and social impacts during both construction and operation. The project also holds all required permits, including those for wastewater discharge, watercourse occupation, air emissions, and forest utilization. Located within an industrial zone adjacent to a cement plant, the project borders a canalized water body with no impact on protected areas.

### **3 Sustainable Hass Avocado Production Project**

The sustainable Hass avocado production project has been deemed environmentally and socially viable, with conditions, due to its proximity to Regional Integrated Management Districts. The land has historically been used for agriculture and livestock, previously serving as pastureland and grazing fields. More than 30% of the project area consists of protected forests, ensuring ecological connectivity and promoting conservation and restoration within the surrounding area. As part of the environmental and social risk assessment, permit restrictions were reviewed, confirming no impact on the project. Additionally, it was validated that the project does not encroach upon protected forest areas, and management measures are in place to ensure their preservation and protection.





## SARAS Survey

Throughout the year, Davivienda continued strengthening synergies with credit risk teams and, for the third consecutive year, conducted the environmental and social survey among Business Banking clients as part of the loan portfolio assessment process. This year, 1,732 companies participated, expanding the scope of evaluation beyond traditional project risk assessments.

To maximize the use of client-provided data and identify risks and opportunities, in 2024, Davivienda implemented a new rating model based on survey responses. This model generates two distinct ratings: an environmental and social rating, categorized as Basic, Intermediate, or Advanced, depending on regulatory compliance and the implementation of environmental and social best practices; and a climate maturity rating, classified into five levels—Incipient, Basic, Intermediate, Leader, and Advanced—based on factors such as carbon footprint measurement, goal setting, emission reduction plans and projects, reporting, and adherence to sustainability initiatives or certifications.

Among the most notable results, 81.7% (1,414) of participating companies conduct assessments of the environmental and social impacts of their business activities, while 82.6% (1,430) reported over 90% compliance with the Occupational Health and Safety Management System (SG-SST) requirements. Additionally, 16.6% (288 companies) indicated that they measure their carbon footprint.

## Environmental and Social Rating

Category	Number of Businesses	%
Basic	815	47%
Intermediate	881	51%
Advanced	36	2%

## Climate Maturity Rating

Category	Number of Businesses	%
Basic	1,444	83%
Intermediate	82	5%
Leader	168	10%
Advanced	38	2



**1.732**

**companies participated  
in our social and  
environmental survey.**



## Training

Davivienda developed awareness and training programs on the key elements of SARAS for employees with technical environmental and social roles involved in risk assessment and monitoring. Additionally, training was provided to other relevant teams engaged in the process, including commercial, credit, technical, disbursements, and legal departments, among others.

Training on Environmental and Social Matters		External		Internal	
Mode	Training Area	Number of Employees	Training Hours	Number of Employees	Training Hours
	SARAS Policies	0	0	188	215
	Climate Change	18	18	16	17
	Human Rights	2	2	8	10
	Green Financing	9	9	38	45
	Other Business Topics	1	4	1	2
	Biodiversity	3	4	4	6
	Equator Principles	2	2	0	0

*We strengthen the technical profile of our teams to carry out **environmental and social assessments**.*

## MARKET RISK

The Board of Directors, the Financial Risk Committee (FRC), the Investment and Risk Committees for Collective Investment Funds, and the Asset and Liability Management Committee (ALCO) for each Group entity (as applicable) are responsible for setting institutional policies regarding exposure to different financial risks taking into account that such policies are consistent with the financial and operating structure of each of the entities, as well as with their corporate strategy and objectives. Additionally, each international subsidiary has a local ALCO (Asset and Liability Committee), which ratifies decisions made by the Foreign Currency GAP Committee, approves the business-level risk limit structure, and monitors strategies.

Market risk management involves identifying, measuring, monitoring, and controlling risks arising from fluctuations in interest rates, exchange rates, prices, indices, and other risk factors affecting the entity's activities.





The guiding principles for market risk management across the Group's companies include:

Consistency between expected profits and the level of exposure tolerated.

Participation in markets and products where we have in-depth knowledge and management tools.

Segmentation of strategies and risk profiles according to the business model.

Management at both consolidated and segmented levels.

The Bank and its subsidiaries participate in capital markets, money markets, and foreign exchange markets through their investment portfolios. Managed portfolios comprise various assets that diversify income sources and the risks assumed. Each portfolio operates under a business model supported by limits and early warnings designed to maintain the balance sheet's risk profile and ensure a favorable risk-return relationship.

The measurement and control of the limits and alerts that ensure that the investment portfolio is within the risk appetite defined for each of the companies is performed on a daily basis. If any deviation from the policies defined by the corporate governance is foreseen, a joint management is carried out with each of the treasury departments to ensure compliance with the limits and the management of early warnings.

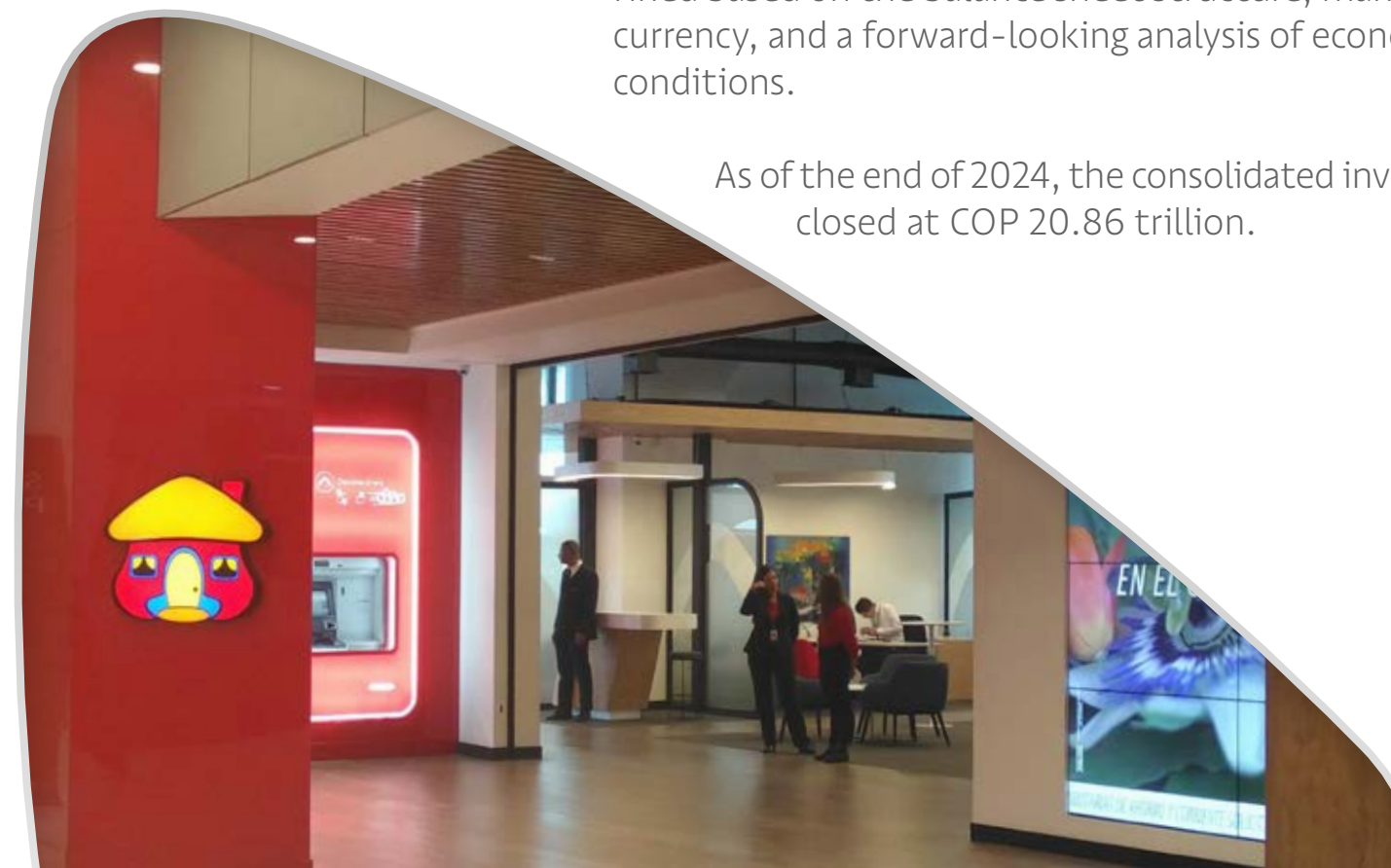
**COP**  
**20.9**

**trillion  
consolidated  
investment  
portfolio in 2024.**

For market risk management, two types of limits are established:

- ▶ Limits based on the business model (structural portfolios and trading portfolios): Among the measures adopted we have Value at Risk (VaR), DV01, duration, and early loss warnings.
- ▶ Limits by risk factor (interest rate and exchange rate): Specifically for balance sheet management, we identify risks related to interest rates and exchange rates. The first is managed by analyzing interest rate mismatches on the balance sheet, quantifying sensitivity, and implementing interest rate hedging strategies, and the second is managed through currency hedging strategies aimed at reducing consolidated basic solvency sensitivity. Hedging strategies are defined based on the balance sheet structure, market depth for each currency, and a forward-looking analysis of economies and market conditions.

As of the end of 2024, the consolidated investment portfolio closed at COP 20.86 trillion.





## Portfolio balances by business model

Figures in COP millions.

Business Model	December 2024	December 2023	Variation	
			COP	Percentage
Trading	3,454,693	2,095,210	1,359,483	64.9%
Structural	17,400,593	16,390,675	1,009,918	6.2%
Liquidity Reserve	11,694,572	11,373,513	321,058	2.8%
Balance Management	5,706,021	5,017,162	688,860	13.7%
<b>TOTAL</b>	<b>20,855,286</b>	<b>18,485,885</b>	<b>2,369,401</b>	<b>12.8%</b>

83% of the portfolio consists of structural investments, reflecting Banco Davivienda and its subsidiaries' conservative investment profile. As for the variations observed during the period, trading increased by 65%, a typical movement for short-term strategy portfolios. The structural portfolio grew by 6%, driven primarily by balance risk management strategies involving long-term structural investments.

Throughout 2024, local and international financial markets remained highly volatile due to the failure to consolidate expansionary monetary policies as anticipated by markets, driven by growth and inflation outcomes. Additionally, the Colombian peso devalued by 15.4%, positively impacting foreign currency positions.

The Consolidated Balance's market price exposure averaged COP 284.4 billion, according to the Financial Superintendence of Colombia's standard model.





## Maximum, minimum, and average of Value at Risk (VaR)

Figures in COP millions.

	December 31st, 2024			
	Minimum	Average	Maximum	Last Value
Interest Rate	212,209	238,235	254,239	242,388
Exchange Rate	4,076	14,891	34,450	8,634
Shares	9,494	13,859	15,701	14,028
Mutual Funds	15,473	17,453	20,283	17,380
<b>VeR</b>	<b>252,317</b>	<b>284,437</b>	<b>324,348</b>	<b>282,431</b>

## LIQUIDITY RISK

Liquidity risk materializes in the contingency of not being able to fully meet, in a timely and efficient manner, the expected and unexpected cash flows, current and future, without affecting the course of daily operations or the entity's financial condition. This contingency (funding liquidity risk) is manifested in the insufficiency of available liquid assets and/or in the need to assume

unusual funding costs. In turn, the capacity of the entities to generate or unwind financial positions at market prices is limited either because there is no adequate market depth or because of drastic changes in rates and prices (market liquidity risk). Similarly, for businesses that are funded through deposits, liquidity risk includes the capacity to generate a stable long-term funding structure to be able to maintain non-liquid assets, in accordance with the business strategy, and capable of dealing with unanticipated stress situations.

Permanent availability of high-quality liquid assets aligned with the balance sheet structure and risk appetite.

Forward-looking management, forecasting future contractual and non-contractual needs across various time horizons and scenarios to ensure liquidity sufficiency.

The strategic principles guiding Banco Davivienda and its subsidiaries' liquidity risk management are:

Self-sufficiency of Davivienda's and each subsidiary's balance sheet in a liquidity crisis.

Do not overestimate liquid assets, with constant evaluation of liquidity levels within reserves to anticipate changes.

Reputation risk mitigation, ensuring adverse situations can be managed with internal resources without violating regulations or relying on temporary state support.

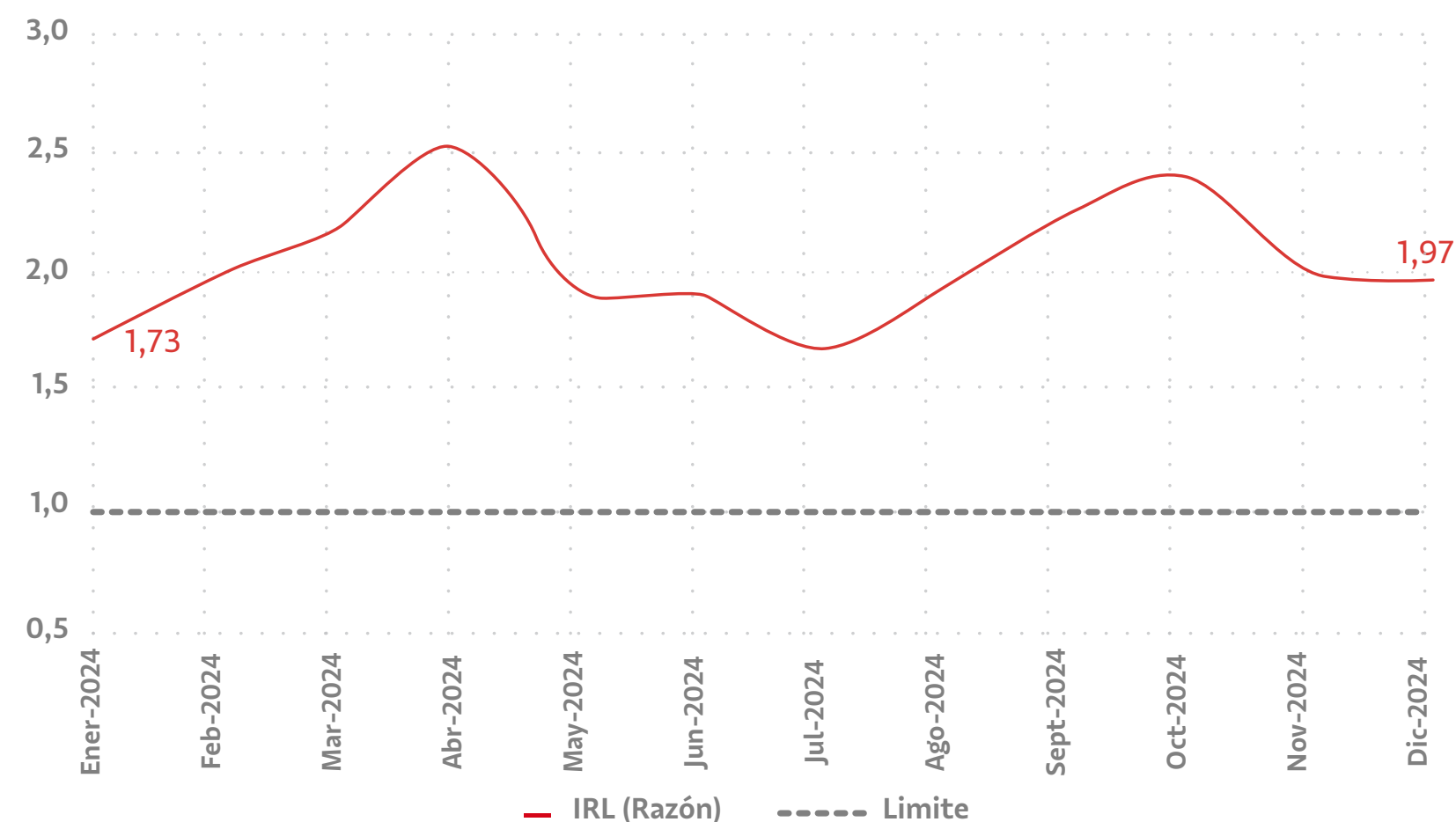


Short-term liquidity risk estimation methods include calculating future cash flows from on- and off-balance-sheet positions across different time bands, ensuring continuous liquidity gap monitoring. Long-term methods focus on analyzing funding sources, segment and product composition, and characterizing assets and liabilities without defined permanence conditions.

***We met the short-term liquidity indicator.***

In 2024, Banco Davivienda maintained an average liquid asset surplus of COP 8.3 trillion, comfortably meeting short-term liquidity indicators defined by the Financial Superintendence. The evolution of the regulatory liquidity indicator (IRL) during the year is shown below..

### ***Evolution of the Regulatory Liquidity Indicator (RLI) during 2024***

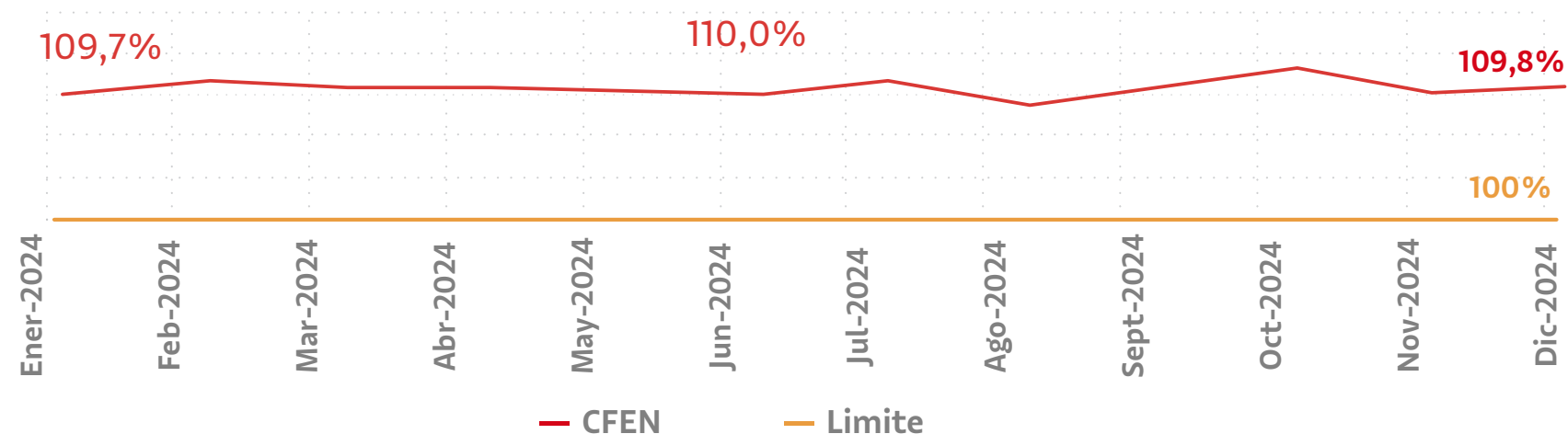






Regarding long-term liquidity, the Net Stable Funding Ratio (NSFR) showed a slight decrease throughout the year, moving from 110.45% in December 2023 to 109.9% in December 2024. As observed, Davivienda maintained an average NSFR of 119.62% during the year, reflecting the ongoing efforts to increase the share of stable funding within the total funding structure.

### Evolución CFEN



*By combining metrics based in earnings and economic value, **we quantify interest rate risk using a comprehensive approach.***

For the Bank's subsidiaries, the desired level of liquid assets was maintained on average throughout 2024 across all companies. The average Consolidated Regulatory Exposure Indicator (IEC) during 2024 was USD 1,478 million.

## INTEREST RATE RISK IN THE BANKING BOOK

Interest rate risk in the banking book refers to the risk of financial loss resulting from adverse movements in interest rates that impact the economic value of assets, liabilities, and contingent commitments held in the banking book. This risk arises from differences in sensitivity to interest rate fluctuations between assets and liabilities and can be influenced by embedded options in financial products, such as prepayment options, rate resets, or early withdrawals/terminations, as well as changes in credit spreads. Davivienda is primarily exposed to interest rate risk through gap risk, basis risk, and option risk. Gap risk stems from repricing mismatches between assets and liabilities, basis risk arises from differences in

the behavior of reference rates, and option risk results from the presence of embedded options in financial contracts.

We employ a comprehensive approach to interest rate risk quantification, combining earnings-based and economic value-based metrics. The earnings-based approach focuses on the impact of interest rate fluctuations on the Bank's net interest margin over a short-term horizon, typically one year. Meanwhile, the economic value-based approach assesses the effect of interest rate changes on the present value of assets, liabilities, and off-balance-sheet items.



Throughout 2024, exposure to interest rate risk remained low, as the balance sheet maintained a minimal repricing mismatch between assets and liabilities. Liabilities repriced at a faster rate than assets, which supported the recovery of the net interest margin. This profile proved beneficial as the downward trend in interest rates led to a faster reduction in funding costs compared to the decline in interest income from the loan portfolio.

Additionally, in 2024, strategies were implemented to narrow the repricing gap between assets and liabilities and enhance the stability of the net interest margin. These strategies included the execution of Interest Rate Swaps (IRS) and Cross Currency Swaps (CCS) exceeding COP 4.5 trillion, along with the adoption of cash flow and fair value hedging accounting practices.

## COUNTRY RISK

The country risk management model assesses the likelihood of incurring losses due to financial operations abroad. This risk arises from deterioration in economic, sociopolitical, legal, or environmental conditions in the countries where transactions take place. Within this framework, sovereign risk (SR) is considered, referring to the potential default on financial obligations by a sovereign state. Additionally, transfer risk (TR) is included, which pertains to restrictions on the availability or transfer of foreign currency.

The management of country risk is based on policies, guidelines, procedures, and methodologies designed to identify, assess, control, and continuously monitor the risks associated

with the Bank's financial operations abroad. These operations are understood as capital investments in jurisdictions outside Colombia, intended for long-term permanence. These investments may be made directly, through subsidiaries or affiliates, or indirectly, by acquiring equity stakes in other entities with foreign subsidiaries.

***We adopted cash flow and fair value hedge accounting to provide stability to the net interest margin.***







Within this framework, Davivienda's country risk management model is applied to oversee a capital investment portfolio with direct exposure to a subsidiary domiciled in Panama and indirect exposure in Costa Rica, El Salvador, Honduras, Panama, and the United States through equity stakes in Holding Davivienda Internacional (HDI) and Davivienda Corredores S.A. This portfolio is part of a diversification strategy aimed at ensuring stable income for the organization in the medium and long term by expanding operations into jurisdictions with economies that exhibit low or inverse correlation, thereby mitigating risk. To execute this strategy, Davivienda relies on a robust management and control framework, a risk appetite framework, clear performance metrics, and corporate governance led by specialized Country Risk Committees, operating under the supervision of the Board of Directors.

As a result of the implementation of this model, in 2024, Davivienda's exposure to country risk remained stable, with no significant changes or developments. The Bank continued to operate within the established risk profile guidelines, internal limits, and the organization's business plan.

## OPERATIONAL RISK

From an operational risk perspective, strategies have been developed to strengthen the Bank's risk culture and enhance preventive risk management, with a particular focus on controls addressing the most critical operational risks that could impact business sustainability, continuity, service delivery, strategy, and capital adequacy. To achieve this, the Bank conducts differentiated and intensive monitoring of risks, ensuring alignment with corporate risk

***We adopt analytical capabilities to ensure the information and application of models that contribute to risk management.***



objectives, adherence to operational risk appetite limits, and compliance with regulatory operational risk frameworks. This includes incorporating regulatory operational value at risk (OpVaR) into the capital adequacy calculation.

The operational risk model enables **a systematic monitoring and evaluation of controls, assessing their design, supporting evidence, and, most importantly, their effectiveness in achieving expected risk management outcomes within business** processes and operations. Additionally, the model ensures comprehensive risk coverage across financial and accounting

processes, business lines, distribution channels, operations, and technology.

As part of our operational risk management strategy, we continue to enhance our technological framework to ensure that the core operational risk management tool incorporates risk and control measurements, integrating insights from risk monitoring, loss events, and quantitative data. We have adopted analytics as a fundamental pillar, strengthening data assurance, documentation, and the application of models and methodologies that support the execution of the risk management and control strategy.

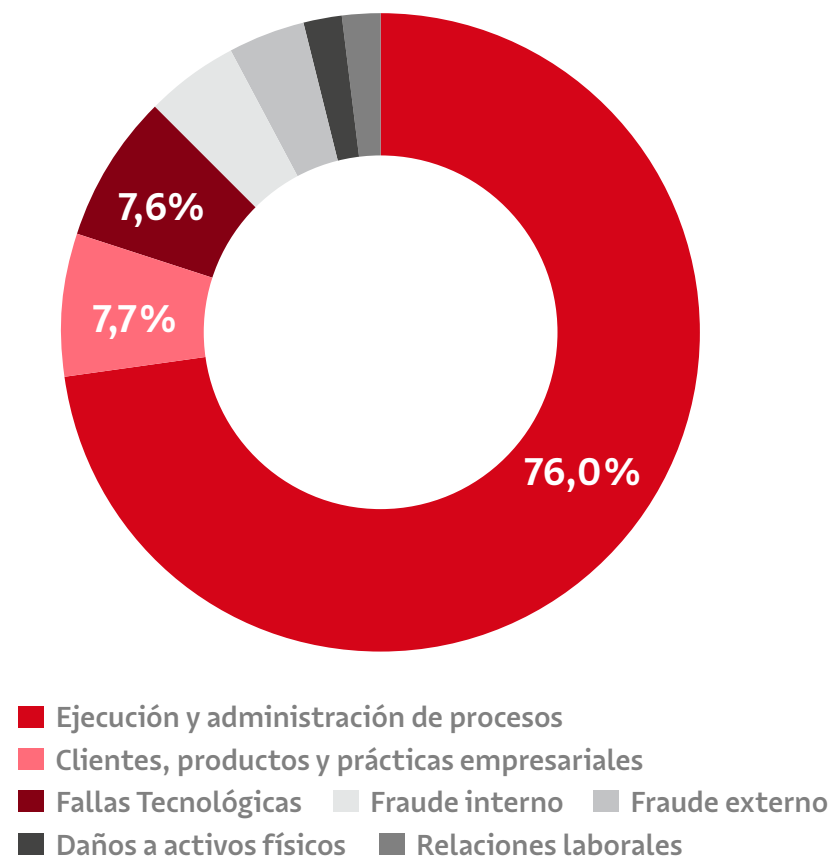
For events that occur, a root cause analysis is conducted for high-impact risks to identify and develop the necessary action plans, which are duly monitored by the designated units and governing bodies responsible for oversight.



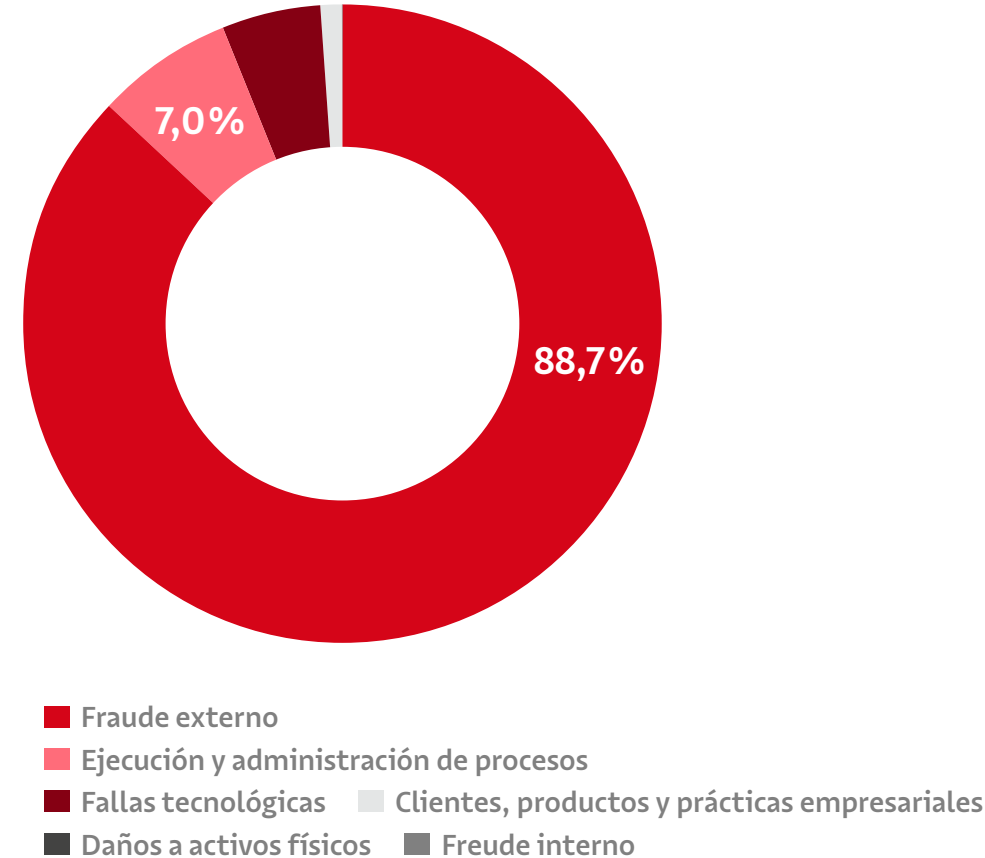
In alignment with the corporate risk strategy approved by the Board of Directors and in compliance with the regulatory framework, the operational risk management methodology has been effectively implemented to meet expected objectives. This approach prioritizes risks based on measurement criteria that assess probability of occurrence and impact, including financial, customer, legal, process, and information-related risks.

### ***Risk profile of the Bank and operational losses according to operational risk event categories***

Perfil de riesgo por categoria



Pérdidas Operacionales por categoria



In 2024, losses were incurred due to operational risk events, with the highest-impact categories identified in fraud and process-related risks. Mitigation and treatment efforts focus on root cause analysis, implementing solutions through enhanced tools and operational controls. Additionally, the Operational Risk Committee oversees risk profile monitoring, tracks major operational risk losses, and ensures the implementation and closure of corrective actions.





## Lines of Defense in Operational Risk:

Operational risk management aims to preserve stakeholder trust by adhering to regulatory and corporate risk management guidelines, international best practices, and the Grupo Bolívar principles and values. These elements are tailored to align with the business strategy, operational realities, and organizational structure of each entity. **This approach is built on strategies and methodologies designed to strengthen the control culture, enhance risk prevention, manage losses and operational risk capital**, and implement systematic and analytical monitoring to enable timely risk response actions. A key focus is placed on reinforcing controls that mitigate highly relevant operational risks, ensuring the sustainability and continuity of business operations, service delivery, customer loyalty, and strategic execution.

Roles in the lines of risk defense have the following focuses:

### First Line of Defense: •

Responsible for defining and ensuring the success of business processes, this line focuses on strategy execution, policy compliance, risk identification, and control implementation. It conducts risk monitoring through key indicators, ensures a strong control environment, and develops preventive or corrective action plans in response to risk events.

### Second Line of Defense: •

Oversees the development of tools, methodologies, and procedures for the effective management of operational risk across processes and business lines, ensuring alignment with strategies and risk appetite. This line also monitors the effectiveness of risk control measures, reporting findings and facilitating decision-making within governance bodies. Improvement actions are aligned with the expected risk mitigation outcomes.

Given the critical nature of operations supporting the Bank's strategy, a robust risk management framework is required. To achieve this, specialized risk management processes are established for specific business cycles, referred to as risk verticals.

### Third Line of Defense: •

Provides an independent yet complementary evaluation of the operational risk management framework. This function periodically assesses compliance with the model's stages and key components, reviews the operational risk event registry, and reports findings to governance bodies.

These are the specialized processes for the different areas of operational risk management: fraud risk, information security, data protection risk, technology risk, third-party and partner risk, and business continuity.



*We improved  
our cybernetic  
resilience.*

## FRAUD RISK

In 2024, the transactional risk and payment methods function worked in synergy to manage and maintain fraud-related risks within the established risk appetite levels.

Efforts and resources were focused on:

- ▶ **Enhancing analytics in risk engines:** The Bank optimized its risk engines with more advanced analytics to detect patterns and anomalies indicative of fraud. This includes user behavior analysis, compromised device detection, and transaction data validation.
- ▶ **Implementing a new facial biometrics tool:** A next-generation biometric facial recognition tool was integrated to improve identity verification accuracy and reduce the risk of identity fraud.
- ▶ **Strengthening transaction flows:** Security controls were reinforced in transaction processes, particularly regarding card data management and the provisioning of cards in digital wallets. This included the implementation of security measures such as data

tokenization and continuous transaction monitoring.

Overall, the risks identified and monitored within transactional risk management remained within the Organization's accepted risk appetite levels. This was achieved through continuous monitoring, oversight, and the implementation of required controls to ensure that new technology solutions integrate security, authentication, and authorization measures, along with seamless integration into the Bank's transactional channels and risk management tools.

## IT Security and Cybersecurity

During 2024, in terms of Information Security and Cybersecurity, our information security and cybersecurity efforts focused on strengthening governance, enhancing protection capabilities, improving threat

detection, and refining incident response processes to support business strategies. Our goal remains to ensure the confidentiality, integrity, and availability of information.

We also improved our cyber resilience by assessing and advancing our cybersecurity maturity level. This was achieved through a methodology aligned with industry best practices and the requirements of Colombia's Financial Superintendence.

On the other hand, as a result of the continuous management of risk assessment and treatment, we established action plans aimed at improving our security posture and made technological and process updates to maintain a holistic view of security and cybersecurity, increase the ability to prevent and detect threats in a timely manner, as well as respond to and recover from possible cyber attacks.





#### Featured Projects:

- ▶ Strengthening of incident response procedures through the implementation of technology for searching, tracking and incident response.
- ▶ Application of analytical techniques in order to identify security breaches or deviation of controls implemented in the area of Information Security and Cybersecurity.
- ▶ Continuity is given to the Personal Data Protection Program where the program is articulated with risk management.
- ▶ Continuity of the program for the protection of information assets, carrying out a complete review of risks and controls.
- ▶ Execution of specialized security tests to evaluate the Organization's security posture.
- ▶ Through statutory auditing, the independent evaluation exercise continues to be carried out with the purpose of improving the level of maturity in cybersecurity management.
- ▶ The review and assurance of the SWIFT environment continues, this validation of compliance with the Swift controls framework for 2024 was carried out with the support of internal audit, ending satisfactorily with the actions closed against the situations identified.
- ▶ Execution of cybersecurity and information leakage prevention plans.
- ▶ In terms of culture, we continue with the ongoing implementation of the training and awareness program through different communication channels to employees and third parties, creating awareness and commitment to the protection of information and mitigation of associated risks.

*We perform technological updates and risk assessment and treatment management to prevent and detect threats.*





To safeguard our customers' cybersecurity, all initiatives and operations are overseen by the Board of Directors, the highest authority responsible for cybersecurity in the organization. Escalation and approval processes are conducted through the Information Security Committee, supported by the Chief Technology Officer and Chief Information Security Officer.

We strictly adhere to the regulatory requirements set forth by Colombia's Financial Superintendence and the Superintendence of Industry and Commerce regarding information security and data protection. These align with market best practices such as ISO 27000, PCI DSS, NIST, and GDPR. Additionally, we conduct internal monitoring, external audits, and third-party assessments to ensure compliance and identify potential legal risks, exercises performed annually. For

the 2024 period, these assessments were conducted by KPMG and CrowdStrike.

Likewise, we continue to review market trends, emerging threats, tools and control mechanisms that allow us to mitigate risks and maintain acceptable risk levels, thus supporting the delivery of products and services with adequate levels of security to our customers.

## DATA PROTECTION AND PRIVACY RISKS

This year, Davivienda implemented measures to enhance and optimize data protection management. **A key milestone was the appointment of a Data Protection Officer, officially ratified by the Operational Risk Committee, who is responsible for overseeing the Bank's data protection**

**function. This role is supported by a highly specialized team with internationally recognized certifications.**

Additionally, the Personal Data Processing Policy was updated to incorporate new purposes for data processing and to reflect changes in one of the service channels used to handle inquiries and complaints related to personal data. The updated policy is available on the Bank's website.

Risks related to individual rights and freedoms concerning the processing of personal data and privacy were managed as part of the Bank's integrated corporate risk management system and internal control framework, including emerging risks that were identified. Key matters related to personal data protection, along with the controls for risk mitigation and action plans for implementation, were presented

*The Board of Directors is the highest authority responsible for cybersecurity **and is supported by the Information Security Committee.***

to the Information Security and Cybersecurity Risk Committee for oversight and decision-making.

The Bolívar Family Code of Ethics establishes the expected and unacceptable behaviors within the Bank's activities and serves as a guideline for disciplinary actions in cases of breaches affecting the processing of personal data. The expected conduct outlined in the

Code states that personal data must not be disclosed without authorization, except when legally required. This obligation remains in effect even after the contractual relationship has ended.





From the moment a client establishes a relationship with the Bank, Davivienda explicitly informs them about the nature of the personal data collected, its intended use, the duration of storage, and the third parties with whom it may be shared to facilitate the proper operation of products and services and enhance the value proposition. As the data controller, the Bank ensures that clients are informed of their rights to access, update, rectify, and delete their data, as well as the available channels to exercise these rights. **To foster closer engagement with stakeholders and provide a clear, accessible, and user-friendly way to understand their data protection and privacy rights, Davivienda has launched a dedicated landing page where users can access this information firsthand.**

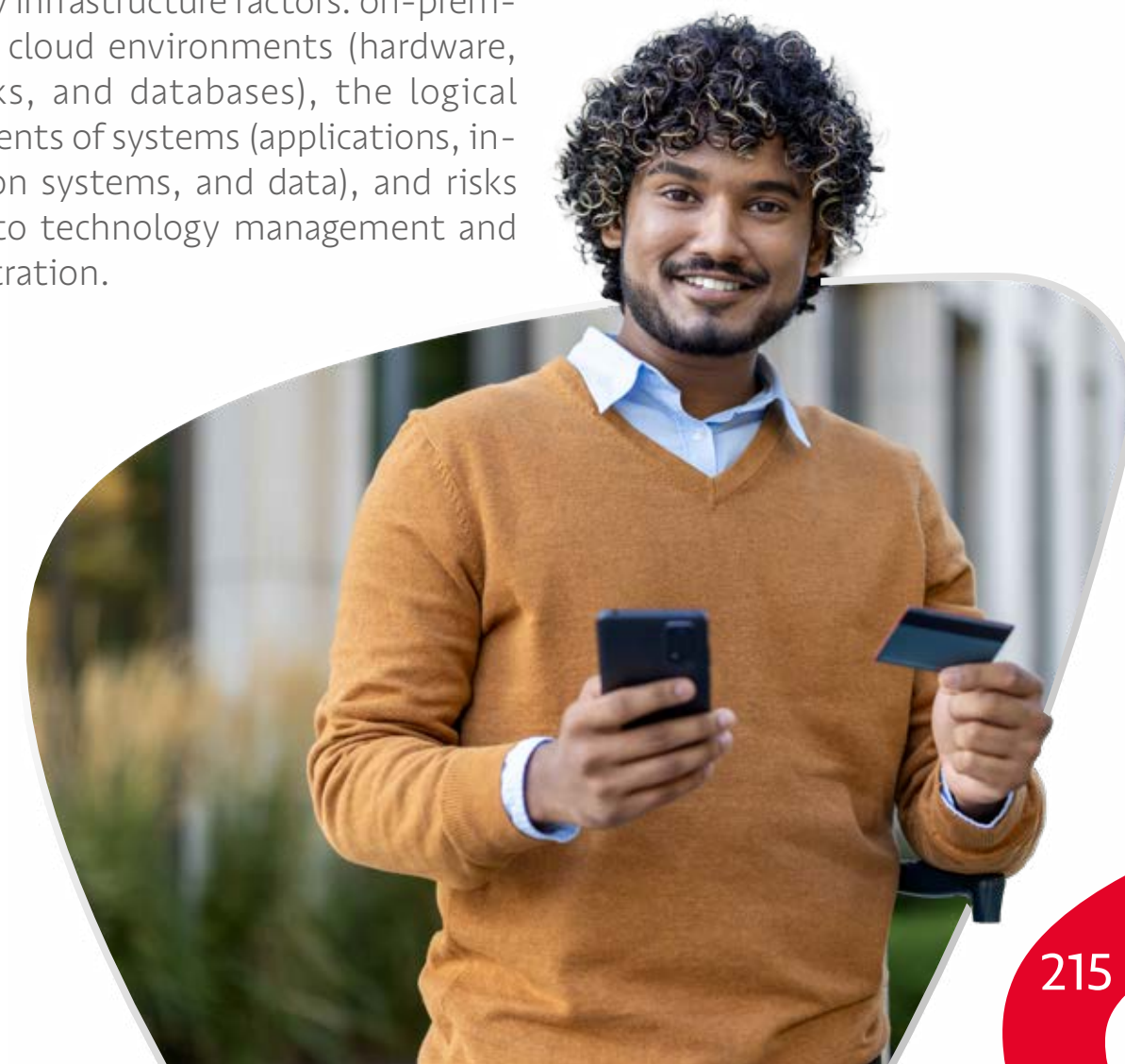
As part of Davivienda's commitment to data protection, the Bank has implemented zero-tolerance measures against personal data breaches to safeguard the privacy of all stakeholders. These measures ensure compliance with the duty to protect information throughout its collection, storage, use, and final disposal. In 2024, **the Bank reported no security incidents related to personal data breaches, unauthorized requests for corporate or customer information, or legal or regulatory violations.**

***We obtained the highest rating from Internal Audit in compliance with the data processing policy.***

In 2024, Davivienda successfully addressed all regulatory requests related to data protection and privacy from supervisory and oversight authorities. As part of its commitment to compliance, the Bank conducted an annual internal audit to assess adherence to the Personal Data Processing Policy, achieving the highest rating. Additionally, the data protection retraining program was implemented, covering all employees as part of the Bank's regulatory awareness initiatives. Innovation remains a core pillar of Davivienda's approach. This year, the Bank introduced an initiative that significantly **reduced response times for requests related to revoking the use of personal data—from several days to just hours.** This initiative was recognized at the institutional level for its impact and efficiency.

## TECHNOLOGICAL RISK

Its purpose is to identify, assess, and monitor risks arising from the use and implementation of technology that may impact the technological platform across headquarters, Central America, and domestic subsidiaries. This assessment considers three key infrastructure factors: on-premises and cloud environments (hardware, networks, and databases), the logical components of systems (applications, information systems, and data), and risks related to technology management and administration.





This year, Davivienda reviewed technology risks, their root causes, and documented controls, restructuring its approach under a maturity model aligned with the Colombian Financial Superintendency. Based on this framework, the Bank developed a new methodology, working alongside technology teams to conduct a risk assessment that measured scope, policies, processes, and operational realities. Using these insights, controls were implemented within technology management processes, following best practices to evaluate availability, reliability, performance, functionality, and regulatory compliance of the platforms supporting business operations.

The following were some of the key contributions:

1. Ensuring that technology adoption supports the achievement of strategic objectives.
2. Aligning IT risk management with the Integrated Risk Management System (SIAR) and internal control framework.

## ***We implement controls over technology management procedures.***

3. Continuously identifying, assessing, and mitigating IT-related risks in accordance with defined risk levels.
4. Evaluating and identifying IT risks within the current architecture and system integrations, considering:
  - Capacity
  - Emerging technologies
  - Innovative technology use cases
  - Technology obsolescence (hardware and software)
  - Migrations
  - Third-party dependencies
  - Development frameworks (DevOps and DevSecOps)
  - Implementation of technology contingency measures
  - Knowledge management for key IT personnel.

The primary focus of technology risk management was on monitoring and adjusting controls across cloud providers and on-premises infrastructure, ensuring seamless integration under models such as Software as a Service (SaaS), Infrastructure as a Service (IaaS),

and Platform as a Service (PaaS). Efforts also centered on securing the DevOps - DevSecOps development cycle and remote employee access to data, applications, and resources, while maintaining availability, performance, functionality, reliability, and regulatory compliance. Through the technology risk methodology, the Bank ensured that all available services operate on secure and resilient infrastructures.

As part of the actions taken to achieve these goals, Davivienda structured and implemented various processes, ensuring that technology contingency strategies and business continuity plans remain up to date. These efforts were supported by cutting-edge technologies designed to secure the technological ecosystem and seamlessly integrate the Bank's systems with those of third-party partners. Aligning internal advancements with local regulations and international standards has provided a robust framework and the necessary foundations for a formal and effective approach to technology risk management.





## RISKS OF THIRD PARTIES AND ALLIES

Our suppliers and strategic partners are key pillars of our strategy, enabling the Bank to expand operations and add significant value to its processes.

**To further strengthen the strategy, development, and growth of the organization in third-party and partner risk management, the supplier and partner management framework was updated and reinforced.** This initiative ensures that supply chain-related risks are properly assessed and managed.

In 2024, Davivienda maintained a risk-focused approach toward critical suppliers and partners—those with the highest exposure levels for the organization and the services provided to clients.

The Bank reinforced oversight of these third parties to ensure effective risk management across key areas, including information security and cybersecurity, technology risk, transactional risk, data protection, business continuity, fraud risk, internal control, physical security, operational risk, and customer service risk.

We conducted annual risk management assessments and provided support in developing improvement opportunities, creating value for both the Bank and its clients while reinforcing a sustainable supply chain.

We launched an awareness platform for the training and development of our suppliers and partners, reaching 281 third-party entities and 1,284 employees from these companies, helping them acquire and strengthen their knowledge of risk management aspects.

*Our awareness site for supplier training **reached 281 third parties.***



Throughout 2024, we achieved positive results, enhancing risk management, security, and control frameworks among suppliers and partners. These improvements helped prevent risk materialization and optimize response strategies in the event of incidents.

The synergy and coordination of efforts across various areas—operations, administration, risk, and others—have enabled the achievement of shared interests, objectives, and goals. This collaborative approach reinforces the understanding that effective risk management benefits all stakeholders.



## BUSINESS CONTINUITY

In 2024, business continuity management was further developed and strengthened, achieving significant advancements that enhanced the organization's response capabilities.

The following outlines the key progress areas in business continuity management:

### Strengthening the Business Continuity Plan

Efforts in business continuity management focused on reinforcing and enhancing continuity strategies, with a strong emphasis on awareness and training for teams responsible for critical processes. These actions ensured a more effective response in the event of risk scenarios materializing.

#### ▼ Technology Contingency Strategy

In 2024, initiatives were implemented to ensure the availability and resilience of critical infrastructure, enhancing the organization's recovery capacity in the face of technological disruptions.

Individual activations and comprehensive disaster recovery plan (DRP) tests were conducted at the alternate data center in Medellín.

#### ▼ Alternate Site Operations Strategy

As part of the alternate site operations strategy, activations focused on ensuring the remote operability of all critical processes in the event of disruptions to the Bank's main facilities.

Additionally, as part of the emergency plan, the Bank actively participated in the National Evacuation Drill, raising awareness among employees on emergency response procedures to protect personnel and ensure operational continuity.

#### ▼ Crisis Management

As part of the Organization's crisis management maturity process, significant progress was made in 2024 to strengthen response capabilities in the event of risk materialization. During this period, the Crisis Management Framework was updated to ensure alignment with current risk scenarios and its ability to adapt to emerging threats. This process included the transfer of strategic knowledge to Senior Management and

recovery teams, reinforcing their preparedness and ability to respond effectively.

The organization participated in the cybersecurity simulation drill organized by Asobancaria, which involved financial sector entities, critical suppliers, and the Colombian Financial Superintendency.

#### ▼ Risk Management

As part of the Earthquake Risk Mitigation Program in Bogotá, the Bank continued to strengthen the solution designed to ensure customer authentication and cash payments.

*We strengthened and deepened our continuity strategies to effectively respond to risk materializations.*





## RISK OF MONEY LAUNDERING (ML) AND TERRORIST FINANCING (TF), ANTI-CORRUPTION PROGRAM AND FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA/CRS STANDARD)

We are committed to combating financial crimes and organized crime networks through the implementation and maintenance of the Anti-Money Laundering and Counter-Terrorism Financing Risk Management System (SARLAFT). This system enables the identification, prevention, and management of associated risks, ensuring compliance with the Legal Basic Circular, Part I, Title IV, Chapter IV, issued by the Colombian Financial Superintendency, while also aligning with international best practices.

Throughout 2024, we remained firmly committed to preventing money laundering and terrorist financing (LAFT) risks, implementing policies, procedures, and

technologies designed to mitigate and manage these risks. **Notably, no significant events related to these risks were recorded during the year.**

Throughout the year, we strengthened our LAFT risk management mechanisms, aligning them with best practices shared by the regulatory authority and insights from national and international reports. This allowed us to enhance the identification, assessment, and control of risks, considering both external and internal contexts.

As part of the process for detecting unusual and suspicious transactions, we reviewed monitoring rules and adjusted detection

techniques, enhancing efficiency and accuracy in the process.

We implemented the annual training plan, aimed at enhancing employees' knowledge of threats, prevention, and control measures related to LAFT risk. These training activities utilized various methodologies and were tailored to specific target groups.

Additionally, as part of the National Anti-Money Laundering Prevention Day, organized by the United Nations Office on Drugs and Crime (UNODC) and celebrated in November 2024, we launched the advertising campaign "What Seems Like a Lucky Day Could Be a Trap". This initiative focused on raising awareness among our clients to help them recognize red flags and avoid being exploited for money laundering activities. During the awards ceremony, Davivienda received second place in its category.



In 2024, the Colombian Financial Superintendency conducted a review focused on anti-money laundering and counter-terrorism financing (AML/CTF) measures, specifically from the perspective of crimes against public administration (DCAP). Davivienda actively participated in this review.

All requirements from regulatory authorities and oversight bodies were addressed within the established deadlines, and all mandatory reports were submitted in full compliance with applicable regulations.

The Statutory Auditor and Internal Audit issued reports based on their review of the compliance program.

We have adopted a strong organizational culture built on policies, controls, and procedures aligned with the requirements of the Foreign Account Tax Compliance

## ***Our organizational culture is based on policies aligned with FATCA and CRS regulations.***

Act (FATCA) and the Common Reporting Standard (CRS) of the OECD. The implementation of the FATCA/CRS Tax Transparency Program ensures comprehensive coverage for the effective management of risks and controls, supported by:

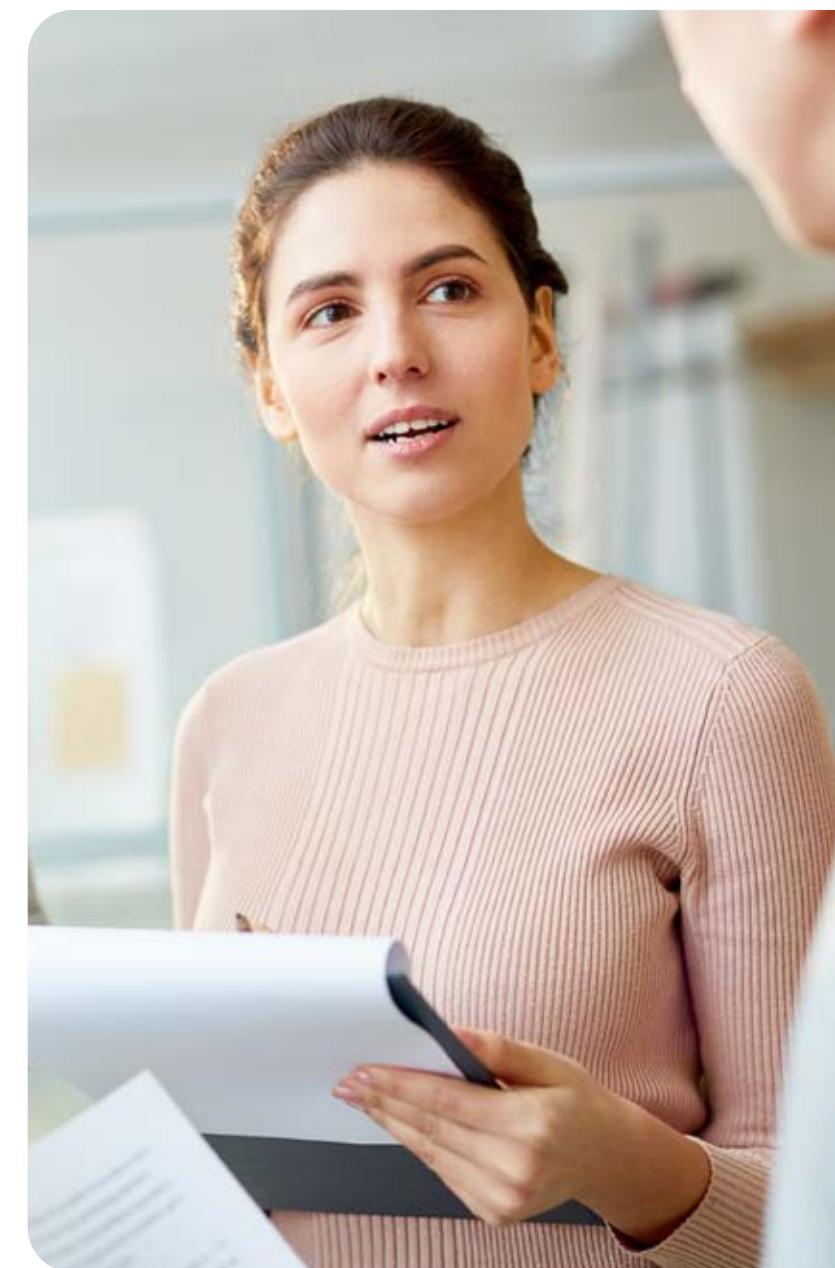
- ▶ Integration of advanced technological tools to enhance compliance and risk management.
- ▶ A continuous monitoring plan to ensure ongoing oversight and regulatory adherence.
- ▶ Effective remediation procedures to promptly address any identified issues.

- ▶ Ongoing training for key personnel to strengthen expertise in FATCA/CRS compliance.
- ▶ Timely generation and submission of reports to tax authorities, including DIAN and the IRS.

As a core pillar of the Anti-Corruption Program, the Bank upholds a zero-tolerance policy toward risks related to bribery and corruption. This commitment is reflected in the implementation of strict policies that prohibit any form of bribery, whether direct or indirect, applying to:

- ▶ Bank employees and staff
- ▶ Clients, suppliers, and other stakeholders

Additionally, these policies regulate conflicts of interest, particularly in interactions with public officials and private individuals. To ensure compliance, the Anti-Corruption Program establishes procedures and controls that uphold transparency across all Bank operations.







## REGULATORY COMPLIANCE RISK

In 2024, as part of efforts to mitigate the organization's legal risk, a total of 49 processes were carried out related to regulations, policies, and/or contracts applicable to the organization.

The Regulatory Compliance Function led and provided support in the implementation of high-impact regulations for the organization, particularly in areas such as conduct risk and personal data protection. Specifically, oversight was conducted in the following areas:

- ▶ **On-Site Inspection by the Colombian Financial Superintendency (SFC) – Corporate, Business, and Construction Banking Credit Risk & Fraud Risk:** The Regulatory Compliance team led the coordination, logistics, centralization, and support for the teams involved in the on-site inspection conducted by the Colombian Financial Superintendency (SFC) on Corporate, Business, and Construction Banking Credit Risk, as well as Fraud Risk. As part of this process, the Bank managed responses to 23 regulatory requests during the inspection and continues to address additional follow-up requirements as part of an open action plan, which remains in progress and is scheduled for completion by the end of 2025.
- ▶ **Large Exposures Compliance:** During the first half of 2024, the Regulatory Compliance team facilitated the integration

of various teams responsible for implementing the Large Exposures regulation. Using Grandes Exposiciones Go, an in-house tool designed to coordinate implementation efforts, the Bank structured the action plan required by the Colombian Financial Superintendency (SFC) and submitted the quarterly progress reports for the second half of the year to the regulatory authority.

- ▶ **DaviPlata:** Throughout 2024, the Regulatory Compliance function focused on identifying regulatory compliance risks related to DaviPlata, given its strategic importance to the organization and its high visibility among external regulatory bodies. In addition to coordinating, managing logistics, and supporting the on-site inspection conducted by the Colombian Financial Superintendency (SFC) since 2023, the team oversaw the submission of progress reports on the implementation and closure plans related to the inspection. Furthermore, eight monitoring processes were initiated, with plans to continue and expand these efforts in 2025.
- ▶ **SFC Inspection – Conduct Risk:** Beginning in 2023 and throughout 2024, the Colombian Financial Superintendency (SFC) maintained ongoing oversight of both the Bank and its Trust Company to assess compliance with its Conduct Risk Supervision Guide. At the corporate level, a strategic decision—escalated to the Board of Directors—was made to interpret the guide as requiring compliance specifically with Fair Treatment and Proper Customer Service standards.

These processes were reviewed and validated with the support of the Operational Risk team to ensure full compliance. In November 2024, the SFC officially closed the inspection, emphasizing the importance of maintaining the compliance standards demonstrated. Moving forward, the Bank will continue to monitor and uphold best practices already embedded in its compliance framework.

49

***processes associated with applicable policies and contracts were executed.***



► **Implementation of Law 2277 of 2022:**

During the second half of 2024, the Regulatory Compliance function supported the operational teams of both the Bank and DaviPlata in preparing for the rollout of the 4x1000 tax scheme outlined in the regulation. This initiative presented significant challenges for the financial system as a whole. Given the inability to meet the initial launch date of December 13, the Compliance team worked closely with channel, service, network, marketing, and risk teams to develop a financial consumer service strategy. This approach ensured that frontline teams were well-prepared to provide clear information to customers, helping to prevent an increase in complaints and mitigate potential repercussions from regulatory authorities.

► **In-House Development and Implementation of Cross-Functional Regulatory Compliance Solutions:**

The Regulatory Compliance function designed and implemented two in-house solutions to enhance cross-functional regulatory risk management: Regulación Go – Scheduled for launch in January 2025, this tool aims to automate the internal dissemination process for both draft regulations (allowing impacted areas to provide feedback) and enacted regulations (assessing compliance impact and supporting implementation). Radicaciones Go – Developed to automate the filing process for regulatory requests submitted to the Colombian Financial Superintendency (SFC). This tool tracks deadlines, ensures timely responses, and creates a centralized repository for official submissions and supporting documentation, enabling future reference.

With these two tools and the additional solutions planned for 2025, we are enhancing the Regulatory Compliance ecosystem, **aiming to drive efficiency and mitigate legal risk arising from alternative processes that impact our function.**

*We worked alongside several Bank teams to design a financial consumer service strategy aimed at providing clarity and effective first-line support.*

2

**Tools implemented by Regulatory Compliance.**







## Subsidiaries Management



The Regulatory Compliance function carried out eight processes related to regulations, policies, and/or contracts applicable to the organization, with a particular focus on real estate trust management, advisory duty, and conduct risk.



Building on the tool and methodology transfer from the Bank to its subsidiary in 2022, the compliance function at the brokerage firm was further strengthened in 2024. During the year, 26 monitoring processes were initiated, focusing on high-impact regulations that required oversight from the Internal Audit Office to ensure proper implementation.



In 2024, Davivienda continued to support compliance management in its Costa Rica and El Salvador subsidiaries, ensuring that updates and enhancements to Compliance Go remained aligned with headquarters. In El Salvador, a total of 17 regulatory compliance processes were executed using the designed methodology. In Costa Rica, 191 processes were carried out—a significantly higher volume due to the regulatory requirement mandating that all compliance-related matters be managed through the compliance process. Additionally, in Costa Rica, work was undertaken to develop and automate “heat maps” for regulatory compliance risk, providing a visual and timely monitoring tool to identify high-risk situations more effectively.



### Compliance Go Implementation at Seguros Bolívar:

In alignment with Grupo Bolívar’s synergy strategy, the Regulatory Compliance function led the development, implementation, transfer, and deployment of the Compliance Go tool and methodology to Seguros Comerciales Bolívar, Seguros Bolívar, and Capitalizadora Bolívar. This initiative aimed to achieve full integration across the group for a unified approach to legal risk management.

## EMERGING RISKS

As part of Comprehensive Risk Management, the Bank integrates identification, assessment, and monitoring exercises to address emerging risks that could have a direct impact on the business model. This analysis is based on organizational processes at all levels, external conditions, technological advancements, and market trends, both locally and globally.

The evaluation of emerging risks is embedded within the annual strategic planning model, ensuring that previously unknown threats and risks are continuously updated and prioritized based on

*Each year, we incorporate the assessment of emerging risks into our strategic planning model.*

their potential impact on strategic objectives. These risks are assessed to determine the necessary adjustments and/or mitigation plans, which are then reviewed and implemented by Senior Management to ensure the organization remains adaptable to evolving external conditions.

At Davivienda, we continuously review and monitor the organizational landscape, assessing social, political, economic, environmental, technological, legal, and even ethical factors that could evolve into new threats. This proactive approach is a key stage in the risk management cycle.



## Riesgos Emergentes

### Profundización de las tensiones geo-económicas y políticas

Bajo desempeño financiero y operativo del Banco, dada la incertidumbre política, económica y social ocasionada por eventos y conflictos geopolíticos a escala mundial, que a su vez tienen impacto en la economía Colombiana.

## Riesgos Emergentes

### Tendencias

- ▣ Confrontación geoeconómica
- ▣ Recesión en la economía de Estados Unidos
- ▣ Guerra comercial mundial
- Detenoro de la seguridad
- ⬠ Ciberespionaje y guerras





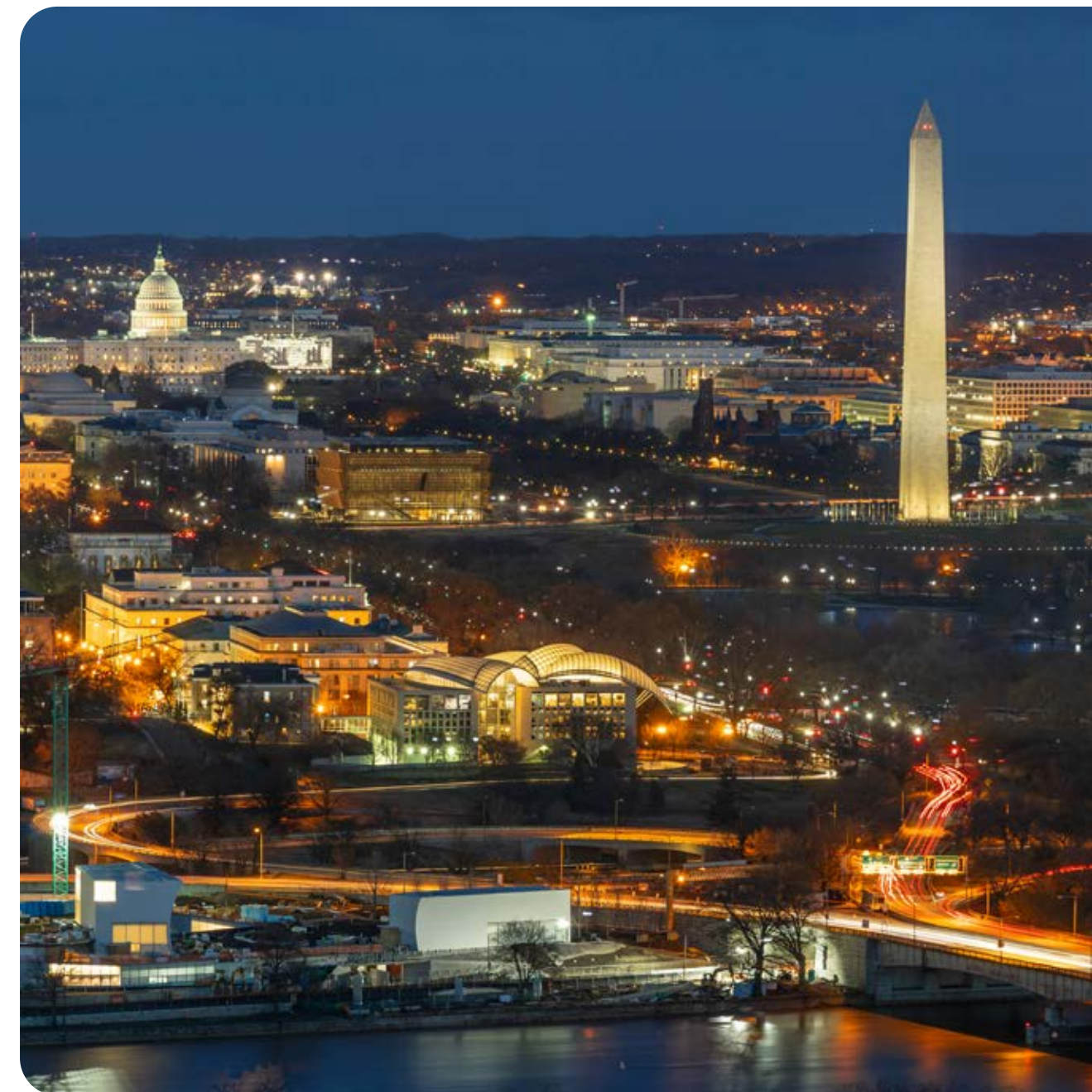
Through the annual identification and assessment exercise, Senior Management has identified key emerging risks based on trend analysis from specialized third parties, including the World Economic Forum and credit rating agencies. Additionally, the assessment incorporates local trends, considering Colombia's economic and political landscape.

The analyzed trends and emerging risks are detailed in the framework, classified based on the factors driving risk within the organization. This classification follows the taxonomies defined in ISO 31050 (Guidelines for Managing Emerging Risks and Building Resilience), which categorize risks into political and economic, technological, environmental, social, and regulatory factors.

## ***Escalation of Geo-Economic and Political Tensions***

These risks are linked to international economic uncertainties that influence Colombia's macroeconomic variables. Global events can directly affect export revenues, capital flows, and remittances, leading to sudden inflation spikes, slower GDP growth, and reduced customer repayment capacity. Additionally, upward shifts in interest rates may result in weaker financial and operational performance for the Bank.

For 2025, key international risks include policy measures from the incoming U.S. administration, which could have both direct and indirect effects on Colombia and Latin America. The new administration has outlined three major policy priorities: stricter control of illegal immigration, including the deportation of undocumented individuals; intensification of the trade war with China, potentially extending to Mexico, Canada, and other nations with significant Chinese investment; and corporate income tax cuts for large companies. The impact of these measures remains uncertain due to their complexity. However, there is broad consensus that in the short term, these policies could negatively affect not only the U.S. economy but also the countries involved and global markets as a whole.





The potential impacts of these measures include higher inflation in the United States, a slower pace of interest rate cuts, a possible decline in investment, and a reduction in economic activity in the country.

Another key factor is the intensification of armed conflicts between nations, driven by a slow but steady fragmentation of the international order established since the 1990s, which was characterized by globalization. This shift is evident in China's growing global influence and the United States' retreat from its role as the guarantor of economic stability and global power balance. The resurgence of military conflicts—including those in the Middle East, the Russia-Ukraine war, and China's incursions into the South Pacific—along with the rise of protectionism, cyberattacks, terrorism, and escalating interstate disputes, is reshaping the global order and increasing geopolitical uncertainty.

## ***We take into account macroeconomic variables and indicators to anticipate potential threats.***

Given this context and the potential factors that could materialize this emerging risk, Davivienda actively measures, monitors, and controls country risk in jurisdictions where it holds direct or indirect investments, as well as in countries with indirect economic interests. This analysis involves assessing recent and projected macroeconomic trends, key indicators, and the political and legal landscape that shape country risk in these regions. The process is carried out in collaboration with the Comprehensive Risk Management team, Economic Studies, Corporate

Credit, and the Legal Department, which escalate potential threats to the governing bodies for strategic decision-making.

Additionally, the Economic Studies team conducts regular analyses of international economic policy and provides Senior Management and the Board of Directors with updates on key financial market developments and global macroeconomic outlooks, including forecast models. At the same time, risk committees and business units continue to monitor customer savings and payment behaviors, as well as the sectors in which they operate, to develop action plans for jurisdictions identified as having potential risk exposure.

### ***Local Economic Instability***

In Colombia, the economy is exposed to various risk factors,

including political, environmental, and social aspects. For 2025, three key economic risks have been identified: challenges in the construction sector, fiscal concerns, and climate-related impacts. These factors could lead to financial and liquidity stress in the Colombian market, potentially resulting in economic deterioration that could impact the Bank's performance.

The construction sector has been experiencing a slow recovery following the challenges of 2023, which negatively impacted housing sales due to high construction costs, elevated interest rates, and reduced subsidies. In 2024, sales levels did not return to those seen in 2022, leaving the financial health of industry players in a critical state. However, in 2025, it is unlikely that these factors will significantly affect the solvency of the financial sector or trigger wider economic disruptions that could halt Colombia's ongoing economic recovery.

Regarding fiscal risks, the fiscal deficit is expected to moderately decrease to 3.8% in 2025. Meanwhile, the Central Government's public debt as a proportion of GDP reached 48.4%. Although the National Government appears to have complied with the fiscal rule, these debt levels carry significant consequences, including higher risk premiums, elevated real natural interest rates, and increased exchange rate volatility, among other effects.

## ***We measure and monitor country risk in the jurisdictions where we hold investments.***





## ***Business and risk committees remain informed about developments in productive sectors.***

In 2024, rainfall shortages affected most of Colombia, leading to water rationing and concerns in the energy sector, which relies heavily on hydropower, making it highly dependent on climatic conditions. Government authorities and energy producers have warned of potential adverse scenarios in 2025 if the La Niña phenomenon does not materialize. However, climate forecasts have been highly volatile over the past year, adding uncertainty to the outlook.

A potential energy rationing scenario would not only disrupt supply but also have serious economic repercussions. Restrictions could slow projected growth by impacting key sectors such as industrial production, infrastructure investment, and energy consumption, similar to what occurred during the 1992-1993 power crisis. However, in today's economy, the impact would be even greater due to the increasing interconnection between productive activities and technology, which has significantly

heightened dependence on energy for economic development.

To manage risks associated with economic instability in Colombia, the Bank conducts evaluation, monitoring, and control processes focused on analyzing economic, political, social, and legal variables within the most exposed economic and productive sectors. The Economic Studies team regularly

analyzes local economic policy and provides Senior Management and the Board of Directors with insights into key developments impacting these sectors. At the same time, business units continuously monitor sector-specific events related to their operations, escalating potential risks to the Business and Risk Committees for further assessment and oversight.





*The use of AI drives innovation and guarantees security to protect our customers.*

## CHALLENGES IN THE USE OF ARTIFICIAL INTELLIGENCE

The rapid evolution of generative artificial intelligence (AI) tools introduces significant risks, particularly regarding the malicious automation of processes. AI can be intentionally exploited for fraudulent activities, such as manipulating transactions, generating falsified documents, or executing highly personalized phishing campaigns. Additionally, the deployment of autonomous AI-driven processes presents risks related to model biases or unintended errors, which could negatively impact the accuracy of critical decision-making. These risks intersect ethical, technological, and regulatory challenges, requiring the implementation of strict controls, continuous audits, and robust governance frameworks.

To ensure that AI usage within the Bank aligns with security, transparency, and trust principles, as well as the defined risk standards, we have strengthened our capabilities to mitigate risks associated with both malicious exploitation and errors in AI-driven autonomous processes. To achieve this, we have implemented a comprehensive AI governance model that integrates regular algorithm audits, real-time monitoring of anomalous patterns, and advanced AI-powered detection tools.

Additionally, **we have developed initiatives to train internal teams in identifying and managing AI-related risks, while simultaneously reinforcing control mechanisms in critical**

**processes, technology risk management, and regulatory compliance. These measures are designed to prevent and mitigate potential threats, including malicious exploitation, system errors, social engineering attacks, misuse of personal data, regulatory violations, data breaches, unauthorized access, model biases, and technological obsolescence.** These actions are part of our ongoing commitment to ensuring that the use of AI at the Bank not only drives innovation but also upholds the highest standards of security, transparency, and trust. By proactively managing AI-related risks, we protect both our customers and operations in an increasingly complex risk environment.





## **Escalation of Cyber Threats and Disinformation**

This risk stems from new, unpredictable, and increasingly sophisticated cyberattacks, driven by global, regional, and local political instability. These evolving threats create a heightened tension scenario that directly impacts the dynamics and operations of organizations. At the local level, we have observed a notable increase in this risk, primarily due to internal conflicts and social protests, which can lead to confusion, deception, disinformation, and vulnerabilities. These factors pose a serious threat to critical infrastructure, including key sectors such as the financial system, where attacks could compromise the integrity of financial information. Additionally, disruptions in other essential sectors could negatively impact the country's overall economy.

The potential impacts of this risk include economic losses not only for the Bank but also for the financial sector as a whole. If materialized, this risk could compromise the confidentiality, integrity, and availability of financial information, leading to loss of trust among customers and market participants. Additionally, cyber threats could cause operational disruptions, affecting the Bank's information systems. Furthermore, disinformation and media manipulation through coordinated misinformation campaigns could damage the Bank's reputation, trigger financial panic, and lead to mass fund withdrawals, potentially creating instability in both the

Bank and the broader financial sector.

To mitigate these risks, we have strengthened our technological capabilities, processes, and human talent to ensure immediate and effective responses when threats materialize.

We have implemented advanced threat detection technologies and integrated artificial intelligence into our security processes. To minimize attack surfaces, we have segmented critical infrastructure, enforced multi-factor authentication for system access, and established a rapid incident response team with clear action protocols. Additionally,

we conduct regular cybersecurity and disinformation attack simulations to assess our response capabilities. We also continuously monitor social media and digital platforms to detect and counter disinformation campaigns targeting the Bank. To maintain trust and transparency, we ensure proactive communication with customers and stakeholders by delivering verified information through official channels, preventing the spread of false news. Furthermore, we collaborate with government entities and the financial sector to develop joint strategies for protecting the financial system.

Additionally, we have ongoing cybersecurity training programs designed for employees, suppliers, partners, and customers, focusing on cyber threats and prevention strategies. These programs are regularly updated.

***We have cybersecurity training programs for our employees, suppliers and clients.***





*We perform an annual review of the effectiveness of comprehensive risk management to incorporate findings into strategic planning.*

## CONTINUOUS IMPROVEMENT IN RISK MANAGEMENT

As part of our continuous improvement process, we are developing tools that strengthen Comprehensive Risk Management, aligning with industry best practices. This process includes high-level control activities (key controls that ensure strategic compliance) and operational controls across all activities within the second line of defense. These measures are designed to ensure process continuity and minimize losses resulting from process errors.

Additionally, we conduct an annual assessment to evaluate the suitability and effectiveness of Comprehensive Risk Management. This in-depth analysis allows us to identify areas where our risk management is strong and areas that require further development, ensuring that necessary improvements are incorporated into the strategic planning of the second line of defense. The suitability assessment is carried out individually for each specialized risk

function within the organization, focusing on coverage levels, risk management effectiveness, and alignment with strategic planning.

## WE ARE ALL PART OF A RISK CULTURE

Aligned with Grupo Bolívar's business model and its risk management approach, which is guided by the risk appetite levels set by the Board of Directors, Davivienda's Risk Culture serves as a fundamental pillar of our operations. This approach is led by Senior Management through a top-down framework, ensuring that it is effectively communicated and applied by all employees. Our goal is for this culture to be reflected in our behavior and best practices in risk management, fostering long-term relationships with customers, shareholders, and the public while reinforcing trust and stability.

Additionally, the Grupo Bolívar Code of Ethics, which is an integral pillar of Davivienda's Risk Culture framework, is designed to strengthen trust and perceived value among employees and stakeholders. By fostering a culture of transparency, we aim to be recognized for our ethical management and integrity. This Code of Ethics serves as a guiding framework, outlining expected and unacceptable behaviors in our daily operations. It ensures consistency in our actions while safeguarding our Principles and Values, reinforcing our commitment to our higher purpose: "Enriching Life with Integrity."





## ***We train our employees in risk evaluation and identification.***

### **Training Programs for Employees and Senior Management**

- ▶ Each year, Grupo Bolívar conducts training sessions for employees on the principles, values, and behaviors outlined in the Code of Ethics. These sessions are delivered through virtual learning experiences, ensuring accessibility for all employees. The training program also includes a dedicated awareness initiative, reinforcing responsibility and

commitment to the guidelines set forth in the Code.

- ▶ Training Time: 0.50 hours per employee per year, totaling 6,318 hours dedicated to this program.
- ▶ Coverage: 12,637 employees participated.
- ▶ Purpose: Reinforce the commitment to upholding ethical principles and values.

The risk management training programs were designed to strengthen and empower employees in their responsibility to identify, assess, and monitor risks inherent to their daily activities. Training initiatives covered key areas, including general principles and guidelines of Comprehensive Risk Management, Anti-Money Laundering and Terrorism Financing Risk, Regulatory Compliance Risk, Operational Risk Management, Information Security and Cybersecurity Risk, Business Continuity Management, and other specialized programs.

## **Key Statistics from Internal Training Programs for Employees and Senior Management:**

**56.5** TRAINING hours  
per employee.

More than  
**20** SPECIALIZED risk courses

**COVERAGE:**  
**12,424**  
employees participated in Colombia

Additionally, employees responsible for risk management functions received over 136 hours of specialized training tailored to their roles. This initiative enhances expertise in key areas such as data analytics and its fundamentals, model risk, forensic cybersecurity auditing, and anti-money laundering (AML), among others. By investing in specialized training, we ensure a comprehensive approach to tackling current challenges, aligning with emerging market needs.



## Training Programs for the Board of Directors

The Board of Directors participates in specialized risk management training programs twice a year, enhancing their decision-making capabilities through risk-based analysis in an ever-evolving environment. These sessions help Board members stay updated on emerging risk management trends and key issues affecting the business model. In 2024, several training programs were conducted on critical business topics, with all seven Board members participating, including two independent members. Key Topics Covered:

Challenges in Cybersecurity for Organizations	Interest Rate Risk in the Banking Book	Anti-Money Laundering and Terrorism Financing Risk (AML/CFT)
<ul style="list-style-type: none"><li>▶ The Role of the Board of Directors in Cybersecurity Decision-Making.</li><li>▶ New Cybersecurity Strategies to Counter Emerging Threats and Trends in the Financial System</li><li>▶ Addressing Organizational Challenges in Cyber Resilience Against These Threats</li></ul>	<ul style="list-style-type: none"><li>▶ General Guidelines of the Regulation in Colombia</li><li>▶ Responsibilities of the Board of Directors</li><li>▶ Strategies for Managing Interest Rate Risk in the Banking Book (RTILB), Its Market Impact, and Product Offerings</li><li>▶ Challenges in Implementing the RTILB Management Model</li></ul>	<ul style="list-style-type: none"><li>▶ The Role of Corporate Governance in Protecting Against Corruption</li><li>▶ Responsibilities of Different Stakeholders Within the Organization</li><li>▶ AML/CFT Guidelines with Insights and Expertise from Senior Management</li></ul>

***The Board of Directors remains up to date with new management trends.***







# Corporate Governance

## *Corporate Governance and Structure*

Our corporate governance system is based on principles, policies, and regulations that establish a set of best practices aimed at ensuring that our actions are efficient, transparent, and ethical. This framework reflects our commitment to our stakeholders and to maintaining the highest standards of business integrity.

The management and administration of Banco Davivienda are overseen by the General Shareholders' Meeting, the Board of Directors, the President, the Executive Management Team, and other governing bodies designated by the Shareholders' Meeting or the Board of Directors. Additionally, corporate governance bodies include supervisory, compliance, and disclosure committees.

- ▶ To implement our corporate governance policy, we adhere to a set of codes, regulations, guidelines, and manuals, which are publicly available on our corporate website. These include:
  - ▶ Bylaws
  - ▶ Code of Ethics
  - ▶ Corporate Governance Code
  - ▶ Regulations of the General Shareholders' Meeting
  - ▶ Regulations of the Board of Directors
  - ▶ Shareholder Rights and Obligations Guide
  - ▶ Manual on Conflicts of Interest, Insider Information, and Related-Party Transactions



The implementation of these governance policies ensures the integrity of our management, provides mechanisms for conflict resolution, and facilitates the accurate and timely disclosure of information. Furthermore, we have adopted the corporate governance recommendations outlined in the Best Corporate Practices Code (Code País), which are disclosed in our Code País report, available on our corporate website.

## CODE OF ETHICS

Our Code of Ethics is an integral part of the Corporate Governance System adopted by the Grupo Bolívar companies. It aims to build trust among our employees, clients, shareholders, and other stakeholders, while reinforcing our commitment to transparency. The Code includes the ethics statement, desirable and unacceptable behaviors, responsibilities, fraud and anti-corruption matters, and corporate commitments, among other key topics.

## TRANSPARENCY LINE

Between January and December 2024, 332 cases were received through the Transparency Line channel, which were managed within the timeframe defined by the organization according to the typologies presented. Forty-eight percent of the cases received were closed with corrective actions, which required an action plan, follow-up or disciplinary process. 46% of the cases received in 2024 were through the telephone channel. For more information, consult the 2024 transparency line report that will be published on the website [ir.davivienda.com/gobierno corporativo](https://ir.davivienda.com/gobierno_corporativo).

### *Davivienda's Ownership Structure and Shareholders*

## CAPITAL OF THE COMPANY

### AUTHORIZED CAPITAL

COP  
**90** BILLION

### SUBSCRIBED CAPITAL

COP  
**87.7** BILLION

### PAID CAPITAL

COP  
**87.7** BILLION

Faced value per share: \$180.





The main companies within the Grupo Bolívar are presented in the following chart:

235



## Presencia Internacional GRUPO BOLÍVAR



### PANAMÁ

- ▶ Holding Davivienda Internacional S.A
- ▶ Banco Davivienda Internacional S.A.
- ▶ Banco Davivienda Panamá S.A.
- ▶ Inversiones Rojo Holdings.
- ▶ Corredores Davivienda S.A. Panamá.
- ▶ Sentido Empresarial Internacional S.A
- ▶ Riesgo e Inversiones Bolivar Internacional S.A



### HONDURAS

- ▶ Banco Davivienda Honduras S.A
- ▶ Seguros Bolívar Honduras S.A.



### COSTA RICA

- ▶ Grupo del Istmo Costa Rica S.A
- ▶ Davivienda Puesto de Bolsa Costa Rica S.A
- ▶ Corporación Davivienda Costa Rica S.A
- ▶ Davivienda Corredora de Seguros Costa Rica
- ▶ Banco Davivienda Costa Rica S.A
- ▶ Davivienda Seguros Costa Rica S.A
- ▶ Davivienda Leasing Costa Rica S.A



### ESTADOS UNIDOS DE AMÉRICA

- ▶ Delta Holdings International LLC
- ▶ Davivienda Investment Advisor USA



### EL SALVADOR

- ▶ Inversiones Financieras Davivienda S.A
- ▶ Banco Davivienda Salvadoreño S.A
- ▶ Davivienda Servicios S.A. de C.V
- ▶ Seguros Comerciales Bolivar S.A
- ▶ Valores Davivienda El Salvador S.A de C.V





## ORGANIZATIONAL STRUCTURE



### Banco Davivienda S.A.

	 COLOMBIA	 COSTA RICA	 EL SALVADOR	 PANAMÁ	 HONDURAS	 MIAMI
 BANCO	✓	✓	✓	✓	✓	✓
 HOLDING				✓		
 SEGUROS		✓	✓		✓	
 CORREDORES	✓		✓	✓		✓
 FIDUCIARIA	✓					
 LEASING		✓				
 CORPORACIÓN FINANCIERA	✓					
 COBRANZA	✓					

\*Davivienda's presence in Miami operates through a branch



## GOVERNANCE BODIES

Banco Davivienda - Governance Bodies	
Management Bodies	General Shareholders Meeting
Administration Bodies	Board of Directors President - Legal Representative Vice-presidents and managers (who by reason of their position act on behalf of the company)
External Control Bodies	Tax auditor Financial Superintendence of Colombia Self-regulator of the Stock Market
Internal Control Bodies	<b>Board of Directors Support Committees</b> Audit Committee Corporate Governance and Sustainability Committee Corporate Risk Committee Compliance Committee
	<b>Support bodies for Senior Management</b> Executive Committee of the CEO Integrated Committee for Regulation and Accounting & Tax Disclosure Risk Committees Internal Audit Compliance Officer Internal Control and Regulatory Compliance Treasury Risk Analysis and Control Department
Conflict Resolution Bodies	Arbitration Court
Corporate Governance Disclosure and Compliance Bodies	Board of Directors President - Legal Representative





## COMPANIES OF GRUPO BOLÍVAR - GROUP ORGANIZATIONAL CHART

It is important to note that Grupo Bolívar S.A. serves as the parent company of the Grupo Bolívar, with Banco Davivienda as one of its key subsidiaries.

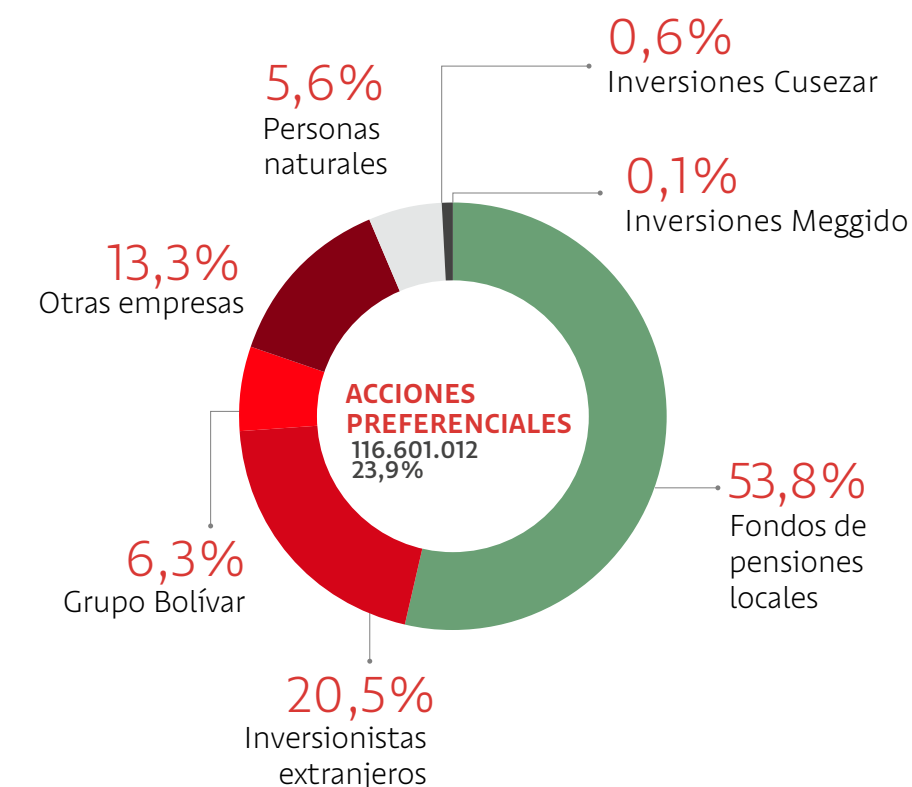
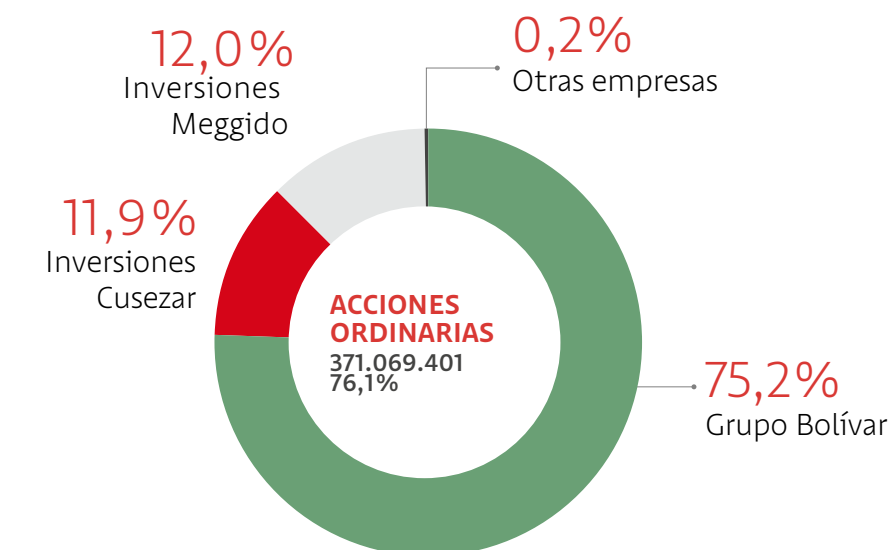
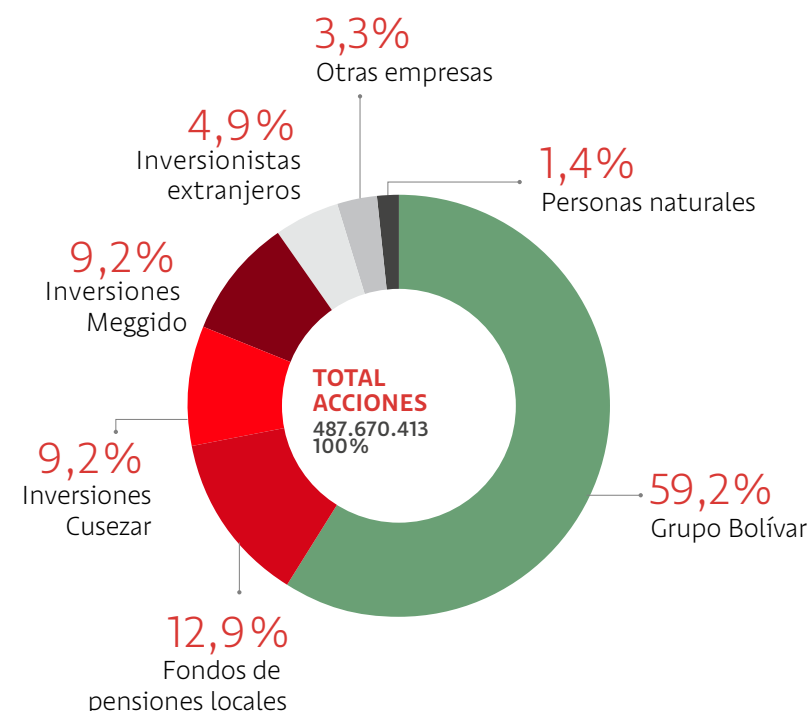
Law 1870 of September 21, 2017, passed by the Congress of Colombia, established enhanced regulations and supervision measures for Financial Conglomerates in the country.

Additionally, Resolution 0154 of 2019, issued by the Financial Superintendence of Colombia, officially recognized Grupo Bolívar S.A. as the Holding Company of the Bolívar Financial Conglomerate, identifying the entities under its control, including Banco Davivienda S.A.

## SHAREHOLDING STRUCTURE

As of December 31, 2024, Banco Davivienda had a total of 487,670,413 outstanding shares, categorized as follows: 371,069,401 common shares (76.09%), 116,601,012 preferred shares (23.91%)

*The Bank's principal shareholders are detailed in the following section.*





In accordance with our Corporate Governance Code, executives and directors may buy or sell shares of the company while holding office, provided that such transactions are not for speculative purposes and have received prior authorization from the Board of Directors.

As of December 31, 2024, the members of the Board of Directors and Senior Management held the following shares in the company:

### Board of Directors

Name	Number of Shares	% of Participation
Carlos Guillermo Arango Uribe	8	0,000002%
Álvaro Carrillo Buitrago	0	0%
Álvaro Peláez Arango	8	0,000002%
Andrés Flórez Villegas	0	0%
Diego Molano Vega	0	0%
María Claudia Lacouture Pineda	0	0%

### Senior Management

Name	Number of Shares	Participation
Javier Suárez Esparragoza	654	0,0001%
Ricardo León Otero	0	0%
Maritza Pérez Bermúdez	0	0%
Pedro Uribe Torres	0	0%
Reinaldo Romero Gómez	0	0%
Martha Luz Echeverry	0	0%
Daniel Cortés Mcallister	0	0%
Jorge Rojas Dumit	0	0%
Jaime Castañeda Roldán	0	0%
Álvaro José Cobo Quintero	0	0%
María Carolina Restrepo Frasser	0	0%

### New Developments

On March 11, 2024, Davivienda successfully completed the public offerings under the Global Quota of the 2024 Equity Issuance and Placement Program, raising COP 720 billion through the issuance of 36 million shares. The placement included 27,392,472 Common Shares, valued at COP 547.85 billion, with demand reaching 28,357,751 shares (1.04x the offered amount), and 8,607,528 Preferred Shares (with preferential dividends and no voting rights), valued at COP 172.15 billion, with demand totaling 13,722,546 shares (1.6x the offered amount).

**36**

**million shares. Share Issuance and Placement Program 2024.**





## Annual General Meeting

On March 19, 2024, the Ordinary General Shareholders' Meeting was held, with a quorum of 98.933%, representing 367,109,647 shares either directly or by proxy.

The call for the meeting was published in La República newspaper on February 26, 2024, informing shareholders that the meeting would be held in person.

The meeting notice, shareholder rights and obligations, share characteristics, and operational rules of the General Assembly were made available to shareholders and the general public via our corporate website ([www.davivienda.com](http://www.davivienda.com)). Additionally, for greater transparency, shareholders were granted exclusive access to key documentation to facilitate informed decision-making. Furthermore, shareholders were informed that all documents subject to inspection rights were made available at the Bank's headquarters 15 business days prior to the meeting.

During the meeting, the Secretary of the Assembly reminded shareholders of procedural guidelines, including the process for voting, comments, and inquiries. The meeting was conducted in full compliance with regulatory requirements, ensuring that all shareholders received the necessary information for their decisions.

To enhance transparency and accessibility, the meeting was also broadcast online to shareholders, in accordance with the Shareholder Rights

and Obligations Guide and the Best Corporate Practices Code (Code País), which encourages the use of electronic platforms for information disclosure.

Shareholders services for Banco Davivienda are provided through Deceval, with a dedicated shareholder service line available at (601) 307 7127 in Bogotá or 01 8000 111901 nationwide (toll-free line) for inquiries related to their shares. For information regarding the bank's strategy, financial results, outlook, and other specialized topics, Banco Davivienda's shareholders and investors have an exclusive channel managed by our Investor Relations team, available via [ir@davivienda.com](mailto:ir@davivienda.com).

The above information is also published on our website, [ir.davivienda.com](http://ir.davivienda.com), under the "Help Center" link.

**Shareholders have access to multiple exclusive and personalized contact channels, including email, telephone, and the corporate website.**

Additionally, on our Corporate Website, a Shareholders' Rights and Obligations Guide is available, outlining Banco Davivienda S.A.'s commitment to ensuring all shareholders are treated fairly and equally. Therefore, it is dedicated to providing timely, prompt, and comprehensive responses to any inquiries and requests related to mandatory disclosure matters, ensuring transparency and equitable access to information for all shareholders.

Finally, in compliance with regulatory requirements, the Bank's material information is also published on the website of the Financial Superintendence of Colombia.



## MAIN DECISIONS ADOPTED AT THE ANNUAL GENERAL MEETING

During the 2024 Annual General Meeting of Shareholders, the following agenda items were approved and/or considered:

- ▶ The 2023 Annual Report was unanimously approved, including:
  - (i) the Management Report
  - (ii) the Sustainability Report
  - (iii) the Corporate Governance Report, and (iv) the Year-End Financial Report.
- ▶ Consideration of the Board of Directors' Report to the Annual General Meeting on the Internal Control System.
- ▶ Consideration and approval of the Separate and Consolidated Financial Statements of the Company as of December 31, 2023.
- ▶ Consideration and approval of the Statutory Auditor's Opinion on the Separate and Consolidated Financial Statements as of December 31, 2023.
- ▶ The proposal for the appropriation of profits of Banco Davivienda S.A. as of December 31, 2023, was unanimously approved. The

Annual General Meeting decided to allocate the 2023 profits, totaling COP 105,939,481,712.57, to an occasional reserve.

- ▶ The Annual General Meeting unanimously approved taking note of the Financial Consumer Ombudsman's Report submitted to the meeting.
- ▶ It was unanimously decided to amend Article 6 of the Rules of Procedure of the Annual General Meeting, titled "Inclusion of Items in the Agenda of the Ordinary Meeting", in accordance with Código País recommendations, specifically Measure No. 10.3.
- ▶ The Annual General Meeting unanimously elected José Guillermo Peña González as the Principal Financial Consumer Ombudsman and Camilo Andrés Gaviria Velásquez as the Alternate Ombudsman for the 2024–2026 term. Both individuals are part of the firm Peña González & Asociado.
- ▶ The Annual General Meeting unanimously approved authorizing the Board of Directors to make donations of up to COP 30,500,000,000.

- ▶ The Annual General Meeting unanimously approved maintaining the occasional reserve to cover the interest coupon on bonds in the amount of COP 161,262,500,000.

The different matters submitted for consideration by the General Shareholders' Meeting were approved unanimously by the attendees.







## Board of Directors

The Board of Directors is responsible for defining the Bank's strategy and direction, as well as overseeing its execution. Both the Board of Directors and Senior Management are actively involved in risk management, establishing measurement methodologies, exposure limits, and corporate policies.

During the General Shareholders' Meeting on March 21, 2023, the shareholders unanimously decided to re-elect the Board of Directors for the term from April 2023 to March 2025.



***The Board of Directors determines the Bank's orientation and oversees and monitors its execution.***

## COMPOSICIÓN DE LA JUNTA DIRECTIVA

### Board of Directors Banco Davivienda S.A. 2023-2025

Ana Milena López Rocha	Independent Member Since 2021
Andrés Flórez Villegas	Independent Member Since 2017
Álvaro Peláez Arango	Independent Member Since 2008
Carlos Guillermo Arango Uribe	Shareholder-appointed member and President of the Board Since 1997
María Claudia Lacouture Pineda	Independent Member Since 2022
Diego Molano Vega	Independent Member Since 2019
Álvaro Carrillo Buitrago	Shareholder-appointed Member Since 2022

On June 26, 2024, Banco Davivienda informed to the market through the Relevant Information platform of the resignation of Ana Milena López Rocha from her position as a principal member of the Bank's Board of Directors. The aforementioned resignation will be submitted for consideration at the next Ordinary Meeting of the Bank's General Shareholders' Assembly.



## RESUMES OF THE MEMBERS OF THE BOARD OF DIRECTORS

To ensure transparency and disclosure of qualifications, the professional profiles and experience of the Board of Directors, President, and alternates are available on our corporate website at: <https://ir.davivienda.com/historia/#quienes-somos>

Principal members of the Board of Directors	Professional profile	Participation in administrative or control agencies of companies other than the bank
Carlos Guillermo Arango Uribe	Economist	N/A
Álvaro Carrillo Buitrago	Economist	Fasecolda
Álvaro Peláez Arango	Civil Engineer	Inversiones Meggido S.A.
Andrés Flórez Villegas	Lawyer	Concesionaria Autovía Neiva Girardot Solunion Colombia Seguros De Crédito S.A.
Diego Molano Vega	Electronic Engineer	Compañía de Seguros Bolívar S.A. Fundación Solidaridad por Colombia Colvatel S.A. ESP Promigas ESP
María Claudia Lacouture Pineda	Professional in Finance and International Relations	N/A
Ana Milena López Rocha <sup>1</sup>	Economist	Fiduciaria Corficolombiana S.A. (Noviembre 2024)

1. On June 26, 2024, she resigned from her position, which will be reported to the Bank's General Shareholders' Meeting.

### AGE OF BOARD MEMBERS

**0 a 30 years** 0

**31 a 50 years** 2

**More than 50 years** 5



In accordance with the criteria for determining the independence of the members of the Board of Directors mentioned in Article 15 of the Board of Directors Regulations, which can be consulted at <https://ir.davivienda.com/en/corporate-governance/> and [https://ir.davivienda.com/wp-content/uploads/2022/06/DAV-Reglamento-de-Junta-Directiva-06.jun\\_.2022-jb-toc.pdf](https://ir.davivienda.com/wp-content/uploads/2022/06/DAV-Reglamento-de-Junta-Directiva-06.jun_.2022-jb-toc.pdf) are as follows:

**A. National Standards:** To determine the independence of the members of the Board of Directors, Davivienda S.A. adopts the criteria established in Article 44 of Law 964 of 2005, which states: “an independent person shall be understood as someone who is not:





1. An employee or executive of the company, its subsidiaries, affiliates, or parent company, including anyone who held such a position within the previous year, except for the re-election of an independent member.
2. A shareholder who directly or through agreements controls the majority of voting rights or dominates the composition of management, direction, or control bodies.
3. A partner or employee of advisory or consulting firms providing services to the company or its group, when such services account for twenty percent (20%) or more of the advisor's operational income.
4. Employee or executive of a foundation, association or society that receives significant donations from the issuer. Significant donations are considered to be those that represent more than twenty percent (20%) of the total donations received by the respective institution.
5. A director of another company whose board includes a legal representative from the Banco Davivienda.
6. A person who receives from the company any remuneration other than fees as a member of the board of directors, the audit committee or any other committee created by the board of directors.

**B. International Standards (SEC – U.S. Securities and Exchange Commission):** Additionally, Banco Davivienda S.A. voluntarily follows international best practices in corporate governance, adopting independence criteria from the U.S. Securities and Exchange Commission (SEC) to determine

## We comply with the independence percentage required under Article 44 of Law 964 of 2005 regarding the composition of the Board of Directors.

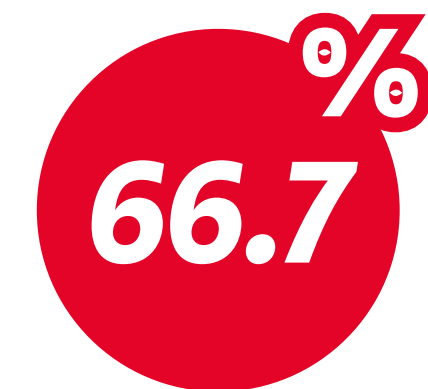
the independence of the members of the Board of Directors.

Moreover, the Bank ensures that candidates for independent board membership have not been employed by the Bank or Grupo Bolívar companies within the past two years before their appointment.

Davivienda complies with the minimum independence requirement established by Article 44 of Law 964 of 2005, which mandates that at least twenty five percent (25%) of Board members must be independent.

Furthermore, as part of its Corporate Governance best practices, Banco Davivienda S.A. maintains a higher proportion of

independent directors. By the end of 2024, following the resignation of Ana Milena López Rocha, the Board of Directors comprised 4 independent members, representing 66.7% of the total, and 1 female member, accounting for 16.6%. The average tenure of principal Board Members at the end of 2024 was 9.8 years.



**of the members of the Board of Directors are independent, in compliance with the requirements established in Article 44 of Law 964 of 2005.**



## INFORMATION ON ATTENDANCE AT BOARD OF DIRECTORS MEETINGS

The average percentage of attendance by the members of the Board of Directors at the meetings held in 2024 was 85%. In order to allow the participation of the members of the Board of Directors and to duly document the Board's decisions, meetings were held through virtual mechanisms.

Below is a list of the participation of the members of the Board in the meetings held during 2024:

Main members of the Board of Directors	Meeting attendance
Carlos Guillermo Arango Uribe <sup>1</sup>	26 meetings
Alvaro Carrillo Buitrago	28 meetings
Álvaro Peláez Arango	27 meetings
Andrés Flórez Villegas	29 meetings
Diego Molano Vega	29 meetings
María Claudia Lacouture Pineda <sup>2</sup>	22 meetings
Ana Milena López Rocha <sup>3</sup>	14 meetings

1. The absences of the Chairman of the Board of Directors from Board meetings were due to medical leave, which was previously communicated to the Board. In the meetings where he was unable to attend, Alvaro Peláez Arango was unanimously appointed by the Board of Directors to chair the meeting in his place.

2. The absences were related to personal and work related matters, all of which were communicated to the Board in advance.

3. On June 26, 2024, the Chairman submitted his resignation, which will be formally presented to the Bank's General Shareholder's Meeting.

## Quorum of the Board of Directors' Meetings

Minute No.	Date	Quórum
1104	January, 09	100%
1105	January, 23	100%
1106	January, 31	100%
1107	February, 24	100%
1108	February, 07	100%
1109	February, 16	100%
1110	February, 23	100%
1111	February, 27	86%
1112	March, 12	86%
1113	April, 02	100%
1114	April, 16	86%
1115	April, 30	70%
1116	May, 14	100%
1117	May, 28	86%
1118	June, 11	86%
1119	June, 25	100%

Minute No.	Date	Quórum
1120	July, 16	100%
1121	July, 30	66%
1122	August, 13	83%
1123	August, 23	100%
1124	August, 27	83%
1025	September, 10	100%
1026	September, 24	100%
1027	October, 10	100%
1028	October, 15	83%
1029	October, 21	83%
1130	November, 5	66%
1131	November, 12	100%
1132	November, 25	100%
1133	December, 10	83%

The composition and frequency of the meetings have allowed this body to guide the company's progress and provide proper monitoring.





*We have a digital platform that enables Board members **to receive timely information for informed decision-making.***

Asimismo, la Junta desarrolló sus funciones con base en el programa definido para este órgano y ha sido apoyada por Comités, de acuerdo con las exigencias normativas y/o del mercado.

During 2024, Banco Davivienda continued using the digital tool implemented in 2023, which allows exclusive access to the members of the Board of Directors of the documents and the agenda where the specific topics to be discussed during each of the meetings are detailed. In this way, we seek to improve the delivery of information in a timely manner for decision making.

## **BOARD OF DIRECTORS APPOINTMENT PROCESS**

According to Article 11 of the Regulations of the Board of Directors, the members of the Board of Directors *“shall be appointed by the General Shareholders”*

*Meeting in accordance with the provisions contained in the law and the bylaws, through the electoral quotient system or as provided by law. The alternates shall be personal.*

When a member of the Board of Directors is appointed for the first time, Banco Davivienda S.A. shall provide them with the necessary information to have specific knowledge regarding the main activities of the Bank and its sector, as well as their obligations and attributions.”

Prior to the election of a new member of the Board of Directors, the Corporate Governance and Sustainability Committee shall be obligated to verify that the candidate meets the requirements of the Financial Superintendence of Colombia and applicable regulations, and inform the results of the process to the Board of Directors.

## **BOARD OF DIRECTORS REMUNERATION 2024**

In accordance with Article 27 of the Regulations of the Board of Directors, the members of the Board of Directors shall receive a remuneration determined by the General Shareholders’ Meeting.

In its meeting on March 21, 2023, the General Shareholders’ Meeting unanimously approved a remuneration of COP 7 million pesos, plus applicable taxes, to the members of the Board of Directors for attending each meeting.

During 2024, the total remuneration paid to the members of the Board of Directors for attending the meetings amounted to COP 917,000,000.



## MAIN RESPONSABILITIES OF THE BOARD OF DIRECTORS

In accordance with Article 40 of the Bylaws and Article 7 of the Board of Directors' Rules of Procedure, the following are some of the Board's key responsibilities:

- ▶ Approving policies related to business guidelines, corporate structure, and business plan budgets.
- ▶ Appointing and removing the entity's legal representatives and members of its committees
- ▶ Authorizing bond issuances
- ▶ Overseeing the entity's accounting and financial matters
- ▶ Monitoring the actions and potential conflicts of interest of its officers, among others.

The specific responsibilities of the Board are detailed in Article 41 of the Company's Bylaws and Article 7 of its Rules of Procedure, available at:

▶ <https://ir.davivienda.com/gobierno-corporativo/>

▶ <https://bit.ly/3ksRFYM>

Throughout 2024, the Board of Directors remained actively informed on key regulatory initiatives and legislative reforms affecting the financial sector. Particular attention was given to the Government's three major reform proposals: Healthcare System Reform, Pension Reform and Labor Market Reform.

Additionally, the Board conducted in-depth analyses of new regulatory frameworks on: E-commerce regulations, Identity fraud prevention, Consumer insolvency laws (for non-commercial individuals), Agricultural credit policies, Financial consumer protection laws

Credit reporting and Habeas Data regulations, Other topics of medium impact included cannabis commercialization and competitive dynamics in the financial sector. A key regulatory milestone was the authorization of digital appraisals for mortgage financing, a significant industry achievement that leveraged Davivienda's experience in the regulatory Sandbox of the Financial Superintendence of Colombia (SFC).

*The framework we proposed to the Colombian Financial Superintendency's Sandbox proved to be a valuable tool for the industry.*





The Government of Colombia issued various decrees in 2024, with the following topics being of particular interest to the Board: Related-party transactions and efficient management of public funds. Meanwhile, ongoing draft decrees related to open data initiatives and low-value payment systems remain under discussion for 2025.

The SFC issued several circulars and regulatory updates, including: Open Finance frameworks, large exposure risk guidelines, stress testing methodologies, liquidity and capital self-assessment programs, simplified Know Your Customer (KYC) procedures for term deposits certificates issuances, productive credit, and small-business rural/urban loans. Additionally, significant efforts were made to streamline the Basic Legal, Accounting, and Financial Circulars as part of a broader regulatory simplification initiative.

Finally, a major regulatory development was the Banco de la República's regulation of the Immediate Payment System (Bre-B), expected to launch in September 2025. In preparation for this new real-time payments infrastructure, several financial institutions, including Banco Davivienda, have been conducting pilot programs and developing initiatives to ensure readiness for Bre-B's operational rollout.

### **President of the Board of Directors**

The President of the Board of Directors is Mr. Carlos Guillermo Arango Uribe. The President of the Board of Directors does not hold any administrative position in the company. According to Article 41 of the Bank's Bylaws and Article 18 of the Regulations of the Board of Directors, the President of the Board of Directors has the following responsibilities:



#### **1. According to the bylaws**

- a.** Preside over the Board of Directors meetings and manage the discussions.
- b.** Ensure the execution of the Board of Directors' agreements and follow up on their assignments and decisions.
- c.** Monitor the active participation of the Board of Directors members.
- d.** Lead the annual evaluation process of the Board of Directors and Committees, except for their own evaluation.

#### **2. According to the Board of Directors Regulations**

- a.** Preside over the Board of Directors meetings.
- b.** Submit to the Board any proposals deemed appropriate for the proper functioning of the Bank, particularly those related to the operation of the Board itself and other corporate bodies, whether prepared by the President or another Board member.
- c.** Make necessary recommendations to the Board of Directors on matters related to good Corporate Governance.

The above, without prejudice to the functions established in current regulations.



## Secretary of the Board of Directors

The Secretary of the Board of Directors is Mr. Álvaro Montero Agón, Legal Vice President and General Secretary of Banco Davivienda, in accordance with Article 60 of the Bylaws. According to Article 20 of the Board of Directors Regulations, the Secretary of the Board of Directors has the following responsibilities:

- a.** To coordinate with the organization of the Board of Directors meetings together with the President of the Bank and attend such meetings.
- b.** To coordinate, together with the President of the Bank and the individuals designated by him, the collection and submission of information to be analyzed by the Board of Directors.

**c.** To safeguard the corporate documentation. Properly record the proceedings in the minutes book and certify the agreements during the meetings.

**d.** To ensure compliance with the legal regulations applicable to the Board of Directors and its members.

**e.** To serve as the general point of contact for the Bank's relations with executives in all matters related to the operation of the Board of Directors, in accordance with the instructions provided by the President of the Company for that purpose.

**f.** To process directors' requests regarding information and documentation on matters within the purview of the Board of Directors.

**g.** To act as Secretary in General Shareholders' Meetings, unless otherwise decided by the highest corporate body.

**h.** To inform the Board of Directors and promote the adoption of advances and trends in Corporate Governance matters.

The above, without prejudice to what is established in the bylaws and current regulations.

## External advisory of the Board of Directors

According to Article 29 of the Board of Directors Regulations, its members may request the hiring, at the Bank's expense, of legal, accounting, technical, financial, commercial, or other advisors for the analysis of specific and complex problems or issues that arise within Banco Davivienda S.A. and that require in-depth analysis by the Board of Directors.



## Self-assessment of the Board of Directors and evaluation of the Board of Directors and of the President of the Company by an independent third party

In accordance with Article 25 of the Board of Directors Regulations, annual self-assessment processes are carried out by the Board of Directors. Additionally, in order to comply with international standards, the Board of Directors and the President of Banco Davivienda are evaluated by an independent third party.

In 2025, an independent expert will evaluate the performance of the Board of Directors and the President of the Company during 2024, and based on the results obtained from this evaluation, efforts will be made to improve the dynamics of the governing body.





## Committees supporting the Board of Directors

In relation to our governance structure, the Board of Directors has established the legally required committees and others that, while not mandatory, support its management and keep it informed about the processes, structure, and risk management of each business line, allowing for proper monitoring and flow of information within the organization.

Support committees of the Board of Directors are considered those whose establishment and respective committee regulations are approved by the Board of Directors, and at least one member of these committees is a member of the Board of Directors of Banco Davivienda:

### AUDIT COMMITTEE

This committee supports the Board of Directors in the implementation and supervision of the Entity's Internal Control System. The Audit Committee is composed of three (3) members of the Board of Directors, of which two (2) are independent.

The members are the following:

Carlos Guillermo Arango Uribe	Member of the Board of Directors
Andrés Flórez Villegas	Independent Member of the Board of Directors
Álvaro Peláez Arango	Independent Member of the Board of Directors

## Meetings of the Audit Committee

Minutes No.	Date 2024
139	January, 30
140	February, 9
141	February, 23
142	May, 10
143	August, 15
144	October, 25
145	November, 8
146	December, 9



**times during the year  
the Audit Committee  
met.**

The composition and operation of this Committee adhere to the guidelines and policies on the Internal Control System (ICS), as established by External Circular 038 of 2009 issued by the Colombian Financial Superintendency, as well as any subsequent amendments or complementary regulations.

Additionally, the Committee carried out its functions based on its norms and current regulations. The functions of the Audit Committee are published on the website [www.davivienda.com](http://www.davivienda.com), <https://ir.davivienda.com/gobierno> in the document Board of Directors Support Committee.



## ***Audit Committee Meeting Attendance Data***

Members Audit Committee	Meetings Assistance
Carlos Guillermo Arango Uribe	8 meetings
Andrés Flórez Villegas	8 meetings
Álvaro Peláez Arango	8 meetings

## ***Remuneration policy for members of the Committee***

The Board of Directors approved a remuneration of COP 4 million + VAT for the members of the Board of Directors who are part of the Committee and attend the meetings.

## ***Key Highlights of the Audit Committee's Management in 2024***

- ▶ Update of the Committee's functions in accordance with External Circular 008 of 2023.
- ▶ Oversight of the policies governing the Internal Control System (ICS), with special focus on the execution of activities that ensure reasonable assurance in financial, operational, accounting, and technological management
- ▶ Assessment of risk reports, including the Semiannual Risk Report, status of key operational risks, AML/CFT (SARLAFT), and Customer Service System (SAC). The Committee also reviewed periodic reports on cyber risk.
- ▶ Review of key communications and requirements issued by the Colombian Financial Superintendency that were processed by the Bank.





- ▶ Evaluation of the processes related to the preparation, presentation, and disclosure of financial information.
- ▶ Assessment of Internal Audit performance.
- ▶ Review of the 2024 work plan, including key monitoring aspects presented by the Statutory Auditor.



## Evaluation processes

At the beginning of the year and on an annual basis, the Audit Committee carries out self-assessment processes for its members.

## CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE

Since May 2021, the Board of Directors unified the Corporate Governance and Sustainability Committees to strengthen the Bank's strategy in these two areas. This committee supports the Board in implementing, overseeing, and reviewing corporate governance policies, guidelines, and best practices.

In October 2023, as part of efforts to enhance Corporate Governance standards, the Board of Directors approved a reform to the committee's regulations, which included changes to its composition. The Corporate Governance and Sustainability Committee is now composed of the following independent Board members:

Ana Milena López Rocha <sup>1</sup>	Independent Board Member
Andrés Flórez Villegas	Independent Board Member
Álvaro Peláez Arango	Independent Board Member

Additionally, invitees may attend committee meetings, subject to prior invitation and depending on the agenda. Regular invitees include the President, Vice Presidents, Directors, and the Director of Sustainability, who participates as a permanent guest.

1. On June 26, 2024, Ana Milena López Rocha resigned from her position as a member of the Board of Directors, which will be submitted to the General Shareholders' Meeting of the Bank. Therefore, her position on the committee remained vacant for the rest of 2024.



The functions of the Corporate Governance and Sustainability Committee are publicly available on the Bank’s website: <https://ir.davivienda.com/gobierno> in the document Board of Directors Support Committee. At present, the committee does not have an evaluation process in place for its members.

## Committee Meetings

Minute No.	Date 2024
13	February, 20
14	May, 29

## Attendance at Corporate Governance and Sustainability Committee Meetings:

Members Of The Corporate Governance And Sustainability Committee	Meeting Attendance
Andrés Flórez Villegas	2 meetings
Álvaro Peláez Arango	2 meetings
Ana Milena López Rocha	2 meetings







## **Key Highlights of the Corporate Governance and Sustainability Committee's Management in 2024**

### **Corporate Governance Topics:**

- ▶ Approved the 2023 Annual Corporate Governance Report, which was presented to the Board of Directors and later to the Annual General Meeting on March 19, 2024.
- ▶ Reviewed the results and progress of the 2023 Código País Report.
- ▶ Assessed developments in Davivienda's Corporate Governance framework

### **Sustainability Topics:**

- ▶ Monitored the Bank's sustainability strategy, covering Sustainable Finance, Eco-efficiency, Environmental and Social Programs & Projects, and Strategic Philanthropy.
- ▶ Reviewed and approved the TCFD Report (Task Force on Climate-related Financial Disclosures) for its subsequent publication as an annex to the Annual Report, to be presented at the Annual General Meeting on March 19, 2024.
- ▶ Approved the sustainability policy "The World is Our Home: Let's Make it More Prosperous, Inclusive, and Green," which was later presented to the Board of Directors.
- ▶ Reviewed and adjusted the Responsible Investment Policy, which was also presented to the Board of Directors.

### **Remuneration policy for members of the Committee**

Starting from October 31, 2023, the Board of Directors approved a fee of four million Colombian pesos (\$4,000,000), plus VAT, for the members of the Board of Directors for attending the Committee meetings.





## CORPORATE RISK COMMITTEE

It is a committee that provides support to the Board of Directors. It is in charge of defining guidelines on risk management and keeping the Board of Directors and Senior Management informed about the corporate risks of the Bank and its subsidiaries. To carry out this comprehensive management, there are other risk committees specialized in areas such as credit, market and liquidity, operations, fraud, among others.

The members of this committee are the following:

Ana Milena López Rocha <sup>1</sup>	Main Member of the Board of Directors
Carlos Guillermo Arango	Main Member of the Board of Directors
Álvaro Carrillo Buitrago	Main Member of the Board of Directors

1. On June 26, 2024, Ana Milena López Rocha resigned from her position as a member of the Board of Directors, which will be submitted to the General Shareholders' Meeting of the Bank. Therefore, her position on the committee remained vacant for the rest of 2024.

*We have several specialized risk committees that support **and report to the Board of Directors.***

Additionally, in compliance with recommendations from the Financial Superintendence of Colombia, on June 28, 2022, the Board of Directors approved the inclusion of the following individuals as permanent invitees to this committee:

- ▶ President of Banco Davivienda
- ▶ Executive Vice President of Risk at Banco Davivienda
- ▶ Investment Risk Vice President of Grupo Bolívar
- ▶ Executive Vice President of International Banking at Banco Davivienda
- ▶ Vice President of Compliance at Banco Davivienda

Currently, the committee does not have an evaluation process in place for its members. The responsibilities of the Corporate Risk Committee are published on the website <https://ir.davivienda.com/gobierno> in the document Board of Directors Supporting Committee.

## Meetings of the Corporate Risk Committee

Minute No.	Date 2024
46	March, 7
47	July, 12
48	September, 3
49	December, 4

## Meeting attendance of the Corporate Risk Committee

Members Of The Corporate Risk Committee	Meeting Attendance
Ana Milena López Rocha	1 meeting
Carlos Guillermo Arango	3 meetings
Álvaro Carrillo Buitrago	4 meetings





## **Remuneration policy for members of the Committee**

The Board of Directors approved a remuneration of four million Colombian pesos (\$4,000,000), plus VAT, for the members of the Board of Directors for attending the committee meetings.

## **Aspects to highlight about the Committee's management during 2024**

During 2024, the management of the Corporate Risk Committee stood out for the continuous follow-up and monitoring of high impact regulatory requirements related to Comprehensive Risk Management, such as the Implementation of the new Interest Rate Risk Management, the System for the Banking Book (RTILB), the Assessment of the effectiveness of risk management frameworks and the oversight of stress testing methodologies. Additionally, the Committee ensured the alignment of the Bank's risk strategy with key operational and regulatory standards by closely monitoring the business continuity management progress, the compliance with the Bank's defined risk profile, and the targeted risk management for specific business lines and subsidiaries.

## **COMPLIANCE COMMITTEE**

It is a decision-making and support committee for the management carried out by the Board of Directors in terms of supervision and monitoring of the Entity's compliance program. Its main responsibility is to support the management of the Entity in the implementation, supervision, and monitoring of the compliance program in the prevention of Money Laundering and Financing of Terrorism.

It is composed by the President of the Bank, a member of the Board of Directors, the Commercial Vice President, the Executive Vice President of Risk and Financial Control, the Executive Vice President of Retail Banking and Marketing, the Executive Vice President of Media, the Corporate Executive Vice President, and the Vice President of Compliance.

*We implemented new risk management systems that ensure the alignment of our strategy with comprehensive risk management.*





The members of this committee are the following:

#### Main members

Javier José Suárez Esparragoza	Chief Executive Officer
Andrés Flórez Villegas	Independent Member of the Board of Directors
Jorge Horacio Rojas Dumit	Commercial Executive Vice President
Pedro Uribe Torres	Corporate Executive Vice President
Álvaro José Cobo	Executive Vice President of Risk and Financial Control
Luz Maritza Pérez Bermúdez	Executive Vice President of Retail Banking and Marketing
Ricardo León Otero	Executive Vice President of Media
Liliana Alvis Cruz	Vice President of Compliance
Daniel Cortés McAllister	Executive Vice President of Wealth Management and Treasury

#### Deputy Members

Deputy Compliance Officer and/or Director of AML Design and Processing
Operational Risk Vice Presidency Assistant
Commercial Management and Logistics Department
Vice President of Retail Banking
Vice President of Operations
Vice President of Corporate Credit
Vice President of Treasury

*The Compliance Committee supports the Board of Directors in overseeing the compliance program for LAFT prevention.*





#### Guests invited to the Compliance Committee:

Vice President of Auditing	Danilo Cortés Cortés o Yaquelin Peña Moreno
Deputy Compliance Officer and/or Director of AML Design and Processing	Carmen A Pérez   Luis Felipe Seade Olcese

Deputy Permanent Guests: Audit Director

### Meetings and Attendance to the Compliance Committee

#### DATE 2024

January, 18

April, 17

July, 31

November, 28



### Meeting Attendance of the Compliance Committee

Main Members Of The Compliance Committee	Meeting Attendance
Javier José Suárez Esparragoza	3 meetings
Andrés Flórez Villegas	4 meetings
Ricardo León Otero	3 meetings
Jorge Horacio Rojas Dumit	3 meetings
Maritza Pérez Bermúdez	3 meetings
Liliana Alvis Cruz	4 meetings
Daniel Cortés McAllister	4 meetings
Álvaro José Cobo	2 meetings

### Remuneration policy for members of the Committee

The Board of Directors approved a remuneration of COP 4 million plus VAT, for the members of the Board of Directors for attending the committee meetings. The other committee members do not receive remuneration.



## Aspects to highlight about the Committee's management during 2024

As a supporting committee to the Board of Directors, the Compliance Committee played a crucial role in ensuring the effective implementation of the compliance program throughout 2024. The Committee's contributions were instrumental in enhancing risk methodology frameworks, monitoring external reports and ensuring regulatory compliance and overseeing investments made through the Bank's corporate entity.

Additionally, the Committee facilitated the implementation of improvement actions to strengthen areas identified during internal and external audits, while also optimizing the content and reporting processes within the Chief Compliance Officer's report to the Board of Directors.

### CEO and Senior Management

## COMPOSITION AND RESUMES OF THE MEMBERS OF SENIOR MANAGEMENT

In order to disclose the suitability of the members of the Senior Management of the Organization, we have published the professional profile and experience of each of the members of the Senior Management and the Organization's CEO on the corporate website, at the following links: [www.davivienda.com](http://www.davivienda.com), <https://ir.davivienda.com/>

Senior Management BANCO DAVIVIENDA S.A.	Professional Profile	Participation in administrative or control agencies of companies other than the issuer
Javier José Suárez Esparragoza Chief Executive Officer	Civil Engineer	Corporación Financiera Davivienda S.A. Anif Rappipay
Ricardo León Otero <sup>1</sup> Executive Vice President, Technology and Operations	IT Engineer	Corporación Financiera Davivienda S.A. Rappipay Corredores Davivienda S.A. Fiduciaria Davivienda S.A. Incocrédito Redeban S.A.
Álvaro José Cobo <sup>2</sup> Executive Vice President of Risk	Economist	Promociones y Cobranzas Beta
Maritza Pérez Bermúdez Executive Vice President of Retail Banking and Marketing	Industrial Engineer	Rappipay Promociones y Cobranzas Beta Ediciones Gamma SA.
Pedro Uribe Torres Executive Vice President of Corporate Banking	Industrial Engineer	Fiduciaria Davivienda S.A. Corredores Davivienda S.A. Seguros Comerciales Bolívar S.A. Capitalizadora Bolívar S.A
Reinaldo Romero Gómez Executive Vice President of International Banking	Industrial Engineer	Gerencia Corporación Financiera Davivienda S.A.

1. Effective January 1, 2024, he assumed the position of Executive Vice President, Technology and Operations.
2. Effective January 1, 2024, he assumed the position of Executive Vice President, Risk and Legal Representative of the Bank.





Senior Management BANCO DAVIVIENDA S.A.	Professional Profile	Participation in administrative or control agencies of companies other than the issuer
Martha Luz Echeverry Executive Vice President of Human Talent	Psychologist	N/A
Daniel Cortés McAllister Executive Vice President of Wealth Management and Treasury	Accountant and Business Administrator	Fiduciaria Davivienda S.A. Corredores Davivienda S.A. Seguros Comerciales Bolívar S.A. Titularizadora Colombiana
Jorge Rojas Dumit Executive Vice President of Commercial Banking	Industrial Engineer	Fiduciaria Davivienda S.A. Corredores Davivienda S.A.
Jaime Castañeda Roldán Vice President of Treasury and International Business	Business Administrator	Fiduciaria Davivienda S.A. Corredores Davivienda S.A. Cámara De Riesgo Central De Contraparte CRCC S.A.

*Senior Management members have an appropriate profile and professional background to perform their duties.*

## SENIOR MANAGEMENT RESPONSIBILITIES

The main functions of the members who are part of the Senior Management of Banco Davivienda are as follows:



**Analyzing the business** under their responsibility, monitoring the strategy and commercial management



**Evaluating the status** of the projects under their responsibility



**Attending and participating** in the presidency committee and other strategy committees they belong to;



**Coordinating work teams** to monitor the agreed goals and programs for the year.



## REMUNERATION POLICY FOR THE PRESIDENT AND SENIOR MANAGEMENT

### *Remuneration of the President and Senior Management*

The fixed and variable compensation parameters applicable each year to all employees of Grupo Bolívar's subsidiaries, including Banco Davivienda, are reviewed and approved by the Compensation Committee, which is composed of members of Grupo Bolívar's Board of Directors. The Bank's Board of Directors subsequently reviews and approves the compensation decisions related to Banco Davivienda.

For the President and Senior Management, the variable compensation structure follows the same principles as those applied to other employees of the Bank and is directly proportional to the institution's financial performance and strategic priorities. These priorities include both short-term and long-term strategic initiatives, ensuring alignment between shareholder expectations and the decision-making process of Senior Management.

The fixed remuneration of the President, Senior Management, and all Bank employees consists of a fixed monthly salary, which is adjusted annually on their work anniversary. The Board of Directors determines the annual increase, considering inflation rates and the

government-mandated minimum wage. In exceptional cases, Management may propose merit-based salary increases, subject to Board approval.

The variable compensation for the President, Senior Management, and all Bank employees is determined based on the Bank's financial performance and strategic objectives. For 2023, the following key performance indicators were considered:

#### **Financial Performance Metrics:**

- ▶ **Loan Portfolio Growth**, including market share in Retail and SME Banking and the share of Sustainable Loans in the total portfolio, covering: Sustainable Construction Loans, Green Mortgages, Sustainable Agriculture Loans, Non-Conventional Renewable Energy Loans, Clean Production Loans, Eco-Vehicle Loans, Social Housing Loans, Women-Led SME Loans
- ▶ Net Income
- ▶ Cost of Risk
- ▶ Operational Efficiency

***The President and Senior Management are subject to the same variable compensation scheme as the rest of the Bank's employees.***







- ▶ Customer Service, measured through the Net Promoter Score (NPS)
- ▶ Low-Cost Deposit Growth and Market Share in Transaction Volumes
- ▶ Fraud Prevention Performance

### Strategic Priorities

Includes twelve (12) strategic priorities, including technological advancements, service improvements, business line development, operational efficiency, customer experience enhancement, commercial model optimization, and other.

For business units, commercial teams, operational teams, and subsidiaries, the variable compensation structure is weighted as follows:

**40%**

Financial Performance Metrics

**30%**

Strategic Priorities

**30%**

Business Unit-Specific Priorities

This structure ensures consistency in compensation payments, aligning them with the overall results of the institution.

## Senior Management Compensation

**Fixed Compensation.** Members of Senior Management receive a fixed monthly salary, which is adjusted annually on their work anniversary. For 2024, the Board of Directors approved an 8% salary increase. In exceptional cases, merit-based increases may be proposed by Management and submitted for Board approval.

**Variable Compensation.** The variable compensation scheme for Senior Management is based on the achievement of financial, strategic, sustainability, climate-related, and risk management objectives. Eligible executives receive additional variable compensation in accordance with these performance indicators.

### Payment Frequency

- ▶ The variable compensation is paid annually.
- ▶ In February 2024, no bonus payments were made to executives, as per the 2023 financial results.
- ▶ If applicable, variable compensation based on 2024 performance will be paid in February 2025.



## SENIOR MANAGEMENT ASSESSMENT PROCESS

At Davivienda, we continue our strategy of assessments between leaders and teams, enabling conversations focused on business results and personal development, promoting the construction of clear, measurable, and shared business objectives, focused on results and development goals that allow individuals to strengthen their skills.

In this way, we have been able to strengthen the conversational practices of leaders, understand the skills, abilities, and potential of individuals to define individual development plans according to the opportunities and strengths found.



## Senior Management support groups

### STRATEGIC ALIGNMENT COMMITTEE

This is a committee that supports Senior Management and ensures the execution and monitoring of Banco Davivienda's business strategy and risk management, in accordance with the guidelines of the Board of Directors

During 2024, its members were:

Chief Executive Officer	Javier Suárez Esparragoza	Executive Vice President of Risk	Álvaro José Cobo
Executive Vice President of Retail Banking and Marketing	Maritza Pérez Bermúdez	Executive Vice President of Commercial Banking	Jorge Rojas Dumit
Executive Vice President, Technology and Operations	Ricardo León Otero	Executive Vice President, Investment Risk	María Carolina Restrepo Frasser
Corporate Executive Vice President	Pedro Uribe Torres	Permanent Guests:	
Executive Vice President of International Banking	Reinaldo Romero Gómez	Executive Vice President of Strategic Risk and Planning	Pedro Bohórquez Gaitán
Executive Vice President of Wealth Management and Treasury	Daniel Cortés Mcallister	Legal Vice President	Álvaro Montero Agón
Executive Vice President of Human Talent	Martha Luz Echeverri		





## INTEGRATED ACCOUNTING & TAX REGULATION AND DISCLOSURE COMMITTEE

It is a committee that supports the Board of Directors in the analysis of accounting and tax policies and procedures, in order to comply with applicable regulations in Colombia. It also ensures the assurance and validation of the disclosure of the Financial Statements.

The Accounting Committee is composed of six (6) principal members and six (6) deputy members, who were:

Juan Carlos Hernández	Accounting and Tax Vice President	Main member
Álvaro José Cobo	Executive Vice President of Risk	Main member
Adriana Darwisch Puyana	Vice President of International Finance	Main member
Yaneth Riveros Hernández	Vice President of Corporate Credit	Main member
Maria Carolina Restrepo Frasser	Vice President of Risk at Grupo Bolívar	Main member
Paula Reyes del Toro	Credit Risk Vice President	Main member
Tatiana Saldarriaga Jiménez	Accounting Director	Deputy member
Pedro Bohórquez Gaitán	Vice President of Strategic Risk and Planning	Deputy member
William Lenis Lara	National Director of Business Banking Standardization	Deputy member
Andrés Díaz Plazas	Risk Director	Deputy member
Carlos A. Pérez Serrano	Vice President of International Credit	Deputy member
Andrés Felipe Hoyos Marín	Head of Risk Models, Methodologies and Parametrization Department	Deputy member





The Tax Committee is composed of 3 main members and 4 deputy members, who are:

Javier Suárez Esparragoza	Chief Executive Officer	Main member
Álvaro José Cobo	Executive Vice President of Risk	Main member
Juan Carlos Hernández Núñez	Accounting and Tax Vice President	Main member
Álvaro Montero Agón	Legal Vice President	Main member
Adriana Darwich Puyana	Vice President of International Finance	Deputy member
William Clavijo León	Head of management and tax planning	Deputy member
Reinaldo Romero Gómez	Executive Vice President of International Banking	Deputy member
Pedro Uribe Torres	Corporate Executive Vice President	Deputy member

Additionally, in 2024, the Integrated Accounting & Tax Regulation and Disclosure Committee fulfilled its functions, within the parameters established by the Board of Directors and its regulations.

## **Grupo Bolívar Committee**

### **REMUNERATION COMMITTEE**

This is a Group Committee and its duty is to establish guidelines on the remuneration of the employees of the Grupo Bolívar companies, particularly the Presidents of the different companies, aiming for equity and consistency between their positions and those of their counterparts in the financial sector. Likewise, it seeks a balance within each of the companies, without prejudice to what each Board of Directors establishes.

The members of this Committee are José Alejandro Cortés Osorio and Bernardo Carrasco Rojas, members of the Board of Directors of Grupo Bolívar S.A.

## **Statutory Auditor**

### **APPOINTMENT AND REMUNERATION OF THE STATUTORY AUDITOR**

For the appointment of the Statutory Auditor and in compliance with the provisions of its Corporate Governance System and the Basic Legal Circular, the Audit Committee, prior to the Shareholders' Meeting, analyzed the proposals submitted by the candidates for Statutory Auditor, evaluating whether the professional profile of each candidate and the content of their proposal met the legal requirements and the needs of the Company, and presented its recommendations to the Shareholders' Meeting regarding the candidates.





On March 21, 2023, during its ordinary session, the Company's General Shareholders' Meeting appointed KPMG S.A.S. as Statutory Auditor for the period from April 1, 2023, to March 31, 2025. The fees approved for KPMG's auditing services for 2024 amount to COP 2.1 billion. Additionally, the Statutory Auditor confirmed to the General Shareholders' Meeting that these fees do not exceed 10% of KPMG S.A.S.'s total operating revenues for the corresponding year.

## RELATIONS WITH THE STATUTORY AUDITOR

The relationship with the Statutory Auditor proceeded smoothly throughout 2024, ensuring the necessary conditions for the proper execution of the audit work while preserving its independence. This oversight was conducted by the Board of Directors through the Audit Committee.

## FINANCIAL CONSUMER OMBUDSMAN

During the General Shareholders' Meeting on March 19, 2024, the Financial Consumer Ombudsman's Report was unanimously approved, and José Guillermo Peña G. (Peña González & Asociados) was reappointed as the Principal Financial Consumer Ombudsman, with Andrés Augusto Garavito Colmenares as his alternate, for the period from April 1, 2024, to March 31, 2026.

## Internal Control System

Davivienda maintains a comprehensive internal control system based on principles of self-regulation, self-management, and self-control, ensuring effective risk management across all operational structures.

The Vice Presidency of Audit, certified under ISO 9001:2015, is equipped with the necessary resources to evaluate internal control, risk management, and corporate governance. It reports directly to the Audit Committee and the Board of Directors, ensuring its independence.

Risk management remains a core pillar of the Bank's strategic approach, aligning with global best practices. The Bank has a General Risk Framework and management systems, the objective of which is to preserve the effectiveness, efficiency, effectiveness, and operational capacity and to safeguard the resources it manages. The evaluation of the ICS included the Risk Management Systems: Credit (SARC), Market (SARM), Liquidity (SARL), Operational (SARO) and Money Laundering and Financing of Terrorism (SARLAFT), Fraud and Transactional Risk Information Security and Cybersecurity Technological Risk Environmental and Social Risk Risks in Third Parties and Allies Business Continuity Internal Control System.

During 2024 the Audit Committee, delegated by the Board of Directors, followed up on the Bank's risk exposure levels and their implications, through reports submitted by the Audit, Risk and Compliance Vice Presidencies, as well as by the Statutory Auditor's Office.





## TRANSACTIONS BETWEEN RELATED PARTIES

Banco Davivienda S.A., in its Manual on Conflict of Interest, Use of Privileged Information, and Related Parties, has established a regulatory framework under the chapter “Relations with Related Parties”, which outlines the guidelines and procedures that the entity must follow when conducting such transactions.

In accordance with our Manual of Conflict of Interest, Use of Privileged Information, and Related Parties, related parties are defined as follows: individuals, legal entities, or investment vehicles that are in a control or subordination relationship with an entity of the Bolívar Financial Conglomerate (CFB), either directly or indirectly, or that belong to the Bolívar Business Group. Additionally, related parties include shareholders or beneficial owners holding at least 10% of the share capital of any CFB entity, as well as legal entities where a CFB entity is a beneficial owner of 10% or more of the capital stock. Also classified as related parties are subsidiaries of shareholders or beneficial owners with stakes exceeding 10%, administrators of companies within the Bolívar Business Group, and entities where an administrator of Grupo Bolívar S.A. holds a direct or indirect interest of at least 10% of the capital stock. Furthermore, foundations or non-profit entities where Grupo Bolívar S.A. exerts significant influence, as well as Private Equity Funds (PEF) that meet the criteria set forth in Article 21 of the Manual, are also considered related parties.

Likewise, in the Manual of Conflict of Interest, Use of Privileged Information, and Related Parties, in the event that these types of commercial and business

transactions are conducted, they must be carried out at market rates and conditions. However, if these transactions may entail a potential conflict of interest, they must be managed in accordance with the procedure established in our Manual of Conflict of Interest, Use of Privileged Information, and Related Parties, which can be consulted on our corporate website at the following link: [www.davivienda.com/ Información para inversionistas / Gobierno Corporativo/ Manual de Conflictos de Interés y uso de Información privilegiada](http://www.davivienda.com/Información%20para%20inversionistas%20-%20Gobierno%20Corporativo/Manual%20de%20Conflictos%20de%20Interés%20y%20uso%20de%20Información%20privilegiada) (Information for investors Information / Corporate Governance / Manual on Conflicts of Interest and Use of Privileged Information).

The total amount of transactions conducted during 2024 is disclosed in the notes to the Financial Statements. Below is a summary of the main transactions with related parties as of December 31, 2024, with further details available in Note 14 of the Financial Statements:







For further information regarding these disclosures, the full details can be accessed on our website under the Investor Relations – Financial Information section at [www.davivienda.com](http://www.davivienda.com)

Throughout 2024, no material transactions were conducted with related parties that fell outside the ordinary course of business or under non-market conditions. Additionally, during the year, no offshore operations were carried out.

## HANDLING OF CONFLICTS OF INTEREST

In order to prevent conflicts of interest in decisions to be made by shareholders, directors, senior executives, and officials of the Bank, **rules of conduct have been defined** to ensure that decisions are made with the utmost objectivity and in the best interest of the Bank.

In accordance with the above, the Manual on Conflicts of Interest, Insider Information, and Related Parties includes a catalog of potential conflict-generating behaviors and the mechanisms for managing them.

Regarding the brokerage activities carried out by the Bank in the securities market, the manual includes principles and policies that allow for the detection, prevention, and management of potential conflicts of interest.

It is important to mention that on May 24, 2022, the Board of Directors approved modifications to the Manual of Conflict of Interest, Use of Privileged Information, and Related Parties, which include the following: the inclusion of a new chapter on “Conflicts of Interest of the Financial

Conglomerate”; updating and adjusting the definition of Related Parties, the classification of transactions, and market rate criteria in accordance with the transactions conducted; the incorporation of rules of conduct regarding strategic allies of Banco Davivienda, and adjustments to special situations in the distribution of CIF (Collective Investment Funds) and VPF (Voluntary Pension Funds).

The Manual on Conflicts of Interest and Insider Information is available on the Bank’s website under Investor Relations – Corporate Governance – Conflicts of Interest Manual at [www.davivienda.com](http://www.davivienda.com)





## ***Information Disclosed to the Market***

Throughout 2024, the Bank provided shareholders, investors, and the market with timely and accurate information regarding its corporate performance, financial results, governance system, and other relevant disclosures. To facilitate access to this information, the Bank has established institutional communication channels, including a dedicated section on its website, [www.davivienda.com](http://www.davivienda.com).

## ***Claims Regarding Compliance with the Corporate Governance Code***

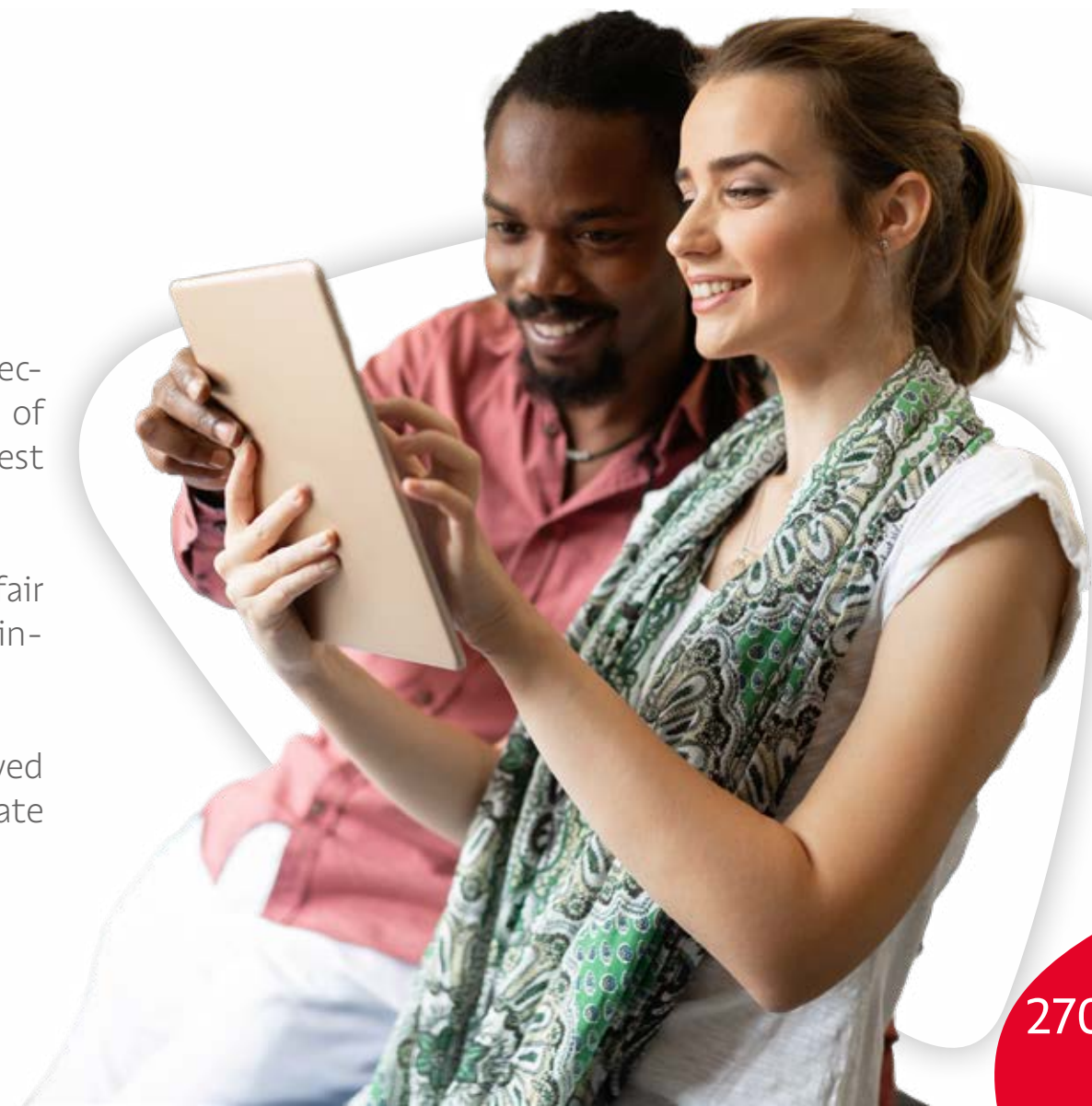
During 2024, there were no claims regarding non-compliance with the Bank's Corporate Governance Code.

## ***Other Relevant Information***

The Bank is not aware of any material contracts between members of the Board of Directors, administrators, key executives, or legal representatives—including their relatives or business partners—that are outside the ordinary course of business. Additionally, there is no record of any Board member being in a situation of direct or indirect conflict of interest with the Bank.

Furthermore, during 2024, Davivienda was not involved in any pending or concluded legal proceedings related to unfair competition or monopolistic practices. No material fines or sanctions were imposed on Davivienda by judicial or administrative authorities during the year.

This Corporate Governance Report has been presented to the Bank's Board of Directors and has been unanimously approved by the Corporate Governance and Sustainability Committee. The full report is available for consultation on the corporate website, [www.davivienda.com](http://www.davivienda.com)







## ***Best Corporate Practices Report – Country Code***

In compliance with External Circular 028 of 2014 issued by the Superintendence of Finance of Colombia, the 2023 Best Corporate Practices Report (Code País) has been published on the Bank's website. The full report can be accessed under Investor Relations – Corporate Governance – Best Corporate Practices at [www.davivienda.com](http://www.davivienda.com).

## ***Board of Directors of Subsidiaries***

The Board members of Davivienda's subsidiaries possess complementary personal, professional, and technical competencies that enable them to make objective and strategic decisions.

## **IN COLOMBIA | ENTITIES REGULATED BY THE SUPERINTENDENCE OF FINANCE (SFC)**

The composition of the Boards of Directors of the Bank's national subsidiaries is as follows: Fiduciaria Davivienda: Seven (7) men and three (3) women, Corredores Davivienda: Seven (7) men and three (3) women, Corporación Financiera Davivienda: Six (6) men and four (4) women



#### Board Of Directors Fiduciaria Davivienda S.a. 2023-2025

LINE	MAIN MEMBERS	DEPUTY MEMBERS
FIRST LINE	Pedro Alejandro Uribe Torres Shareholder-appointed member	Yaneth Riveros Hernández Shareholder-appointed member
SECOND LINE	Daniel Cortes Mcallister Shareholder-appointed member	Jaime Alonso Castañeda Roldán Shareholder-appointed member
THIRD LINE	Ricardo León Otero <sup>1</sup> Shareholder-appointed member	Jorge Horacio Rojas Dumit Shareholder-appointed member
FOURTH LINE	María Carolina Restrepo Frasser Shareholder-appointed member	Juan Camilo Osorio Villegas <sup>2</sup> Shareholder-appointed member
FIFTH LINE	Roberto Holguín Fety Independent Member	Olga Lucía Martínez Lema Independent Member

#### Board Of Directors Corredores Davivienda S.a. 2023-2025

LINE	MAIN MEMBERS	DEPUTY MEMBERS
FIRST LINE	Pedro Alejandro Uribe Torres Shareholder-appointed member	Yaneth Riveros Hernández Shareholder-appointed member
SECOND LINE	Daniel Cortes Mcallister Shareholder-appointed member	Jaime Alonso Castañeda Roldán Shareholder-appointed member
THIRD LINE	Ricardo León Otero <sup>3</sup> Shareholder-appointed member	Jorge Horacio Rojas Dumit Shareholder-appointed member
FOURTH LINE	María Carolina Restrepo Frasser Shareholder-appointed member	Camilo Albán Saldarriaga Member
FIFTH LINE	Roberto Holguín Fety Independent Member	Olga Lucía Martínez Lema Independent Member

1. The General Shareholders' Meeting of Corredores appoints Ricardo León Otero to replace Patricio Melo Guerrero.
2. Fiduciaria Davivienda's General Shareholders' Meeting appoints Juan Camilo Osorio Villegas in replacement of Camilo Albán Saldarriaga.
3. The General Shareholders' Meeting of Corredores appoints Ricardo León Otero to replace Patricio Melo Guerrero.



**Board Of Directors Corporación Financiera Davivienda S.a. 2022-2023**

LINE	MAIN MEMBERS	DEPUTY MEMBERS
FIRST LINE	Javier Suárez Esparragoza Shareholder-appointed member	Ricardo León Otero Shareholder-appointed member
SECOND LINE	María Carolina Restrepo Frasser Shareholder-appointed member	Reinaldo Rafael Romero Gómez Shareholder-appointed member
THIRD LINE	Sandra Isabel Sánchez Suárez Shareholder-appointed member	Adriana Darwisch Puyana Shareholder-appointed member
FOURTH LINE	Alfonso Vargas Wills Independent Member	Juan Manuel Díaz Ardila Miembro Independiente
FIFTH LINE	Jorge Enrique de Jesús Uribe Montaño Independent Member	Olga Lucia Martínez Lema Independent Member

***Our subsidiary, Inversiones CFD S.A.S., acquired 100% of the shares of ePayco.***

## NEW DEVELOPMENTS

On October 7, 2024, Banco Davivienda announced through the relevant information module of the Colombian Financial Superintendency that its subsidiary, Inversiones CFD S.A.S., wholly owned by Corporación Financiera Davivienda S.A., acquired 100% of the shares of EPAYCO.COM S.A.S. as part of its ordinary course of business. This acquisition aims to strengthen Davivienda's value proposition in the payments market and further solidify its position as a key partner for businesses across the country.

## REGIONAL CORPORATE GOVERNANCE

Through our international corporate governance framework, we maintain effective oversight of business and operational management, enabling the uniform implementation of best practices across the region while ensuring compliance with the standards set by our Parent Company.

To achieve this, we have established the following governance bodies:

At a regional level, with an aggregated view of operations in the region, the following instances are in place:

- ▼ **Regional Unit - Davivienda Colombia:** Led by the Executive Vice President of International Banking, this unit is an integral part of Davivienda Colombia and is primarily responsible for the coordination, management, and oversight of the international subsidiaries' business development. It ensures alignment with the corporate governance framework and risk appetite established by the Parent Company, for which a specialized structure has been created.



► **Regional Executive Committee:** This body serves as the strategic, supervisory, and control authority for international subsidiaries, focusing on business strategy, oversight, and governance. It operates as a Regional Committee and reports directly to the Board of Directors of the Parent Company.

Additionally, in November 2024, we successfully concluded the corporate restructuring project initiated in 2023, which led to the creation of Holding Davivienda Internacional S.A. (hereinafter, “the Holding”). Through this process, the ownership of entities managing the Bank’s operations in Central America (CAM) was transferred to the Holding.

As previously stated, this restructuring aims to provide greater transparency regarding the Bank’s organizational structure, establish an independent entity to finance growth and capitalize on business opportunities in Central America, and optimize capital management for international subsidiaries, among other benefits.

At a country level, each operation is governed by the following structures:

## ***We finalized the project for the incorporation of Holding Davivienda Internacional S.A.***

1. General and Extraordinary Shareholders’ Assembly (Local Level)
2. Board of Directors (Local Level)
3. Supporting Committees and Bodies for the Board of Directors and Senior Management (Local Level)

## ***Boards of Directors of Banks in Central America***

Below is the composition of the Boards of Directors in the Subsidiaries (Banks) in Central America.



### **Board Of Directors Of Banco Davivienda Honduras S.a. Four (04) Women And Four (04) Men.**

Reinaldo Rafael Romero Gómez	Main Shareholder-appointed Member
Rosa del Pilar Sandoval Méndez	Main Shareholder-appointed Member
Mario Fernando Vega Roa	Main Shareholder-appointed Member
Carlos Andrés Pérez	Main Shareholder-appointed Member
Adriana Darwisch Puyana	Main Shareholder-appointed Member
Tania Margarita Hernández Gómez	Officer of Banco Davivienda Honduras / Secretary
Maria Eugenia Brizuela de Ávila	Main Independent Member
Jorge Alberto Alvarado López	Main Independent Member





**Board Of Directors Of Banco Davivienda (Panamá) S.a. And Banco Davivienda Internacional (Panamá) S.a.  
(Two (2) Women And Five (5) Men)**

Carlos Andrés Pérez Serrano	Main Shareholder-appointed Member
Reinaldo Rafael Romero Gómez	Main Shareholder-appointed Member
Adriana Darwisch Puyana	Main Shareholder-appointed Member
Roberto Holguín Fety	Main Shareholder-appointed Member
Federico Salazar Mejía	Main Shareholder-appointed Member
Raúl Hernández Sosa	Main Independent Member
María Mercedes Cuellar López	Main Independent Member

**Board Of Directors Of Banco Davivienda Salvadoreño S.a.  
(Two (2) Women And Six (6) Men).**

Reinaldo Rafael Romero Gómez	Main Shareholder-appointed Member
Moisés Castro Maceda	Main Independent Member
Adriana Darwisch Puyana	Main Shareholder-appointed Member
Gerardo José Simán Siri	Main Shareholder-appointed Member
Freddie Moises Frech Hasbun	Deputy Independent Member
Maria Eugenia Brizuela de Ávila	Deputy Independent Member
Juan Camilo Osorio Villegas	Deputy Shareholder-appointed Member
Mario Fernando Vega Roa	Deputy Shareholder-appointed Member

**Board Of Directors Of Banco Davivienda Costa Rica S.a.  
(Two (2) Woman Y Six (6) Men).**

Reinaldo Rafael Romero Gómez	Main Shareholder-appointed Member
Adriana Darwisch Puyana	Main Shareholder-appointed Member
Mario Vega Roa	Main Shareholder-appointed Member
Carlos Andrés Pérez Serrano	Main Shareholder-appointed Member
Rodrigo Cubero Brealey	Main Independent Member
Rodrigo Uribe Sáenz	Main Independent Member
Karla Obando Hernández	Main Independent Member
Rolando Lacle (fiscal)	Main Independent Member

***Our objective is to finance growth and take advantage of business opportunities across Central America.***



# Technology

Through our technology strategy, we ensure the sustainability and growth of our business by enhancing operational efficiency, financial optimization, and continuous improvement of the customer experience. Our technological tools aim to strengthen our culture of innovation, boost efficiency, and transform processes through data intelligence to enable faster and more effective decision-making.

## Technology and Infrastructure

At Davivienda, we foster a culture of innovation that runs through every aspect of our operations, ensuring that our technological capabilities and infrastructure not only enhance the customer experience but also strengthen the resilience, availability, and growth of our business.

In the digital channels space, **we have strengthened our Súper App for individual customers, establishing it as the Bank's primary digital interaction point. This all-in-one platform delivers a seamless experience, offering over 150 services**, from essential functions like inquiries and transfers to innovative solutions such as online loans, product openings, and personalized preference settings.

For the business segment, we launched a new mobile application tailored for legal entities, designed to streamline business management for our clients. This platform enables payment approvals, payroll management, and customized service reports, delivering a differentiated experience that strengthens our position as a leader in financial technology innovation.



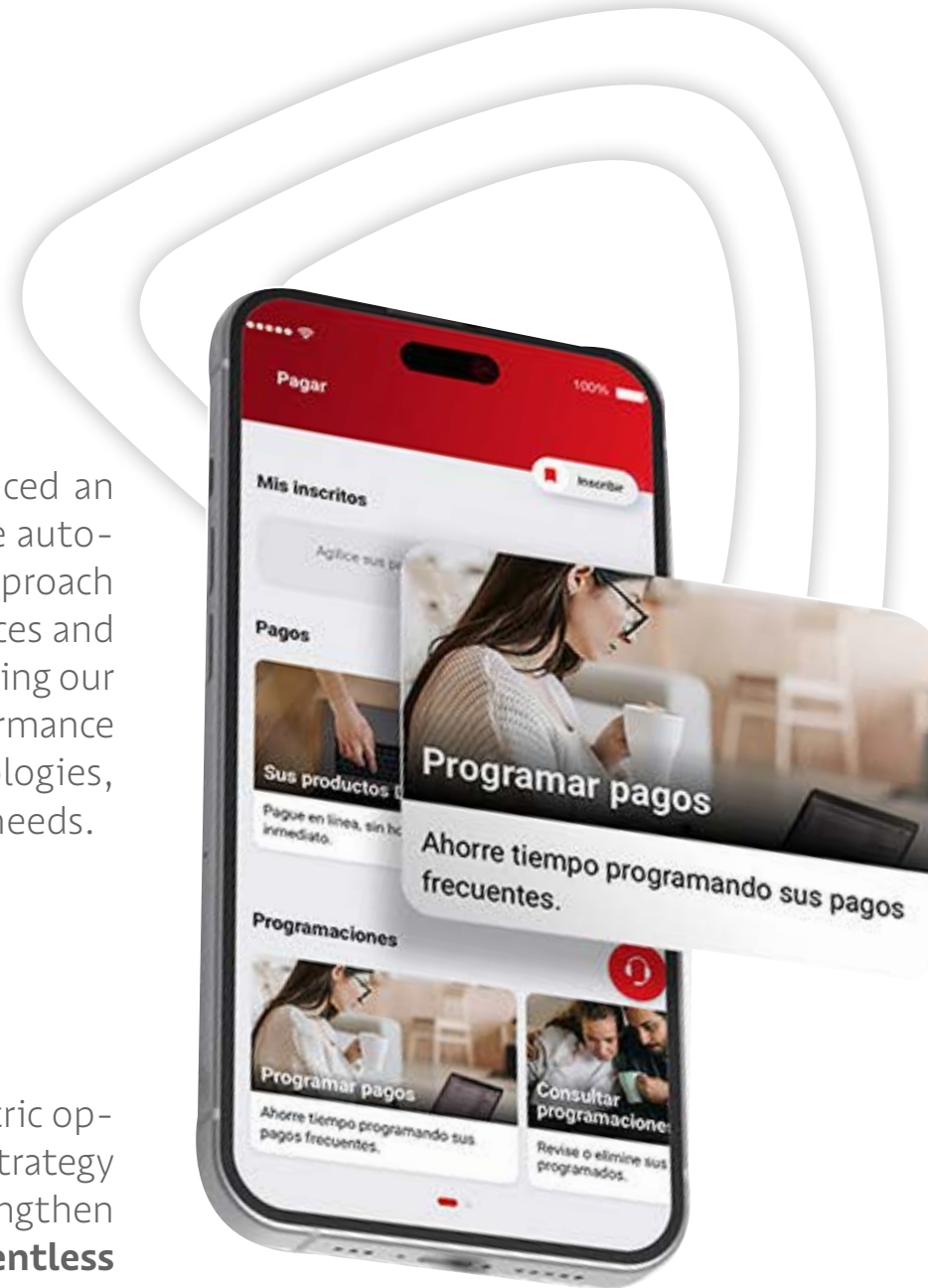


## *Technology is a pillar in achieving our long-term objectives as an organization.*

In software development, we have implemented and embraced an agile framework, refining our DevSecOps practices to enhance automation across development, security, and operations. This approach has enabled continuous improvement cycles for existing services and the efficient deployment of new products and solutions, ensuring our competitiveness. Additionally, we continue to build high-performance teams by attracting top talent and adopting agile methodologies, making us more flexible and responsive to evolving business needs.

### **Technology Strategy as a Pillar for Business Sustainability**

Our technology strategy is designed to sustain a customer-centric operation, enhance security through an intelligent cyber-defense strategy powered by automation and artificial intelligence (AI), and strengthen our digital capabilities. At the same time, **we maintain a relentless focus on transformation, innovation, and operational efficiency as the foundation for the sustainability and growth of our business.**



To achieve our long-term goals, our strategy is structured around five key objectives:

- ▶ Promote the development of Open Architectures to create digital assets that drive the automation and optimization of our infrastructure.
- ▶ Improve resilience in digital channels, a strategic pillar ensuring the continuity and reliability of services for our customers.
- ▶ Streamline our technology stack by optimizing historical data, significantly reducing processing times.
- ▶ Reinforce and enhance our cybersecurity strategy through the integration of artificial intelligence (AI).
- ▶ Invest in talent development through specialized training programs, strengthening expertise in both current technologies and emerging areas such as cloud computing, DevOps, analytics, agile methodologies, and modern software development.



## Investment in Technology

We remain committed to efficiency, resource optimization, and the security and integrity of data, while ensuring continuous system availability. In 2024, we allocated over COP 290 billion toward strengthening our infrastructure, modernizing technology, and implementing solutions that support the Bank's critical operations, laying a solid foundation for resilience, availability, and business growth.

Our investment in technological capital enables us to reshape operational models through innovation, launch new products and services, and enhance customer interactions, reinforcing our competitive edge. Looking ahead, **we will continue investing to ensure our technology strategy remains focused on transformation, innovation, and operational efficiency**, securing the sustainability and growth of our business while maintaining our market leadership.

## Opportunities, Goals, and Future Vision

We envision a dynamic and innovative ecosystem focused on agile, personalized, and secure digital services. Committed to efficiency, we aim to remain the strategic engine driving operational excellence, digital transformation, resource optimization, and a data-driven culture, delivering relevant, innovative, and sustainable solutions centered on our customers.

We will deepen our use of artificial intelligence to enhance the customer experience and leverage next-generation technologies to create a seamless transition between digital and hybrid environments. Additionally, we will prioritize the development and expansion of our corporate architecture and digital channels, fostering the integration of new building blocks while enhancing the use of existing ones.

Looking ahead to 2025, we will uphold our pillars of security and trust, ensuring channel availability to meet evolving market demands. Innovation, customer service excellence, and information security will continue to set us apart.

COP  
**290**

**billion was our investment in technology.**





# Awards, distinctions and certifications

In 2024, we were recognized by entities, institutions, and guilds in Colombia and internationally, who highlighted our management and the positive impact of our actions. These awards, recognitions, and certifications reinforce the trust of our stakeholders and motivate us to continue moving forward to make the world our home, a more prosperous, inclusive, and green home.



## **Euromoney Excellence Awards 2024**

The Euromoney Awards for Excellence are the first of their kind in the global banking industry. This year, we were recognized as the Best Digital Bank in Colombia for our innovative capacity and for having one of the most complete offers in the region to make life easier for our customers.



## **Euromoney Global Private Banking Awards**

Recognition in the Euromoney Global Private Banking Awards 2024, as the Best Private Bank in the country and the Best in Sustainability, for its transformative capacity to lead innovation in the banking sector and its commitment to the environment.



### **Most Innovative Company in Colombia**

Davivienda was awarded the most innovative company in Colombia in the annual Merco Empresas ranking, highlighting its leadership and contribution to the country's transformation.



### **Gallup Exceptional Workplace Award 2024**

We were the only company in the financial sector in Latin America to receive the “Exceptional Workplace” award granted by Gallup. Davivienda received this award for the third consecutive time, which recognizes workplace cultures among 96 countries, thanks to its commitment to promoting talent and recognizing the value of more than 17 thousand people who operate in the six countries.



### **Awards for Financial Innovators in the Americas**

For the second consecutive year, Davivienda was recognized with the highest national award: Platinum, in the Cybersecurity category, for the advancements and strengthening of its protection, threat detection, and incident response capabilities..



### **IF Awards 2024**

Award for the design and unique experience of its Davivienda App, which encompasses multiple disciplines, has more than 5,500 candidates from around 59 countries each year.



### **Innova Awards**

Award for the Best Corporate Venturing Program at the Innova Awards, one of the most prestigious in Latin America, resulting from the ability to innovate and create new opportunities to contribute to the creation of a more dynamic and competitive ecosystem in the region.



### **Women's Tabloid Awards**

Recognition in the Women's Tabloid Awards as the ‘Best Banking Initiative for Women Entrepreneurs’, with its “SMEs for Women Davivienda” offer, with which women entrepreneurs have been accompanied in their growth and consolidation of their businesses.





### Focus Economics 2024

The commitment of Davivienda Vision is that Colombians have truthful and timely information for better decision-making. For this work and for the accurate forecasts, Davivienda was awarded by Focus Economics as: the best forecaster in Colombia, best inflation forecaster and best current account forecaster in the country.



### ANDI's Innovation Ranking

We were highlighted among the leading companies in innovation, for promoting the development of economic and social sectors with creative solutions.



### She is Global Awards

Award for the support that Davivienda has given to women, not only within itself, but also by promoting the development of millions of female clients in the countries where it has a presence. This effort was recognized in the category "Organization with the power to change towards gender equality". The She Is Global Awards recognizes those women and companies whose contributions in favor of gender equality and in which the empowerment of women are leaving their mark.



### World Economic Magazine Awards

Davivienda Corredores received the award as 'Best Broker Colombia 2024' by World Economic Magazine. These awards are led by one of the most important publications of the economic and financial sector in the United States.



### Xposable Colsubsidio 2024

Xposable Colsubsidio recognizes and gives visibility to projects developed by companies and organizations that are committed to modifying the business ecosystem in Colombia. In this edition, the contribution of Davivienda, DaviPlata and the Government of Córdoba to the development and valorization of culture and traditions in Tuchín, a municipality in the department of Córdoba, home of the vueltiao hat, was highlighted by strengthening the tourism and digital capacities of the Zenú community with a comprehensive program that promotes sustainable tourism and financial well-being. To date, 55% of the indigenous population has been banked.



### 100 Open Startups

Award with the first place within the 100 Open Startups Colombia 2024 ranking. Recognition of the most attractive startups for the corporate market and the companies that collaborate most with local entrepreneurs to promote innovation.



### SFC Financial Education Seal

The SFC Financial Education Seal recognizes entities supervised by the Superfinanciera and guilds committed to quality activities. Davivienda obtained this distinction at Level II for its financial education program, which has been strengthened in recent years.



### AIE

The Davivienda Vision team was recognized at the 2024 AIE Awards organized by the Colombian Stock Exchange, in terms of its analysis, research and projections, with 3 awards for Davivienda Corredores: (Gold) in Fixed Income and Variable Income in the institutional segment and (Silver) in specific Fixed Income forecasts.



### Acercar

We were awarded the highest level of the Environmental Excellence Program of the District Department of the Environment of Bogotá. This recognition validates the soundness of our Environmental Management System applied in the operation of the main administrative headquarters and our leadership in sustainability in the financial sector.



### Florángela Gómez Award - Asobancaria

Recognition for the “Agro Strategy: inclusion of small producers” as the best project in Social Innovation. This award gives visibility to the programs, products and services of the member entities that have contributed to transforming banking.



### Acknowledgment to Findeter's intermediaries and allies

Acknowledgment given to Financial intermediaries and Allies, which highlights the strategic partners who, with their commitment, accompanied Findeter in the transformation of the regions of Colombia during the last year.







## CERTIFICATIONS:



### INclusive Company Seal

The INclusive Company Seal, awarded by the ANDI and the ANDI Foundation, certifies those companies with innovative and sustainable solutions that are solving social challenges as an integral part of their business, while increasing their competitiveness.

We achieved this certification, unique in the market, thanks to the labor inclusion project in Malambo and Pensilvania, where we have generated more than 348 formal jobs for people from vulnerable populations, of which 75% for young people and 77% for women, and together with Emergia, Acesco Foundation, Valórate Foundation, and the support of the Mayor's Office of Pensilvania, we have promoted the economic growth of these territories and contributed to making them more prosperous and inclusive places.



### Renewable Energy Seal

Granted by Icontec, under the GHG Protocol, the recertification of our operations in Colombia and Central America, for the implementation of energy efficiency projects and the acquisition of renewable energy certificates.



### Zero Waste Certification

Seal that highlights organizations for their circular economy processes by reducing waste and promoting its reuse, repair and recycling. We are the first bank in Colombia certified in Zero Waste with a GOLD category.



### Recertification Carbon Neutral

Granted by the Colombian Institute of Technical Standards and Certification (Icontec), under the Greenhouse Gas Protocol (GHG Protocol), the recertification of our operations in Colombia and Central America, for: the estimation and verification of the 2023 emissions inventory; the development of compensation actions, such as the planting of native tree species; the acquisition of carbon credits; and our commitment to define science-based targets Science Based Targets Initiative (SBTi).





> Annual Report 2024

# Service

*The world*  
is our  
**home**







We provide reliable, friendly and simple experiences to all our clients, we accompany them in the achievement of their projects and we make sure to extend this commitment to service to our suppliers, whom we also accompany in the sustainable management of their businesses.





## Milestones

↑ **78**

*increased four points compared to the previous year.*



**4,6/5**  
*in the evaluation of*

functionality, ease of use, design, performance and overall satisfaction of the Super App, in the App Store and Play Store.

**99.93%**

**Technological resilience<sup>1</sup>.**

<sup>1</sup> Technological resilience: Calculation of the availability of the channels: Davivienda.com, Davivienda APP, SuperAPP, Business Portal, Pyme Portal, Corporate Portal, Business APP, Offices and ATMs





70%

**First contact  
resolution<sup>2</sup>**

COP

**1,3** BILLION

transactions

<sup>2</sup> First contact resolution: First contact resolution rate from the customer's perspective in the following channels: call, chat, and offices

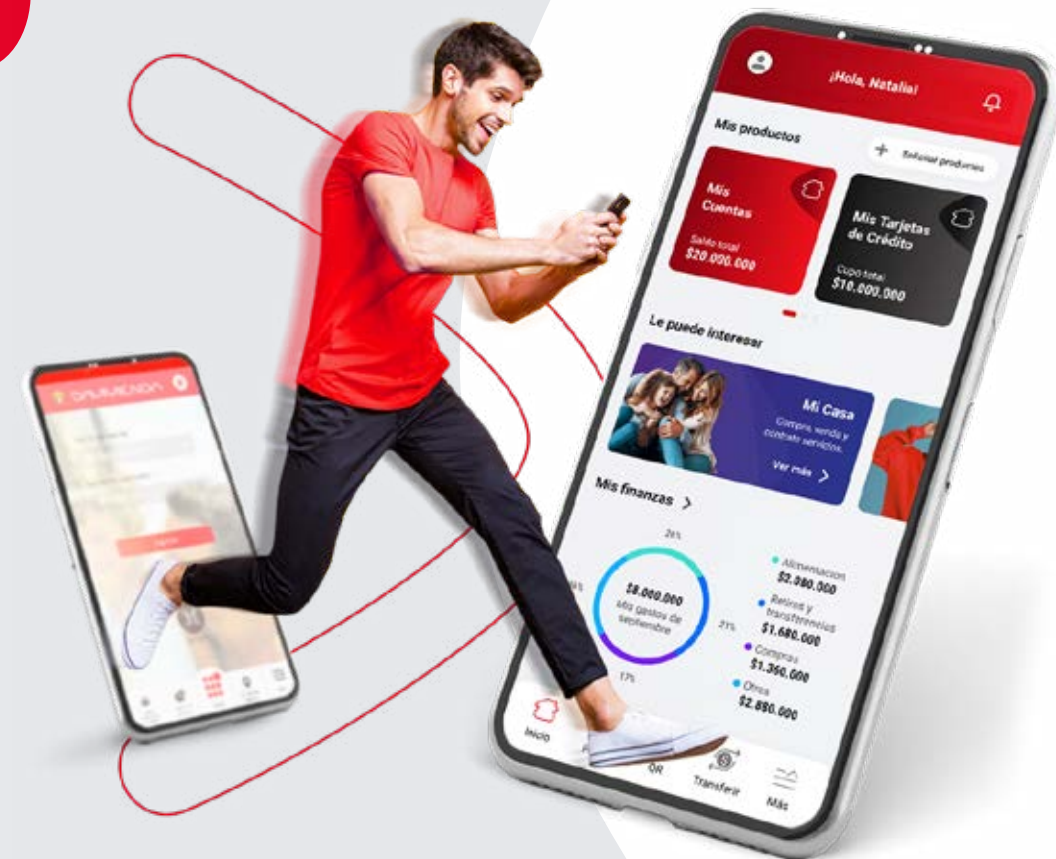
93%

**digital customers**

COP

**734** MM

in sustainable purchases,  
exceeding our target for the year  
by 83%.





# Strategy

All the organizations of Grupo Bolívar develop an inter-institutional strategy to ensure the integration of the higher purpose: “Enriching Life with Integrity”, anticipating the needs and expectations of our clients and resolving with opportunity and effectiveness those concerns that may arise.

Thus, we continue to consolidate a customer service model that provides our customers with better experiences and services, and ensures in the different interactions:

- ▶ A culture of attention, respect, and service.
- ▶ Clear and transparent information and communication.
- ▶ Timely and effective processing of requests, complaints, and grievances, understanding the root-cause and rolling out solution-oriented action plans.
- ▶ Operational security.
- ▶ Financial education and wellbeing.

Our aspiration is to be a worldwide reference for customer service. Therefore, we set the Net Promoter Score (NPS) as a strategic indicator

across all of our business lines, segments, products, and services, targeting 90 points score for the coming years. In an environment of economic and social challenges, during the year we **increased the level of recommendation and satisfaction of our customers to 78 points, increasing four points compared to the 2023 measurement.**

***Our goal is to have a 90 NPS to be a worldwide reference.***







Improvements in identified pain points, aiming at an increasingly closer relationship with our customers. We also devised a methodology to better understand our customers' sentiment and get to the root cause of each pain point more quickly and thoroughly. This methodology analyzes various customer engagements (surveys, contacts, social media comments, requests, complaints, etc.) by running descriptive analysis, structured and unstructured data analysis, cause and effect models, AI models and correlations with operational variables to measure and forecast the impact on our customers and the business.

In 2025, we will concentrate our efforts on continuing to ensure experiences that are:

#### SIMPLE

- ▶ Advance the stability of the digital ecosystem
- ▶ Continue designing end-to-end digital experiences and self-management flows,
- ▶ Promote timely customer service through digital, assisted, and physical channels.

#### RELIABLE

- ▶ Guarantee security in the management of our clients' service portfolio.

#### FRIENDLY

- ▶ Consolidate the appropriation of an organizational culture where the customer is at the center of every decision.

*We strive to deliver straightforward, reliable, and userfriendly customer experiences.*





## Customer Relationship Management

We put in place a cutting-edge process for customer service that is unique in the nation. Customers may access our website and app, where they can seamlessly process their requests by themselves, **easily accessing their portfolio and go about their business quickly and securely, with detailed information about their products and services.** If these options fail to meet their needs, our customer service channels, such as chat, call center and branch offices, are also available.

We have equipped our customer service channels with the capabilities and tools needed to increase first-contact resolution. Moreover, we have built a support model around these service channels to achieve our goals of “first-contact resolution and reduced customer effort”. This model is shaped by a powerful knowledge base that sheds light on procedures and strategies, supported by a group of experts specialized in a wide range of subjects who assist these customer service channels. For cases in which customer service is unable to meet the needs, the request is forwarded to the CRM and handled through a centralized area, based on the nature of the request.

The methodology of identification, measurement, control and monitoring of risks allows us to focus special actions guaranteeing, among other attributes, adequate attention, fair treatment, protection and respect towards financial consumers, to anticipate their expectations, and resolving their requests with opportunity and effectiveness.

We emphasize that our service model has as a fundamental part, the identification of the root cause by which a PQR (Petitions, Complaints, and Reclamations) is generated. The continuous diagnosis ensures that we work with the business, operations, service and risk areas in the definition of tactical or structural plans that minimize their occurrence and, therefore, the impact on our customers.

## Financial Consumer Ombudsperson

The Financial Consumer Ombudsperson oversees the protection of financial consumers rights. Queries, complaints, and grievances may also be submitted to the Financial Consumer Ombudsperson, and these are handled in accordance with established procedures, just as those submitted to the Financial Superintendence of Colombia. Its duties include hearing and solving complaints, acting as mediator between consumers (customers and non-customers) and the Bank, issuing recommendations and proposing regulatory changes that may be convenient to better protect the rights of financial consumers. The report issued by the Financial Consumer Ombudsperson is handled by each relevant area and submitted to the Board of Directors of the Bank.

***We seek to resolve customer inquiries and requests on the first contact and reduce their effort.***





## Consumer Protection and Management

Under the regulatory framework laid down in Law 1328 of 2009, External Circular 015 of 2010 and External Circular 023 of 2021 issued by the Financial Superintendence of Colombia, the Bank put in place the Financial Consumer Service System (SAC) and defined a governing framework based on the Customer Service Manual, which sets forth the Bank's policy for adequate service to financial consumers and outlines guidelines for implementing an internal culture within the Bank to ensure fair treatment, protection, respect, and service.

Our commitment to guaranteeing the satisfaction of financial consumers is increasing. This year, we have directed the following actions to contribute directly to the objectives, the service strategy and its attributes of being reliable, simple and friendly:

- ▶ Strengthening risk management with customer impact.
- ▶ Transformation of the processes for handling and resolving complaints, claims and requests.
- ▶ The definition of assurance processes and the control of digital transformation.

We combine the experience of our cybersecurity analysts with cutting-edge Artificial Intelligence (AI) technology, expanding the scope of our capabilities to resist the various and new forms of digital fraud,

one of the main concerns of our customers. Thanks to this initiative, we have been able to proactively detect and prevent fraud, even in an environment where access to AI has become widespread, protecting our customers more effectively against emerging financial threats.

In terms of training, we have strengthened our internal learning programs, which are mainly aimed at two teams of people:

- ▶ Areas that interface directly with financial consumers, such as the sales force
- ▶ Branch network and other Bank associates

We strive to convey differentiated content focusing on actions that enable compliance with Customer Service principles, drawing on cases that have had an impact on our relationship with financial consumers. Over 12 thousand people were trained on their duties when handling Queries, Complaints and Grievances. Emphasis was placed on due diligence, sufficient and clear information during product sales, and service metrics, including NPS, and how these relate to customer perception, among other topics.



***We are committed to the satisfaction of financial consumers.***



*We seek to create an internal culture that guarantees fair treatment, respect, and service to the financial consumer.*

The main objective of these trainings was to foster continuous communication and respect between financial consumers and Bank departments, raising awareness about regulatory updates and sharing the importance of the Financial Consumer Service System for both our employees and our customers.

Additionally, we expanded the “World without barriers” (UMsB) program, which seeks to develop a culture of fair treatment and respect towards financial consumers with disabilities. **We promote equality and continue to advance in the development of solutions that allow people with any type of disability to access financial and non-financial services, and we empower them to achieve their goals and manage their budgets and those of their families.** As a result, we identified 800 customers with disabilities, and certified more than 80% of our people in UMsB.

### **Governance and Oversight of Complaint Management**

Customer Service operates under the Executive Vice Presidency of Technology and Operations, with direct oversight from the Vice Presidency of Operations. Together, they define the strategy and key guidelines for handling customer petitions, complaints, and claims (PQRs). Operational leadership is driven by the Logistics Circles Directorate, which ensures timely responses and tracks performance through clearly defined service attributes. Root cause analyses of claims are regularly reported to the Service Committee and department heads

to proactively address pain points and prevent future dissatisfaction.

The service strategy and customer care system are guided by clear governance, led by the following body:

### **SERVICE EXECUTIVE COMMITTEE**

This committee plays a pivotal role in building a customer-centric culture across the organization. Its responsibilities include setting the service strategy, monitoring the end-to-end customer experience, strengthening the company-wide service mindset, and managing the Financial Consumer Service and Protection System.







## CUSTOMER PROTECTION AND RISK GOVERNANCE COMMITTEES (SARO AND SAC)

These committees support both the Board of Directors and the Legal Representative in upholding customer protection standards and ensuring full compliance with regulatory and service-related pillars. They are responsible for reviewing and approving strategies that drive cultural transformation aligned with the principles of the Financial Consumer Service System and the expected behaviors defined by the institution. Additionally, the committees focus on implementing improvement plans based on risk exposure and customer impact. They evaluate significant incidents, oversee mitigation plans, and actively support the resolution of critical issues.

## SAC REPORTING TO THE BOARD OF DIRECTORS:

The Board of Directors is periodically informed about the performance of the SAC. In the reports presented throughout 2024, **the organization's commitment to anticipating customer needs and expectations was highlighted**, with a focus on resolving any situation that may lead to dissatisfaction in a timely and effective manner. The reports also covered the management, outcomes, and monitoring of key aspects related to SAC.

Complementing internal governance, there are also external oversight bodies such as the Financial Superintendence of Colombia (SFC), the Financial Consumer Ombudsman, the external auditor KPMG, and internal audit.

*We are moving forward with the implementation of improvement plans based on the impacts and risks on customers.*







# Management Of Our Supply Chain

*Our connection with suppliers is built on empathy, respect, trust, and transparency—values that strengthen our relationships.*

From the standpoint of our material topics of Service and Well-being, we recognize that our suppliers are key players in the effective fulfillment of our purpose: The world is our home—let's make it more prosperous, inclusive, and green. That's why we aim to build a solid and transparent **supply chain through a friendly, reliable, and straightforward onboarding process, with continuous support provided by our teams in Colombia and Central America.**

This approach has allowed us to develop a shared vision with our suppliers, enabling us to guide them in their transition toward more sustainable practices by promoting diversity, equity, and inclusion (DEI), as well as environmental management within their operations. For this reason, we highlight the following achievements reached in 2024:





## Supplier Management:

Our sourcing platform includes **5,293 registered suppliers** across Colombia and our international subsidiaries, distributed as follows:

In Colombia

**2.726**

contracts were formalized with

**1.504**

suppliers,

of which **1.451 (96%)** are local and **53 (4%)** are foreign.

In international subsidiaries,

**1.481**

contracts were formalized with

**677**

suppliers

of which **582 (86%)** are local and **95 (14%)** are foreign.

## SUPPLIER DEVELOPMENT PROGRAM

To strengthen the sustainable management of our suppliers, we internally developed and implemented a comprehensive assessment tool to evaluate ESG and Diversity, Equity, and Inclusion (ESG+DEI) maturity levels. This tool also helps define a tailored support path that enables suppliers to progress on their sustainability journey.

For this initiative, we prioritized **341** suppliers in Colombia and Central America, who responded to the survey through our strategic sourcing platform. Based on this diagnosis, we incorporated criteria to evaluate Environmental and Social Risk Management (SARAS), taking into account the likelihood of impact. This analysis included **91** suppliers classified as critical, of which 20% fell into environmental and social risk category A (high), 76% into category B (medium), and 4% into category C (low). We carried out appropriate risk mitigation actions with these suppliers.

We seek to motivate and inspire our supply chain in the implementation of sustainable initiatives, promoting the adoption of sound environmental practices and sharing our DEI principles.

In 2025, we will continue to strengthen our development program through awareness and training strategies for those suppliers prioritized in the diagnostic phase. These actions will help close existing gaps through education, training, development, and recognition—supporting the achievement of our strategic objectives under Misión Verde 2030.

*We work alongside our suppliers to strengthen our sustainable management.*



## PAYMENTS TO SUPPLIERS

In 2024, we paid a total of COP 1.6 trillion to 1,793 suppliers, covering 28,569 invoices processed through Davivienda accounts.

As part of our strategic supplier engagement efforts, we also built closer relationships with **26 key suppliers**, processing **499 invoices for a total of COP 42 billion**.

### *We Brought Our Inspira Awards to Life*

*We celebrated the excellence of our suppliers, partners, and clients.*

In the fourth edition of the Premios Inspira, we recognized companies that broke paradigms, redesigned experiences, and transformed processes to become more effective.

More than 150 initiatives were evaluated across the categories of Digital Transformation, Process Efficiency, Sustainability, Positive Impact, and Business Impact in Colombia and Central America.

For the first time, we presented an award to a client in Colombia in the Sustainable SMEs category—an honor for companies operating at the national level that demonstrate a high level of sustainability maturity.

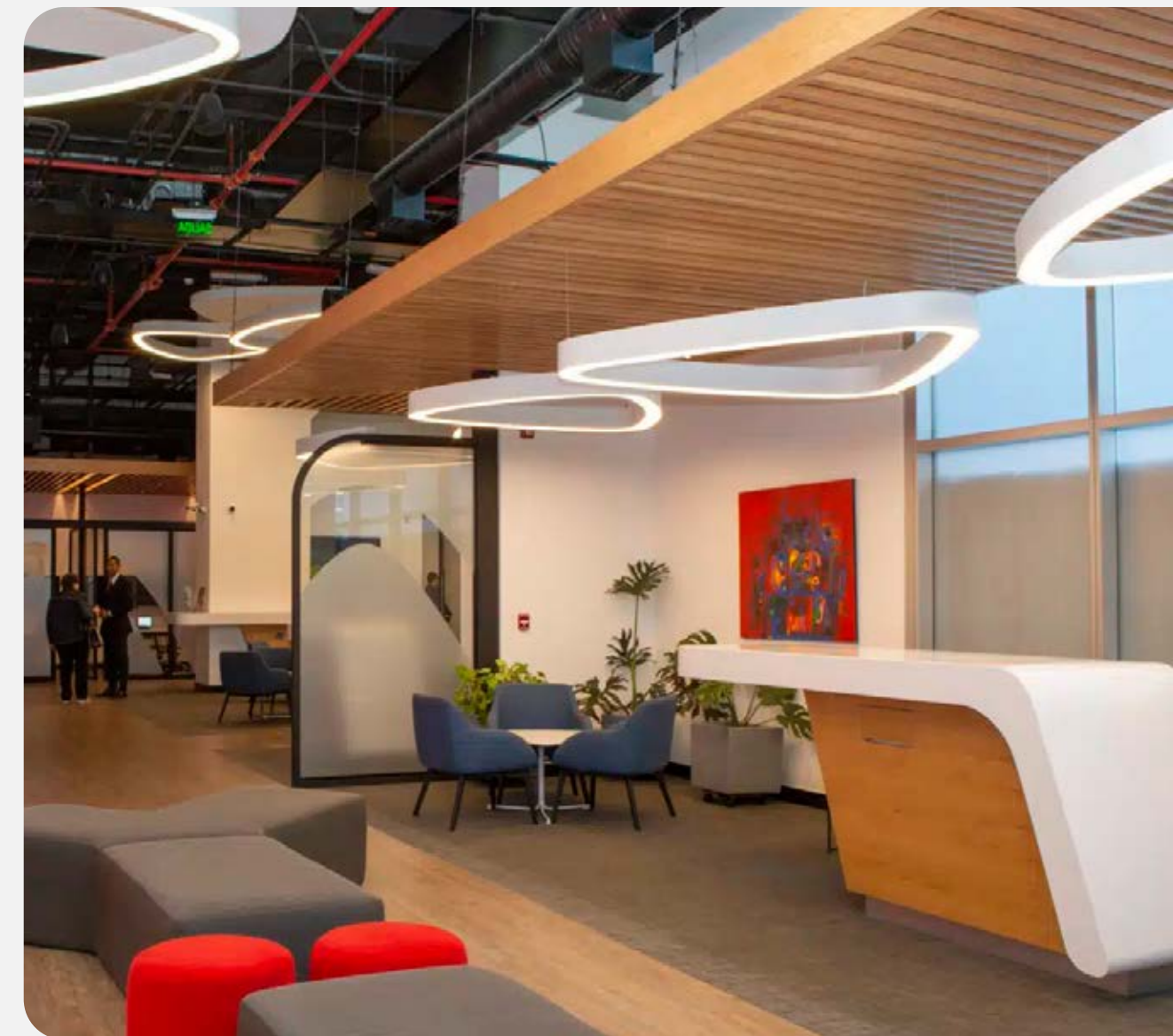
These were our 24 winners across Colombia and Central America:

Category	Region	Supplier	Project
Digital Transformation	Colombia	ITAC, IT Applications Consulting S.A.	B2B API Project
	Panama	Maxia Latam	Asset Maintenance Management Model using MAXIA SYM
	Costa Rica	Evertec	Debit and Credit Tokenization
	Honduras	Enhanced Technical Support Consulting, S.A. de C.V	Communications Infrastructure Services
	El Salvador	Martinexsa El Salvador, S.A. de C.V	Managed Services for Cloudera Data Lake
Process Efficiency	Colombia	Andina de Seguridad del Valle LTDA	Andean Clients – Tracking
	Panama	Colliers Panamá	Adjudicated Asset Management Contract
	Costa Rica	Suplidora de Equipos S.A.	Bill Counting Equipment for Teller Stations
	Honduras	Ingeniería de Telecomunicaciones SA de CV	SOLARWINDS Monitoring Platform
	El Salvador	Turing Challenge Sociedad Limitada	API Implementation for Vehicle Data and Document Extraction





Category	Region	Supplier	Project
Sustainability	Colombia	Gaia Servicios Ambientales S.A.S.	Recalculation of Science-Based Emissions Targets
	Costa Rica	Potencia Activa S.A.	Use of Nonviolent Procedures and Policies
Sustainability	Colombia	Ingeniería Maquinaria y Equipo de Colombia SAS	Equipment and Machinery
		Erco Energía SAS.	Energy Efficiency
		Colombiana de Comercio LTDA Corbeta	Productive Vehicle
	Costa Rica	Servicios Bolívar S.A Ciencuadras	Real Estate
	Costa Rica	FarmaValue	Co-Branded Card
Positive Impact	El Salvador	Gesel S.A. de C.V.	FarmaValue – Davivienda
	Colombia	Academia del Ser Col SAS	Collection Agency with Highest Recovery of Rehabilitated Portfolios
		Viventa, L.L.C.	Viventa 1% Pledge
	Costa Rica	Tau Technologies AI de Latinoamerica SA	Independent Sign Language Interpreter System
	Honduras	United Way Honduras	Development of Educational Programs for Early Childhood and Youth in Honduras
Sustainable SMEs	El Salvador	Excelergy, S. A., de C.V.	Acquisition of Renewable Energy Certificates
	Municipio de Candelaria, Departamentodel Valle del Cauca	C.I Lago Verde S.A.S.	Sustainable practices management



Through these initiatives, we create value for our stakeholders, expanding their opportunities for business and market growth.



## Green Procurement

As part of our **Green Mission 2030** strategy and with the goal of strengthening our sustainable sourcing roadmap, we made significant progress in Green Procurement:

We far exceeded our green procurement target, reaching COP 734 billion. Of that total, COP 671 billion (91%) corresponds to Colombia and COP 63 billion (9%) to Central America. This represents a 183% increase over the initial goal of COP 400 billion.

We redesigned our evaluation methodology to identify and prioritize 45 categories with significant environmental impact in key areas such as Technology, Operations, Human Talent, and Administrative.

We developed and integrated 15 environmental technical data sheets into our strategic sourcing platform. These enable suppliers to provide detailed information on the goods or services offered, thereby enhancing our environmental assessment process in a more agile and efficient fashion.

For 2025, we have set a target of COP 400 billion in green procurement. This goal will focus on goods and services from procurement specialties with significant environmental impact.

## Procurement with Inclusive Suppliers

Aligned with our shared purpose of strengthening the supply chain and generating prosperity for people and communities, Davivienda has, since 2020, developed an inclusive employment project that promotes formal job opportunities through our call centers in Pensilvania (Caldas) and Malambo (Atlántico). These centers are operated by a strategic supplier with whom we have engaged 392 individuals belonging to populations in vulnerable situations.

In Pensilvania, 71% of the workforce accessed their first formal job through this initiative, and 8% come from rural areas of the municipality. In Malambo, 29% of personnel found their first employment opportunity through this model. The outcome of this approach is reflected not only in the professional development of the individuals involved, but also in a service experience that is more connected to the communities we serve—with real social impact. **This model has delivered meaningful results, evidenced by a Net Promoter Score (NPS) of 80.**

In addition, and as part of our commitment to continuous improvement, we conducted a perception survey among participants to evaluate the management of the project. Results showed that 81% believe the call center has had a positive impact on the community by stimulating local economies. For 2025, we will prioritize the training and development of our workforce. We will implement a training plan focused on technical and soft skills, supporting both their professional growth and the continued improvement of the service experience delivered to our customers.

**COP**  
**734**

**billion in green  
procurement.**



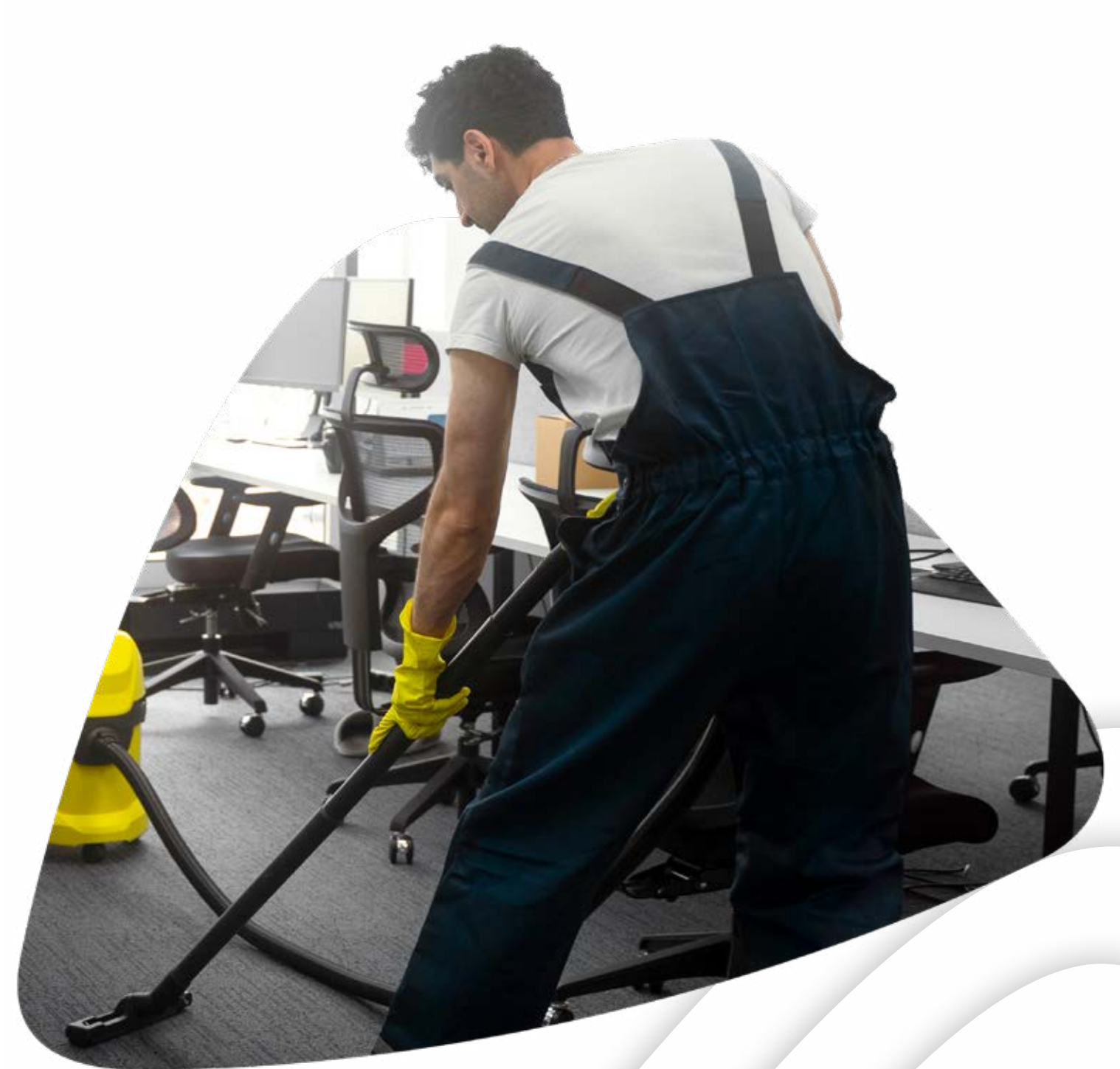


## ***Service Enablement and Empowerment***

We place great importance on contributing to the well-being of every person who supports our operations across various processes. In the specific case of our cleaning services contract, we have selected a partner that is aligned with our sustainability and efficiency guidelines and is committed to training its staff accordingly. This includes the implementation of environmentally friendly technologies that add value to current processes and support the achievement of our goals.

As a result, the supplier has trained its personnel in key topics such as waste management and the conservation of water and energy resources, delivering over 17,000 training sessions to the 480 cleaning staff assigned to the Bank, who cover 586 work sites. The supplier has also developed innovative technologies, such as the use of QR codes and mobile applications to manage daily cleaning inspections, completely eliminating the use of paper in this process.

For cleaning and disinfection tasks, the use of Organic Chloride has been introduced—a solution that is more environmentally friendly, as it binds to organic materials such as water, significantly reducing the release of harmful waste.





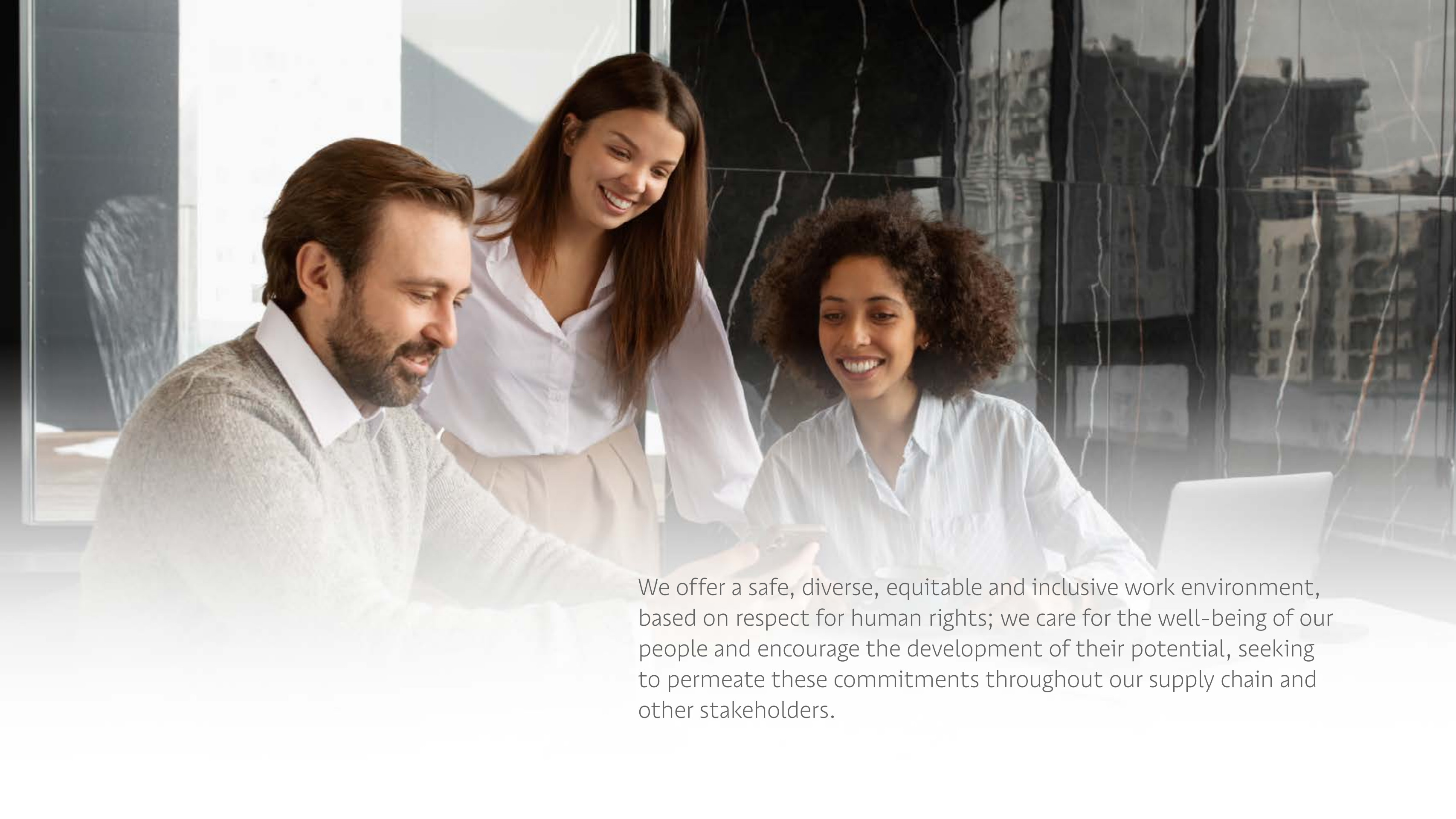
> Annual Report 2024

# Wellbeing

*The world  
is our  
home*







We offer a safe, diverse, equitable and inclusive work environment, based on respect for human rights; we care for the well-being of our people and encourage the development of their potential, seeking to permeate these commitments throughout our supply chain and other stakeholders.





## Human Talent

*In Our Home, we build life stories that transform the business.*







## Management Model

Here, we firmly believe that our people are an inexhaustible source of value—the driving force behind the growth and sustainable management of our business. We foster a people-centered culture defined by closeness, trust, genuine care, and innovation. We are inspired by purposeful work, by building life stories that leave a lasting mark, and by creating value through strategies that are trustworthy, approachable, and simple—focused on the continuous development of both the environment and the people who inhabit it.

- ▶ **We are a multilatina organization made up of more than 17,000 people across six countries:** Colombia, Costa Rica, El Salvador, Honduras, Panama, and United States (Miami).
- ▶ **In Colombia, 61% of our workforce are women and 39% are men.** In our international subsidiaries, 58% are women and 42% are men.
- ▶ **84% of job openings during the year were filled with internal talent,** creating greater opportunities for growth and development.

- ▶ For the third consecutive year, we were recognized by Gallup as an **Exceptional Workplace**, selected from a sample of 2,500 companies worldwide—the only Latin American company to receive this recognition.
- ▶ **We are deeply committed to Davivienda.** In 2024, our average organizational engagement score was 4.41 out of 5.0, placing us in the 71st percentile of a global benchmark.
- ▶ **12,690 people in Colombia and 4,392 in Central America advanced their capabilities through UXplora,** our corporate university offering personalized solutions to accelerate professional development.
- ▶ We are recognized as a leading organization in promoting and advancing diversity, equity, and inclusion. **We scored 4.6 out of 5.0 in the DEI index, as measured in the engagement survey.**
- ▶ **We became a Harvard Business School case study** for our innovative strategies in talent transformation through upskilling and reskilling programs.
- ▶ **We reached 100% of our workforce and their families through our Comprehensive Wellbeing programs,** promoting a healthy lifestyle that strengthens mental health, emotional wellbeing, and financial wellbeing.



## OUR TALENT IN NUMBERS

At Davivienda, we have built life stories that transform the business, thanks to an authentic and meaningful culture that reflects the essence of each person who is part of this organization. We are driven to keep moving forward as a multilatina, diverse human team that grows, develops, and evolves to face current and future challenges with passion.

### Labor Practice Indicators

We promote both personal and professional growth by attracting and retaining the best human talent:

### New employees

	Colombia	Costa Rica	El Salvador	Honduras	Panama	Miami
New Employees	577	137	273	150	60	4
New Hire Rate	4.95%	13.26%	15.82%	11.78%	23.71%	8%

1. \*Figures for Colombia and international subsidiaries as of year-end 2024

### Internal promotions

	Colombia		Costa Rica		El Salvador		Honduras		Panama		Miami	
Total Promotions	1,195		130		263		112		31		7	
Women	643	54%	71	55%	162	62%	65	58%	18%	60%	7	100%
Men	552	46%	59	44%	101	38%	47	42%	13	40%		
Positions Filled with Internal Talent	1,002	84%	85	65%	171	65%	83	74%	15	49%	2	30%

1. \*Figures for Colombia and international subsidiaries as of year-end 2024.





## Equal Pay Assessment

We are committed to equity by offering equal employment opportunities and fair treatment in the workplace for all individuals, regardless of gender, race, ethnicity, or other characteristics.

Women / Men – Annual compensation ratio (Women:Men)

Level	Colombia	Costa Rica	Honduras	El Salvador	Panama
Senior Management	100.87:100	90.54:100	99.00:100	106.08:100	103.84:100
Executive	100.03:100	100.64:100	100.35:100	98.72:100	100.77:100
Operational	97.43:100	97.08:100	102.54:100	97.48:100	94.96:100

*We are committed to equal opportunities and avoid any arbitrary and discriminatory practice.*

1. Annual compensation of employees with indefinite-term contracts
2. Figures for Colombia and international subsidiaries as of year-end 2024

Based on the table above, we conclude that, given the minimal gap in annual compensation between men and women, no salary inequalities are evident. The differences are supported by performance evaluation results, development opportunities, and tenure in each role.

In the processes for defining salaries—whether for hiring or promotions—each individual’s skills and development potential are assessed in relation to the position to be filled. Under no circumstances is any factor related to gender taken into account.





## Voluntary Turnover Indicator

The results for employee-initiated separations were as follows:

	Colombia	Costa Rica	El Salvador	Honduras	Panama	Miami
Voluntary Turnover Rate	4.89%	8.91%	11%	3.16%	10.1%	4%

## Total Turnover Indicator

All employee entry and exit movements across the organization resulted in the following outcomes:

	Colombia	Costa Rica	El Salvador	Honduras	Panama	Miami
Turnover Rate	8.2%	13.46%	17.92%	10.5%	16.6%	8%

1. \*Figures for Colombia and international subsidiaries as of year-end 2024.

## Total Turnover Distribution by Gender

	Colombia	Costa Rica	El Salvador	Honduras	Panama	Miami
Women	59%	52%	60%	53%	39%	75%
Men	41%	48%	40%	47%	61%	25%
	100%	100%	100%	100%	100%	100%

1. \*Figures for Colombia and international subsidiaries as of year-end 2024.







## Total Turnover Distribution by Generation

	Colombia	Costa Rica	El Salvador	Honduras	Panama	Miami
Baby Boomers	4.6%	0%	1.55%	1.35%	0%	0%
Generation X		13.38%	16.15%	11.49%	26.32%	50%
Millennials (Y)		49.68%	56.83%	54.73%	63.16%	50%
Generation Z		36.94%	25.47%	32.43%	10.53%	0%
	100%	100%	100%	100%	100%	100%

1. \*Figures for Colombia and international subsidiaries as of year-end 2024

## Breakdown of Personnel in the Organization Employees by age range

Here, we generate value through both fresh knowledge and the experience of our people—regardless of age.

Number of employees	Colombia		International Subsidiaries	
Baby Boomers (59 to 77 years old)	136%	1%	38	0.87%
Generation X (43 to 58 years old)	3,362	27%	874	19.90%
Millennials Y (27 to 42 years old)	7,041	56%	2,586	58.89%
Generation Z (Under 26 years old)	2,100	16%	893	20.34%
Total	12,639	100%	4,391	100%

1. \*Figures for Colombia and international subsidiaries as of year-end 2024



## Employees by gender

We have the right talent in place to achieve our organizational objectives.

	Colombia		Costa Rica		El Salvador		Honduras		Panama		Miami	
Women	7,703	61%	632	59%	1,021	59%	724	57%	147	58%	32	64%
Men	4,936	39%	448	41%	704	41%	549	43%	105	42%	18	36%
Total	12,639		1,090		1,725		1,273		253		50	

1. \*Figures for Colombia and international subsidiaries as of year-end 2024

## Employees by management level and gender

	Colombia				International Subsidiaries			
	Women		Men		Women		Men	
Senior Management	120	2%	152	3%	8	0%	29	2%
Executive	3,488	45%	2,798	57%	1,068	42%	950	52%
Operational	4,095	53%	1,986	40%	1,488	58%	848	46%
Total	7,703	100%	4,936	100%	2,564	100%	1,827	100%

1. \*Figures for Colombia and international subsidiaries as of year-end 2024





*Distribution of income-generating individuals by gender*

	Colombia		Costa Rica		El Salvador		Honduras		Panama		Miami		Total	
Women	4,309	67%	144	59%	325	68%	191	67%	26	68%	4	80%	5,215	67%
Men	2,081	33%	101	41%	152	32%	92	33%	12	32%	1	20%	2,512	33%
Total	6,390		245		477		283		38		5		7,727	

1. \*Figures for Colombia and international subsidiaries as of year-end 2024

*Distribution of individuals by gender in STEM activities*

Knowledge and skills in science, technology, engineering, and mathematics are essential to the sustainability of the business.

	Colombia		Costa Rica		El Salvador		Honduras		Panama		Miami		Total	
Women	447	32%	7	21%	28	14%	17	23%	3	21%	1	25%	56	17%
Men	929	68%	27	79%	168	86%	58	77%	11	79%	3	75%	267	83%
Total	1,376		34		196		75		14		4		323	

1. \*Figures for Colombia and international subsidiaries as of year-end 2024





## Distribution of individuals by race, ethnicity, and nationality

As part of our diversity, equity, and inclusion program, we have engaged with our people to gain a deeper understanding of the ethnic groups with which they identify.

The following presents the aggregated results of this self-identification, also considering their classification in management positions:

Ethnic group / Management position clasifcation	Participation
I don't belong to any race or ethnic group	86.32%
Not known / no response	5.08%
<b>OTHER</b>	<b>1.85%</b>
▶ Middle	0.39%
▶ No level	1.41%
▶ Management	0.05%
<b>MESTIZO (Mestizaje de raza blanco e indígena)</b>	<b>4.11%</b>
▶ Middle	0.54%
▶ No level	3.53%
▶ Management	0.03%
<b>PUEBLOS Y COMUNIDADES INDÍGENAS</b>	<b>0.62%</b>
▶ Middle	0.03%
▶ No level	0.59%
<b>NEGRO, MULATO, AFRODESCENDIENTE O AFROCOLOMBIANO</b>	<b>2.02%</b>
▶ Middle	0.05%
▶ No level	1.97%





## Transparency Model

# *Here we build stories based on our Principles and Values*

Ethics is and has been a determining factor in the culture of Grupo Bolívar and is highly valued by our stakeholders. In response to the principle of transparency, we have a **Corporate Governance System** that not only guarantees that all actions and behaviors are guided by Principles and Values such as Respect, Equity, Honesty, Discipline and Joy, Enthusiasm and Good Humor; but also ensures the care of human talent and its quality of life, promoting an environment that prioritizes integral health through balance at the physical, mental, social and economic levels, with programs and strategies that allow people to reach their maximum potential in a healthy, safe and balanced work environment, which drives us to achieve organizational goals.

We manage cases related to Discrimination and Harassment, Human Rights and Computer Crimes, and we have a defined category of complaint for each of these issues.

To renew the ethical commitment to the organization, every year we invite all employees **to certify themselves in the "We Live and Care for the Five" course** and by the end of 2024 we achieved 99% compliance. We seek to strengthen good judgment in situations where the Code of Ethics and the Principles and Values may be affected, in addition to training on issues such as discrimination and harassment in the workplace, fulfilling the commitment declared in our **Leadership Model** to promote environments of trust.



## ECOSYSTEM OF THE TRANSPARENCY MODEL

The inspiration that guides actions and decisions is at the core of our **Higher Purpose of "Enriching Life with Integrity."** We experience an open-door culture that provides spaces and channels where we can go in the event of a violation of our rights, principles and values, or when we detect possible irregularities or bad practices that violate the Code of Ethics , Conflict of Interest Manual, among others, thus maintaining solid relationships and environments of trust.



**\*All within the framework of confidentiality and objectivity**

*We have spaces and channels  
to report the infringement of rights or  
bad practices of the Code of Ethics.*

Prioritizing care and well-being, **in 2024 we created the Management and Support Committee** to deal specifically with cases related to alleged sexual harassment. This interdisciplinary team is prepared to provide close accompaniment and ensure rigorous management of situations, guaranteeing a safe work environment based on respect.

22 The Code of Ethics is an integral part of the Corporate Governance System that has been adopted by the companies of the Grupo Bolívar, it describes the guidelines of conduct that must be complied with by our entire community, evidencing, in turn, unexpected behaviors or bad practices unacceptable for the organization. We invite you to consult the [\[Code of Ethics\]](#), pages: 10, 11 and 12.





## TRANSPARENCY LINE PERFORMANCE

Our “**Transparency line**” is an additional alternative to our traditional channels, leaders, and the HR team, that our various stakeholders may use to ensure ethical and open practices. Under our Management and Governance System, we are able to process Human Rights incidents and other incidents through defined instances, and, if there is room for improvement, implement action plans to address the root cause of our findings.

Over the years we have strengthened the transparency model by integrating various mechanisms that have allowed us to train ourselves to analyze, diagnose, intervene and resolve in a comprehensive way the cases that arise.

Additionally, the Transparency Line has been extended to suppliers so that they can report any type of irregularities, accompanying them with training that allows them to use this channel more easily.

*We are an open door organization, **we count on our leaders to take care of our Principles and Values.***





## REPORT MANAGEMENT AND ESCALATION PROCESS

We received 332 reports that were managed through the transparency model, allowing the correction of 160 cases in which merit was found for these complaints. In 34 of these, disciplinary actions were applied such as: Warning, suspension of contract or termination of contract.

**This is how our model works:**







## REPORT CATEGORIES

We actively encourage the use of the Transparency Hotline, and we are proud to know that our people acknowledge it as a communication tool within a safe environment where all their concerns are heard.

**Accordingly, reports are classified into the following categories:**



Categories	No. of cases with corrective actions
Work Environment	94
Labor Harassment	0
Non-compliance with HR policies	20
Conflicts of Interest	5
Abuse of Position	10
Discrimination	4
Sexual Harassment	0
Human Rights	0
Threats	0
Fraud	6
Procedural Fraud	8
Computer Crimes	0
Damage to Corporate Identity	6
Bad Business Practices	7
Third Party Irregularities	0
Anti-Money Laundering and Counter Terrorism Financing	0
Breach of Controls, Laws, and Regulations	0
<b>TOTAL</b>	<b>160</b>



## Corrective or disciplinary measures applied in the event of breaches of the Code of Ethics

2024		
Cases identified from the transparency line		
Corrective Actions	Number of people	%
Action Plan	135	72
Relocations	17	9
Warning	11	6
Contract suspension	5	3
Contract termination	18	10
<b>Subtotal</b>	<b>186*</b>	<b>100</b>
Cases identified from other sources of information		
Contract termination** (Regularoty breaches)	69	
<b>TOTAL</b>	<b>255</b>	

\*Actions are calculated based on the number of people.

\*\*The number of this corrective action pertains to the cases that were received through other sources of information and involved non-compliance with regulations.







## GOVERNANCE MODEL

Cases are handled by the following areas: **Audit, Human Resources, and Compliance**, as well as by the leaders of the individuals or teams involved in the report.

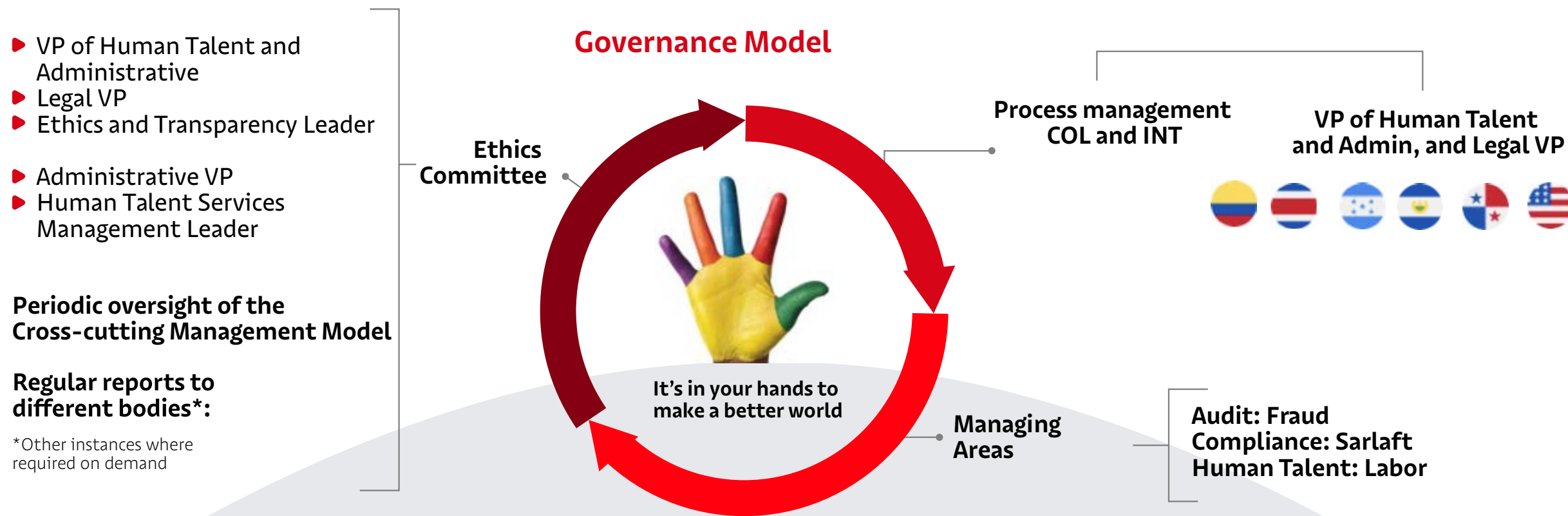
The **Ethics Committee** complements the **governance model** by regularly overseeing the model and ensuring that processes are carried out as expected, providing

guidance, and issuing recommendations under the premise of **zero tolerance for behaviors that contravene the Principles and Values, and the Code of Ethics**.

We periodically submit performance reports to various organizational entities, such as: **Group President, Bank President, Audit Committee**, among others.

When, during the management of a case, we identify opportunities for improvement in a person, we design a support plan with corrective actions that address the root cause of the reported situation, promoting their growth and reinforcing the importance of Principles and Values.

If, during a case intervention, opportunities for improvement are identified for an individual, a **follow-up plan** is drawn up containing **corrective actions** to address the root cause of the reported situation. If an investigation reveals non-compliance with policies, failure to comply with procedures, or unethical behavior, appropriate actions are adopted commensurate with the nature and severity of the situation, always ensuring due diligence.





## Diversity, Equity, and Inclusion Policy and Programs

# *In Our Home, we build a world that values difference*

We updated our representativeness survey for Colombia, and in the Diversity, Equity, and Inclusion (DEI) chapter—specifically in the section on interests and affinities—**8,420 people** participated, representing **65.5%** of the total population. The following are the results:

- ▶ **Gender:** 61.1% women and 38.9% men in Colombia.
- ▶ **Ethnic Groups:** 8.4% in Colombia (based on 7,512 respondents to this question).
- ▶ **Sexual Diversity:** 6.5% in Colombia (based on 7,614 respondents to this question).
- ▶ **Disability:** 0.3% (based on 7,017 respondents) identified as having a disability at the national level.







We reaffirmed our commitment to DEI through the policy *The World Is Our Home—Let's Make It More Prosperous, Inclusive, and Green* from within our operations. Likewise, we are transforming Human Talent experiences in a comprehensive way, with the aim of impacting the multiple dimensions of the self.

To achieve this, we focus on four specific pillars:

### **We continue working on the identification of unconscious bias:**

- ▶ We trained **286 Human Talent team members within the organization** to recognize and mitigate unconscious patterns.
- ▶ We connected the statement “In our home, we build a world that values difference” with our leaders through an Inclusive Mindset and Leadership pathway, transforming unconscious bias across **836 leaders and more than 11.9 thousand people throughout Davivienda** who have been trained and sensitized on DEI fundamentals and inclusive language.

*We transform the experiences of Human Talent **to impact all the dimensions of being.***

### **We created inclusive experiences**

We aligned our human talent processes to deliver better experiences, such as:

- ▶ We launched the first Rojotú Neutral collection, allowing individuals to choose clothing according to personal preference—breaking stereotypes and reaffirming that we can be who we are and feel good doing so.
- ▶ We adapted to the specific needs of children and their families by transforming our **Recreational Vacations** into an experience “**Without Barriers**”, offering unique moments of joy, connection, and care—regardless of abilities—and providing access to specialists for support throughout the experience.
- ▶ We reimagined International Women’s Day as the **Week of Essence**, celebrating authenticity and creating meaningful moments to express gratitude, recognize talent, and highlight diversity—impacting more than 11,000 people.







## We gave gifts free of stereotypes

- ▶ During **Children's Day**, we delivered gifts to more than **5,000 children**—intentionally free from gender and color stereotypes—nurturing a sense of diversity and freedom of choice from early childhood.
- ▶ In our **Quinquennial<sup>25</sup> Celebration**, over **1,800 people** were empowered to freely choose their gifts without **gender-based assignments**, ensuring celebrations that were not only memorable, but genuinely personal and inclusive.

## We supported a strategy that drives the business

- ▶ We generated direct business impact by certifying **more than 40 leaders**, in partnership with the IFC, in the design of Inclusive Products for Priority Groups—advancing two United Nations Sustainable Development Goals: SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities).
- ▶ We trained **348 team members across branch offices and call centers** in inclusive customer service with a differential focus.

## We formed the Diversity, Equity, and Inclusion (DEI) Cell

- ▶ We established a **cross-functional working group** to lead our DEI efforts, made up of teams from: Service, Human Talent, Occupational Health, Learning, Marketing, Design Lab, Financial Education, Administrative, Procurement, Daviplata, and Communications. This collaborative space has allowed us to **identify ongoing efforts, co-create new initiatives, and set shared goals in alignment with our DEI policy**.
- ▶ Throughout the year, we deepened our DEI-driven initiatives with our stakeholders across multiple fronts. Among them, we highlight:
  - ▶ **Suppliers:** We advanced in the development and implementation of our sustainable performance assessment tool focused on ESG and DEI topics, with coverage in Colombia and Central America.
  - ▶ **Talent Management and Learning:** We implemented strategies to foster inclusive mindset and leadership, along with awareness sessions on unconscious bias.

<sup>25</sup> Quinquennial: each year we celebrate our people's dedication and long-term commitment.





- ▼ **Customer Service:** We enhanced our service approach for customers with disabilities, older adults, and individuals with priority care needs.
  - ▼ **Wellbeing and Financial Education:** We designed educational programs and tools that are accessible to all segments.
  - ▼ **Digital Experience:** We strengthened our design, content creation, and development processes by aligning them with accessibility standards.
  - ▼ **Customers:** Through initiatives like SMEs led by women, we promoted the growth of women entrepreneurs with programs such as Creciendo Juntas and Mi Empresa Mujer, supporting their development and long-term sustainability.
- ▼ In parallel, we developed a **training pathway** in partnership with the IFC focused on unconscious bias, **with participation from over 40 leaders across these teams.** This process strengthens a shared vision and builds capabilities for the implementation of more effective strategies.

*Abordamos 4 ejes particulares  
para **transformar la experiencia  
de Talento Humano.***







## Support Programs

# Here, we take care of our **WELL-BEING!**

We are constantly working to support the holistic wellbeing of our people, promoting quality of life through **experiences and programs designed to inspire and transform**. This approach creates an environment where individuals feel valued and connected to the organization. For this reason:

- ▶ We offer an environment where each person has the opportunity to learn, grow, and thrive—with **competitive compensation**.
- ▶ We create opportunities that transform the personal and professional lives of our people and their families, with a **comprehensive offering** that fosters learning, development, and innovation—supporting each person on their journey to grow and dream.

- ▶ We offer **programs designed for learning, wellbeing, and the development of competencies, skills, and financial security**.

***We live our values  
and provide spaces of  
well-being and  
development.***







## STRESS MANAGEMENT AND MENTAL HEALTH CARE

We developed a **personalized Mental Health Program** based on specific needs identified through Psychosocial Risk and Mental Health assessments conducted in 2023. The purpose of these surveys was to offer resources, activities, and tools that promote positive-impact experiences, strengthening emotional balance both inside and outside of work.

This is how we established **“Mental Health Tuesdays”**—a weekly space dedicated to emotional care and support. During these sessions, we provide specific tools and resources tailored to each population group, with differentiated approaches for the commercial network and administrative areas, based on the nature of their roles, challenges, and objectives.

***Mental health is a priority, that's why we develop programs and tools to take care of it.***

This strategy offered a range of impactful experiences:

### ***Mental Health Training***

To raise awareness about the importance of mental health and reduce associated stigma, we implemented a training program through UXplora. The four-month program ran from August to November 2024 and offered practical tools and psychoeducational strategies focused on emotional regulation, self-care, and strengthening resilience.

### ***Mental Health Self-Care Tools***

Leveraging our internal communications channels and with the goal of promoting mental health self-care, we launched two key initiatives: **“Calm mind”**, featuring short ten-minute videos, and **“Powerful Clips”**, offering three-minute capsules designed to provide practical support tools for mental and emotional wellbeing.

These materials covered meditation techniques, breathing exercises, and the promotion of tools and support networks, among other strategies aimed at fostering emotional balance in both personal and professional life.

### ***Mental Health Support and Intervention through the Family Counseling Center (COF)***

In partnership with the **Family Counseling Center (COF)**, we implemented a comprehensive emotional support plan tailored to address a range of identified emotional needs. The plan included key services that promoted psychosocial development and strengthened mental health, generating a positive impact on the lives of our internal talent.



These services included:

**Psychological Counseling:**

A space led by clinical psychologists offering guidance and emotional support related to personal development, relationships, family, and other matters. In 2024, a total of 5,288 sessions were provided.

**Emotional First Aid Hotline:**

Immediate support services managed by clinical psychologists, designed to assist in emotional emergencies. A total of 26 calls were received during the reporting period, ensuring timely support.

**Advisory Chat via WhatsApp:**

A confidential and accessible communication channel through which 115 orientation sessions were delivered, facilitating easier access to emotional support.

**Tailored Workshops:**

Custom-designed spaces addressing various needs, focused on building awareness around the importance of mental health in both professional and personal contexts. Participants included:



**Leaders:** 2,461 people trained in topics related to emotional leadership and team support tools.

**Teams:** 5,988 training hours delivered through workshops on emotional resilience, self-leadership, grief management, psychological first aid, among others, with participation from 5,229 individuals.

**First responders:** A specialized neuro-emotional agent workshop for emergency brigades, human talent leaders, and other staff serving as emotional support—836 participants were trained.





## FLEXIBLE AND HEALTHY WORKSPACES

To support flexibility for teams in administrative areas, **95% of our people benefit from a hybrid work model**, promoting work-life balance while ensuring that all work environments remain safe and healthy.

We provide access to **gyms, medical centers, and a dental center offering oral health services**, general medicine, and sports medicine to more than 7,000 people

### Lactation Rooms

We provide welcoming, safe, and supportive spaces for breastfeeding mothers. As of now, we have 14 lactation rooms nationwide and one under construction

in Bogotá, who can access these services quickly and conveniently.

We also offer wellbeing rooms for recreation, as well as open, collaborative spaces that foster co-creation, knowledge sharing, and teamwork—in a modern and vibrant environment.

across various administrative sites. These spaces remain certified by the Bogotá District Health Department, in accordance with established standards.

## HOUSING

We offer benefits such as the **Housing Program**, so that everyone can achieve the dream of owning a home.

	Employees	Amount
Rate benefits for home purchase	3,098	8,947
Deed registration assistance	721	1,927

1. \*Consolidated Figures – Colombia and International Subsidiaries, 2024
2. \*Figures in millions of Colombian pesos





### *Talent loyalty programs*

## *Here, we feel Davivienda Pride!*

### **ROJOTÚ, A LIFESTYLE**

In 2018, “Rojotú, a lifestyle” was born—an organizational transformation strategy that, through looking good and feeling good, promotes healthy eating, sports, sustainability, mobility, and emotional wellbeing. Its goal is to create a positive impact on our people, their families, and their surroundings through the following initiatives:

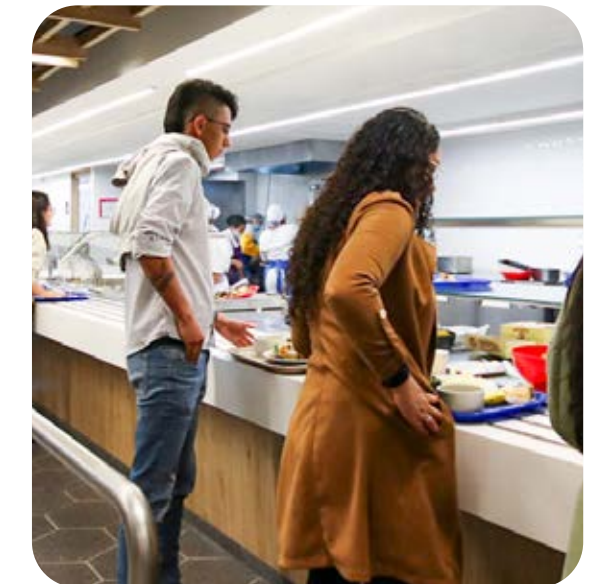
*We have loyalty programs **to support and retain the best talent.***





## Looking Good and Feeling Good

- ▼ **Rojotú Collections:** We launched a clothing line that helps us look good and feel good. This collection is distributed annually to more than 17,000 people. Every year, the designs are refreshed and created by top Colombian fashion designers, supported by a network of entrepreneurs.
- ▼ **Fashion centers:** We designed 34 fashion spaces to deliver the collections, offering beauty services, healthy food options, image consulting, and emotional wellbeing spaces—reaching 10,000 people across Colombia and Central America.
- ▼ **Rojotú Challenge:** We created a friendly competition to deliver a sports experience. In its fourth edition, it brought together more than 3,850 people, competing in road cycling, mountain biking, and athletics—taking sports to the next level.
- ▼ **Gym partnerships:** We have sports partners that offer gym membership benefits. Currently, we have over 3,771 active memberships, subsidizing 40% of the cost of various plans as part of the benefit.
- ▼ **Healthy eating:** We've installed more than 46 healthy snack machines across Colombia, providing free nutritious options to promote better eating habits.







## FAMILY

- ▼ **Theater, Modern Dance, and Folk Dance Groups:** We created dance and theater groups that showcase the essence of who we are through talent and expression—sharing joy through art, diversity, and culture.
- ▼ **Family Day:** In Bogotá, we hosted experiences full of fun, entertainment, and connection for our people, their families, and even their pets. The event brought together more than 9,995 attendees to celebrate Family Day.
- ▼ **Enhanced Maternity and Paternity Leave:** We offer maternity and paternity leave benefits that go beyond legal requirements, with the goal of strengthening family bonds. Our maternity leave includes seven additional paid business days upon returning to work, and paternity leave includes four extra business days beyond what is required by law.
- ▼ **Starting in June 2024, we expanded these benefits even further:** maternity leave was extended to eight additional business days, and paternity leave to six additional business days. This initiative is designed to give families more time to connect and care for their newborns during the earliest, most meaningful moments. In 2024, 179 families benefited from maternity leave and 106 families from paternity leave.

- ▼ **Osito Pardo Nursery School:** Jardín Osito Pardo is an institution that provides safe spaces for comprehensive early childhood development, backed by a team of passionate and dedicated professionals who guide children along their physical, emotional, and intellectual growth journeys. It supports families within Grupo Bolívar by offering education and care for children between 2 and 5 years old. Located in Bogotá, it currently serves 190 families.



*In 2024,  
**179 families**  
benefited from  
maternity leave  
and 106 families  
from paternity  
leave.*





## Talent attraction and retention

# Here, we know we create more value by working together!

We're committed to strengthening internal talent by promoting development, growth, and access to the best opportunities. To achieve this, we evolved our selection process with a focus on continuous feedback and the enhancement of specific skills through self-management.

*We achieved **645 promotions** and **84% internal mobility**.*

- ▶ We redesigned our operating model to focus on capitalizing internal talent. We developed a new ecosystem called “**Hunt-In**”, which enables us to effectively meet the organization’s talent needs by accurately identifying employee profiles and efficiently matching them to open roles.
- ▶ We implemented a feedback tool to identify gaps in candidate profiles during the selection process and connect them to the organization's learning pathways—making self-development easier. This tool, called “**Feedback,**” **supports self-management using generative AI (GPT)**, combining selection results with global knowledge.
- ▶ We promote inclusive hiring practices—our main goal is to ensure that individuals find the right role based on their knowledge, strengths, and passions. From a DEI perspective, we champion a bias-free process, guided by our Code of Ethics and Transparency.
- ▶ We view our team as a strategic pillar in Talent Management. Thanks to this approach, we achieved **84% internal mobility, enabling 645 employees to grow into new roles**—distributed evenly with **50% women and 50% men**. Additionally, we welcomed **1,286 new team members** into the organization.



Within this framework, our **“An adventure to Cre-Ser”** program in 2024 became a strategic pillar for driving talent mobility. It focuses on identifying five key potential factors through a gamified experience: learning agility, adaptability, strategic thinking, influencing skills, and a growth mindset. Each participant received personalized feedback with specific recommendations to support self-management and the strengthening of their potential. The initiative reached 135 people across different areas.

- ▶ We also developed a strategy to assess and strengthen commercial capabilities through personalized feedback. This approach is aligned with the organization’s development portfolio and promotes **self-management as a key driver of productivity. In partnership with the “Desafíate 24X” program**, this model has positively impacted 138 people.
- ▶ We are committed to young talent, whose energy and innovative thinking help keep us at the forefront of product and service development.



**641 individuals participated** in the **“Intern Experience”** program, gaining specialized experience across key areas:

**Analytics (261):** Developing skills to analyze data and generate insights.

**Innovation (174):** Focused on designing digital experiences.

**Technology/Digital (94):** Solving challenges related to financial products.

**Finance (112):** Specializing in financial analysis, critical thinking, and innovation.



**99 students were** selected for a specific phase of the program, designed to identify and develop those in the final stage of their academic journey. Through this initiative, we assess and support individuals seeking to complete their professional internships—creating value for both the participants and the organization.

This strategy not only strengthens internal processes and fosters innovation, but also ensures continuity for 30% of interns, who are permanently integrated into the company—promoting internal mobility and enhancing employability.

Each year, we bring in approximately 432 new talents through innovative assessment tools that ensure the selection of strategic profiles.

Within this initiative, the **“Nativos Davivienda”** program—targeted at young trainees from SENA—enables us to attract new team members annually. These efforts reinforce our commitment to a culture of continuous learning, innovation, and excellence, positioning us as an organization deeply invested in the holistic growth of its people and in sustainable development.



**Training and Development**

*Here, we are constantly transforming and unlocking our potential!*

We cultivate and develop top talent by strengthening organizational skills and enhancing technical and leadership capabilities—empowering our teams to drive digital transformation, analytics, and innovation across the organization. Below, we share the average figures for our key performance indicators:

**Colombia**

Total investment	COP 13,486,725,086 USD 3,058,804
Investment per employee	COP 1,022,671
Investment per employee	USD 232
Average training and development hours per employee	34

**International Subsidiaries**

Total investment	COP 4,401,551,531 USD 998,277
Investment per employee	COP 938,823
Investment per employee	USD 213
Average training and development hours per employee	32

These results reflect the positive impact of our training and development initiatives, which have strengthened skills and improved overall efficiency. The organization will continue investing in learning programs to ensure we are well-prepared to meet future challenges and contribute to the success of the business.



## TRAINING PROGRAMS FOR OUR PEOPLE

### *Corporate University – “UXplora”*

A digital ecosystem designed to drive talent development and strengthen key skills, fully aligned with the Bank’s strategic objectives. Its offerings include leadership programs, young talent development, certifications, and specialized training, as well as courses in sales and project management—essential for professional growth.

Through coaching, mentoring, and collaborative learning networks, UXplora promotes competencies such as respect for cultural diversity, adaptability to digital transformation, and support through role transitions. It also deepens knowledge in critical areas such as financial consumer protection, amplifying the impact of our people.

Thanks to UXplora, we’ve earned international recognition and awards in educational innovation, **positioning ourselves as a corporate learning model aligned with sustainability and the evolving demands of today’s world.**

### General figures

Training Strategy Results:

- ▶ We reached 17,082 people in **Colombia** and 4,392 in Central America (CAM), strengthening their commitment to the organization and their personal development.
- ▶ We achieved 96% completion of personalized learning plans, designed according to each person’s role.
- ▶ On average, each person dedicated 28 hours of training per year in Colombia, and 25 hours per person per year in international subsidiaries.
- ▶ We invested a total of COP 11.21 billion in Colombia, with an average investment of COP 883,000 per person.
- ▶ We allocated a total investment of COP 3.63 billion in international subsidiaries, with an average of COP 825,000 per person.
- ▶ We integrated three applications through the Teller Project, achieving COP 624 million in annual efficiencies and optimizing 63% of transactions through effective staff training.
- ▶ We implemented the Structural Payroll Loan Model, an initiative developed by students from the Analytics Faculty, which enabled the recovery of more than COP 9 billion in just three months, improving scoring models and reducing the likelihood of default.
- ▶ We supported role transitions across the commercial network, achieving 66% adoption of a new incentive model among Administrative Directors—aligned with the organization’s commercial and operational goals.





## Autonomy in Continuous Learning – “Self-Management”

We ensure high-quality training—both in-house and through external MOOC (Massive Open Online Course) partners—through a combination of mandatory and self-directed programs. This approach fosters autonomy and a culture of continuous learning.

The following milestones stand out:

- ▶ UXplora had a significant impact with **11,700 courses** designed to build **58 key skills**. We achieved an **83% self-directed learning rate**, based on 17,700 course enrollments throughout the year, with a 72% course completion rate.
- ▶ The English Business Academy by Platzi recorded **700 participants, achieving 200 official certifications**, strengthening English proficiency among individuals seeking to improve their language skills.
- ▶ Skills for the Future by Coursera reported a **98% completion rate across 200 enrollments**, focusing on **Artificial Intelligence and Adaptive Leadership**—a remarkable result compared to the MOOC industry average of 13%.
- ▶ Our learning podcasts promoted self-directed learning, leadership, and well-being, strengthening our organizational culture through an innovative, accessible format. We reached **1,700 total plays: “Voices that Inspir” grew by 318% (from 133 to 556 plays) “Listen to you” increased by 25% (from 765 to 958 listeners)**, reinforcing our commitment to organizational wellbeing.





## UXplora Tracks

We launched specialized tracks with strategic programs focused on mentoring, coaching, and learning groups to strengthen leadership, adapt key roles to digital transformation, and enhance education and skill development across the organization.



**UXplora Track:** We continue preparing teams for future challenges by developing role-specific technical and soft skills through the Track.

We boosted learning through 70 active programs and more than 800 updated soft skill courses. Over 1,500 learners self-managed their development, with 87% of enrollments directly impacting strategic business skills and key roles.



**Innovation Track:** We promote organizational innovation and internal talent through certifications and specialized programs.

- ▶ **1,061 people were certified in innovation methodologies with Pearson**, strengthening their skills to drive organizational change.
- ▶ 346 team members participated in **Disruptive, a program focused on transforming products and business models**.
- ▶ As part of the Innovation Awards, the **“Prepare your Pitch”** capsules trained 60 participants in advanced pitching techniques—reinforcing our commitment to innovation and internal talent. As a result, submissions to the Innovation Awards increased by 10%, rising from 522 in 2023 to 579 in 2024.



**Commercial Track:** We implemented key initiatives to strengthen commercial skills, optimize processes, and boost productivity—impacting thousands of people. Programs such as Teller Elevate and Role Transformation, along with sales training for commercial executives and regional projects, have enhanced efficiency, strategic development, and results aligned with the Bank’s objectives.

- ▶ **Commercial Skills:** The Commercial Skills Program trained 1,030 Branch and Administrative Directors across six key competencies within the commercial cycle, including consultative selling and objection handling.
- ▶ **Teller Elevate Project:** We modernized the CIM Teller system in 99% of the 496 branches, delivering personalized learning paths for each role. The upgrade included enhancements to Cliente 360, new signature and inventory modules, and an average of 80 minutes of training per person—optimizing both the customer experience and transaction efficiency.





This initiative generated COP 624 million in annual efficiency by consolidating three applications into one. Thanks to effective staff training, we optimized 63% of transactions and centralized processes within Teller Elevate and Cliente 360, resulting in a monthly reduction of 9.7 operational hours for trained profiles (tellers and administrative directors).

- ▼ **Bridging Gaps:** The “**Olympics We Are One 2023**” diagnostic strengthened understanding of our products and portfolio analysis capabilities—deepening profitable growth, margin management, and service excellence. We also launched 51 learning initiatives, impacting 5,452 team members with a 94% completion rate and 96% satisfaction.
- ▼ **Role Transformation – Administrative Director:** The **Role Transition Program** for 571 Administrative Directors, based on 30 learning experiences, improved commercial skills and strategic product knowledge. As a result, 66% adopted a new incentive model aligned with the organization’s commercial and operational objectives.

- ▼ **2024 Job Induction Program:** This program supported 712 new employees in key roles such as Administrative Director and Teller, achieving 88% completion, 72% adherence, and 93% satisfaction. Through 8 personalized learning paths, it helped strengthen their alignment with the bank’s culture, strategy, and competencies from day one. Among the 457 employees who joined the bank through October, 47% surpassed 51% of their targets in deposits, loans, insurance, and product count—highlighting the effectiveness of our onboarding and role preparation efforts.



*We developed  
51 learning  
learning  
initiatives and  
impacted a 5,452  
employees.*



## Additional UXplora Programs

**Expansion to Partners and Suppliers:** We made progress in expanding UXplora to our partners and suppliers, developing a training model aimed at strengthening their capabilities in environmental practices, governance, and DEI. As part of this strategy, we designed a governance framework and a tailored training plan specifically for this group, preparing them for implementation in 2025.

### Talent Transformation Program – Upskilling and Reskilling

We continue deploying a range of development and training strategies focused on Upskilling and Reskilling, providing tools that support organizational change and transformation—particularly in analytical and digital domains.

The evolution of roles is closely aligned with business needs, supporting sustainability and natural internal mobility. In doing so, we ensure a steady pipeline of talent ready to take on today's challenges and anticipate those of the future.

Our programs—recognized and documented by **Harvard Business School**—are considered a benchmark in the transformation of internal capabilities. We focus on developing individuals from non-digital areas, enabling them to fully dedicate themselves to learning without impacting their compensation.

To support this, we provide the tools and strengthen both technical knowledge and soft skills through digital, agile, and disruptive learning experiences. These journeys are supported by business leaders acting as mentors, with practical application beginning in the first month of training. As a result, we achieved 100% internal mobility and successful transitions of all participants into digital roles—such as software developers.



**Analytics Track (Upskilling and Reskilling 2024):** Iniciativa de formación y desarrollo totalmente digital, vanguardista y disruptiva, que apalanca el futuro del trabajo. Certificamos 665 talentos analíticos con esta facultad en roles como BI, ingeniería y ciencia de datos con un 100% en nivel superior y a 302 líderes analíticos en niveles amateur y expertos.







Highlight results:

- ▶ “Business Financial Manager” – An analytics tool that helps merchants understand their business context, customer life-cycle, market growth, and competitor benchmarks. This solution **generated over COP 500 million in savings, with 75% coverage.**
- ▶ Structural Payroll Loan Model – An analytics tool designed to evaluate scoring and assess default risk, enabling the recovery of more than **COP 9 billion in just three months**, while driving business growth and strengthening portfolio management.



**Digital Track (Upskilling and Reskilling 2024):** Through UXplora’s Digital Track, we accelerated Davivienda’s technological transformation by developing specialized talent and strengthening a digital-first culture.

Key achievements include:

- ▶ **166 certifications in Product Ownership, 148 in DevSecOps, 30 in Business Agility, and 18 in Agile Centers of Excellence (COE Agile).**
- ▶ 1,200 employees were reached through the Expert Consulting Program, with an 85% completion rate.

These accomplishments positioned us among the top **60 companies recognized by Vanguard Tech LATAM**, reinforcing our leadership in digital transformation and innovation.





## DEVELOPMENT PROGRAMS

We foster talent growth by enhancing organizational capabilities, specialized knowledge, and leadership skills. Our approach strengthens business acumen and supports the transition toward digital, analytical, and innovative environments.

### ***Development Model for Successors and High Contributor***

We ensure the readiness of successors and high-impact talent in strategic positions, safeguarding business continuity. To achieve this, we identify, prioritize, and develop individuals with the highest potential within the organization.

This comprehensive model is structured around the following phases:

- 1. Diagnosis:** We defined the criteria to identify 527 critical positions based on their strategic relevance, classifying them into *Strategic Leaders and Leaders of Leaders*, according to their level of contribution.

### **2. Talent Segmentation and Prioritization:**

- ▶ We defined the key knowledge and competencies required for both successors and the positions they are expected to fill, aligning development efforts with the organization's current and future needs.
- ▶ We established a framework that enabled us to define the success profile for 426 critical positions, aligning development plans with the business challenges ahead.
- ▶ We identified 391 potential successors in Colombia and designed targeted learning actions to close gaps in their individual profiles.

- 3. Development Paths:** We implemented agile and personalized development strategies, encouraging self-management and focusing on priority improvement areas based on the requirements of the roles to be assumed.



***To ensure the business continuity, we prepare successors and high impact talent in strategic positions.***





## Professional Evolution Plans for High-Potential Talent

We designed a growth experience tailored to high-potential talent: **the Professional Evolution Plan**. This methodology promotes self-awareness and equips individuals with tools to strengthen both soft and technical skills—empowering them to enhance their performance and expand their capabilities.

The plan offers a personalized training portfolio across four key areas: **Leadership, Experience, Business Capabilities, and Critical Knowledge**, aligned with both individual and organizational needs.

In the second half of 2024, **this initiative reached 155 people in Colombia**, delivering more than **2,070 hours of support**, distributed as follows:

- ▶ 226 hours of mentoring
- ▶ 100 hours of specialized workshops
- ▶ 392 hours of follow-up by Human Talent and direct leaders
- ▶ 1,359 hours of leadership development and strengthening activities

## Investment

Program	People	Investment
<b>PEP Program</b> A guided self-awareness methodology that provides tools for developing both soft and technical skills—serving as a launchpad to cultivate talent and unlock potential.	164	\$247,291,153
<b>SWAPS</b>	64	\$514,564,154
<b>NOVA: External Coaching</b>	22	\$112,012,214
<b>Soft Skills</b> Impact and Communication Mental Models Thought Structures	19	\$69,292,512
<b>UniAndes:</b> Sales Analytics Commercial Management Finance for Non-Financial Executives Customer Experience Innovation & Management Strategic Negotiations in Complex Contexts	16	\$50,000,000
<b>Universidad de Cambridge:</b> Strategic Thinking for Executive Directors Business Analytics Artificial Intelligence	11	\$67,026,096



Program	People	Investment
WOBI: World Business Forum	11	\$50,730,771
Executive Education Inalde CESA MIT	7	\$19,727,600
MOOC Platforms Coursera Inglés BSR	4	\$4,576,866

## Performance Evaluation

Through a multidimensional performance approach, we drive evaluation for development by assessing cultural fit, business contribution, development goals, skills, and organizational values. This comprehensive view of talent helps identify areas for improvement and triggers actions that support individual growth and the achievement of expected outcomes.

This evaluation process is carried out **annually** and includes two key stages: goal-setting and goal-closing. **Throughout the year**, conversations and feedback remain open and continuous between leaders and individual contributors through the “conversArte” strategy, which emphasizes quality, frequency, and purpose. This approach strengthens our feedback culture and ensures clarity on what is expected from each person—contributing directly to individual and business success.

*We identify opportunities for improvement **and generate actions that contribute to the growth and development of our talent.***

Thanks to conversArte, 84% of the objectives established at Davivienda are SMART.

The performance measurement process includes two evaluation flows, using a scale of: Exceeds, Meets, Partially Meets, and Does Not Meet:

- ▶ 90°/180° applied to individual contributors, includes self-evaluation, direct manager evaluation, and, where applicable, functional manager evaluation.
- ▶ 360° applied to leaders, includes self-evaluation, leader evaluation, direct report evaluation, and, where applicable, functional manager evaluation.

This methodology enabled us to close the 2023 performance measurement cycle with 93.4% completion in Colombia and national subsidiaries, and 99.9% completion in international subsidiaries. Additionally, by 2024, more than 89% of employees had defined their business objectives, ensuring clarity around expectations and how their work supports the organization’s strategic goals.







## Talent Injection

We facilitate the transition of professionals into digital and analytical roles by strengthening key skills such as agile learning, communication, teamwork, and critical thinking. We also create reflective and guided spaces to help individuals define their purpose and strengthen their personal brand.

**Talento 4.0:** A program designed for intermediate-level analytical and digital profiles, supporting their integration into strategic projects. In 2024, **96% of trainees successfully transitioned into new roles within the business**, contributing to the organization's ongoing evolution.

**Impulsa:** A learning space for those who have redirected their career paths toward high-demand analytical specialties. Last year, **100% of participants transitioned into new positions**, enhancing their profiles and aligning them with the company's future challenges.

**Summer interns:** A one-month immersion experience in our organizational culture for students from Colombia and abroad pursuing related degrees. Seven young talents contributed to business transformation while exploring their career paths and exchanging knowledge.

**Code Lovers : Where Technology Fuels Dreams.** We launched the third cohort of TechCamp, our digital talent incubator—a space where young, digital-driven talent develops their full potential. Powered by UXplora and guided by dedicated mentors, participants take ownership of their learning, strengthen technical skills, and close capability gaps to meet business challenges head-on.



In the first half of the year, we completed the training of the second cohort, which began in November 2023. During this cycle, 11 code-passionate individuals from non-digital areas acquired new knowledge, sharpened their skills, and contributed to strategic projects. By the end of the program, 100% had transitioned into digital roles as software developers—supporting the internalization of development teams and redefining their roles through their newly acquired capabilities.

In the second half of the year, we kicked off the third cohort, investing in the transformation of nine internal talents, participating from November 2024 through May 2025 in an Upskilling program comprising 109 training hours. Throughout this journey, they are strengthening their technical skills and tackling business challenges aligned with our digital transformation strategy. This process prepares them to take on new opportunities in technology-driven areas in the near future.

### Our Code Lovers Achievements::

- ▶ A capability model was designed and implemented to identify trends and business needs in technical skills, IT literacy, DevOps, Generative AI, Big Data, and Cloud. The model also enables analysis of key roles and turnover, aligning each development with business cases.
- ▶ Resources were optimized through the internalization of development teams, allowing us to execute projects such as Digital Onboarding, Mobile Credit Redesign, and the Davivienda Home Design System. This strategy generated **efficiencies of COP 1.62 billion in just six months** by eliminating the need for external vendors.
- ▶ The program received recognition in the Grupo Bolívar Innovation Awards 2024, in the category of Organizational Innovation, highlighting the transformation of capabilities and the program's impact on participants.
- ▶ The talent injection programs are now positioned as a strategic incubator, ensuring that the right capabilities are available at the right time to tackle complex challenges—and establishing Davivienda as a benchmark in the industry.





## LEADERSHIP CENTER PROGRAMS

The Leadership Center, as a cross-functional unit of Grupo Bolívar, brings together strategies to strengthen key competencies and align behaviors with the Leadership Model. In support of this, a total of 38,740 training hours were dedicated, with an average of 13 hours per leader. A culture of multiplier leadership was also promoted—where every leader is empowered to drive the growth of others, amplifying impact across the organization.

This year, essential competencies from the Leadership Model were prioritized and transformed into high-impact programs. Through these initiatives, **2,967 leaders were trained**, supported by a total investment of COP 1,252,846,638, distributed across a variety of strategies to enhance both individual and team development.

**173**  
leaders

participated in **Being an Inspiring Leader**, an initiative aimed at mobilizing teams toward exceptional results—achieving a significant increase in the Engagement Survey score, from 3.85 to 4.21.

**22**  
leaders

took part in **Cross Mentoring**, where 43% of mentors were promoted or transitioned into new roles. The program's in-house design also generated COP 630 million in savings.

**172**  
individual contributors

joined the first edition of **Developing Your Potential**, a program designed to strengthen leadership skills in non-managerial roles.

**1,241**  
leaders

participated in **Élite**, with 99% reporting improvements in leadership, engagement, and performance against key objectives.

**+0.15**  
increase

**The Agility Program**, built on a “learning by doing” approach, contributed to the development of an agile mindset in strategic teams—leading to a +0.15 increase in the Engagement Survey (from 4.19 in 2023 to 4.34 in 2024).



## ENGAGEMENT SURVEY – CONECTADOS 2024

For the past six years, we have measured **organizational engagement** to understand the emotional connection our people have with the company—and how this impacts productivity and business results. Through the **Conectados program**, based on the Gallup Q12 methodology, we evaluate this indicator and design strategies to position ourselves as the best place to grow and dream.

In the most recent survey, participation reached 95% across Colombia and all national and international subsidiaries. **The average engagement score was 4.41, reflecting an increase of 0.04 points compared to 2023.** This improvement is reflected in the engagement ratio, which rose to 17.5:1, surpassing Gallup's global benchmark of 13:1.

Currently, **70% of our workforce is actively engaged**, 26% are not engaged, and 4% are actively disengaged. In addition, our satisfaction index reached the 84th percentile, **with an average score of 4.61**, showing a deepening emotional bond between employees and the organization.

Overall, our engagement percentile improved from 71 to 74, positioning us as a standout in the industry.

At the team level, **more than 55% of work groups** (around 940 teams) are in the top percentiles of engagement, **highlighting the impact of effective leadership and a collaborative culture** on organizational performance.







In specific dimensions of the survey: The statement “I know what is expected of me” (Q01) reached the 91st percentile in the financial sector, demonstrating clarity in expectations and goals. The item “I have a best friend at work” (Q10) rose by 0.11 points compared to 2023, also landing in the 91st percentile within the industry.

## Engagement evolution

Engagement average

Year	1° - 24°	25° - 49°	50° - 74°	75° - 89°	≥90	Overall Teams
2024	5% 80 teams	14% 230 teams	27% 452 teams	26% 436 teams	30% 504 teams	1,702
2023	5% 71 teams	15% 220 teams	28% 418 teams	28% 408 teams	24% 353 teams	1,470

**We exceeded the Gallup's global standard for engagement ratio in the organization.**

As part of the follow-up to the survey results, action plans were prioritized in 352 teams that had been in the lower percentiles of the 2023 measurement. Upon reviewing the data, 67% of these teams (237 in total) showed improvement—positively impacting 2,028 people.

For the third consecutive year, Gallup recognized Davivienda as an Exceptional Place to Work, highlighting our commitment to employee well-being and experience. These results demonstrate how a highly engaged team significantly contributes to the achievement of strategic objectives, reaffirming our vision of building a people-centered organization focused on sustainable growth.





## Occupational Health and Safety

*Here, we promote a safe and healthy life for everyone!*

### CARING FOR OUR HEALTH

We offer a **Health Insurance Policy** that subsidizes between 70% and 85% of the premium, extending coverage to employees' families as well. This benefit provides access to preferential services, ensuring high-quality care anytime, anywhere—and currently **benefits 18,853 people in Colombia**.

As of July 2024, the policy was strengthened with the addition of a **24-hour Psychological Support Line** and the extension of psychiatric hospitalization coverage up to 60 days.

We also offer an **Optical Allowance** for the purchase of lenses and frames or refractive eye surgery, as well as a **Meal Allowance, ensuring healthy food options** at our workplace cafeterias.

Additionally, we provide a **Life Insurance Policy**, with the full premium covered by the organization. This coverage offers peace of mind in cases of total disability and financial support for families in the event of death.

### Investment in Health Benefits

	Employees	Amount
Comprehensive Health Policy	12,888	57,096
Optical Allowance	7,174	4,266
Meal Allowance	9,516	29,224
Group Life Insurance	13,804	7,074

1. \*Consolidated figures – Colombia and International Subsidiaries, 2024
2. \*Amounts in millions of pesos

We develop health promotion programs with a preventive focus, aimed at strengthening the culture of self-care and providing tools to support overall

well-being. These initiatives contribute to a safe and supportive environment that empowers personal growth and the achievement of goals.





## PREVENTIVE AND OCCUPATIONAL MEDICINE

Health is a priority. That's why we implement monitoring, analysis, and intervention strategies with an interdisciplinary focus that positively impacts overall well-being.

We carried out a range of actions to monitor health conditions:

- ▼ **Occupational medical exams:** Evaluations conducted by specialized personnel, benefiting around 6,400 people through telemedicine and in-person care.
- ▼ **Influenza vaccination campaigns:** 5,917 doses administered to employees and retirees.
- ▼ **Preventive and occupational medicine:** Prevention-focused strategies benefited more than 11,000 people in Colombia. These included epidemiological surveillance, industrial safety, ergonomic and workplace inspections, occupational follow-ups, environmental measurements, and training sessions focused on preventing workplace accidents and occupational diseases.
- ▼ **Epidemiological surveillance programs:** Targeted interventions to control and mitigate diseases associated with priority risks—such as psychosocial and musculoskeletal risks—reaching 100% of employees.
- ▼ **Comprehensive Cardiovascular Screening Campaign:** Assessments with general practitioners, at-home lab testing, nutritional guidance, and follow-up consultations conducted in Bogotá. This initiative enabled us to identify and reduce cardiovascular risks, promote healthy lifestyles, and prevent chronic illnesses.



## INDUSTRIAL HYGIENE AND SAFETY

We identify, monitor, and manage risks in the workplace to address requests, prevent incidents, and continuously improve working conditions. This process is carried out through on-site inspections and both in-person and virtual evaluations, ensuring safe and suitable environments for people's well-being.



### Key achievements:

**Hazard matrix updates:** We reviewed **100% of all workplaces and home workspaces**, enabling the implementation of specific controls and action plans to strengthen the work environment and optimize the Occupational Health and Safety Management System (OHSMS).

**“In My Hands” campaign:** We continued this initiative focused on preventing workplace accidents and illnesses. **All our employees received educational and practical audiovisual content** to reinforce the culture of self-care and compliance with management system objectives.

**Emergency plan updates:** We reinforced emergency plans at **527 work centers** through vulnerability analyses, developing more effective prevention and response strategies.

**Emergency preparedness:** We implemented action plans focused on providing a rapid and effective response to emergencies, offering tools for the protection of employees and their families.

Through these efforts, **we reached 100% of the workforce**, strengthening a culture of self-management and self-care at all levels.





## LEARNING AND TRAINING EXPERIENCES

We continue **developing training initiatives tailored to different work modalities**, addressing key topics such as mental health, road safety, emergency response, musculoskeletal injury prevention, breastfeeding, and onboarding and refresher training on the Occupational Health and Safety Management System (OHSMS). Key outcomes include:



**Increased training coverage:** A 9% increase in program reach was recorded—exceeding the projected target of 5%.

**Active participation by COPASST:** The 21 Joint Occupational Health and Safety Committees (COPASST) across the country proposed, supervised, and adopted measures to strengthen both physical and mental well-being. They also received training on OHSMS implementation, reinforcing their role through the promotion of occupational health policies and strategies.

**Experiential re-training space:** An interactive setting was developed to reinforce knowledge of the OHSMS, individual and collective responsibilities, and compliance with system measures. This strategy further strengthened the organization's culture of self-care.

*Through these initiatives, **we positively impacted around 10,000 people** across the country.*



## EXTERNAL AUDIT OF THE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

In November 2024, the Colombian Safety Council conducted an external audit of the Occupational Health and Safety Management System (OHSMS), aimed at assessing performance, identifying strengths, and establishing improvement opportunities to optimize implementation.

**The audit reported a compliance level of 98.12%**, reaffirming our commitment to physical, mental, and social well-being, as well as to the principle of continuous improvement.

In terms of occupational accidents, 188 incidents were recorded in 2023 and 198 in 2024, **remaining** within the annual goal of a maximum 2% increase. The most common injuries were related to same-level falls and collisions with objects, primarily affecting upper and lower limbs.

The medical leave absenteeism rate closed at 2.03% in 2023 and 2.35% in 2024, **meeting the objective of keeping medical-related absences below 3%.**

*The accident rate **remained below** the annual target.*

The following 2024 indicators on accidents and occupational illnesses reflect our ongoing efforts to strengthen health and safety in the workplace:

Indicator	Rate	Men	Women
Occupational Accident Rate	1.74	0.59	1.15
Number of Occupational Accident Events	197	67	130
Days of Absence Due to Occupational Accidents	1,078	260	818
Occupational Illness Rate	0.1	0.02	0.11
Number of Occupational Illness Events	14	2	12
Severity of Occupational Illness	0.02	0.002	0.017
Number of Deaths Due to Occupational Accidents or Illnesses	0	0	0
Absenteeism Due to Medical Reasons	2.35	0.64	1.71





Occupational Illness Risk Factor	Total Incidents	Men	Women
Musculoskeletal	13	2	11
Psychosocial	1	0	1
Auditory / Vocal	0	0	0

Occupational Accident Risk Factor	Distribution
On-site (Locative)	83
Public	84
Sports-related	20
Traffic-related	4
Biomechanical	2
Mechanical	1
Recreational	3
TOTAL SUM	197



*There were no occupational hearing or or vocal illnesses.*





Indicators	Rate	Quantity (Number)
Fatal Injury Rate from Occupational Accidents	0.000	0
Serious Occupational Injury Rate	0.363	7
Recordable Occupational Injury Rate	9.862	190

1. Rates calculated using a factor of 1,000,000, based on a total of 19.266.501 hours worked.

Among the occupational accidents with the most serious consequences, the primary risk factor was participation in sports events sponsored by the organization. To mitigate this impact, preventive measures were implemented at both the individual and environmental levels through the Sports Injury Prevention Program.

***We implement monitoring strategies, analysis and intervention with an interdisciplinary approach that impact on the integral wellbeing.***







## Human Talent Committee

# Here, we bring our Strategic Human Talent Plan to life.

The Executive Human Talent Committee serves as a strategic pillar guiding organizational management. It meets biannually to monitor the plan and priorities defined by the Office of the President, ensuring alignment of strategies, action plans, and initiatives to attract, retain, and develop top talent.

As an **“enabling” committee**, its purpose is to drive the company’s growth through exceptional talent management. It is composed of:

Position	Duties
President’s Office	<ol style="list-style-type: none"><li>1. Share the key focus areas and the strategic Human Talent plan for the year.</li><li>2. Review progress on the strategic plan, along with current challenges and opportunities.</li><li>3. Follow up on the commitments established in the previous session.</li></ol>
Executive Vice President of Human Talent	
Executive Corporate Vice President	
Executive Vice President of Personal Banking and Marketing	
Executive Vice President of Operations and Technology	
Executive Vice President of Risk	
Executive Vice President of International Business	
Executive Vice President of Commercial Banking	
Executive Vice President of Wealth Management and Treasury	

1. \*The Committee Chair may invite additional participants to specific sessions, depending on the topic.

This Committee is supported by a Leader and a Coordinator, who ensure its effective operation and the execution of its strategic agenda. They are also responsible for maintaining a structured schedule, facilitating meaningful discussions, defining key actions, and following up on established commitments.



# Human Rights

Our human rights risk management approach includes clients, the community, suppliers, and our own people—our human talent. To ensure the identification, assessment, and monitoring of potential risks, we rely on the Environmental and Social Risk Management System (SARAS) and our Human Rights Statement, both embedded in the policy *El Mundo Es Nuestra Casa: Let's Make It More Prosperous, Inclusive, and Green* within our operations.

*With SARAS we establish our controls to mitigate negative impacts.*

This framework sets forth our commitments, as well as the controls and processes to mitigate negative impacts. Each stakeholder group is addressed through tailored procedures, such as the transparency model for employees and the assessment of strategic suppliers. Additionally, our **due diligence process** considers the broader context, current regulations, interactions with various stakeholders, and best practices—placing special attention on vulnerable groups such as women, children, ethnic communities, migrant workers, and local populations.







## Oversight and Monitoring

Through SARAS, and in order to ensure compliance with our human rights commitments, we conduct periodic reviews of the projects financed for our clients as well as of our suppliers, verifying their performance and requesting additional information when necessary. So far this year, we have strengthened cross-functional collaboration to ensure the proper implementation of the stated policy and the follow-up of action plans.

From a human resources management perspective, **the protection of human rights** is grounded in the principles of **our transparency model**, which places people at the center of our management approach. This model enables us

to address and follow up on reports related to potential violations of the human rights recognized in our policy. All reports received through the transparency line were reviewed by the responsible areas. Where sufficient grounds were identified, **corrective and support measures** were implemented, upholding respect for human dignity and fostering trust.

***We promote and respect human rights, and we remedy any violation of human rights, especially those related to our business activities with our different stakeholders.***

## Ethics and Transparency Culture

Our commitment to ethics and transparency is reflected in the ongoing support we provide to everyone in the organization, promoting the active practice of our principles and organizational values. Through our **Code of Ethics**, we offer guidance to our people on matters such as ethical dilemmas, conflicts of interest, and the handling of gifts and hospitality, among others.

We held **121 discussion sessions across the eight regional offices in Colombia, reaching more than 2,000 people**. These spaces encouraged reflection on the shared responsibility for upholding the Code of Ethics, our policies, and our zero-tolerance statement regarding unethical behavior.

For more details about the Transparency Line, please refer to the chapter “*Living and Protecting Our Principles and Values Is Part of Our Essence*,” within the Ethics Compliance System.



## Human Rights Management in the Supply Chain

Human rights risk assessments also extend to our supply chain, through an environmental and social risk analysis applied by SARAS to strategic suppliers. During this year, the evaluation **did not identify any human rights violations** in contracted activities, reaffirming our commitment to responsible and sustainable practices.

*Strategic suppliers are also **part of our human rights risk assessment.***

## Human Rights Assessment in Clients and Communities

Human rights risk analysis is also integrated into the environmental and social risk assessment conducted by SARAS during credit applications. This process enables the identification of real and potential adverse impacts associated with the activities to be financed, as well as the verification of existing measures to prevent or mitigate those risks. (See section: SARAS definition, covered aspects, and figures).

As part of our due diligence, we encourage our financed clients to develop policies aimed at:

- ▶ Prevent discrimination and inequality.
- ▶ Ensure safe working conditions and appropriate work environments.
- ▶ Respect freedom of association.
- ▶ Foster constructive labor relations.

- ▶ Eradicate forced labor, child labor, and all forms of slavery.

*We identify adverse impacts in the activities to be financed **in order to prevent or mitigate them.***







## Human Rights Commitment to Ethnic Communities

The fundamental right of ethnic communities to decide on projects, works, or activities in their territories is a priority in our human rights management. For this reason, we ensure their participation in any initiative that may affect them, safeguarding their cultural, social, and economic integrity, and upholding their right to prior consultation.

We conducted periodic monitoring of three projects in Colombia that, due to their characteristics, require prior consultation. In addition, our credit and commercial teams were trained on the promotion, protection, and respect for human rights—reaffirming our commitment to an ethical corporate culture. *(For more information, see the SARAS section).*

*We are committed to an ethical corporate culture **by promoting respect for human rights.***





> Annual Report 2024

# Inclusion

*The world*  
is our  
**home**







We facilitate access for all to financial and non-financial services, promoting socioeconomic development, the construction and protection of their assets and the financial well-being of individuals, families, companies and communities where we are present, and we contribute to the construction of capital and social fabric, developing talent to build a country.





# Social Financing

As part of our **Sustainable Taxonomy**, we include activities that make a substantial contribution to the achievement of the social objectives of the countries where we operate.

To define these, we began with the criteria previously reported under our social portfolio (Women-led SMEs, Women's VIS, and VIS), and expanded them by referencing international frameworks such as the European Union's Social Taxonomy, the Social Bond Principles from the International Capital Markets Association (ICMA), and development bank credit lines such as those from Findeter and Financiera de Desarrollo Nacional (FDN), among others.

By broadening our eligibility criteria, we are able to mobilize resources that support sustainable economic development, addressing and mitigating the social needs and challenges that affect people's quality of life and well-being. At the same time, we contribute to reducing inequality, expanding access to decent work, achieving dignified living standards, and improving community well-being and overall quality of life.

This aligns with our sustainable business strategy, which promotes a just transition for all and socially inclusive economic growth. The results are presented disaggregated by the categories and subcategories where we hold outstanding loan balances.





## Social Portfolio Colombia – Sustainable Taxonomy

(Figures in COP billions)

Category	Subcategory	2024 Balance
Social Well-being and Financial Inclusion	Financial Inclusion and Economic Development	\$ 13,275.5
	Health and Education Services	\$ 218.0
Sustainable Agricultural Development	Agricultural and Rural Financing	\$ 518.6
Sustainable Energy	Access to Energy	\$ 313.3
Sustainable Water Management	Drinking Water Management	\$ 276.1
	Wastewater Management	\$ 132.6
	Mixed	\$ 78.7
Sustainable Infrastructure and Construction	Territorial Development Infrastructure	\$ 415.3
	Health and Education Infrastructure	\$ 430.3
Sustainable Transport and Mobility	Access to Public Transportation	\$ 494.4
TOTAL		\$ 16,152.7







In Colombia, **the social portfolio reached COP 16.2 trillion**, representing 71.6% of the sustainable portfolio and reflecting a 43.8% increase compared to the previous year. This growth is driven by two main factors. First, the expansion of the VIS and VIS Mujer credit lines, which grew by 24.3% and 21.2%, respectively. Together with the Pyme Mujer line, these three represent 82% of the social portfolio. Second, the broadening of eligibility criteria, which enabled the identification of additional projects and assets with substantial contributions to the social dimension.

Among these newly identified projects, one notable example is the **financing of construction, operation, and maintenance of health and education infrastructure**—captured under the category of Sustainable Infrastructure and Construction—as well as **the provisioning and equipment needed to operate and deliver these services**, categorized under Social Well-being and Financial Inclusion. Combined, these accounted for nearly COP 648 billion of the sustainable portfolio.

Another relevant example is the **COP 415 billion in financing for territorial development infrastructure, also under the Sustainable Infrastructure and Construction category**. This demonstrates our contribution to the implementation of development plans led by local governments, which include a **diverse range of initiatives such as road infrastructure, parks, and sports facilities**—all aimed at improving the quality of life in urban communities.

*Sustainable development  
is the achievement of  
economic growth that  
leaves no one outside the  
enjoyment of its benefits.*







## Social Portfolio Central America – Sustainable Taxonomy

(Figures in USD millions)

		2024 Balances			
Category	Subcategory	Honduras	Panama	El Salvador	TOTAL
Social Well-being and Financial Inclusion	Financial Inclusion and Economic Development	64.7	44.0	52.8	161.4
Sustainable Water Management	Drinking Water Management	0.6	0.0	0.0	0.6
<b>TOTAL</b>		<b>65.3</b>	<b>44.0</b>	<b>52.8</b>	<b>162.0</b>

On the other hand, the social portfolio in **Central America** reached **USD 162 million**, accounting for 33% of the sustainable portfolio, with a growth of nearly 38%, primarily driven by the significant increase in the affordable housing (VIS) line, which grew by 52.3% compared to the previous year.

**52.3%**

**fue el aumento de  
la cartera VIS en  
Centroamérica**





# Financial Inclusion

Our commitment to financial inclusion is grounded in ensuring access to and use of high-quality financial and non-financial products and services that are friendly, simple, and reliable—supporting the financial well-being of all people and businesses, without exception. We aim to accompany them through key moments in their day-to-day lives and life journeys, helping them achieve their goals and dreams.

At the same time, we recognize that some populations face specific challenges due to characteristics such as age, gender, gender identity, ethnicity, physical ability, or nationality, among others. Likewise, businesses of different sizes and levels of maturity may face access gaps—many of which are structural in nature. That's why we actively contribute to financial inclusion by acknowledging these unique circumstances and the particular barriers that certain segments face in accessing financial services.

Guided by the principles of universal design, we adopt differential approaches that can be intersectional and are linked to factors such as life stage, geographic location, and more. This allows us to: identify target populations, understand their needs, recognize existing gaps and barriers, and address their root causes—mobilizing actions that foster more inclusive access to banking.<sup>26</sup>

***We prioritize Inclusion as one of the 7 material issues, and Financial Inclusion as one of the 4 strategic business focuses.***

<sup>26</sup> The differential approaches considered can be found in The World Is Our Home Policy, Section 3.2, available at: <https://sostenibilidad.davivienda.com/politics/el-mundo-es-nuestra-casa.pdf>







## Our Commitment to Financial Inclusion

Through the *The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green from Our Banking Businesses Policy*, approved by the Board of Directors, we established a clear commitment to promoting access to and use of quality financial services for all—aimed at improving financial well-being and guided by the following principles:



- ▶ Innovate and expand the range of financial services available to all population groups, including those globally identified as underserved, by incorporating market research and customer feedback, and adapting delivery methods to meet specific needs and preferences.
  - ▶ Add value to our offering with non-financial services that enhance our customers' well-being, support decision-making, prevent over-indebtedness, encourage financial planning, strengthen resilience, and help build both financial assets and credit reputation.
  - ▶ Provide effective grievance mechanisms aligned with our service management model—designed to deliver reliable, friendly, and simple experiences to all customers.
  - ▶ Strengthen knowledge, skills, and capacities in our commercial teams to ensure warm, trustworthy, and clear interactions that enable customers to make informed decisions—countering any practice that could be considered improper or abusive.
  - ▶ Foster strategic partnerships with diverse stakeholders to further broaden the reach and positive impact of our financial inclusion strategy.
  - ▶ Always act in accordance with our values and principles, particularly those of respect, honesty, and fairness.
- We remain committed to driving innovation across our financial and non-financial service offerings, while collaborating with key stakeholders to help close structural social gaps, support social infrastructure, and advance territorial development plans—ensuring fair and equitable access to financial services for all.



## Results of Our Financial Inclusion Strategy

We highlight our commitment to financial inclusion, where all individuals—regardless of their unique characteristics—can access the benefits of a broad and high-quality financial offering. At the same time, we recognize the importance of understanding the access to and use of financial services by population groups that, due to geographic, cultural, age-related, or other circumstances, have experienced limited access. This understanding allows us to identify potential barriers and evaluate the evolution of our commitment to banking for all.

For this reason, we have profiled all our Personal Banking clients based on the differential approaches established in the policy “El Mundo es Nuestra Casa,” to understand their access to our comprehensive product offering. This exercise, currently limited to Colombia, shows the percentage of total clients in each differential group who have one or more products to manage money, save, invest, or access credit.

***We rely on technology and our innovation skills to design affordable products and services based on universal design principles.***





In general terms, **81.8% of the Bank's total clients** have products to manage their money, **40.6%** have savings products, **12.9%** have credit products, and **2.9%** have investment products. The breakdown by population group is presented below.



Differential approach	Population	Money management (%)	Savings (%)	Investment (%)	Credit (%)
<b>TOTAL CLIENTS</b>		<b>81.8</b>	<b>40.6</b>	<b>2.9</b>	<b>12.9</b>
<b>Life cycle approach</b>	Youth	90.5	31.7	1.1	9.5
	Adult	82.6	43.4	2.8	14.7
	Older adult	59.9	50.8	6.7	14.4
<b>Gender approach</b>	Men	83.9	37.3	3.1	12.1
	Women	78.3	48.1	2.6	14.5
	Non-binary / Trans	62.1	70.9	14.6	6.8
<b>Territorial approach</b>	Rural	93.9	15.2	0.8	3.2
	Urban	85.6	37.4	2.7	12.7
<b>Disability approach</b>	Persons with disabilities	54.3	84.8	9.2	27.1
<b>Otros enfoques</b>	Migrants	60.1	41.5	2	5
	Self-employed individuals	79.4	44.8	3.7	16.2



90.5%

**of our young customers have one or more money-management products**

Worth highlighting is that 90.5% of our young clients have one or more money movement products offered through our digital banking, surpassing adults by eight percentage points (p.p.) and older adults by nearly 30 p.p. In terms of credit, 9.5% of young clients hold one or more financing products, which is about five p.p. lower than the proportion observed among adults and older adults.

***We embrace differential approaches that can be intersectional and are associated with different aspects such as life cycle or geographic location.***

**From a gender perspective,** the percentage of women with savings and credit products is approximately two and 11 p.p. lower, respectively, than that of men. Conversely, a higher proportion of women hold money movement and investment products compared to men.

**Looking at territorial segmentation,** 12.7% of individuals in urban areas and 3.2% in rural areas have one or more credit products.







Comparing this information with market studies, national and international statistics, and other relevant data brings us closer to understanding our clients' challenges and needs, while helping us establish a defined baseline and set objectives, goals, and indicators for monitoring progress.

Innovating through this lens of analysis allows us to grasp the intersectional ties between differential conditions and the challenges our clients face in terms of service, usage, and access to financial and non-financial products. For instance, a young woman in an urban area and an older woman in a rural area face different challenges and opportunities in accessing the financial system. We are committed to ensuring that our offer of financial and non-financial services is truly universal.

Additionally, through the inclusion strategy of our digital neobank Daviplata, and its Environmental and Social Ecosystems, we achieved the following results, broken down by differential approach (for further details on this strategy, please refer to the Daviplata section).

Lifecycle Approach

Included Population	Product	Number of Clients Reached	Business Indicator
Older adults with DaviPlata	DaviPlata low-value deposit	1.8 million older adults with DaviPlata	23.5 million transactions - COP 3.7 trillion
Youth between 14 and 17 years old	DaviPlata low-value deposit	114 thousand minors between the ages of 14 and 17 enrolled in DaviPlata	3.5 million transactions - COP 227 billion
Youth between 18 and 29 years old	DaviPlata low-value deposit	4.8 million young people with DaviPlata	189.7 million transactions - COP 21.9 trillion





## Gender Approach

Included Population	Product	Number of Clients Reached	Business Indicator
Women clients	DaviPlata low-value deposit	9.7 million of our clients are women	317 million transactions-COP 41 trillion processed
Women who accessed credit through DaviPlata and women with microbusinesses	Low-value credit	3,335 women without a business accessed a credit product.	COP 6.5 billion disbursed to women without a microbusiness
		1,206 women with a business accessed a credit product.	COP 2.6 billion disbursed to women with a microbusiness

## Territorial Approach

Included Population	Product	Number of Clients Reached	Business Indicator	Partner
Rural population in the country	DaviPlata low-value deposit account	1 million DaviPlata clients live in rural areas of the country	17 million transactions - COP 2.5 trillions processed	International cooperation: USAID



9.7

**million of our customers are women.**





## Ethnic Approach



Included Population	Product	Number of Clients Reached	Business Indicator	Partner
Indigenous population of the Zenú community in the municipality of Tuchín, Córdoba.	DaviPlata low-value deposit account	13,927 registered clients	268,453 transactions - COP 38.8 billion in billed volume	ND
Residents of the archipelago of San Andrés, Providencia, and Santa Catalina.	DaviPlata low-value deposit account	<ul style="list-style-type: none"><li>▶ 25,341 total onboardings</li><li>▶ 18,992 individuals</li><li>▶ 6,349 merchants</li><li>▶ 40% of these clients belong to the Raizal population</li></ul>	<ul style="list-style-type: none"><li>▶ 1 million transactions</li><li>▶ COP 143.6 billion in billed volume</li></ul>	ICT Ministry Office of the Governor of San Andres Islands



## Other Approaches

### *Vulnerable Population*

Included Population	Product	Number of Clients Reached	Business Indicator
Beneficiaries of subsidy programs: Renta Joven, Local Government, and Guaranteed Minimum Income	Low-value DaviPlata deposit	530,000 beneficiaries	2.2 million payments - COP 720 billion
Individuals accessing credit from the financial sector for the first time	Low-value credit	400 (Nano) and 641 (ADS), for a total of 1,071 DaviPlata clients who received their first-ever credit in the financial sector	<ul style="list-style-type: none"><li>▼ COP 710 million (Nano)</li><li>▼ COP 88 million (ADS), for a total of COP 798 million disbursed</li></ul>







## Economic Activity

Included Population	Product	Number of Clients Reached	Business Indicator	Partner
Artisans	Low-amount DaviPlata deposit	24,036 registered clients	<ul style="list-style-type: none"><li>2.8 million transactions</li><li>COP 369 billion transacted</li></ul>	ND
Street vendors	Low-amount DaviPlata deposit	89,063	<ul style="list-style-type: none"><li>8.2 million transactions</li><li>COP 772 billion</li></ul>	
Marketplace merchants	DaviPlata account opening, interoperable QR implementation of DaviPlata and digital businesses as drivers of the marketplace economy	<ul style="list-style-type: none"><li>188,864 registered clients:</li><li>180,594 individuals</li><li>8,270 merchants</li></ul>	<ul style="list-style-type: none"><li>5.4 million transactions</li><li>COP 831 billion transacted</li></ul>	IPES Bogota Local governments from 50 municipalities

*We support the process of adopting digital tools for the commercialization of products and receipt of payments.*





## Migrants

Included Population	Product	Number of Clients Reached	Business Indicator
Migrant population	DaviPlata low-value deposit account	111,000 migrant clients registered with DaviPlata in total	111,000 migrant clients registered with DaviPlata in total

We adapted the linkage process **to guarantee access to the financial system, contribute to formalization and promote the financial inclusion** of this population group.







## Financial Inclusion in ZOMAC and PDET municipalities

We work to make our financial services increasingly accessible in all regions of the country, especially those with less financial access or that have been affected by the conflict. We support the efforts of the

Government and society to transform local economies and rebuild the social fabric, facilitating access to financial and non-financial services through close experiences and hand in hand with our allies in the territory.

### Daviplata points of access in ZOMAC and PDET municipalities

► **Development Programs with a Territorial Approach (PDET):** a special 15-year planning and management tool aimed at stabilizing and transforming the territories most affected by violence, poverty, illegal economies, and institutional deficiencies, thereby ensuring rural development in 170 municipalities.

► **Zones most affected by the armed conflict (ZOMAC):** The Ministry of Finance and Public Credit, the National Planning Department (DNP) and the Territorial Renewal Agency (ART) defined a group of municipalities deemed to be the most affected by the armed conflict.

We provide access to our financial service offering through banking correspondents located in 319 of the 344 ZOMAC municipalities (92.7%) and 159 of the 170 PDET municipalities (93.5%). In 2023, the number of Daviplata correspondent points of access in these areas increased by 6% and 9%, respectively.





Departament	ZOMAC Points of access	%	PDET Points of access	%
ANTIOQUIA	478	10.4%	333	10.6%
ARAUCA	400	8.7%	292	9.3%
BOLÍVAR	139	3.0%	129	4.1%
BOYACA	11	0.2%		
CALDAS	144	3.1%		
CAQUETÁ	412	9.0%	412	13.1%
CASANARE	169	3.7%		
CAUCA	247	5.4%	242	7.7%
CESAR	275	6.0%	368	11.7%
CHOCÓ	74	1.6%	27	0.9%
CÓRDOBA	86	1.9%	86	2.7%
CUNDINAMARCA	113	2.5%		
GUAVIARE	27	0.6%	27	0.9%
HUILA	98	2.1%	22	0.7%
LA GUAJIRA	322	7.0%	60	1.9%







Departament	ZOMAC Points of access	%	PDET Points of access	%
MAGDALENA	55	1.2%	387	12.3%
META	261	5.7%	71	2.3%
NARIÑO	332	7.2%	151	4.8%
NORTE DE SANTANDER	138	3.0%	114	3.6%
PUTUMAYO	161	3.5%	161	5.1%
QUINDIO	14	0.3%		
RISARALDA	40	0.9%		
SANTANDER	101	2.2%		
SUCRE	47	1.0%	47	1.5%
TOLIMA	169	3.7%	68	2.2%
VALLE DEL CAUCA	283	6.2%	144	4.6%
VICHADA	5	0.1%		
TOTAL	4.601	100%	3.141	100%



# Our commitment to financing projects aimed at benefiting women

## Details of the use of funds from the Social Gender Bond with the IDB:

In 2020, the Inter-American Development Bank (IDB) fully subscribed the Gender Bonds issued in the second market by Banco Davivienda. These resources are destined to boost women-owned small and medium-sized enterprises (SMEs) and to help women acquire low-income housing, as described in the reference framework for the issuance of the gender-focused social bond. This was the first issuance of a Gender Bond in Colombia with incentives tied to financing, wholly or partially, loans for women.

### Women-led SMEs

Eligible Project Categories	Indicator	Unit of Measurement	Overall Bank 2024	Use of Gender Bond (IDB) resources 2020-2024
Women-owned SMEs	Amount of loans outstanding Women-owned SMEs	COP (M)	\$958,221.2	1,612.2
	Number of loans outstanding Women-owned SMEs	#	14,218	11
	Amount of loans outstanding Women-owned SMEs	COP (M)	\$432,235.6	0
	Number of loans outstanding Women-owned SMEs	#	8,397	0
	Active Customers Women-led SMEs	#	8,870	34
	Active Customers Women-led SMEs	#	47,742	34





### Low-income housing and leasing (VIS) owned by women

Eligible Project Categories	Indicator	Unit of Measurement	Overall Bank 2024	Use of Gender Bond (IDB) resources 2020-2024
Low-income housing (VIS) owned by women (includes VIS leasing)	Amount of low-income housing for women loans outstanding	COP (M)	\$5,416,692.1	\$298,003.1
	Number of low-income housing for women loans outstanding	#	102,621	5,443
	Amount of low-income housing loans for women disbursed	COP (M)	\$1,368,312.2	0
	Number of low-income housing loans for women disbursed	#	15,259	0





Use of proceeds from the issuance to date

Eligible Project Categories	Indicator	Unit of Measurement	Overall Bank 2024	Use of Gender Bond (IDB) resources 2024 Balances
SMEs led by women	Amount of loans disbursed to SMEs led by women	Total amount of loans disbursed by the financial entity to SMEs led by women throughout the period.	COP (M)	\$9,430
Low-income housing (VIS) owned by women (includes VIS leasing)	Amount of loans disbursed to low-income housing (VIS) for women	Total amount of loans disbursed by the financial institution for low-income housing (VIS) owned by women throughout the period.	COP (M)	\$356,960





### Women-led SMEs key performance indicators

Eligible Project Categories	Indicator	Result
SMEs led by women	Number of customers with higher sales numbers – SMEs led by women	12
	Active SMEs led by women customers	8,870
	Active SME customers	47,742
	Total number of loans to SMEs led by women as a portion of the overall SME portfolio (%) (KPI)	18%





## Non-financial services that promote financial inclusion and access

### Emprende País:

In partnership with Fundación Bolívar Davivienda, the Emprende País Rural program strengthens Colombia's entrepreneurial ecosystem by boosting the competitiveness and productivity of small and medium-sized enterprises in key cities. The program promotes quality employment, supports the middle class, and encourages sustainable growth through direct support and collaboration with strategic actors in the business ecosystem.

**621** <sup>COP</sup> **8** trillion  
Total Alumni in alumni sales\*

**Estimated**  
**32K**  
jobs generated as of  
December 2024

**420** <sup>Present in</sup> **15**  
entrepreneurs are part of the network cities

### Emprende País Rural:

Strengthens rural small producer associations in Colombia by improving their living conditions and positioning them as key players in rural development. The program offers tailored services that enable product diversification, the adoption of innovative technologies, and process optimization—transforming their ventures into sustainable organizations that drive prosperity and well-being in their communities.

**37**  
associations

**+1.7K**  
members

**+6.9K**  
indirect beneficiaries

<sup>COP</sup> **+52**  
billions  
in sales

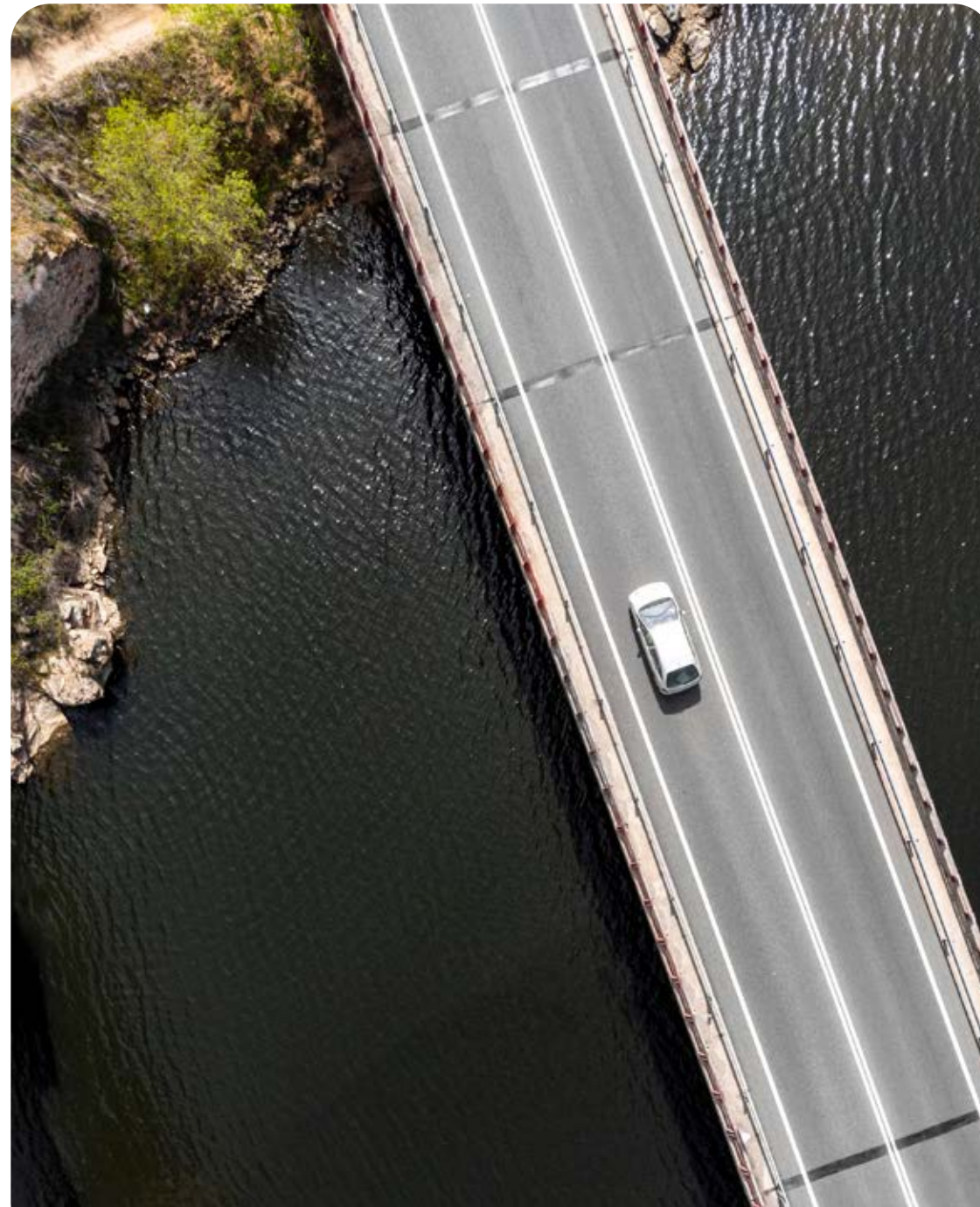
Active in  
**20**  
municipalities





# Sustainable Infrastructure

One of our greatest priorities is to contribute to the prosperity of the countries where we operate. As a result, we have positioned ourselves as a key financial partner in major infrastructure projects that drive development in Colombia and across Central America. These include roadways, ports, energy generation and transmission, and real estate projects, all of which enhance competitiveness and regional progress. In parallel, through our Developer, Corporate, and Business Banking units, we support our clients in their transformation journeys and the adoption of more sustainable practices.



## Social Infrastructure

Driving economic development, social well-being, and environmental stewardship lays a solid foundation for sustainable growth. Through the financing of infrastructure projects like those outlined below, we contribute to economic development, job creation, improved competitiveness, social inclusion, and the promotion of environmentally sustainable practices.

***We recognize our role in the financial sector and our ability to contribute to the mobilization of capital flows for the financing of the SDGs of the 2030 Agenda.***

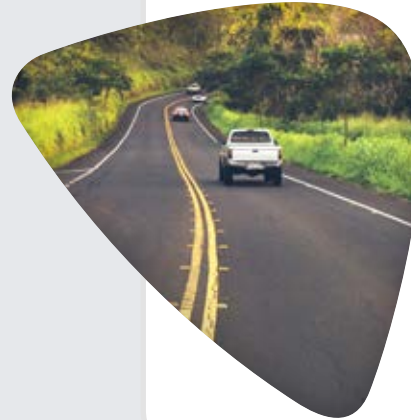


## HEALTHCARE



We participated in the financing of the Hospital de Bosa, Bogotá's first healthcare project developed under a Public-Private Partnership (PPP) model. This facility serves the community of the Bosa district—particularly low-income residents—with a catchment area of 2.3 million people. The hospital offers high-quality outpatient and inpatient services for the diagnosis and treatment of chronic illnesses such as cardiovascular, pulmonary, renal diseases, diabetes, and early cancer detection. Additionally, the project has generated over 1,568 jobs. The hospital incorporates sustainable infrastructure, including a rainwater reuse system through its own wastewater treatment plant (PTAR), and has received LEED Silver certification for its energy and water efficiency, waste management, and use of sustainable materials.

## ROAD INFRASTRUCTURE



Modern roads improve a country's competitiveness, regional connectivity, employment generation, and road safety. In recent years, we have financed several public and private road infrastructure projects, including the 4G highway concessions Pacífico 1, Pacífico 2, Conexión Norte, and Unión del Sur, as well as Public-Private Partnerships such as GICA, Túnel Aburrá Oriente, and Corredor Portuario. Our financing also supports builders, suppliers, and contractors involved in these developments.

## PORTS



We are proud to participate in the financing of Puerto Antioquia, one of Colombia's most important infrastructure projects in recent years. Located on the Caribbean coast, it is the closest port to the Panama Canal and to key economic regions such as Antioquia, the Coffee Axis, and Cundinamarca—which collectively account for 70% of Colombia's GDP. The port is expected to significantly reduce transportation costs and travel time, while stimulating economic growth in the Urabá region and boosting national trade connectivity. The project is forecasted to generate over 1,600 direct jobs during construction and 800 direct jobs in operations, while unlocking new business opportunities for the surrounding communities.





## PUBLIC SECTOR BANKING

Through our Government Banking division, we provide financing to local governments and their decentralized entities to help them achieve the investment goals set out in their Development Plans (Planes de Desarrollo – PD), contributing to economic growth and improved well-being across the regions.

Financing public entities allows us to channel resources into strategic projects throughout the country. Key operations in 2024 include financing to Transmilenio for COP 350 billion for the construction of the Calle 13 Transit Corridor; COP 52

billion for Acueducto de Bogotá; COP 82 billion for the Development Plan of the Governor's Office of Bolívar; and COP 50 billion for the Governor's Office of Cundinamarca, among others.

We continue working consistently to strengthen capabilities in key sectors, such as public marketplaces, and we provide support to improve their processes and advance their technological development—particularly in the tax and revenue areas of the government entities we serve.

## POWER

We play a significant role in the energy sector, providing financing for power generation projects across multiple technologies, including thermal, biomass, hydroelectric, and more recently, solar photovoltaic and energy efficiency initiatives. We also support energy transmission and gas transport projects. Additionally, we have

financed major companies that are active across the energy value chain and who develop projects on their balance sheets.

We highlight recent transactions in the field of Non-Conventional Renewable Energy (NCRE), including:

- ▼ Financing of two solar parks for Vatia
- ▼ Transactions in the secondary market of the Public Securities Market (MPV) with Celsia, Isagen, and Promigas
- ▼ Syndicated loans, in partnership with a Debt Fund managed by Corredores Davivienda, for EPM and Isagen
- ▼ Investments in capital expenditures (CAPEX) in the SPEC/Promigas regasification terminal in Cartagena
- ▼ Financing for energy transport systems with Transelco, transmission lines for Puerto Antioquia, and the regional power distribution company CEMAR in Cartagena
- ▼ Refinancing of the Regional Transmission System (STR) in Barranquilla and financing for Grupo Energía de Bogotá (GEB) and its partner ENEL



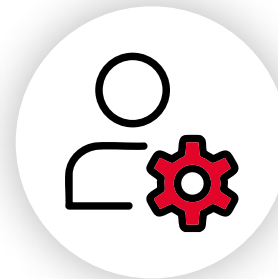


# Financial Education and Wellbeing

Financial education is the process through which people improve their understanding of financial products and services, concepts, and risks, while developing the skills and confidence to recognize threats and opportunities and make informed financial decisions.

For us, Financial Wellbeing is the state in which individuals are able to live the present with peace of mind, face unexpected events with security, and plan for the future with confidence—enabling them to achieve their goals and build wealth for long-term progress.

Financial education and financial wellbeing are essential components of the comprehensive development of both clients and communities. Our goal is to help people achieve balance across four key dimensions:



## Day-to-day management

Efficiently managing resources on a daily basis.



## Resilience

Being prepared to handle financial emergencies.



## Planning

Setting and reaching long-term financial goals.



## Confidence

Building a positive reputation within the financial system.





Our strategy complements the bank's offering with non-financial services that promote these dimensions at pivotal life moments. The objective is to empower clients with the knowledge and tools they need to achieve a financially balanced and sustainable life.

To accomplish this, we are guided by five fundamental principles to ensure that the experience is:



**Timely:** Be present at the moments when consumers are making financial decisions.



**Simple:** Create mental shortcuts that help turn learning into habit.



**Practical:** Promote financial products through simple and reliable tools.



**Personalized:** Tailor recommendations to each person's unique situation.



**Social:** Leverage social dynamics to reinforce positive financial habits.

Our priority is to support customers and consumers at key stages of their life journey. We implement a variety of strategies to strengthen their financial skills and knowledge by offering personalized solutions tailored to each stage.

▶ **During early childhood,** more than 55,700 children between the ages of 6 and 12 visited our portal [www.monetarium.co](http://www.monetarium.co), where they learned about budgeting, internet safety, and healthy payment habits—completing over 5,000 courses.

▶ **Among youth,** we supported more than 21,000 teenagers aged 14 to 17 in opening their first financial product. In addition, 2,474,000 young people between the ages of 18 and 29 engaged with our Finanzas en Jeans program, learning about money management through tailored content and participating in tournaments that applied their knowledge through hands-on learning.

▶ **For adults,** 8,181 people completed courses on [www.misfinanzasencasa.com](http://www.misfinanzasencasa.com) to help achieve their financial goals. We enhanced the platform by launching El Profe de Finanzas and a

self-assessment on Financial Wellbeing. This year, we also integrated these tools with Bolívar Seguros' Bolívar Contigo app and Davivienda's chatbot, leveraging the advantages of artificial intelligence.

▶ Additionally, 20,602 people expanded their knowledge in investment, pension systems, and green finance through educational content on [www.misfinanzasparainvertir.com](http://www.misfinanzasparainvertir.com). These resources are now available to all users through the app.

▶ **For entrepreneurs,** 1,674 small business owners and merchants completed 1,965 training resources, including modules on sustainable business and the digital economy—boosting competitiveness and innovation in their ventures.

▶ **Businesses:** Through our conference program, we conducted over 2,000 sessions across 1,186 companies, benefiting 73,911 people in Colombia, Costa Rica, El Salvador, and Honduras, and for the first time, expanding our reach to Panama.



## Nuestra gente

The **360° Financial Wellbeing Program** was designed to provide personalized support and solutions to our team members. This initiative aims to equip individuals with the tools needed to strengthen their financial stability and enhance their quality of life. To achieve this, we implemented the following key actions:

- ▶ Defined a comprehensive service model between the Branch Network and internal service channels.
- ▶ Executed a support plan in coordination with the Family Guidance Center (COF), Financial Education, the Employee Fund, and the Wellbeing area.
- ▶ Developed workshops for leaders, providing them with tools to facilitate financial conversations with their teams.
- ▶ Launched TED-style talks with experts focused on the importance of financial planning, reaching over 11,000 people.
- ▶ Offered personalized financial advice, assisting more than 3,500 individuals who requested support.

## Innovative and High-Quality Offering

We marked a milestone with the launch of Profe de Finanzas, the region's first virtual financial education assistant powered by generative Artificial Intelligence. Designed to empower individuals, this tool provides clear, timely, and objective guidance to help users better manage their finances, make informed decisions, and achieve their financial goals.

Its 24/7 conversational format eliminates barriers of time and complexity—and it's completely free. Throughout the year, this AI assistant responded to over 34,849 user queries across all age groups in the

countries where we operate. This initiative not only promotes financial wellbeing and strengthens ties with the formal financial system, but also positions the organization as a leader in educational innovation and habit-forming learning methodologies.

In addition, we advanced in structuring the Davivienda Financial Wellbeing Index, a tool that measures key dimensions of financial wellbeing. Inspired by international standards and tailored to our clients' needs, this index enables us to identify strategic opportunities to effectively enhance their quality of life.







Scope of Our Financial Education Program – 2024

2024	Colombia	Costa Rica	Honduras	El Salvador	Consolidated
Clients	20,340,798	15,718	163,573	608,654	21,128,743
Non-clients	2,311,933	114,499	74,271	46,784	2,547,487
Courses completed	10,942	5,089	2,824	1,352	20,207
Interactions	1,704,109	88,194	35,545	29,003	1,856,851
Companies	1,122	15	16	33	1,186

In Honduras, we received two awards for our contribution to Youth Financial Education, granted by the Ministry of Education and SOS Children’s Villages. In Colombia, we earned Level Two certification of the Financial Education Quality Seal, awarded by the Financial Superintendence (SFC) in the category of capacity building. This certification recognized four additional initiatives that positioned Davivienda among the top five in this ranking.

*More than 20 million customers have benefited from our financial education program.*





***We establish strategic partnerships that expand our reach, enabling us to serve more segments of the population***



More than 3,000 teenagers participated in in-person financial education fairs held in Tumaco, Villavicencio, and Leticia.



**Gobernación del Archipiélago**  
de San Andrés, Providencia y Santa Catalina

120 teachers from the island were trained in key financial education topics, benefiting primary and secondary students through experiential learning methodologies.



In Honduras, 400 young people completed 1,100 courses related to the content of Mis Finanzas en Casa and Finanzas en Jeans, as part of the “Creating My Future” program.



Over 1,100 shopkeepers from the retail chain were trained through virtual courses focused on customer service, e-commerce, small business accounting, and customer insights—supporting the growth of shopkeepers, their families, and their teams.



More than 25,000 people accessed relevant information about investments during the First Investor Week.



Also in Honduras, 300 vulnerable youth were supported through the Youth Can program.

In 2025, we will continue to implement measurable initiatives to promote financial education and well-being, with a special focus on the workforce in the countries where we operate. We will also roll out innovative solutions leveraging artificial intelligence to offer timely and effective support—benefiting individuals, families, and businesses in a practical and personalized way.

***We strengthen trust in banking and encourage the responsible use of financial and non-financial products and services.***





# Corporate Citizenship

We contribute to sustainable development and the well-being of communities. This approach integrates strategic programs in philanthropy, volunteerism, and financial education, led in partnership with the Bolívar Davivienda Foundation (FBD), as well as with other organizations that create impact in key areas such as education, culture, and childhood.

**Fundación  
Bolívar  
Davivienda**

In every country where we operate, we have a designated leader responsible for guiding and adapting these initiatives to the local context, ensuring that projects effectively respond to the specific needs of each community. These initiatives are developed under the governance of Davivienda’s Sustainability Committee, which oversees the strategies and ensures that every decision and action taken contributes to our established goals.

## Donations

As part of our philanthropy strategy, in 2024 we made significant contributions in the areas of education, art, culture, and childhood, helping to strengthen social organizations and reduce economic gaps within the communities we serve:

### Colombia

(COP millions)

Fundación del Arte y la Cultura	11,000
Fundación Bolívar Davivienda	4,366
Fundación Hogar Infantil Bolívar	3,334
Education – Universities	1,593
Others	748
United Way Colombia	177
<b>TOTAL</b>	<b>21,218</b>

**Central America:** USD \$246.9K were allocated to 28 local organizations working in key areas such as education, community development, health, and social inclusion.



## Volunteering

To strengthen the culture of volunteerism among our people, we consolidated a network of volunteer leaders across Colombia and Central America, tasked with driving participation within each Vice Presidency of the Bank. In the region, more than 4,800 team members joined various initiatives, contributing a total of 8,640 volunteer hours through the Bolívar Davivienda Foundation (FBD).

In Central America, we launched a pilot program for volunteer leaders to reinforce volunteering as a tool for personal growth and corporate citizenship. In collaboration with the Talent and Culture team and FBD, we formed a network of 26 volunteer leaders who coordinated and led 35 events focused on education, environmental conservation, inclusion, financial education, and childhood development, often using our Cultivarte spaces. This experience helped strengthen the regional model and lay the groundwork for expansion.

We also developed high-impact programs in alliance with FBD, aimed at building skills within individuals, communities, and organizations.

Other key initiatives included:

### Colombia:

- ▶ **Healthy Financial Habits:** 27 volunteers dedicated 217 hours to the Financial Education program focused on good financial habits, providing training tools to 1,244 workers in the construction sector to strengthen their ability to make informed financial decisions.
- ▶ **Financial Education for Youth:** 124 volunteers contributed 541 hours of their time to support 34 students from the “Becas al Talento” program and 31 musicians from the Colombian Youth Philharmonic. These sessions helped them deepen their understanding of personal finance management and responsible decision-making. As part of Global Money Week, we raised awareness among 3,635 children across 54 Cultivarte locations on topics such as fraud prevention, cybersecurity, and data protection.
- ▶ **Rojotú:** A total of 5,531 kilograms of clothing were collected and donated, including unused uniforms from the organization. These garments were delivered to 20 organizations associated with the Aflora program, benefiting more than 130 families in cities such as Bogotá, Armenia, Cali, Medellín, and Pereira.
- ▶ **Mentorship:** 75 of our team members shared their knowledge and experience with entrepreneurs, developing organizations, rural associations, and youth in employability processes through the FBD mentorship program, contributing 497 hours of personalized support.





> Annual Report 2024

# Natural Capital

*The world*  
is our  
**home**



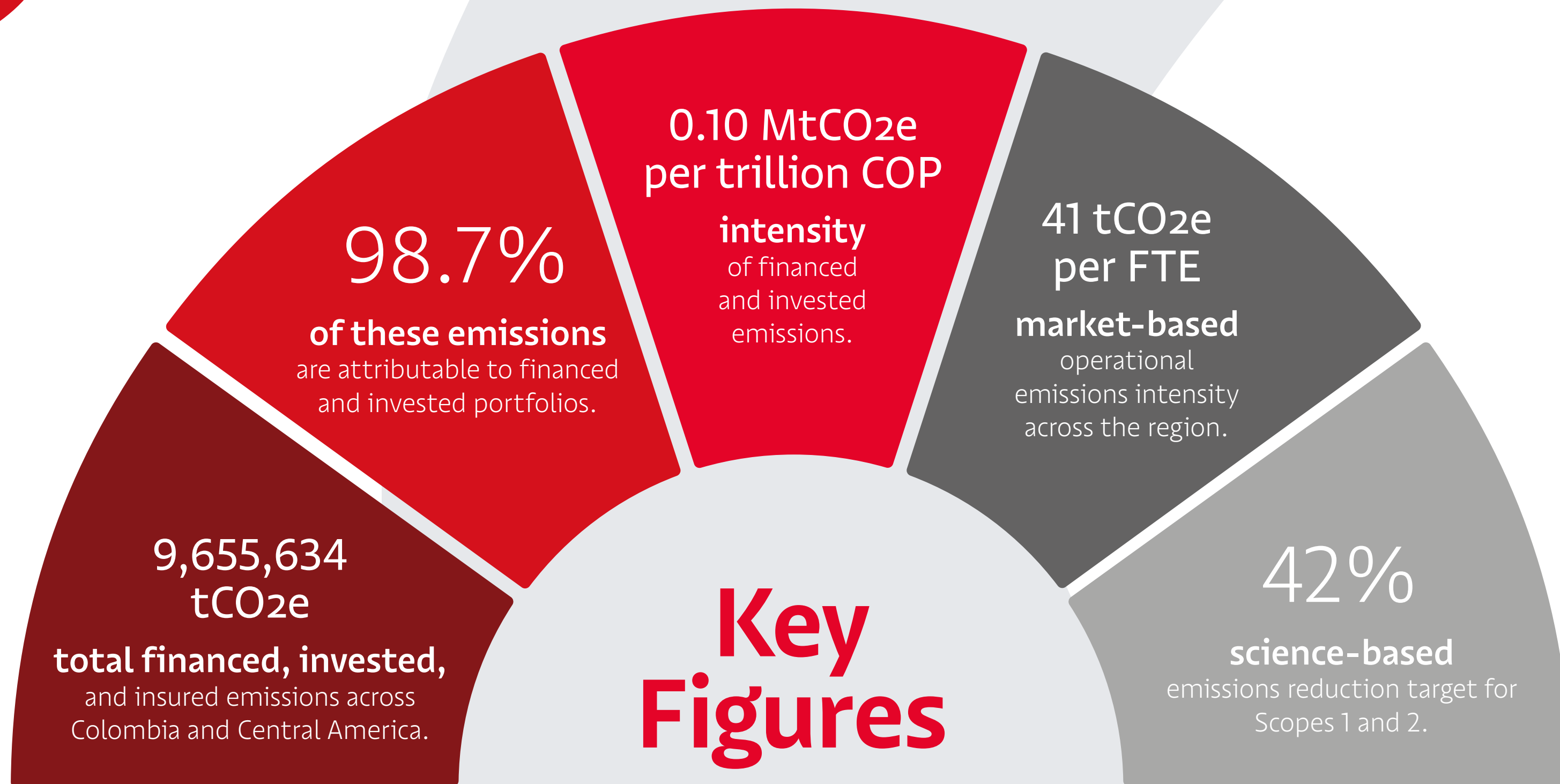




## Natural Capital

We promote business initiatives that contribute to the protection, conservation, restoration and regeneration of ecosystems and natural resources, as well as mitigation and adaptation to climate change. This leads to a resilient, low-carbon economy with positive results for nature.







# Green Financing



Our green financing strategy is designed to accelerate the environmental goals of the countries where we operate, channeling capital toward impactful solutions that address climate change mitigation and adaptation, land and water management, biodiversity protection and restoration, circular economy practices, and pollution prevention and control, among other critical areas.

As with our social financing, the scope of our green financing is defined by our Sustainable Taxonomy. This updated taxonomy builds on the six original eligibility criteria of our green portfolio-Sustainable Construction, Energy Efficiency, Renewable Energy, Clean Production, Sustainable Infrastructure, and Sustainable Agriculture. These categories were

reviewed and enhanced by aligning with international and national frameworks, including Colombia's Green Taxonomy (TVC) issued by the Financial Superintendency (SFC), the Green Bond Principles of the International Capital Markets Association (ICMA), and sectoral guidance from development banks such as Findeter and the National Development Finance Agency (FDN).<sup>1</sup>

The breakdown of our green financing is presented below by category and subcategory, starting with Colombia:

<sup>1</sup> The references considered for the expansion of green financing can be consulted in the Policy The World Is Our Home Section 4.2 available at: <https://sostenibilidad.davivienda.com/politics/the-world-is-our-home.pdf>





### Green Portfolio - Colombia | Sustainable Taxonomy

(Figures in COP billions)

Category	Subcategory	2024 Balance
Sustainable Agricultural Development	Sustainable Agricultural Practices	1,683.2
	Sustainable Livestock Practices	63.1
Sustainable Energy	Energy Efficiency	117.4
	Generation and Cogeneration	729.9
	Transmission and Storage	133.0
Sustainable Water Management	Wastewater Management	10.4
Sustainable Infrastructure and Construction	Certified Construction	3,206.7
Sustainable Production and Circular Economy	Waste Management and Circular Economy	15.5
	Sustainable Manufacturing	0.7
Sustainable Transport and Mobility	Low-Emission Transport and Mobility	222.5
Total Sum		6,182.4

In Colombia, the green portfolio reached COP 6.2 trillion, accounting for 27.4% of the sustainable portfolio and reflecting a 42.7% increase compared to the previous year. This growth is driven by two main factors: first, the expansion of Sustainable Construction and Green Mortgage lines, which grew by 34.0% and 128.1%, respectively-together representing 56% of green financing in the country. Second, the broadening of eligibility criteria allowed us to identify additional projects and assets that make a substantial contribution to environmental objectives.

In addition, we included in the green portfolio sustainability-linked loans-an instrument through which we establish environmental commitments with our clients.

### Sustainability-Linked Loans - Sustainable Taxonomy

(Figures in COP billions)

Category	Subcategory	2024 Balance
Sustainability-Linked Loans	Sustainability-Linked Loans	217.2
Total Sum		217.2



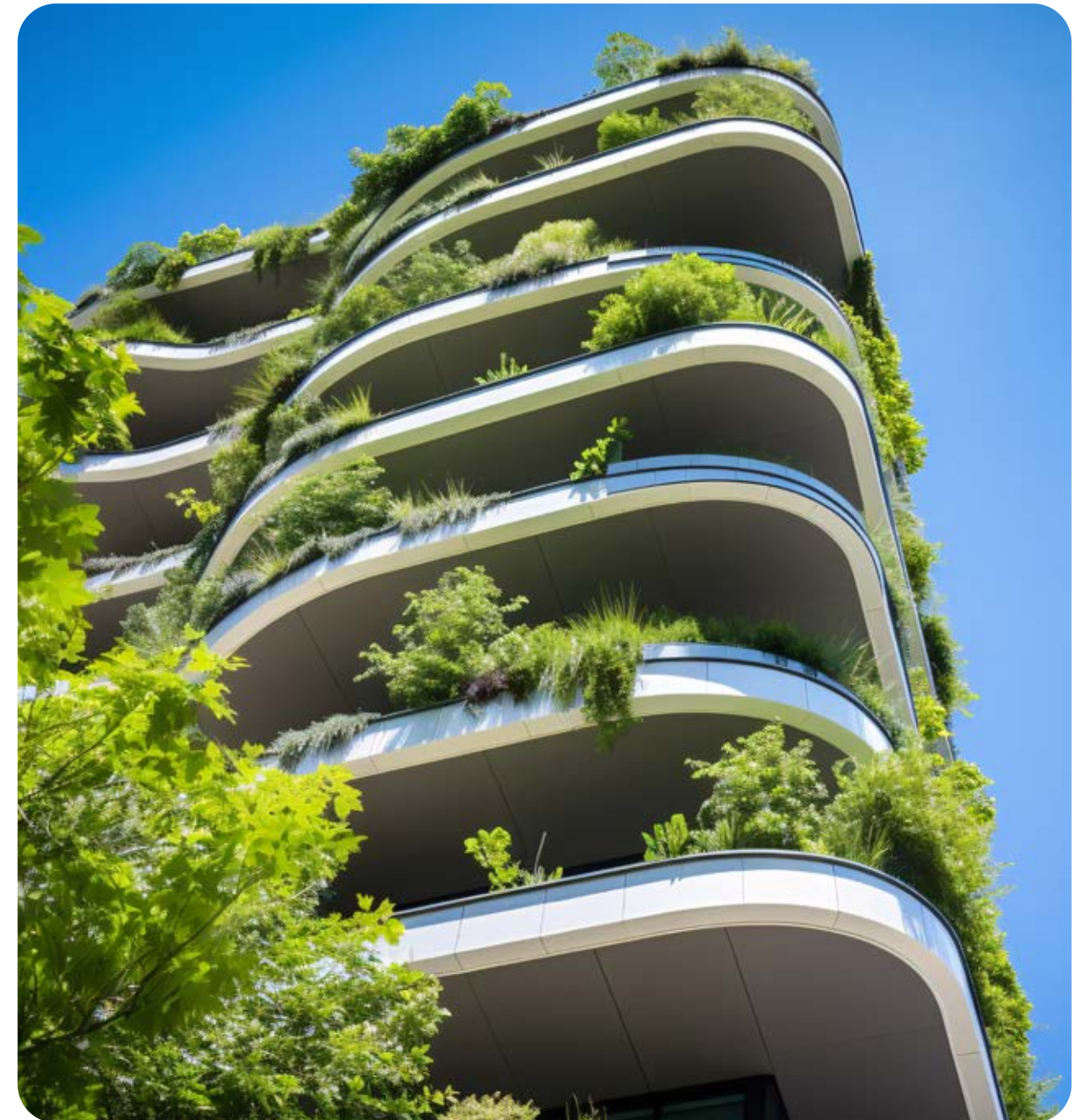
## Highlighted Projects and Key Achievements:

● **First Sustainability-Linked Loan granted to Cemento ALIÓN for COP 186 billion:** Designed to support climate change mitigation, waste recovery, and energy efficiency, this loan is tied to environmental performance indicators such as emissions reduction and increased waste utilization—encouraging circular economy practices. Verified by an independent third party, the loan promotes responsible practices and reduces impacts in high-carbon sectors.

ALIÓN

● **Green Mortgage and Construction Lending: The green portfolio in the construction and mortgage business line** was strengthened through technical support provided in alliance with organizations such as the International Finance Corporation (IFC) and the Colombian Council for Sustainable Construction (CCCS). As a result, we promoted the adoption of best practices in real estate projects and internationally recognized sustainability standards, including EDGE, LEED, and CASA Colombia certifications.

● **Green Businesses:** DaviPlata developed a tailored offer to support the scaling-up phase of over 1,800 green businesses affiliated with 20 regional green markets. These businesses are focused on biodiversity conservation and the sustainable use of ecosystem services.







Two success stories stand out:

- ▶ **Colibrí Honey Bee:** This social enterprise was founded with the purpose of transforming the lives of rural communities affected by armed conflict in the Sierra Nevada de Santa Marta and The Cocuy, who opted for beekeeping as a new way of life. Leveraging digital tools like DaviPlata for their transactions, they have expanded their market reach. Through an educational approach that promotes honey as a healthy alternative and generates economic opportunities for farmers, Colibrí Honey Bee contributes to peacebuilding and development in Colombia.
- ▶ **Corporación Artesanal y Cultural Mexión Ovop Tuchín (CorpoMexión):** Founded in 2018, this initiative seeks to strengthen the artisan network working with caña flecha fiber in Tuchín, supported by organizations such as the Embassy of Japan and Fundación Oleoductos de Colombia. In this municipality, where 90% of the population is engaged in craftsmanship, CorpoMexión has played a key role in improving the livelihoods of artisan families, preserving cultural identity, and opening access to national and international markets. Through the Mexión Artisanal Development Center, they offer training, community-building, and commercialization spaces that benefit around 200 families from eight foundations.

**With the support of DaviPlata, CorpoMexión has modernized its financial processes, enabling artisans to receive payments digitally-streamlining product sales and boosting financial inclusion through access to digital tools and financial education.**

Bioeconomy Pilots: In collaboration with Asobancaria, Fondo Acción, the Inter-American Development Bank (IDB), and other partners, we helped design a financing framework based on the Bioeconomy Project Implementation Guide for the Colombian Financial System.





Meanwhile, the green portfolio in Central America reached USD 316.8 million, with a growth of approximately 19.8%, driven primarily by the strong performance of the Sustainable Construction and Renewable Energy lines.



## Green Portfolio Central America - Sustainable Taxonomy

(Figures in USD millions)

Category	Subcategory	2024 Balances				
		Costa Rica	Hondura	Panama	El Salvador	Total
Sustainable Agricultural Development	Sustainable Agricultural Practices	44.5	0.0	0.0	0.0	44.5
	Sustainable Livestock Practices	24.9	0.0	0.0	0.0	24.9
Sustainable Energy	Generation and Cogeneration	38.6	2.6	48.6	67.3	157.1
Sustainable Infrastructure and Construction	Certified Construction	32.8	0.0	0.0	0.0	32.8
Sustainable Production and Circular Economy	Waste Management and Circular Economy	0.0	31.2	0.0	0.0	31.2
Sustainable Transport and Mobility	Low-Emission Transport and Mobility	20.1	0.0	6.3	0.0	26.3
TOTAL SUM		160.9	33.8	54.9	67.3	316.8





## Highlighted Projects and Key Achievements in Central America



In El Salvador, the **green portfolio** was supported by **financing for energy efficiency and renewable energy projects** for both large enterprises and SMEs, in partnership with the Development Bank of El Salvador (**BANDESAL**). This included an energy efficiency credit line enabled by **special funding from the IDB**, which we promoted within our SME portfolio.



In Costa Rica, we achieved a **24% growth in our sustainable portfolio (USD \$161M)**, driven by the financing of new projects in clean production, sustainable construction, and companies backed by internationally recognized sustainability certifications. Through our eco-vehicle line, we grew over **200%** compared to 2023, reaching a portfolio balance of **USD \$20M** with a total of **554** operations. Additionally, we increased our green mortgage portfolio by **129%** over 2023, ending the year with a balance of **\$4.5M**.

Sustainable Marketplace: In Costa Rica, we developed a new dedicated section called “Sustainability” within our digital shopping mall. This section highlights **products and services with lower environmental impact**, promoting sustainable consumption among our digital customers. As part of this initiative, we launched a sustainable consumption campaign called **“Green Month,”** which reached 88,000 people to raise ecological awareness among consumers. During the campaign, the sustainability section became the fourth most visited category, with purchases totaling more than USD \$570,000.







In Honduras, our green portfolio grew by **17%** compared to the previous year through the financing of **24** projects focused on cleaner production, solar energy, and sustainable infrastructure.



In Panama, in partnership with ENSA Servicios, we developed a calculator tool that allows customers to estimate their monetary savings when acquiring solar panels financed by Davivienda.







Through green financing, we have supported environmental goals related to the efficient use of natural resources, decarbonization of the economy, and more. These impacts are measured through performance indicators based on information provided by our clients in loan applications and through sustainable construction certifications.

Environmental Benefits of Renewable Energy Projects

Period	Avoided Emissions (Ton CO2)	Renewable Energy Generated (MWh/year)	Installed Capacity (MWp)
2024	1517*	9.852	6.08
Acumulado	889,425	105,812	51.08

\* Calculated based on the renewable energy generated and the Emission Factor (EF) for solar and wind energy projects provided by UPME (0.154 Ton CO2e/MWh).

With the goal of diversifying funding sources, we have established thematic bonds as an innovative financial instrument to channel resources toward a just transition-one that enhances people’s well-being while advancing climate change mitigation and adaptation. Through three sustainable bonds, including the Gender Social Bond, we direct investments toward projects that protect the environment, promote sustainable development, and contribute to the well-being of communities.

We established criteria for financing projects with **clear and measurable positive environmental benefits.**





## Green Bond

With the Green Bond—the first of its kind in the country—issued in 2017 for COP 433 billion with a ten-year term and fully acquired by the International Finance Corporation (IFC), we have supported sustainable projects that promote a greener future for all.

As of year-end 2024, we financed 84 sustainable construction projects through our Construction and Corporate Banking segments. Most of these initiatives are in the housing sector, with others in healthcare, hospitality, shopping centers, and office developments, primarily located in cities such as Bogotá, Ibagué, Cali, Pereira, and Barranquilla.

### Edge certification:



**76** Projects  
**34** Final Certifications  
**36** Preliminary Certifications  
**6** Assessments

### LEED Certification:



**8** Projects  
**4** Final Certifications  
**4** Preliminary Certifications

***We mobilize resources for climate change mitigation and adaptation solutions.***

A total of 38 projects have achieved final certification. As a result, the Green Bond has enabled the following environmental benefits:

Annual emissions avoided (Ton CO <sub>2</sub> e)	Number of units	Average energy saving	Average water savings	Energy savings in materials
7,332.83*	22,654	27.25%	35.25%	52.67%

\* Adjusted to prevent double-counting for multi-phase projects.





## Biodiversity Bond

In the context of the United Nations Biodiversity Conference (COP16), held in Cali, Colombia, we signed a historic agreement with the International Finance Corporation (IFC) for the issuance of Colombia's first-ever Biodiversity Bond. This USD 50 million bond (approximately COP 210 billion), with a four-year term, marks a major milestone in financing projects that deliver tangible benefits for biodiversity in the country.

To support this, we developed a comprehensive biodiversity financing framework. It includes six categories, twelve subcategories, and 48 eligible activities, along with reference standards, eligibility criteria, and a methodology for measuring the impact of financed projects. The bond will fund a variety of initiatives, including biodiversity conservation and sustainable use, sustainable agriculture, water resource management, sustainable production and circular economy, and sustainable energy.

S&P Global Ratings issued a Second Party Opinion, granting the framework a Medium Green rating, validating the specific contribution of these activities to biodiversity and reinforcing the credibility and positive environmental impact of the bond.

This collaborative effort aligns with Colombia's National Biodiversity Action Plan to 2030.



*We finance nature-based solutions for  
**the conservation and  
restoration of biodiversity  
and ecosystems.***



# Climate Change Management

We address environmental challenges by recognizing the deep interconnection between global warming, biodiversity loss, and pollution. We understand that rising temperatures accelerate ecosystem degradation, threatening global stability and underscoring the urgent need to preserve environmental health to mitigate these effects.

Our strategy focuses on supporting our clients in transforming their businesses through innovative solutions that drive long-term profitability, strengthen adaptive capacity, and foster ecological regeneration.



***We comprehensively and responsibly manage our GHG emissions and adopt global standards to mitigate climate change.***

We have solidified our commitment by aligning with key international frameworks. These include the application of the Greenhouse Gas Protocol standards—specifically the Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Standard—as well as the Task Force on Climate-related Financial Disclosures (TCFD) recommendations adopted in 2020. In 2022, we incorporated the Partnership for Carbon Accounting Financials (PCAF) and the Principles for Responsible Investment (PRI). In 2023, we joined the UNEP Finance Initiative (UNEP-FI), the Principles for Responsible Banking (PRB), the Net Zero Banking Alliance (NZBA), the Glasgow Financial Alliance for Net Zero (GFANZ), and the Science Based Targets Initiative (SBTi).





Most recently, in 2024, we adopted the Equator Principles (EP) and piloted the application of the Task Force on Nature-related Financial Disclosures (TNFD).

*We recognize the risks and opportunities related to **our impact and dependencies on the economic, social and environmental surroundings.***

These commitments are reflected in tangible actions, such as integrated scenario analysis to assess climate change and ecosystem degradation simultaneously, expanded measurement of emissions across the value chain, and the establishment of interim 2030 targets aligned with a Net Zero vision by 2050. These efforts support the goals of the Paris Agreement and the global biodiversity agenda. Detailed progress is available in our fourth TCFD report, included as Annex 1 of this report.

In parallel, we allocate resources to transformative projects that promote ecological restoration, carbon capture, and the provision of essential environmental services-reaffirming our role in the transition to a resilient, low-emission economy.





# Eco-efficiency Strategy

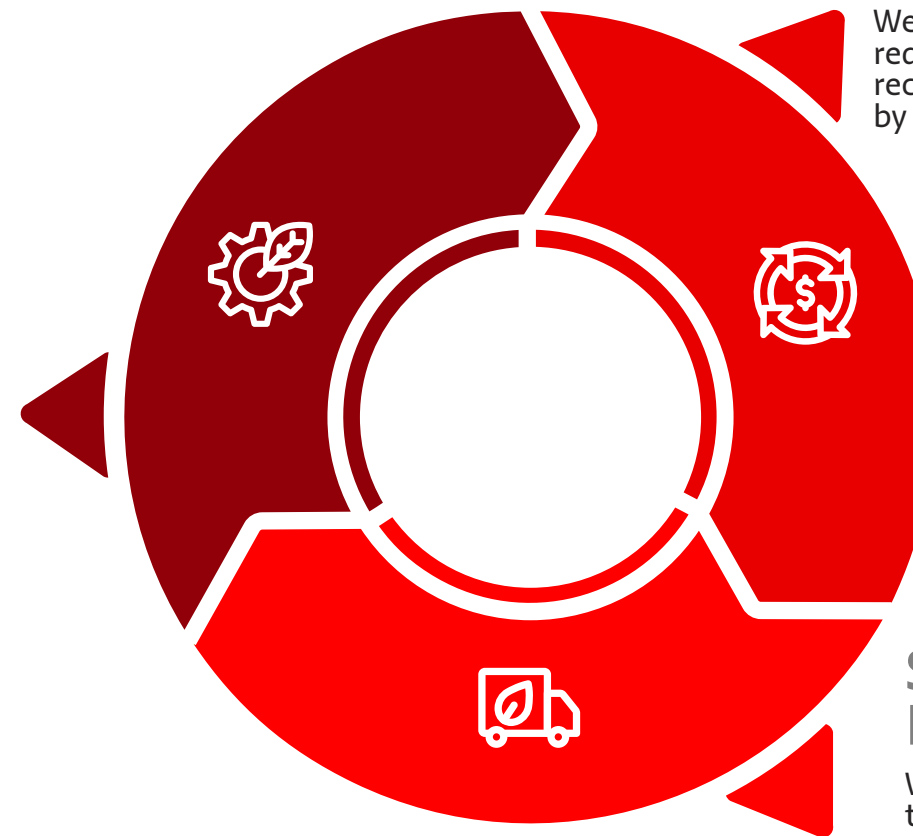
## *Let's build the future through Misión Verde 2030*

Reducing our environmental footprint and contributing to the creation of a greener world is a top priority. Within this framework, we developed Misión Verde 2030, a strategy that drives eco-efficiency and sustainability across all our operations, aiming to protect ecosystems through the efficient use of natural resources and help mitigate climate change in Colombia and Central America.

Misión Verde 2030 is structured around three key pathways:

### Operational Eco-efficiency

We strive to reduce our consumption of natural resources, such as water and energy, and to cut our greenhouse gas (GHG) emissions.



### Circular Economy Approach

We implement strategies to reduce, reuse, repurpose, and recover the waste generated by our operations.

### Sustainable Procurement

We strengthen our value chain through supplier development programs and sustainable sourcing practices.



**Operational Eco-efficiency**

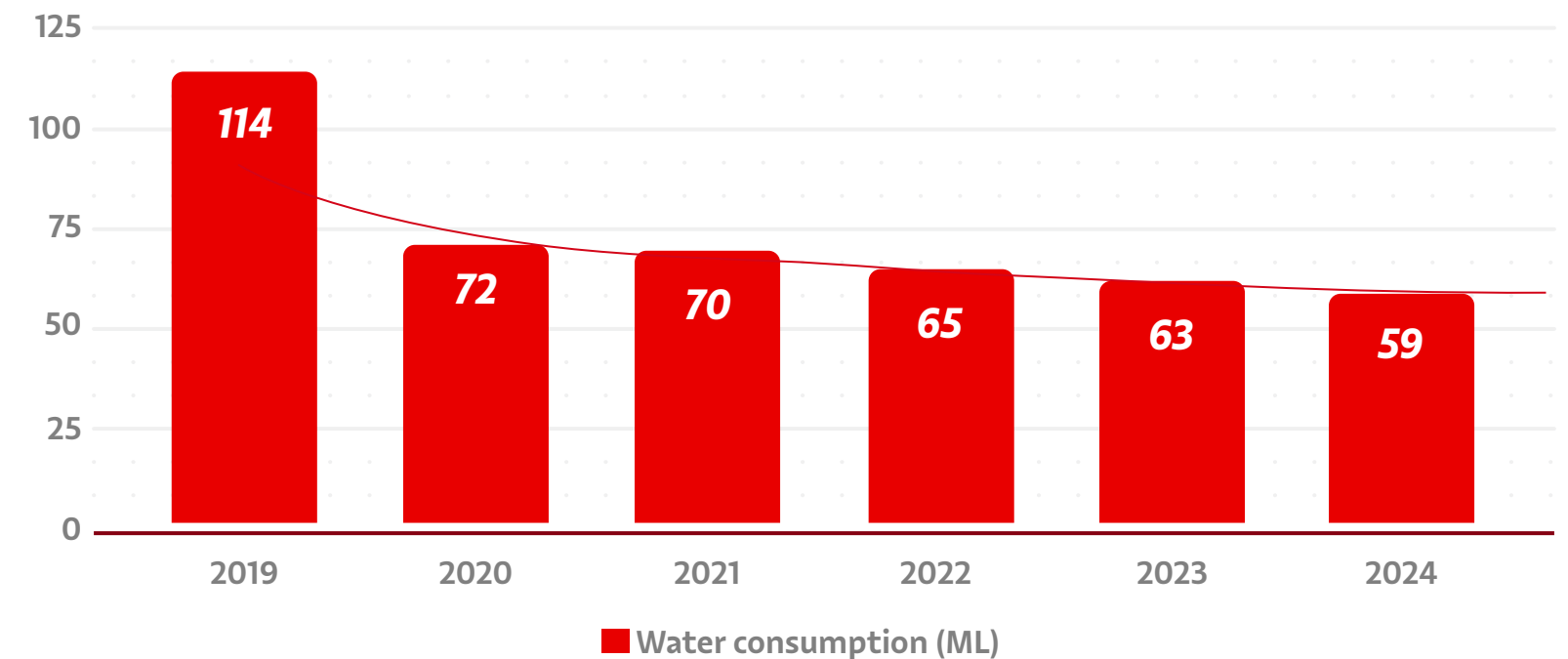
# *Water as a pillar of sustainability: Let's protect it together!*



Our water supply comes from local utilities, and wastewater is managed in compliance with environmental regulations.

**6%**

**reduction of water  
consumption by  
2024.**





*We have a culture of eco-efficiency and sustainability that allows us to **mitigate climate change and ecosystem degradation.***

We invested more than COP \$50 million in the Green Bathrooms project, which included the installation of over 76 high-efficiency plumbing fixtures in 11 branches. This initiative allowed us to reduce water consumption by 6%

in 2024 compared to 2023. These devices were designed to optimize water use and control flow rates and were complemented by continuous consumption monitoring to detect and fix leaks, maximizing water efficiency.

Indicator	2022	2023	2024	Variation 2024 - 2023
Water consumption (megaliters)	65	63	59	-6%
megaliters/FTE	0.0064	0.0061	0.0060	-2%
megaliters/m²	0.00023	0.00023	0.00022	-4%

The 2024 figures include a 7.3% projection, as complete consumption data for November and December was not yet available at the time of this report’s preparation due to differences in service providers’ billing periods.

In 2025, we will continue optimizing storage tanks and expand the Green Bathrooms project to all our branches in Colombia.





# Our Investments in Sustainable Construction

With the goal of promoting sustainable construction, we renovated and adapted more than **11,700 m<sup>2</sup>** across several cities in Colombia, including Cali, Villavicencio, Cúcuta, Tunja, Pasto, and Bogotá. These renovations prioritized energy efficiency, the use of environmentally certified materials, and compliance with other key sustainability criteria.

Investments (in COP millions)	2022	2023	2024
Investment in energy efficiency	5,520	10,499	1,265
Investment in sustainable materials	3,532	10,376	550

Detailed results on energy efficiency, our emissions inventory, and reduction targets can be found in the “Goals and Metrics” chapter of our 2024 TCFD Report.





## Circular Economy Approach

# *At Davivienda, we turn waste into new opportunities!*



We achieved a 56% reduction in waste generation compared to our 2022 base-line year, and a 35% reduction compared to 2023—significantly surpassing our reduction targets. Of the total waste generated, 55.4% was recovered thanks to strategic initiatives focused on zero-waste awareness, promotion of the circular economy, and improved source separation.

Our zero-waste management model continues to reduce waste generation year after year, moving us steadily toward achieving our long-term goals.

***We are the  
first bank  
in Colombia  
certified in Zero  
Waste with  
Gold category.***





Non-Hazardous Waste (Ton)				
Process Type		2022	2023	2024
Diverted from disposal	Reuse	155	119	15
	Recycling	1063	761	404
	Other recovery operations (compost)	7.6	8.3	10.5
SUBTOTAL		1226	888	430
Sent to disposal	Incinerated with energy recovery	0	0	0
	Incinerated without energy recovery	0	0.026	0
	Landfilled	493	307	340
	Disposed of otherwise (secure cell)		0	0
SUBTOTAL		493	307	340
TOTAL		1,719	1,195	770

Hazardous Waste (Ton)				
Process Type		2022	2023	2024
Diverted from disposal	Reuse	0	0	0
	Recycling	18.9	14.98	1.2
	Other recovery operations (compost)		0	0
SUBTOTAL		18.9	15.0	1.2
Sent to disposal	Incinerated with energy recovery	0	9.3	0.3
	Incinerated without energy recovery	0	0	0
	Landfilled	0	0	0
	Disposed of otherwise (secure cell)	0.2	5.2	0.06
SUBTOTAL		0.2	14.5	0.4
TOTAL		19.1	29.5	1.6

\* All hazardous and non-hazardous waste is managed off-site.

Indicator	2022	2023	2024
Total waste generated	1738	1224	771
% Recyclable waste	72%	74%	56%
% Non-recyclable waste	28%	26%	44%

We achieved a 35% reduction in waste generation compared to 2023.



Our circular economy strategies have led to the following achievements, aimed at extending the useful life of unused resources, using sustainable raw materials, and ensuring the recovery of generated waste:

*We actively seek to extend the useful life of our idle resources through reuse and repair programs.*

Examples of these initiatives include the Bank’s first in-house logistics center, located in Bogotá, which serves as the operational hub for managing spare parts and sales to employees. This facility enables the centralization, classification, sorting, and registration of assets, significantly optimizing the efficiency of our processes. Another key program is our post-consumer battery initiative, Pilas, si las tiras contaminas (“Batteries- If you toss them, you pollute”), through which we collect used batteries from both employees and customers. These batteries undergo a mechanical shredding process by an authorized waste manager and are then transformed into raw materials for the metallurgical industry. For 2025, we are exploring the potential of incorporating these recycled materials into select products.

Looking ahead, we plan to expand the scope and replicate our Zero Waste Management System, with the goal of consolidating more comprehensive strategies for waste reduction, reuse, recovery, and valorization.

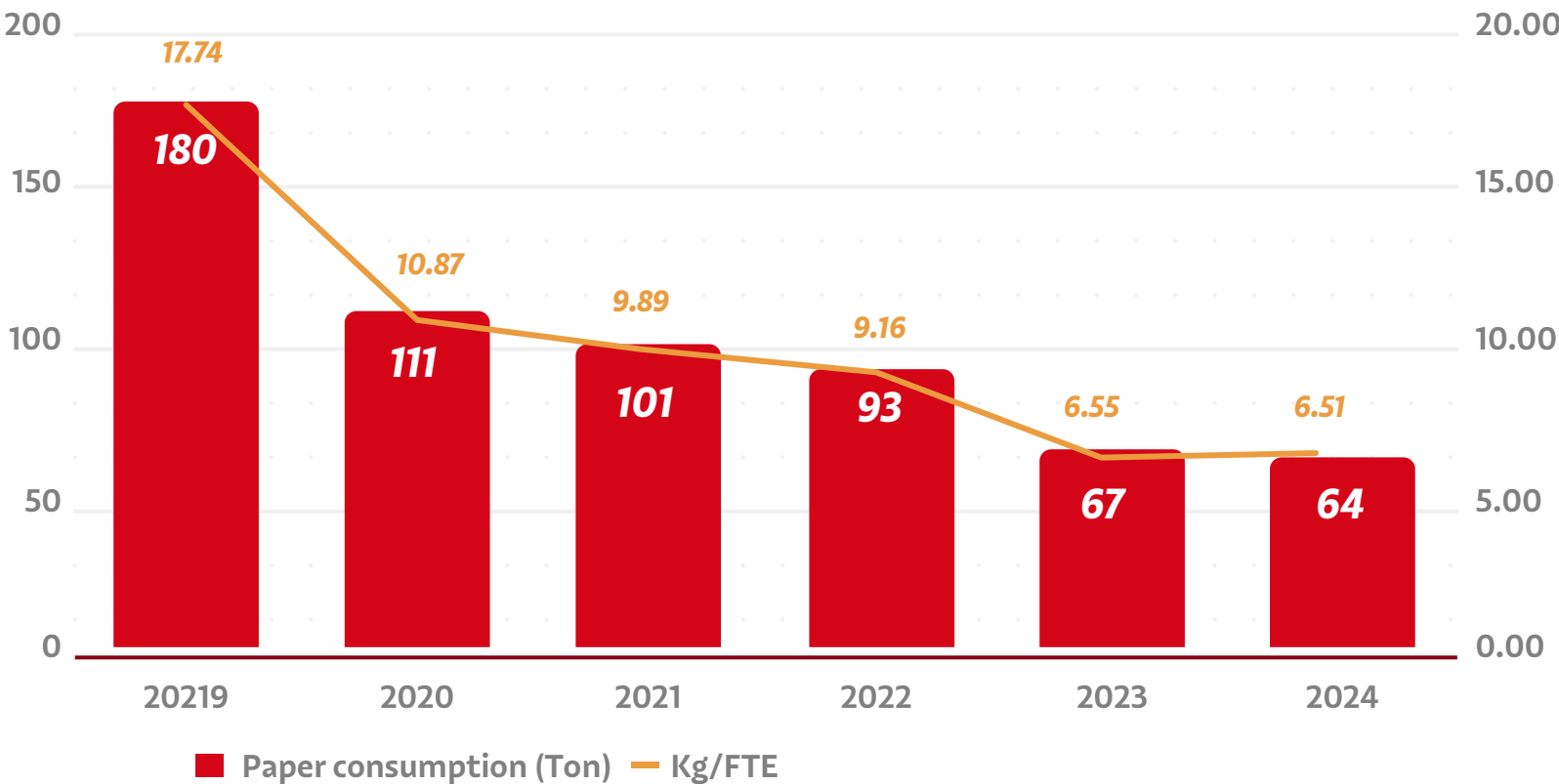
Circularity of Materials Indicators	2023	2024
Reintegrated spare parts into own operations (Units)	41	30
Reintegrated spare parts into own operations (COP million)	26	23
Sales to employees (Units)	5,232	6,493
Sales to employees (COP million)	122	544
Post-consumer toner collected (Units)	631	1,170
Inclusion of recycled plastic in products (kg)	813	835
Batteries collected (Units)	12,864	5,435

\* The products that include recycled plastic are the G-ZERO credit card and our iconic Red House piggy bank.





# Paperless Bank: Digitization and Waste Reduction!



Since 2021, our program has driven the digitization of processes and the optimization of printer use, achieving a significant 37% reduction in paper consumption. This year, we achieved an additional 5% reduction, equivalent to three fewer tons compared to 2023. Additionally, we recovered more than 202 tons of inactive archive material, reintegrating it into the production cycle.





## Environmental Management Indicators

We are continuously working to improve our environmental performance. As a result of an analysis of operational changes following the COVID-19 pandemic, we updated our baseline for operational eco-efficiency and circular economy targets, using the year 2022 as the new point of reference.

Indicator (in absolute terms)	2022-2030 Target	*2024 Target	2024 Result
Waste recovered*	80%	68%	56%
Waste reduction**	-20%	-4%	-56%

\* Data marked with a minus sign indicates a reduction, while positive values indicate an increase.  
\*\* Applies only to Colombia.

Committed to the principles of continuous improvement, we will continue working toward reducing and efficiently using natural resources through innovation and data analytics.







## A Greener Central America: Measuring Progress, Advancing Sustainability

# Our 2030 Green Mission Knows No Borders!

In recent years, we have replicated our best environmental practices across every country where we operate, striving for full integration. This drives us to be a multi-latino bank that leaves a positive environmental footprint-so that, together, we can create the change our planet needs.

### Costa Rica:

We strengthened our Paperless initiative through strict control of printing resources based on the specific needs of each area, and by deploying Lexmark printing equipment to minimize waste.

### El Salvador:

We achieved LEED GOLD certification for two branches and remodeled several floors in the Financial Center. These renovations included the installation of efficient LED lighting, thermoacoustic windows, and water-saving faucets, resulting in a 4% reduction in water consumption with an investment of USD \$5,570. We also digitalized processes to reduce paper consumption by 31% and promoted recycling through furniture reuse and solid waste management.

### Honduras:

We advanced our Paperless campaign by digitalizing processes and continuously reducing paper use across branches.

### Panama:

We achieved an 8.3% reduction in water consumption, driven by the government policy framework on water tariffs.



Indicador	2023					2024					Δ 2024 / 2023
	Costa Rica	El Salvador	Honduras	Panama	TOTAL	Costa Rica	El Salvador	Honduras	Panama	TOTAL	
Water consumption (megaliters)	14	48	23	0.4	86	14	46	24	0.4	84,706	-2%
Megaliters per FTE	0.014	0.027	0.019	0.002	0	0.01	0.03	0.02	0.002	0.061	-2%
Megaliters/m²	0.0008	0.002	0.0006	0.0000004	0	0.0009	0.0016	0.0006	0.0000004	0.003	-1%
Paper consumption (tons)	12	41	23	0.75	77	12	28	22	0.8	62,440	-19%
Paper consumption (tons/FTE)	0.011	0.02	0.018	0.004	0.06	0.01	0.02	0.02	0.004	0.048	-15%
Recoverable waste (tons)	6	13	3	0	22	4	8	17	0	28,004	30%
Recoverable waste (tons/FTE)	0.006	0.007	0.002	0	0.015	0.004	0.004	0.01	0	0.021	38%

Through operational eco-efficiency, *we contribute to the reduction, mitigation and compensation of environmental impacts.*





# Biodiversity and Nature-Positive Outcomes

Just as we contribute to climate change mitigation by supporting our clients and advancing the transition of our operations, we also recognize the importance of natural capital, biodiversity, and adaptation for economic and social well-being, as well as for the stability of our planet.

Our main achievements in this area include:

- ▶ **Agreement signed for the issuance of the first Biodiversity Bond in Colombia:** We signed a historic agreement with the IFC for the issuance of the first biodiversity bond in the Colombian capital markets, allocating a percentage of the funds to the restoration of mangroves in the Colombian

Pacific. This bond included a financing framework that received a Second Party Opinion from S&P.

- ▶ **With youth, innovation, and exponential technologies, we fostered the growth of Colombia's biodiversity economy:** As part of our commitment to make the world our home, a greener place, we challenged young people to participate in the country's first Biohackathon.

More than 170 students from over 10 higher education institutions in Cali and the Pacific region received mentorship from innovation and bioeconomy coaches, learning about disruptive methodologies and exponential technologies to

design innovative bio-businesses that promote biodiversity conservation, recovery, or sustainable use.

Davivienda promotes innovation and youth talent to protect biodiversity and promote the sustainable use of nature's resources, fostering the bioeconomy.



***We recognize the importance of natural capital, biodiversity and adaptation for economic and social well-being.***



- ▶ **Davivienda, committed to making our home greener, promotes the financing of activities related to** nature-based solutions, regenerative agriculture, projects that mitigate soil and water pollution, reforestation, the establishment of biological corridors and conservation areas within farmlands, and energy generation from biomass or biogas.

We also provide financing for investments in sustainable waste management, watershed management activities, wastewater treatment plants, and marine conservation and restoration efforts, among others.

*We accompany and encourage farmers to adopt agricultural practices that promote **climate resilience with nature-based solutions.***

- ▶ **We financed over COP 2.3 trillion in projects with biodiversity benefits,** related to water management, sustainable agriculture, and bioenergy.

Davivienda, committed to the conservation and restoration of biodiversity, has mobilized over COP 1 trillion toward sustainable agriculture, supporting clients whose projects are backed by sustainability certifications. These certifications ensure that agricultural initiatives limit land-use change, protect sensitive ecosystems, promote efficient water use, prevent soil and water contamination, and safeguard wildlife.

We accompany and support rural producers in adopting agricultural practices that encourage reforestation, the use of biological alternatives for crop nutrition, the protection of native species, and climate resilience through nature-based solutions.

- ▶ **In biodiversity-related financing, we have contributed to bioenergy cogeneration projects-one notable case being Ingenio Carmelita,** which successfully diversified its business and enhanced its production efficiency by upgrading a boiler and acquiring a new turbogenerator. As a result, the mill increased its biomass-based cogeneration capacity from 5 MW to 12 MW. The investment also helped reduce air emissions through the

installation of an electrostatic precipitator and improved water efficiency with a new treatment plant.

With the increase in renewable energy generation, the company now sells 5 MW in surplus energy-enough to power over 23,000 households in Riofrío and Tuluá, towns near its operations. Greater efficiency in bagasse usage also enabled a fourfold increase in revenue. According to CEO Mario Restrepo, the relationship with Davivienda has been instrumental in building a more sustainable, forward-looking business model, paving the way for future investments such as an upcoming irrigation and drainage project.





## More than 1,800 green businesses are part of DaviPlata's specialized offer.

- ▼ **We promote rural and ecological tourism, circular economy, and bioenergy - La Casita Roja reaffirms its commitment to making the world a greener place:** We highlight that nearly COP \$52 billion have been allocated to rural and ecological tourism and forest restoration under Finagro's "Green Destinations" line.

We have mobilized over COP \$35 billion in projects focused on biomass-based energy generation and the use of organic waste to produce organic inputs and bioethanol. Additionally, with more than COP \$400 billion, we have supported the

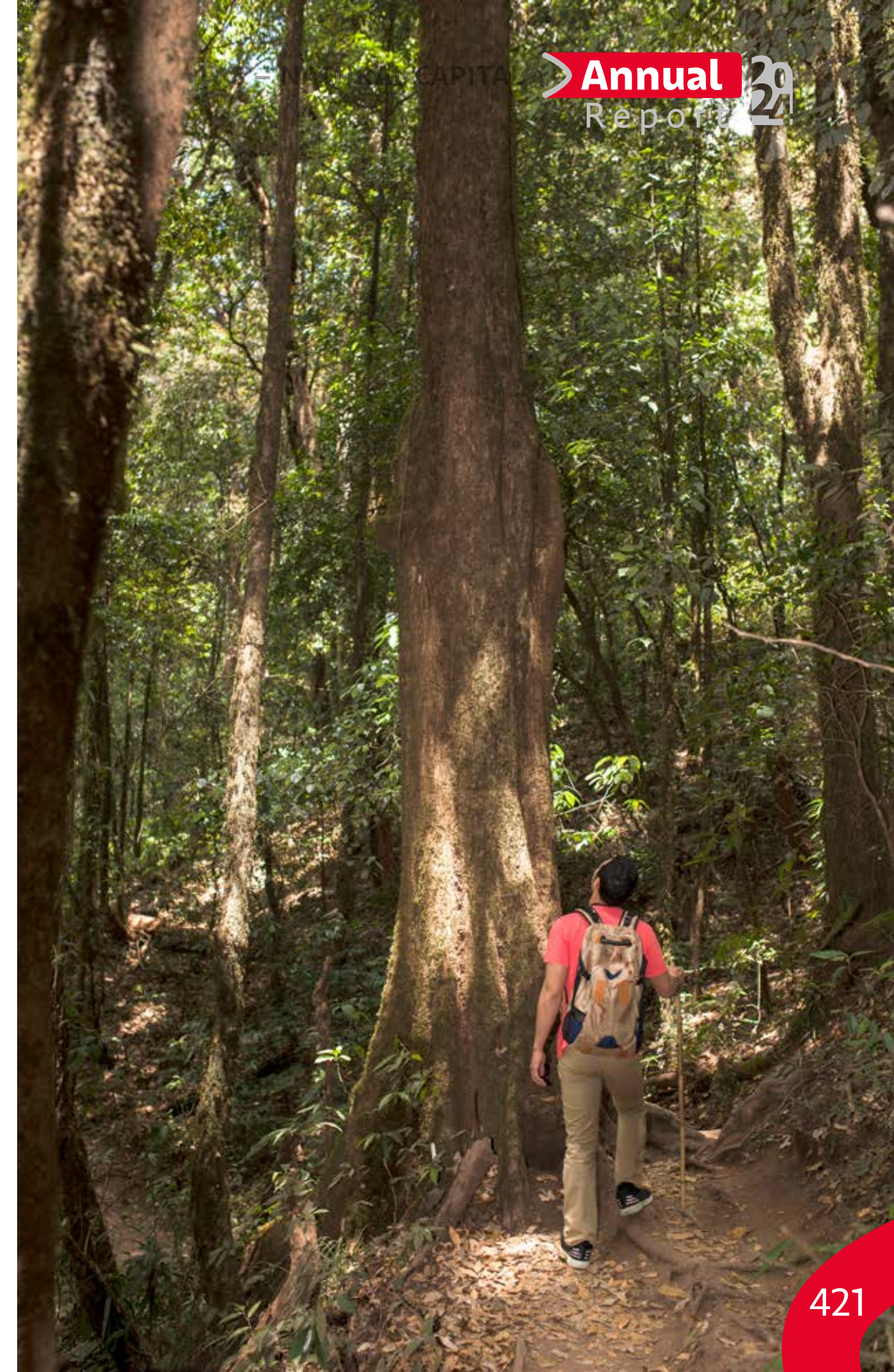
development of sustainable infrastructure projects related to water management, including wastewater treatment plants - helping to prevent untreated discharges into water bodies, while protecting water quality and the species that depend on these ecosystems.

- ▼ **DaviPlata supports green businesses in their growth and enables digital payment for environmentally impactful services:** DaviPlata, our inclusive and sustainable digital neobank, developed a tailored offering to support the scaling of more than 1,800 green businesses focused on the

conservation and sustainable use of biodiversity and ecosystem services. These businesses are connected to 20 Green Market Hubs across the country.

Davivienda's mobile wallet, with over 18 million users, facilitates digital payments for services such as rural aqueduct collections, entry fees to protected areas like national parks, and environmental obligations issued by Regional Environmental Authorities.

- ▼ **With over 14 years of experience, we're giving new momentum to our product offering in Central America focused on the restoration of strategic ecosystems:** We promote the conservation and restoration of ecosystems such as mangroves in Central America through our Green Insurance and support for sustainable agriculture and bioeconomy projects.







**Green Insurance:** With more than 14 years of history, Davivienda Seguros' Green Insurance is the only product of its kind in Central America that allows customers to directly contribute to biodiversity conservation and the restoration of mangrove ecosystems with every policy issued.

- ▼ El Salvador: A total of 21,289 policies have been issued, and over the past six years, policyholders have allocated 1% of their insurance premiums to the restoration of 8 hectares of mangrove forest. Additionally, we launched the Green Group Life Insurance for SMEs, an extension of the Individual Green Life Insurance, which allows SMEs to protect their employees while contributing to the conservation of strategic ecosystems.
- ▼ Honduras: With 2,919 policies issued, we have contributed to the maintenance of 6 hectares of restored mangroves in RAMSAR Site 1000, located in Punta Condega in

the southern part of the country. We also supported the release of 3,000 olive ridley sea turtle hatchlings as part of marine conservation efforts.

- ▼ Costa Rica: Through the issuance of 14,895 Davida Integral, Life Moments, and Family Accident Protection policies, we supported a mangrove rehabilitation project in Bahía Tomas. This initiative enabled the stabilization of 2.5 km of canals to improve hydrology, maintenance of bridges and sediment traps, and the collection of 1,223 black mangrove (*Avicennia germinans*) propagules for restoration in areas where natural regeneration has not yet begun.

*Our clients contribute directly to the **conservation and restoration of biodiversity through Green Insurance.***







***We accompany communities in the development of alternative and sustainable economic models.***



#### Green Accounts:

- El Salvador: Our clients contribute to a sea turtle conservation program. Over the past 15 years, this initiative has enabled the release of more than 1.67 million hatchlings.

In this way, together with our clients, Davivienda promotes another nature-based solution-supporting the propagation of a vital species that contributes to the health of marine ecosystems by maintaining ocean vegetation, controlling the populations of other organisms, and enhancing reef biodiversity.

- **With its strategy of ecosystems with social and environmental impact, DaviPlata supports the development of the Zenú community and its economy through the sustainable use of biodiversity:** DaviPlata fosters tourism in Tuchín, Córdoba, driving economic development for nearly 14,000 members of the Zenú Reserve. By promoting the sombre-ro vueltiao-an emblematic local craft and national cultural symbol-the initiative not only activates the digital payments ecosystem in the municipality but also encourages the sustainable use of raw materials like caña flecha and other plants used for natural dyes, such as bija and batatilla.

We support the Zenú community in welcoming National Geographic cruises, which aim to raise awareness about the planet's most environmentally significant places. Now,

tourists visiting the territory not only learn about its culture and traditions but also have access to various payment methods, contributing to the sustainable development of these communities.

As a result, many community members have gained access-often for the first time-to essential banking services such as savings, credit, and financial planning. In recent months alone, over COP 42 billion in transactions have been made through DaviPlata in this ecosystem.

Our neobank also supports the financial well-being of nearly 5,000 additional individuals along the wine-tourism route that connects Loricá, San Antero, Moñitos, and San Andrés de Sotavento, promoting a model of tourism that conserves and sustainably uses the biodiversity and ecosystem services of the Zenú Reserve.



- ▶ **With Davivienda's G-Zero Card, over 130,000 young people have the opportunity to support the protection of the jaguar and the Andean bear in Colombia:** Recognizing how deeply younger generations care about nature, over two years ago we launched the G-Zero credit card—designed for millennials and centennials. In addition to being made from recycled materials, the card offers a green cashback feature.

Through this program, young cardholders receive 1% cashback on purchases made through digital platforms and restaurants, with the option to allocate those funds toward the protection of jaguars and Andean bears in Colombia, in partnership with the World Wildlife Fund (WWF).

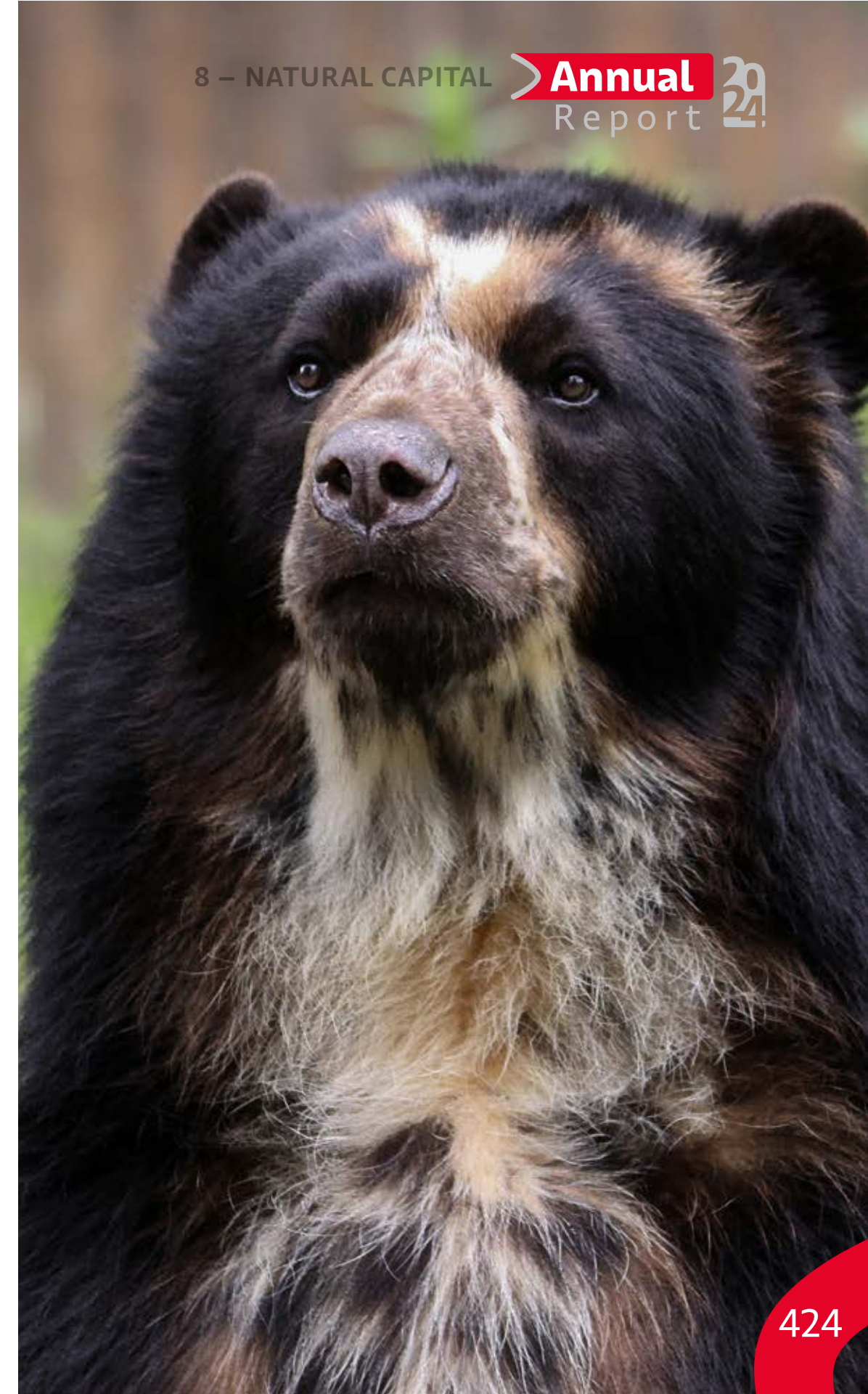
This loyalty program for biodiversity conservation has already

received over 7,000 contributions—and that number continues to grow. In this way, Davivienda, committed to making the world our greener home, empowers young people to shop and support conservation at the same time—with zero card management fees.

- ▶ **We are committed to scaling up sustainable construction financing, easing pressure on water demand and delivering ecosystem benefits:** With over 20,000 green homes financed to date, Davivienda stands as the leading bank supporting more than 1.5 million families on their journey toward homeownership. This leadership reflects our strong commitment to advancing sustainable building practices that yield co-benefits for the protection of critical ecosystem services—such as clean water supply and climate regulation.

Thanks to Davivienda, more than 80,000 Colombians have not only fulfilled their dream of owning a home, but now live in housing designed for energy and water efficiency—significantly reducing demand for these vital resources and helping preserve the local ecosystems that filter water, capture carbon, and sustain biodiversity.

- ▶ **With key partners and an innovative model, DaviPlata seeks to help reduce tourism's ecological footprint:** With a forward-thinking approach, DaviPlata—alongside the World Wide Fund for Nature (WWF)—will soon enable the measurement of tourism's environmental impact on nature, starting in the Department of Magdalena. The goal is to raise awareness among tourists and encourage them to make mobile donations through the DaviPlata wallet to support conservation projects led by local communities.







*We integrate the management of **biodiversity-related risks and opportunities** into the core of our strategic and operational decisions.*

This solution is expected to scale quickly to other tourism destinations. In preparation, Davivienda's neobank is already working with the Environmental Action and Childhood Fund to measure and reduce the ecological footprint of tourism in the Archipelago of San Andrés, Providencia, and Santa Catalina.

Through this initiative, DaviPlata will enable a voluntary donation mechanism to support the Fi Wi Riif - Our Reef Program, which promotes the conservation of the Seaflower Biosphere Reserve-a UNESCO-designated protected area since 2000. This reserve is the largest marine biosphere in the Caribbean and one of the most important globally in terms of marine biodiversity.

With this initiative, Colombia's largest mobile wallet aims to protect critical habitats, promote sustainability within local communities, and contribute to the maintenance of this nature-based solution-an essential tool to address the impacts of climate change in the region.

Additionally, over the past year, we integrated the management of biodiversity-related risks and opportunities into the core of our strategic and operational decision-making, which materialized in the following actions and achievements:

- Implementation of international frameworks and methodologies: We integrated globally recognized standards, including the Task Force on Nature-related Financial Disclosures (TNFD) recommendations, and expanded the application of IFC Performance Standard 6 in our environmental and social risk assessments for credit applications. This allowed us to evaluate our clients' performance in protecting and conserving biodiversity, as well as their sustainable management of living natural resources.





- ▼ Proactive risk and opportunity management: We applied new tools for the early identification of biodiversity-related risks during project evaluations, incorporating specialized geo-viewers (Global Forest Watch, IBAT, UNESCO) and IUCN consultations to detect natural habitat conversion and endangered species presence. As a result, we strengthened the Environmental and Social Risk Management System (SARAS), enabling a more detailed review of project locations and potential impacts on protected areas. This led to the identification of seven projects overlapping with Integrated Management Districts, forest reserve areas, and priority conservation zones—ensuring a more rigorous review aligned with IFC Performance Standard 6.
- ▼ Application of the TNFD LEAP approach to biodiversity risk management: We enhanced our analysis of dependencies and impacts of financed economic activities using the TNFD’s LEAP framework (Locate, Evaluate, Assess, Prepare). This process allowed us to prioritize seven sectors with strong links to ecosystem

services and high biodiversity impacts, covering 5,516 clients and an exposure close to COP 1 trillion. In addition, we georeferenced 3,427 clients (62% of those prioritized) to identify overlaps with protected areas and ethnic territories, laying the groundwork for more accurate biodiversity risk and opportunity monitoring in 2025.

- ▼ Financing of biodiversity-positive projects: We developed a sustainable taxonomy with specific criteria for projects and activities that promote biodiversity conservation, restoration, and sustainable use. In line with this framework, we financed COP 2.3 trillion in client activities such as sustainable water management, biomass-based energy generation, and support for clients certified under agro-sustainable seals.
- ▼ We are deeply committed to the belief that protecting and restoring biodiversity is fundamental to building a more prosperous, inclusive, and nature-aligned future. (For more information on our natural capital and biodiversity management, please refer to our TCFD report).

***We apply new tools for early identification of biodiversity risks in project evaluation.***





> Annual Report 2024

# Economic Capital

*The world  
is our  
home*







# Macroeconomic Context And Financial System



## *Macroeconomic Context and Financial System in Colombia<sup>1</sup>*

Although global economic growth in 2024 was modest, it also exceeded initial projections. At the beginning of the year, the World Bank expected the economy to expand at an annual rate of 2.4%, but one year later its growth estimate had increased to 2.7%<sup>2</sup>. The strongest growth relative to expectations was recorded especially in developed economies - notably in the United States - while among emerging economies, Russia registered the lowest growth, having been affected by the boycott of its oil exports.

Latin America's growth experienced a modest downward adjustment: an annual increase of 2.3% was forecast at the beginning of the year, but the final estimated growth was 2.2%. The most pronounced downward correction occurred in Argentina, whereas Brazil delivered performance significantly better than expected.

<sup>1</sup> Document made by the Executive Direction of Economic Studies, updated on February 15, 2025.

<sup>2</sup> See Global Economic Perspectives from Banco Mundial (January 2025) for more information





In the particular case of Colombia, growth outcomes for 2024 are also anticipated to surpass early-year estimates, although they remain below historical averages. In fact, analysts' average projection at the start of the year was an increase of 1.4%<sup>3</sup>, and our most recent estimates indicate growth of 1.7%. This performance was supported by reductions in interest rates as well as in inflation, which guaranteed a more dynamic household consumption – particularly in durable goods such as automobiles and household appliances. Among the obstacles to stronger economic growth were low levels of private investment (including building construction), a decline in mining exports – notably coal – and the underperformance of the industrial sector, which was affected, among other factors, by the poor performance of the construction sector and by an increased penetration of imports, especially of Chinese products.

On the other hand, oil prices in 2024 declined relative to the previous year.

For Brent crude<sup>4</sup>, the average price fell from USD 82.5 per barrel in 2023 to USD 80.5 per barrel. The year-end price closed at USD 74.5 per barrel, compared to USD 77.7 per barrel at the end of 2023. Although analysts expressed concerns about the possibility of a hard landing for the global economy following the post-pandemic period of high growth, the fact is that global growth levels remained robust enough to boost the demand for oil and fuels. Additionally, the policy of production cuts implemented by the OPEC+ group to limit its oil contribution to the global market ensured that even at the moments of greatest pessimism, prices did not fall significantly.

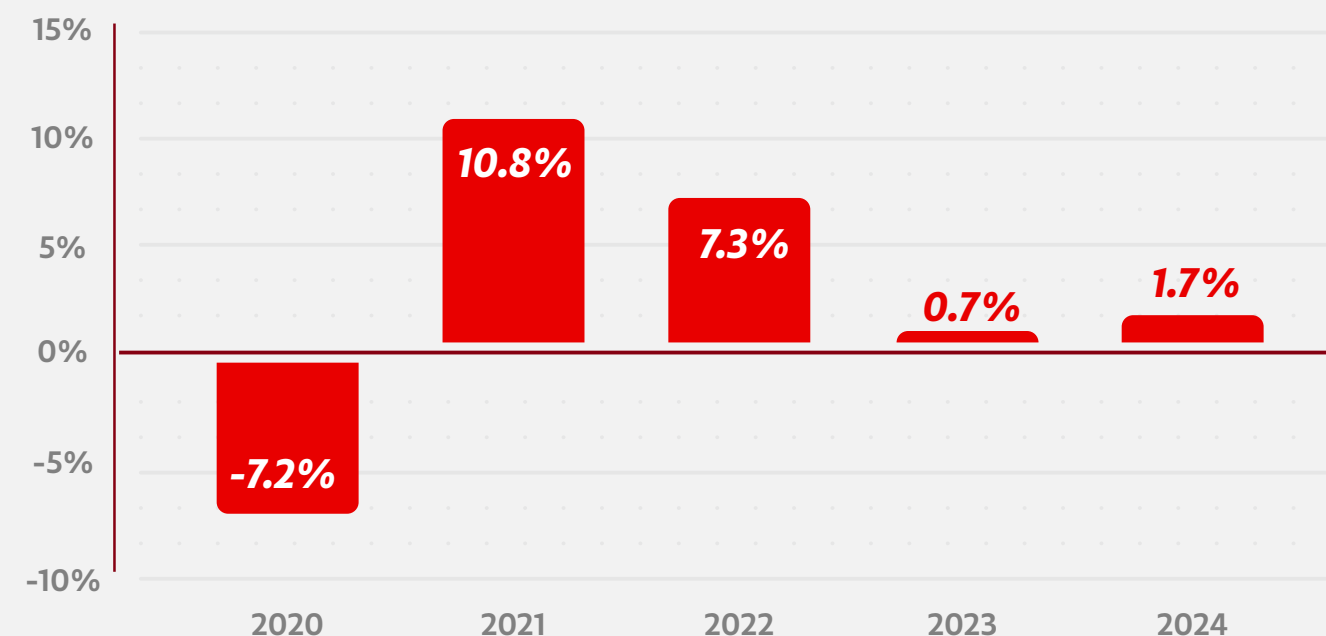
<sup>3</sup> According to Citi's survey at december 2023.

<sup>4</sup> Data taken from Federal Reserve Economic Data, FRED, Sr. Louis Fed

## GROSS DOMESTIC PRODUCT

### Colombia - Gross Domestic Product

(Annual percent change)



Source: DANE.



According to figures from DANE, Colombia's GDP grew by 1.7% in 2024, showing an acceleration compared to the 0.7% observed in 2023. This result was underpinned by weak annual growth during the first quarter (0.6%) and more dynamic variations in the subsequent quarters (1.9%, 2.1% and 2.3%, respectively).

From the perspective of economic activity sectors, the most dynamic sectors in 2024 were agriculture, livestock, hunting, forestry and fishing, and artistic, entertainment, recreation, and other service activities - each growing by 8.1% - followed by the public administration, defense, health, education and mandatory social security programs sector, which grew by 4.2%.

On the other hand, the sectors with the worst performance in 2024 were mining and quarrying, the manufacturing industry, and the information and communications sector, which registered variations of -5.2%, -2.1% and -0.8%, respectively.

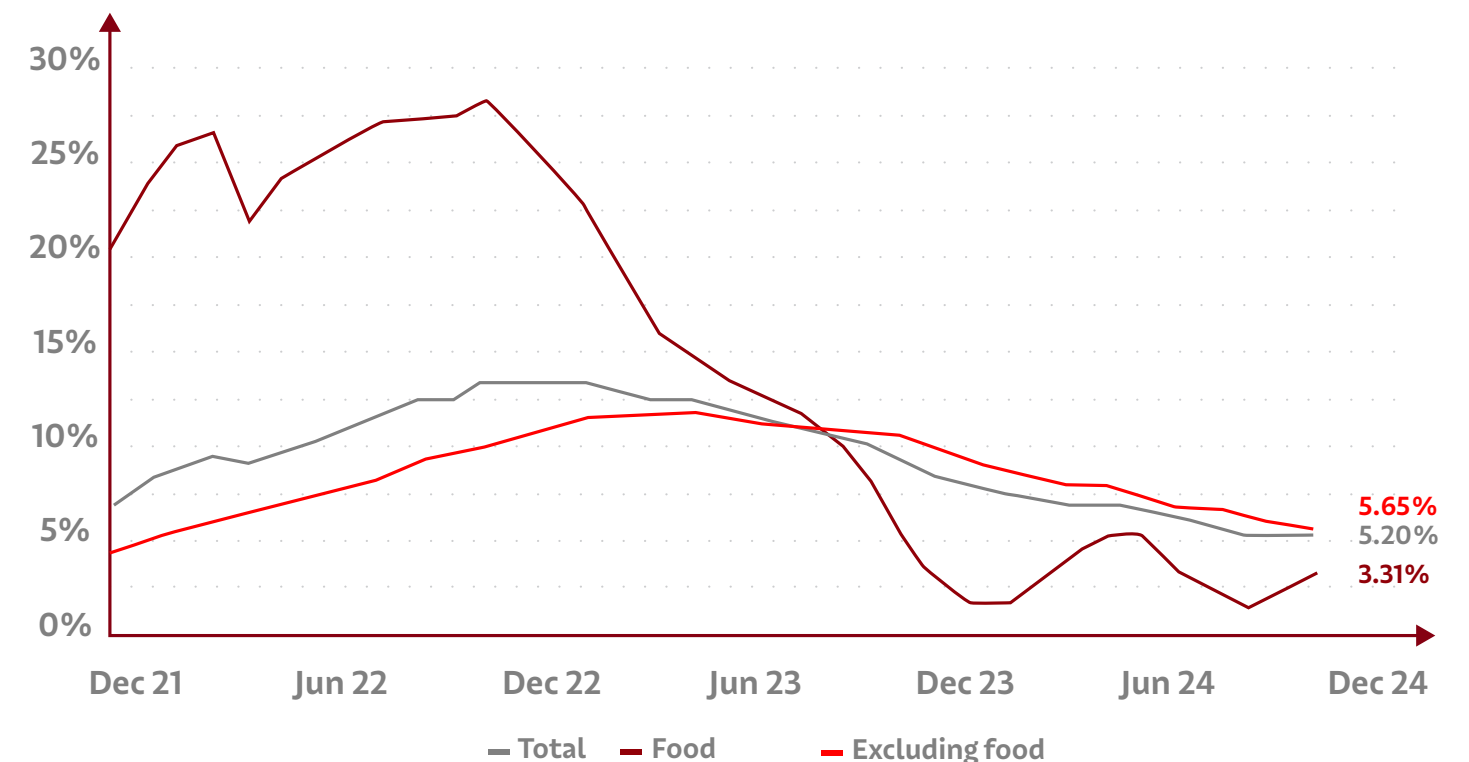
An analysis of the components of aggregate demand indicates that final domestic demand grew by 2.2% in real terms in 2024. Behind this variation is household consumption, which expanded by 1.6%, government spending, which contracted by 0.5%, and gross fixed capital formation, which increased by 7.6%. Variables related to the external sector offset the growth in output, with export growth of 2.0% in 2024, while imports increased by 4.2%.

**5.20%**  
**annual  
inflation in  
Colombia  
2024.**

## INFLATION

Annual inflation in 2024 was 5.20%, showing a reduction compared to 9.28% registered in 2023. Although this decline was significant in magnitude, inflation remained above the target range of the Banco de la República ( $3\% \pm 1\%$ ).

### Annual inflation

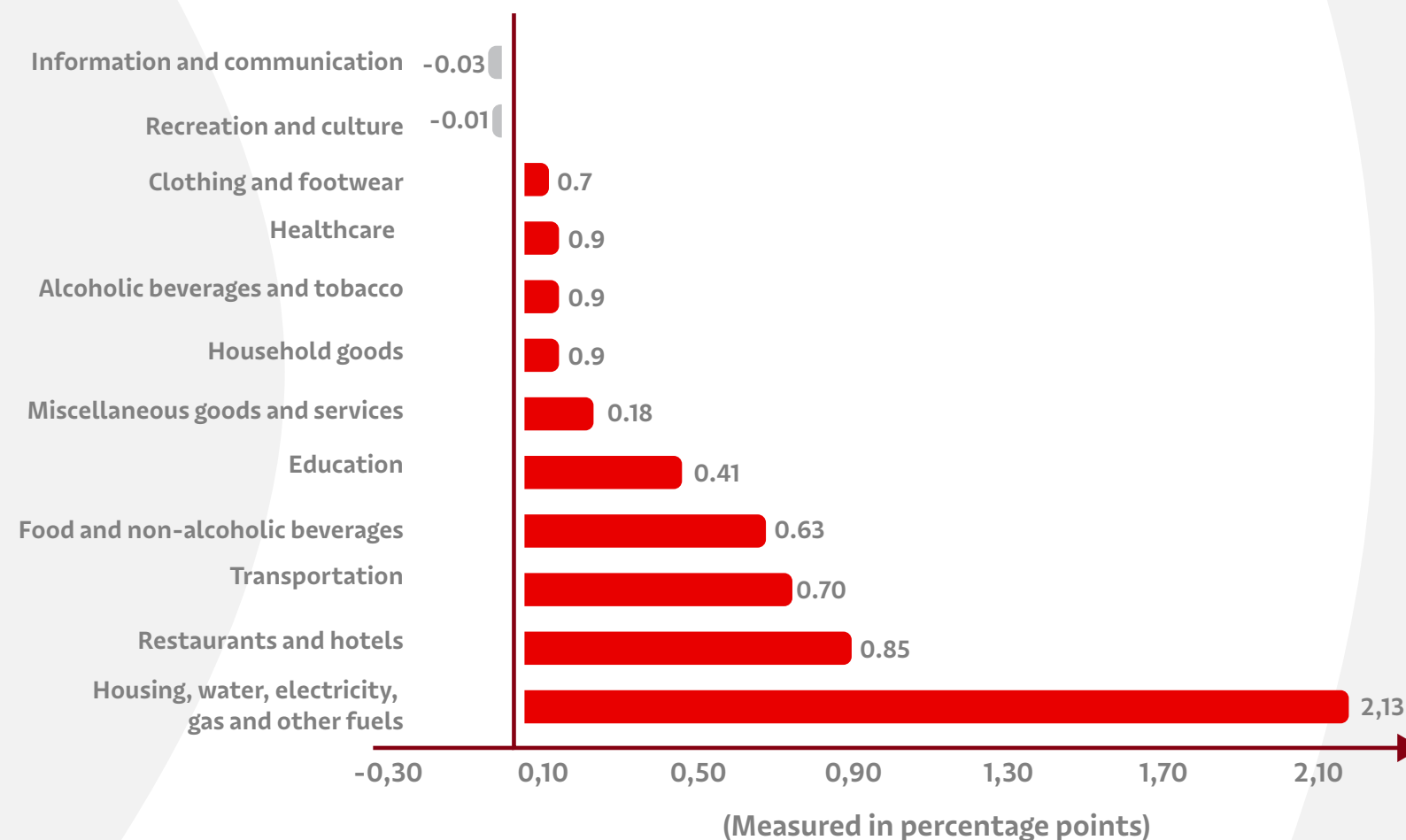


Source: DANE.





## Colombia - Annual Contribution by Expense Division



The divisions that contributed most to the decline in inflation were information and communications, together with recreation and culture - driven mainly by the subcategories of telephone equipment and children's games and toys, respectively. The accommodation and public services division contributed the most (41%) to annual inflation, due to the indexing of rents to 2023 inflation and water supply prices, which were the subcategories that most drove this division. In order of importance, the restaurants and hotels division - primarily driven by meals outside the home - and the transportation division, affected by rising urban transport prices which contributed 0.37 percentage points.

Regarding the behavior of prices for food and non-alcoholic beverages, it is noteworthy that their annual variation closed at 3.31%, with a decline of 169 basis points relative to December 2023, when the annual variation was 5%.

This result reflected a smaller change in the prices of dairy and meat products, which was compensated by increases in the prices of fresh fruits (0.20 percentage points) and chocolate-based products (0.14 percentage points).

The strong depreciation of the Colombian peso against the dollar in the second half of the year contributed to avoiding a lower inflation in 2024. This effect was particularly noticeable in the prices of new and used vehicles, vehicle spare parts, certain household appliances, and technological devices, among other goods.

Regarding the increase in the monthly minimum wage for 2025, this was set by decree by the National Government at 9.54%, reaching COP 1,423,500 (COP 1,623,500 with transportation allowance). Accordingly, the increase in the minimum wage - excluding the transportation subsidy - was 4.34% above the total annual inflation of 2024.



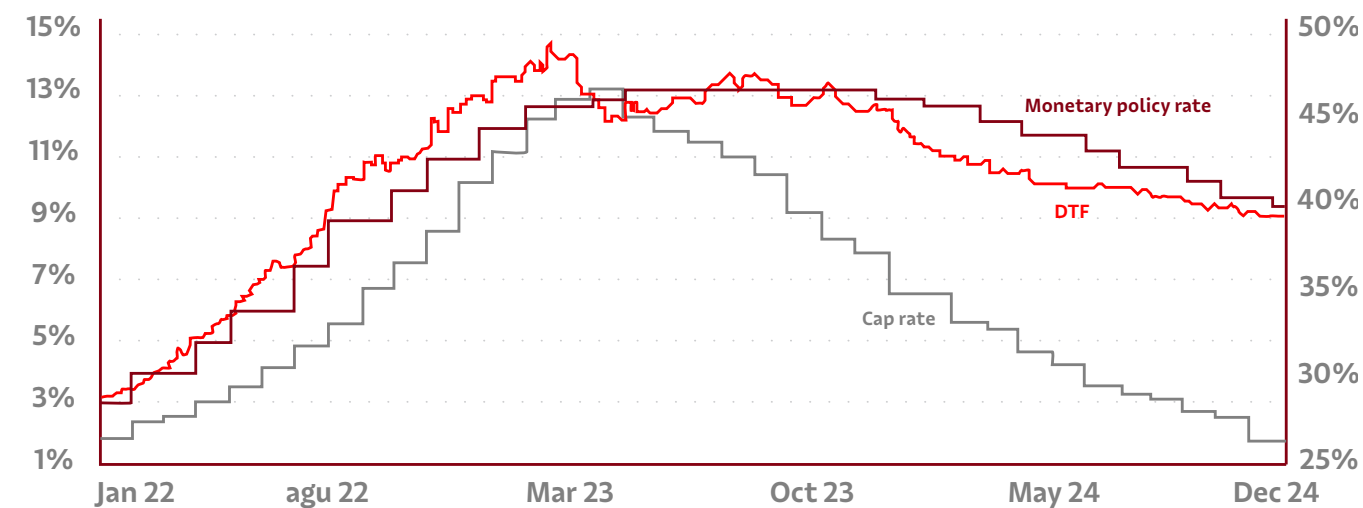
## MONETARY POLICY AND INTEREST RATES

During 2024, the Banco de la República continued the downward cycle of its Monetary Policy Rate (TPM) that began in December 2023. In effect, the issuer reduced its rate on eight occasions, lowering it from 13% to 9.5% by year-end.

The movements in monetary policy were driven primarily by the following factors:

- ▶ Inflation throughout the year remained outside the target range of the Banco de la República.
- ▶ Although inflation expectations remained low and in some months fell within the target range, by the end of 2024 they rose again above the target.
- ▶ In the second half of the year, the country's fiscal situation became a major concern, to the extent that, at the time of preparing this report, there were fears of non-compliance with the fiscal rule by the National Government.

### Colombia - Interest Rates 2024



Source: Banco de la República y Financial Superintendency of Colombia.

**The monetary policy rate decreased from 13% in December 2023 to 9.5% in December 2024.**

Meanwhile, the DTF rate, as well as long-term funding rates, followed a pattern consistent with the reductions in the TPM, declining throughout the year from 12.01% at the beginning of 2024 to 9.25% in the final week of the year. This latter level is the lowest since July 2022.

Finally, the cap rate closed 2024 at 25.98%, a decrease of 11.2 percentage points relative to the level at the end of 2023 and 20.7 percentage points below the peak observed in April 2023 (47.09%). These reductions are primarily due to the downward trend in the Monetary Policy Rate, which reduced the TPM by 350 basis points during the year, and two methodological changes<sup>5</sup> in the calculation of the current bank interest rate – the first in August 2023 and the other in May 2024<sup>6</sup>.

<sup>5</sup> SFC modified the methodology for calculating the current banking interest rate, which changed from being computed as the simple average of the weighted rates for consumer loans, credit cards, and ordinary loans to being calculated as the weighted average of these rates.

<sup>6</sup> SFC modified the methodology for calculating the current banking interest rate, in this case by including a greater number of products, such as rediscounts and loans indexed to the UVR.

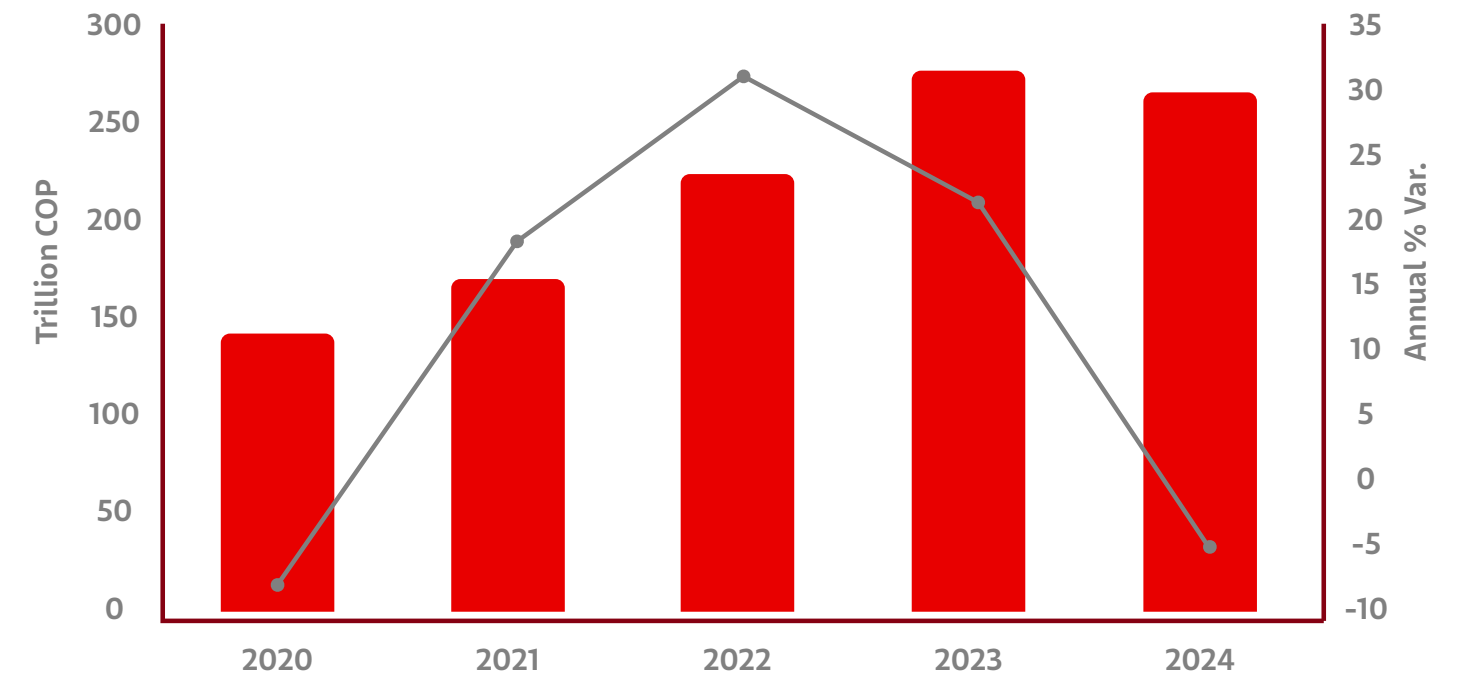




## FISCAL POLICY

In fiscal terms, concerns over Colombian public finances increased throughout 2024. For this fiscal year, the Medium-Term Fiscal Framework (MFMP) set a target for the Central National Government (GNC) of a deficit equal to 5.6% of GDP (COP 94.9 trillion), a figure that complies with the limit permitted by the fiscal rule and that showed an increase of 1.4% of GDP compared to the deficit recorded in 2023. Although at the time of preparing this document the fiscal closure had not been announced, the behavior of GNC revenues was influenced by the low growth of the Colombian economy in 2023 and the change in the withholding tax rate for legal entities observed in 2023, which caused results to fall short of expectations and forced the Government to decree a spending cut. DIAN figures indicate that gross tax collection in 2024 amounted to COP 267.2 trillion, registering a decline of 4.2% compared to the previous year. In response, the National Government reduced its budget by COP 28.4 trillion and addressed a liquidity problem by postponing the payment of approximately COP 50 trillion to the 2025 fiscal year.

### Colombia - Gross Tax Collection



Source: DIAN.

**COP 267.2 trillion  
was the gross tax  
collection in 2024.**



The Autonomous Committee of the Fiscal Rule (CARF)<sup>7</sup> reported that, according to its public information-based estimates, “... the fiscal deficit of the GNC in 2024 would have exceeded the MFMP target by approximately COP 21 trillion...”<sup>8</sup>. Consequently, uncertainty regarding the adequacy of public spending cuts and compliance with the fiscal rule during this period has grown significantly.

It is also worth noting that throughout 2024, the risk rating agencies S&P Global and Moody’s decided to change Colombia’s sovereign rating outlook from stable to negative due to the increasing risks they identified in the country’s fiscal situation. At the end of 2024, Moody’s rated Colombia at Baa2 (BBB) with a negative outlook, maintaining the country’s investment-grade status; while S&P Global and Fitch Ratings rated Colombia at BB+<sup>9</sup> with negative and stable outlooks, respectively.

## EXCHANGE RATE

During 2024, Latin American currencies exhibited mixed behavior, ranging from revaluations - as in the case of Costa Rica (-2.6%) - to significant depreciations, such as in Mexico (21.8%). In this context, the Colombian peso’s exchange rate against the dollar went from COP 3,822.05

on the last day of 2023 to COP 4,409.15 at the close of 2024, representing a depreciation of 15.4%, which was concentrated mainly in the second half of the year since until early June there was marked stability.

### Colombia - Exchange Rate 2024

(COP per 1 USD)



Source: Superintendencia Financiera. Corte: enero 23 de 2025.

- 7 Technical and independent organization, created under Article 61 of Ley 2155 de 2021, with the objective of monitoring the fiscal rule and promoting the sustainability of public finances through the issuance of non-binding opinions.
- 8 Press Release No. 13, CARF, January 28, 2025. Retrieved from: <https://www.carf.gov.co/pronunciamientos-comunicados/pronunciamiento>
- 9 For S&P Global, this rating is for the long term in foreign currency. The short-term rating in local currency was BBB- at the close of 2024.





The increase in the exchange rate was associated with at least three key factors:

1. Starting in June, there was a significant decline in oil prices in response to diminished concerns about the potential impact of the Israel-Iran conflict on crude supply. In addition, demand weakened due to China's economic slowdown.
2. Country risk levels increased in light of the fall in tax collection compared to the high expectations set in the budget.
3. In November, there was an additional increase in the exchange rate as a result of a worldwide appreciation of the dollar following President Donald Trump's victory and fears that his proposed protectionist policies could adversely affect other countries, particularly Mexico and Canada.

Moreover, it is noteworthy that during 2024 there was an outflow of portfolio foreign investment from Colombia amounting to approximately USD 3,864 million<sup>10</sup>, continuing the trend observed in 2023 when, arguably, the largest outflow in this category in history was recorded. Additionally, for the fifth consecutive year, there was an outflow of portfolio investment by Colombians abroad, which reached USD 1,893 million.

**USD 45,975 million  
in exports between  
January and  
November 2024.**



## FOREIGN TRADE<sup>11</sup>

**During 2024, Colombian exports and imports exhibited a positive dynamic that almost completely reversed the declines of 12.9% and 18.9% registered in 2023, respectively.**

Between January and November 2024, exports totaled USD 45,975 million, registering a decline of 0.5% compared to the same period in 2023. Exports of fuels and extractive industry products fell by 9.8%, making them the only group to maintain a declining trend and reflecting a downturn in external sales of oil<sup>12</sup> and its derivatives (1.3%) as well as of coal and coke (-21.8%). Exports of agricultural products, foods and beverages increased by 12.5%, driven by coffee (13.1%). Meanwhile, exports of manufactured goods grew by 3.2%.

<sup>10</sup> Number obtained from the foreign exchange balance of the Banco de la República.

<sup>11</sup> For the purposes of this document, exports are expressed on an FOB basis and imports on a CIF basis.

<sup>12</sup> Between January and November 2024, the barrels of crude oil exported registered a decline of 3.1%.



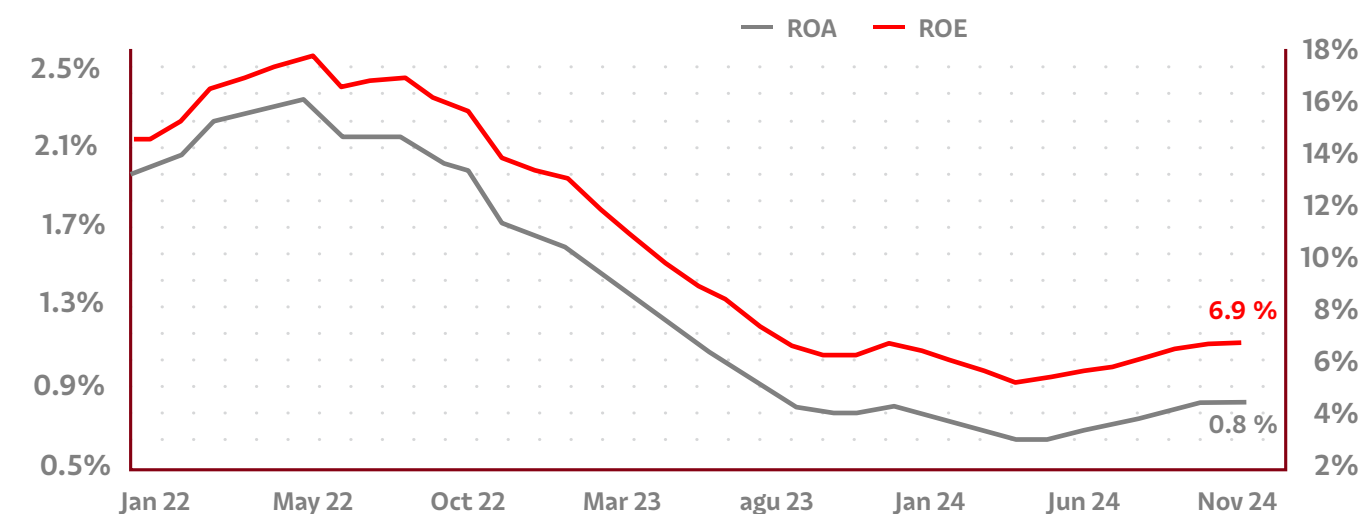
In the first 11 months of the year, imports amounted to USD 58,454 million, registering an annual growth of 1.6%. In terms of components by use or economic destination, imports of consumer goods and raw materials plus intermediate goods increased by 9.4% and 0.5%, respectively, while imports of capital goods fell by 2.9%.

Considering the above, during the period mentioned, the Colombian economy recorded a trade deficit of -USD 9,979 million, compared to a deficit<sup>13</sup> of -USD 9,132 million for the same period of 2023.

## FINANCIAL SECTOR

As of November 2024, the profitability of the financial system, measured by Return on Assets (ROA)<sup>14</sup> and Return on Equity (ROE)<sup>15</sup>, stood at 0.8% and 6.9%, respectively. The performance during 2024 demonstrated a slight improvement in ROE compared to the same month in the previous year, when ROA was 0.8% and ROE was 6.4%.

### Colombia - Financial Sector Profitability\*



\* Include Banks, Financing Companies and Financial Corporations.

Source: SFC and Davivienda calculations -Executive Direction of Economic Studies

<sup>13</sup> Estimated as the difference between FOB exports and FOB imports.

<sup>14</sup> ROA = 12-month earnings / 12-month average assets.

<sup>15</sup> ROE = 12-month earnings / 12-month average equity.







The trend in results was explained by higher provisioning expenses in the face of increases in non-performing loans, a deceleration in credit demand, and a compression of the intermediation

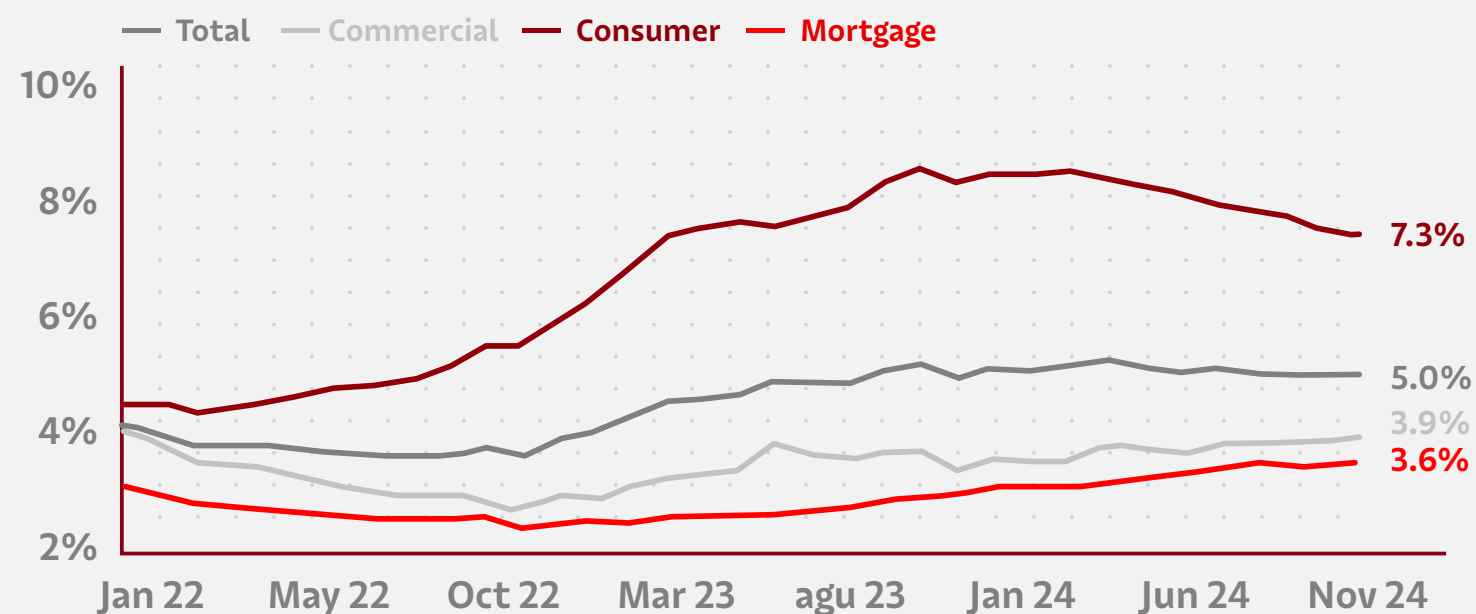
margin due to high deposit rates and a reduction in the cap rate.

Meanwhile, **the credit portfolio showed signs of recovery in the last quarter of the**

**year**; the consumer portfolio slowed its decline while the commercial portfolio increased its growth, and the growth in the mortgage portfolio remained stable throughout the year. Thus, the total portfolio registered an annual growth of 3.8% by the last week of the year.

## Colombia - 30 day past due loans

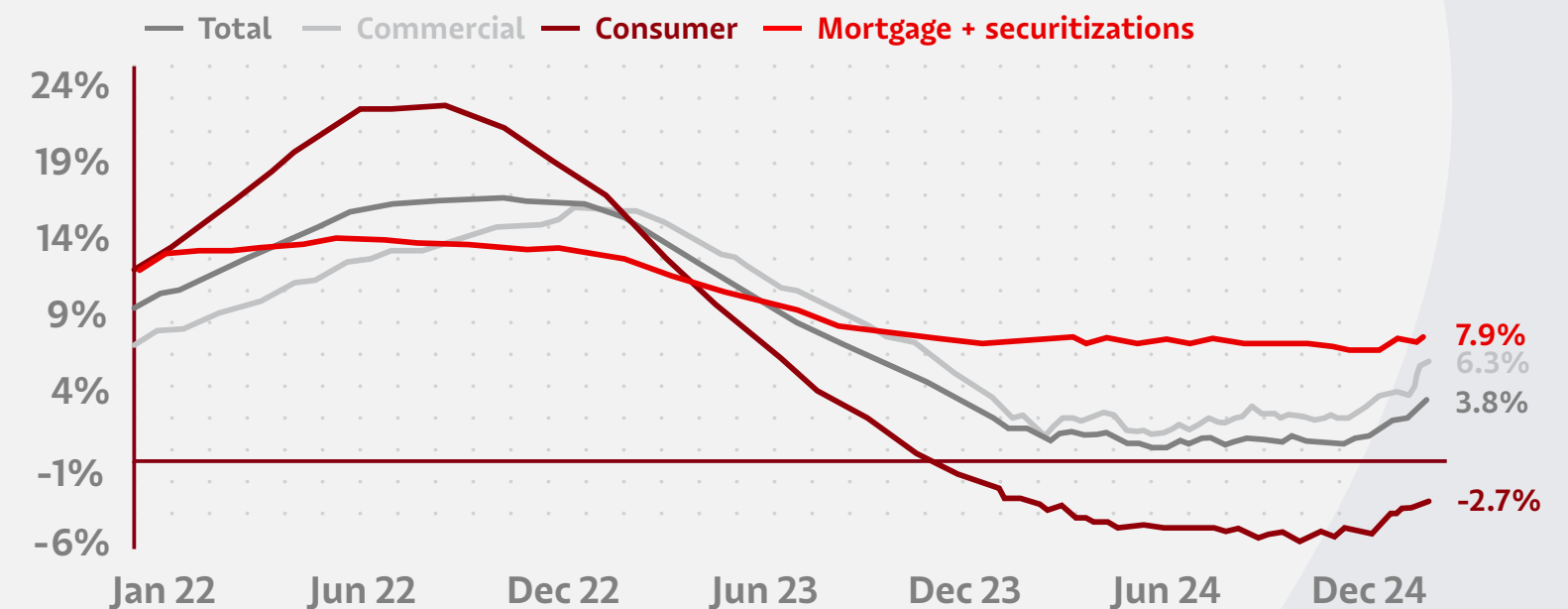
(Past due loans as a percentage of total loans)



Source: Financial Superintendency of Colombia.

## Colombia - Financial System's Gross Loans

(Annual nominal variation MA(4))



Source: Colombia's Central Bank.



In terms of portfolio quality, the delinquency indicator<sup>16</sup> for the total portfolio decreased by 0.2% in November compared to the same month in 2023. This behavior is explained by a significant

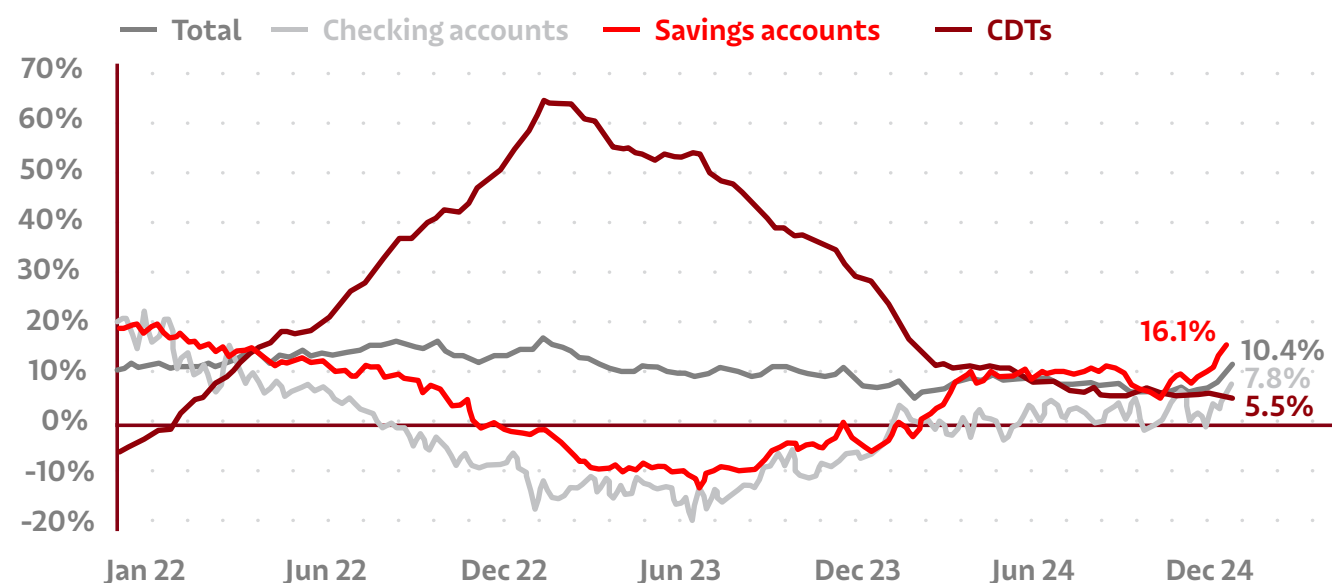
recovery in the quality indicator for the consumer segment, which in November stood at 7.3%, 1.1% below the figure recorded in November 2023. These results suggest that the trough

of the credit cycle has been overcome and that further declines in interest rates, accompanied by a more dynamic economy, will continue to drive improvements in delinquencies.

**Funding grew  
by 10.4% over  
the year.**

## Colombia - Financial System Funding

Annual nominal variation MA(4))



Source: Colombia's Central Bank.



Regarding deposits, by the end of 2024 they registered an annual growth of 10.4%, maintaining stable dynamics compared to 2023. This result is explained by a drastic change in the composition of deposit growth: at the beginning of the year, term deposits (CDTs) grew by 28.8% while savings accounts declined by 4.7%, with CDTs accounting for the bulk of total growth. By the final week of 2024, deposits grew more due to savings accounts, which closed the year with a growth of 16.2%, while CDTs contributed modestly with a growth of 5.5%. Current accounts, although representing a small share of the total, grew by 7.8% at the close of 2024.

<sup>16</sup> Loan portfolio with delinquency of more than 30 days as a percentage of the total portfolio.





## Macroeconomic Environment and Financial System - Central America



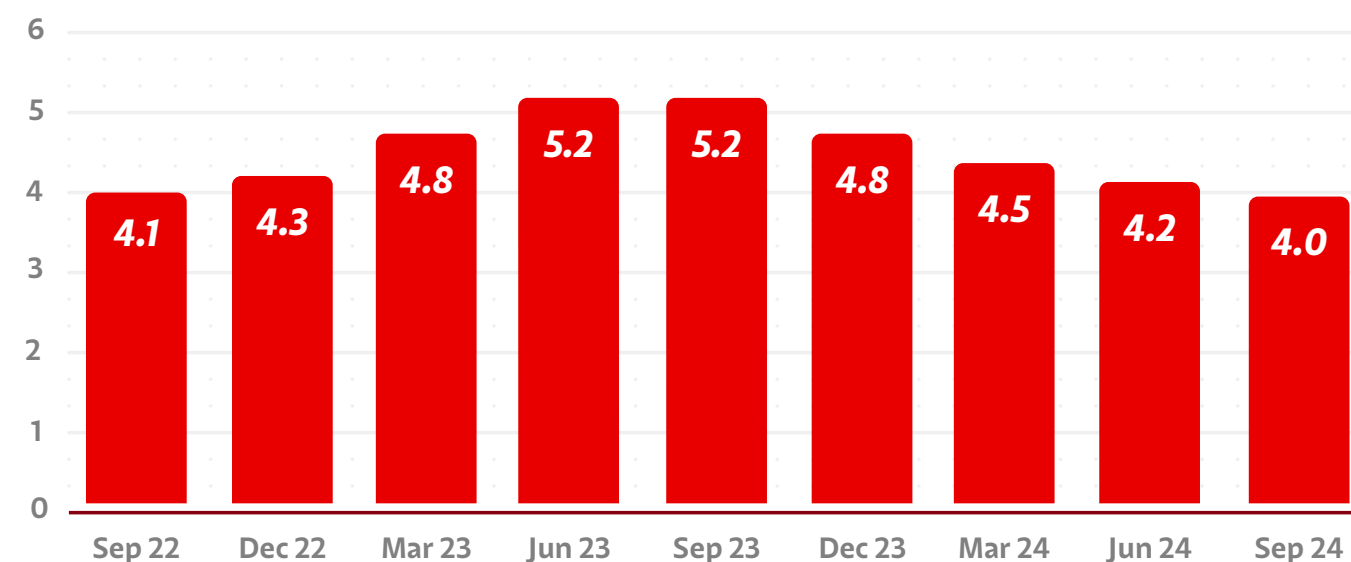
### COSTA RICA

#### Economic Activity

According to data for the first three quarters of 2024, Costa Rica's economy grew by 4.2%<sup>17</sup> compared to the same period last year. Despite a deceleration of 0.8 percentage points relative to the previous year, growth exceeded both the historical average (2010-2019) and that of its main trading partners. The main sources of growth included professional, scientific, technical, and administrative activities, support services, and manufacturing. In contrast, activities related to electricity and water, as well as construction, registered negative contributions.

#### Costa Rica - Gross Domestic Product

(Annual percentage change)



Source: Costa Rica's Central Bank and Davivienda calculations.

Regarding the trade regime, the special regime<sup>18</sup> experienced higher growth (7.4%), highlighted by the production of medical equipment and technological services, compared to the definitive regime, which grew

by 3.6%. However, it is important to note that the definitive regime contributed more significantly to economic growth. Nonetheless, growth in both regimes showed a deceleration compared to the previous year.

<sup>17</sup> Figures in volume at chain-linked prices (previous year). Cycle trend.

<sup>18</sup> The special regimes, according to the definition of PROCOMER, are Zona Franca, Perfeccionamiento Activo, and Devolutivo de Derechos. This regime consists of a series of tax benefits and incentives granted by the Gobierno costarricense to companies that decide to invest in the country.





In terms of expenditure components, domestic demand – especially household consumption and private gross fixed capital formation (mainly in machinery and equipment), was the main driver of economic growth, showing an increase of 4.5% compared to 2.9% the previous year. External demand also played an important role, with growth of 5.1%, particularly in exports of goods and increased exports of tourism services.

Meanwhile, the rise in imports was related to higher purchases of vehicles, fuel, food products, transportation and communications equipment, as well as raw materials for the food, electrical, and electronics industries. Additionally, the growth in imports of services reflected a higher outflow of Costa Ricans abroad.

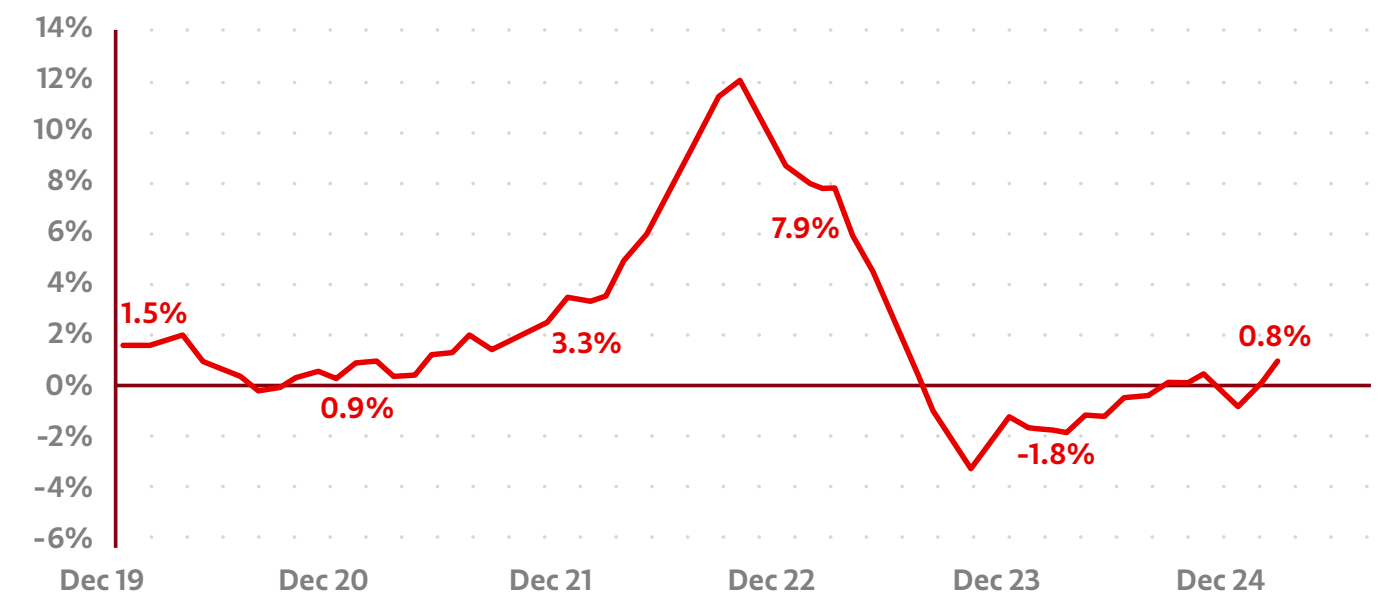
On the labor front, the unemployment rate in November 2024 was 7.25%, showing a slight increase compared to 7.16% in the same month last year. **Formal employment nearly fully recovered to pre-pandemic levels.** Real incomes also increased, although at a moderated pace compared to previous months. In particular, incomes in the middle and lower wage segments exhibited accelerated growth.



## Inflation

### Annual percentage Change

(Annual percentage Change)



Source: Costa Rica's Central Bank and Davivienda calculations.





*Inflation expectations **remained within the target tolerance range.***

In December 2024, overall inflation in Costa Rica recorded a 0.84% year-over-year change and a 0.94% monthly increase - the highest of the year. The increase in the IPC in December was mainly driven by rises in the prices of food and non-alcoholic beverages, as well as in recreation, due to adverse weather conditions and economic problems in agriculture. However, gasoline prices, new automobile prices, and telecommunications services helped moderate the overall rise.

Core inflation remained positive at an annual rate of 0.86%; however, both annual and core inflation were below the lower limit of the inflation target of  $3.0\% \pm 1.0\%$ , as established by the Banco Central de Costa Rica (BCCR).

Inflation expectations, according to surveys by the Central Bank and estimates based on public securities negotiations, generally remained within the tolerance range of the inflation target. As of December 2024, the median 12-month inflation expectation was 2.0%, and 3.0% at 24 months, while

market expectations were 2.27% and 2.36%, respectively, for those same periods.

## Exchange Rate

In 2024, the Costa Rican colón appreciated against the dollar due to an excess supply of foreign currency in the private exchange market (Ventanillas). This allowed the Banco Central de Costa Rica (BCCR) to fully satisfy the net demand of the Sistema de Pagos del Sector No Bancario (SPNB) and to strengthen the country's financial shield, maintaining international reserves at adequate levels - up to 7.01 months of imports as of December 2024 (7.19 months in December 2023).

The appreciation of the colón observed during the year was the result of higher tourism revenues, increased exports, particularly from companies under special regimes, and higher foreign direct investment, among other factors. These elements led to greater availability of foreign currency, which contributed to a 12.4% decline in the exchange rate compared to the previous year.

## Costa Rica - Nominal Exchange Rate

CRC per 1 USD



Source: Costa Rica's Central Bank.

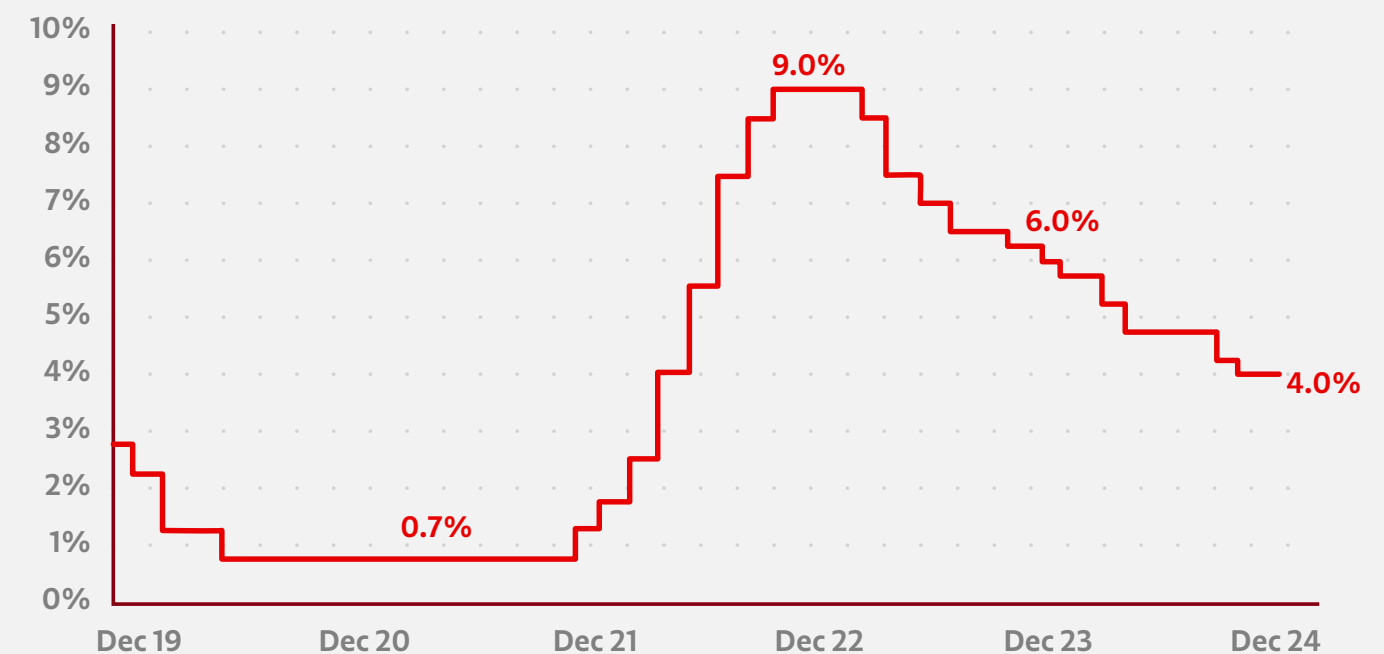


Throughout 2024, the BCCR participated in the MONEX foreign exchange market as a net buyer, accumulating USD 2,531 million and increasing international reserves by USD 952 million. These reserves reached USD 14,171 million as of December 31, equivalent to 147% of the minimum adequate level as determined by the monetary authority's Board of Directors. This reflects **strong financial management and a robust position in the foreign exchange market.**

### **Monetary, Fiscal Policies and Risk Rating**

During 2024, Costa Rica's Monetary Policy Rate (TPM) decreased by 500 basis points. Interest rates on various instruments also fell, albeit at different paces.

### **Costa Rica - Monetary Policy Rate**



Source: Costa Rica's Central Bank.

The reduction in passive rates in colones, along with the behavior of passive rates in dollars and expectations regarding exchange rate fluctuations, resulted in a negative premium for saving in colones<sup>19</sup>.

<sup>19</sup> Difference between the gross rate negotiated in colones and dollars (converted to colones) by regulated financial institutions for different maturities.







On the fiscal side, the Central Government managed to maintain a primary surplus despite increased spending and a slow-down in tax revenues – particularly in taxes dependent on the exchange rate, such as income tax, and taxes on imports and exports. As of November, a cumulative primary surplus of 1.2% of GDP was recorded (1.8% in November 2023) and a cumulative financial deficit of -3.2% of GDP (-2.5% in November 2023).

Total revenues grew by 2.9% annually (-1.8% in 2023) and total expenditures by 7.5% (2.7% in 2023). The growth in tax revenues was lower due to declines in revenues from vehicle property tax<sup>20</sup> and income tax, though there was an increase in value-added tax (IVA) and other selective taxes. Primary expenditure grew significantly by 8.2% annually compared to 0.3% in 2023, mainly due to increases in wages, current transfers, capital expenditures, and interest expenses on debt, which grew by 5.8% (9.6% in 2023). Debt grew at a slower

pace than economic activity, standing at 59.90% of GDP in October 2024, 1.22 percentage points lower than the same period in 2023 when it was 61.12%. It is important to note that this indicator remains below the Ministry of Finance's 2024 closing projection (61%).

**The evolution of public finances during 2024 had a significant positive influence on the valuation of the financial market.** This is reflected in the performance of the Emerging Markets Bond Index (EMBI) and in positive revisions by rating agencies such as Fitch Ratings (improving the rating from BB- to BB in April), Moody's (which raised the rating from B1 to Ba3 in September), and Standard & Poor's Global Ratings (which changed the credit outlook from stable to positive in October).

<sup>20</sup> Refers to an annual tax on vehicle ownership based on market value.



**8.2% annual growth in  
primary expenditure.**





## Financial Sector

The expansive monetary policy applied by the BCCR transmitted its effect to the rest of the financial system's interest rates when comparing the close of December 2024 with that of December 2023. The negotiated passive rate in colones and the basic passive rate decreased by 79 and 123 basis points, respectively, while the active rate in colones fell by 169 basis points. The decline in passive interest rates in colones, coupled with relative stability in dollar-denominated passive rates and the appreciation of the colón, reduced the premium<sup>21</sup> for saving in colones to negative levels, which incentivized the dollarization of savings, as evidenced by the growing share of foreign currency in the broad monetary aggregates.

According to figures published by the BCCR, in 2024 financial savings in Costa Rica, measured by broad monetary aggregates, increased by 4.9%. The broad M2 grew by 12.0%,



reflecting a preference for highly liquid deposits in colones due to lower passive interest rates and low inflation levels.

By the close of 2024, credit to the private sector increased by 7.82% year-over-year (excluding exchange rate effects), with differentiated performance by currency: an increase of 6.81% in local currency and 9.87% in foreign currency, decelerating for the third consecutive month, mainly in the private banking sector.

Regarding credit risk, measured by the regulatory delinquency<sup>22</sup> of the financial system, it stood at 1.8%, showing an increase compared to the previous year (1.42% in December 2023), though an improvement relative to previous months.

**Financial savings  
increased by 4.9%.**

<sup>21</sup> The premium for saving in colones refers to the additional benefit of saving in that currency due to the interest rate differential with foreign currencies.

<sup>22</sup> Loans overdue by more than 90 days plus judicial collection / total direct portfolio.





## Key Figures and Indicators of the Financial Sector in Costa Rica

(figures in USD million)

	Amount			Variation (1)	
	Nov. 22	Nov. 23	Nov. 24	2024-2023	2023-2022
Total assets	67,303	76,483	80,555	2.9%	-0.4%
Investments	13,603	14,749	15,771	4.4%	-5.0%
Total loans	41,419	47,999	50,760	3.3%	1.6%
Commercial*	14,971	16,938	19,008	9.6%	-0.9%
Consumer*	11,822	14,369	15,933	8.3%	6.5%
Mortgage*	11,357	12,600	12,926	0.2%	-2.8%
Other assets**	12,281	13,736	14,024	-0.3%	-2.0%
Liabilities	57,854	64,877	68,132	2.6%	-1.7%
CDs	21,659	25,790	25,509	-3.4%	4.3%
Savings	10,960	12,918	14,713	11.2%	3.3%
Other liabilities***	12,070	11,607	10,660	-10.3%	-15.7%
Checking accounts	13,165	14,562	17,250	15.7%	-3.1%
Equity	9,449	11,606	12,423	4.5%	7.6%
ROA (2)	1.00%	0.66%	0.84%		
ROE (3)	7.15%	4.41%	5.52%		

Source: Superintendencia General de Entidades Financieras de Costa Rica - (SUGEF).



\* The portfolio by modality is derived from private sector credit by modality, hence the sum of modalities does not equal the total portfolio in the Financial Sector's Balance Sheet. The 2023 figures are as of November.

\*\* Other assets include granted guarantees, non-productive fixed assets, and other non-productive assets (excluding credit portfolios).

\*\*\* Other liabilities include current account overdrafts, capitalization contracts, obligations, and non-cost liabilities. The closing exchange rates of 2021, 2022 and 2023 were used.

- (1) Variation is in local currency.  
(2) Twelve-month profit to average assets over 12 months. Davivienda calculation.  
(3) Twelve-month profit to average equity over 12 months. Davivienda calculation.





## EL SALVADOR

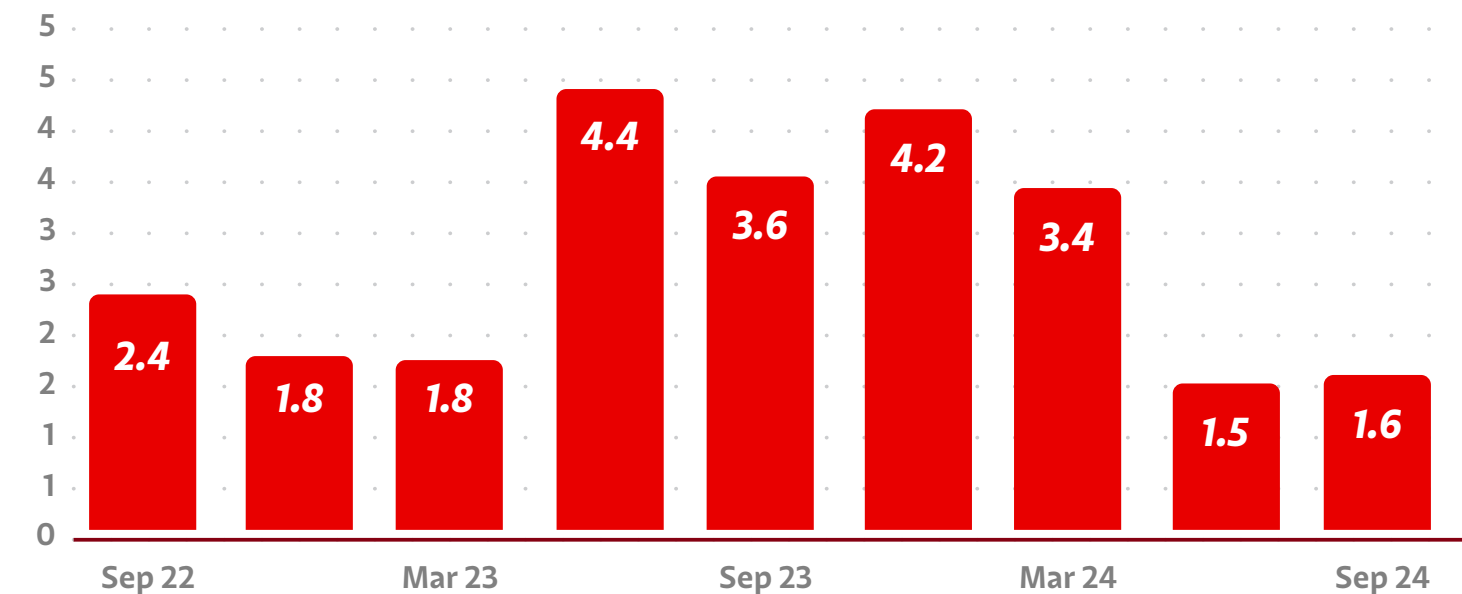
### *Economic Activity*

In 2024, the Salvadoran economy registered moderate growth, primarily constrained by a decline in exports to the United States, its main trading partner. Nonetheless, **sectors such as tourism, commerce, and especially the financial and insurance industries delivered positive results over**

**the year, contributing to overall economic stability.** The Government continued to strengthen public safety indicators, a factor that, while not leading to a substantial increase in investment, improved the overall perception of the economic environment.

### *El Salvador - Gross Domestic Product*

(Annual percent change)



Source: Central Reserve Bank and Davivienda calculations.





Through the third quarter of 2024, GDP grew at an average rate of 2.2%. When averaging the annual variations of the first three quarters, the artistic, entertainment, and recreation activities recorded the highest growth at 8.5%, followed by financial and insurance activities at 8.1% and lodging and food services at 7.3%. These sectors were key drivers of economic dynamism, reflecting improvements in tourism and related services. In this context, El Salvador experienced a remarkable increase in international tourist arrivals in 2024, reaching 3.9 million visitors—a growth of 17% compared to 2023.

***Trade grew by 3% on average annually.***

Meanwhile, the commerce sector grew at an average annual rate of 3% during the first three quarters, surpassing the 2.6% registered during the same period in 2023. In contrast, the manufacturing industry deepened its decline, contracting by 1.8%, primarily due to a reduction in orders from the maquiladora sector in the United States.

Regarding the external sector, at year-end, exports decreased annually by 0.78%, within which traditional products and maquila contracted by 5.58% and 11.75%, respectively, while non-traditional products increased by 1.54%. In turn, imports increased by 2.07%, driven by increments of 5% in consumer goods and 6.38% in capital goods. On the other hand, intermediate goods fell by 0.38%.

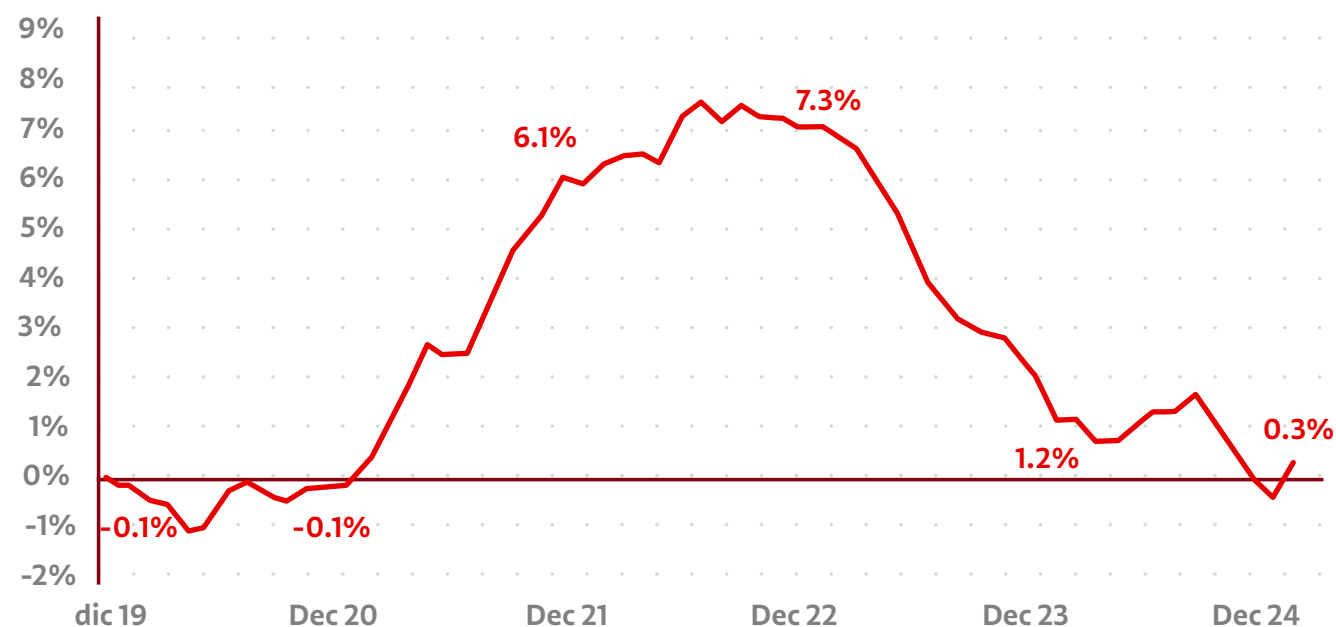
Meanwhile, remittances experienced a growth of 2.5%, reaching USD 8,479 million; lower than the 5.83% increase recorded in the previous year.





## Inflation

### El Salvador - Annual Inflation



Source: Central Reserve Bank and Davivienda calculations.

In 2024, El Salvador ended the year with an annual inflation rate of 0.29%, a decrease from 1.2% in 2023. This result placed the country among those with the lowest inflation rates in the region. The reduction was influenced both by domestic factors and by the moderation of international food and fuel prices.

Key domestic measures included the **opening of 54 agro-markets and the inauguration of a central supply hub in San Salvador Este, which facilitated a more direct connection between producers, importers, and retailers, thereby reducing intermediation costs.** These initiatives, coupled with stable international prices, contributed to a 0.47% annual deflation in food prices at year's end, according to data from the Banco Central de Reserva (BCR).

Additionally, the Government carried out over 50,000 price inspections on food and fuels to curb speculative practices. Moreover, the propane gas subsidy was maintained, benefiting over 1 million households at an approximate cost of USD 65.6 million by the end of 2024.

## Monetary Policy

On the fiscal front, the country advanced in managing its public debt through early bond buybacks and received an improvement in its credit ratings-especially from Fitch-following the technical agreement reached with the International Monetary Fund (IMF). The year was also marked by a pivotal electoral process, with the election of the president, deputies, and mayors, as well as a territorial administrative reorganization<sup>23</sup> aimed at improving government efficiency. In addition, austerity measures were implemented, including cuts in public positions and salaries, in an effort to optimize State resource use.

**Food experienced an annual price decrease of 0.47%.**

<sup>23</sup> In 2024, El Salvador carried out an administrative reorganization that reduced the number of municipalities from 262 to 44 and decreased the number of deputies in the Legislative Assembly from 84 to 60.





According to data from the Ministry of Finance, as of November 2024, the balance of non-financial public sector (SPNF) debt was USD 20,940.01 million, which represented an increase of USD 1,558 million from the end of 2023 and accounted for 58% of the country's GDP. Considering the balance reported by the Instituto Salvadoreño de Pensiones (ISP), total debt reached USD 31,353 million, equivalent to 87% of GDP.

Furthermore, as of the close of 2024 and into early 2025, rating agencies issued statements regarding El Salvador. On November 15, 2024, Standard & Poor's maintained El Salvador's long-term rating at B- with a stable outlook. Subsequently, on November 26, 2024, **Moody's raised the country's rating to B3 from Caa1, also with a stable outlook.** Finally, on January 7, 2025, Fitch Ratings upgraded the rating to B- from CCC+ and set the outlook as stable. All three agencies recognized the country's relative stability

despite economic challenges, highlighting efforts in debt management, buyback strategies, refinancing to more favorable terms, and the technical agreement reached with the IMF.

El Salvador has maintained an active approach to improving its financial profile. In 2024, debt buybacks amounted to approximately USD 1,798 million, which were critical in easing pressure on public finances. These operations helped improve the maturity profile and reduce the costs associated with servicing debt, thereby mitigating further fiscal strain. In 2024, El Salvador executed three debt buybacks: USD 469 million in April, USD 940 million in October, and USD 388 million in November. Each buyback was financed through the issuance of bonds or loans of USD 1,000 million, with interest rates of 12% for 6-year maturities, 9.65% for 30-year maturities, and financing from JPMorgan supported by the International Financial Corporation (IFC).



*Rating agencies highlighted the sound debt management, **buyback strategies, and the debt reprofiling agreement with the IMF.***



**Tax revenue  
in 2024 was  
7.1% higher  
than in 2023.**

On December 18, 2024, the IMF announced that a technical agreement had been reached with the country. The Extended Fund Facility (EFF) includes a financing program of USD 1,400 million over a period of 40 months. According to the IMF, the program aims to improve fiscal sustainability, economic consolidation, and the strengthening of national reserves. Additionally, efforts to enhance transparency and combat corruption are expected, along with the removal of the obligation to use Bitcoin as legal tender. The program also opens the possibility of accessing an additional USD 3,500 million in joint financing with other organizations such as the World Bank, the Inter-American Development Bank, the Central American Bank for Economic Integration, and the Development Bank of Latin America and the Caribbean.

Finally, El Salvador recorded a fiscal deficit of USD 787.7 million in 2023, representing 2.3% of GDP. For 2024, through November, the fiscal deficit amounted to USD 463.6 million, equivalent to 1.3% of GDP. Furthermore, progress was made in tax collection<sup>24</sup>, which was 2.7% higher than budgeted at the start of 2024 and increased by 7.1% compared to 2023. Total revenues<sup>25</sup> through November reached

USD 8,213.6 million—an accumulated annual growth of 8%—while total expenditures<sup>26</sup> were USD 8,677.3 million, an 8.8% increase over the same period.

## Financial Sector

The financial system<sup>27</sup> continued to exhibit dynamism in 2024. Deposit mobilization remained the primary funding source, reflecting public confidence in the stability and solidity of the local financial system, as evidenced by robust liquidity indicators and strong capital adequacy ratios. The main funding sources for Salvadoran banks were deposits (84.5%), loans (9.6%), and self-issued bonds (5.9%).

24 Ministerio de Hacienda: Data as of December 31, 2024.

25 They include tax revenues, non-tax revenues, foreign donations, special contributions, surpluses from public companies, and transfers from public financial institutions.

26 Current expenditures and capital expenditures.

27 At the end of 2024, the supervised financial system was composed of 23 entities: 13 commercial banks (one more than in 2023), 7 cooperative banks, and 3 savings and loan companies. Among these, the largest market share is held by foreign franchise banks, which currently account for a significant proportion exceeding 84% of assets, loans, and deposits.





Regarding bank interest rates, short-term loans (up to one year) had a weighted average annual rate of 7.99%, compared to 7.53% in 2023. For long-term loans (over one year), the rate reached 11.17%, compared to 10.6% in the previous year. Meanwhile, one-year deposit rates increased to 5.99%, up from 5.63% in 2023. The upward trend in active rates was driven by higher deposit remuneration and increased yields demanded by investors on debt instruments issued by banks in the local securities market, despite recent declines in international rates whose full impact on local rates is yet to be realized.

In relation to the main monetary aggregates, the bank's credit portfolio grew by 8.4% year-over-year (compared to 4% in the previous year), driven primarily by corporate lending, which indicates higher investments in productive activities.

Meanwhile, total liquidity-defined as the total financial assets available in the economy issued by the financial system, both monetary and quasi-monetary-showed limited dynamism. As of November 2024, this indicator registered an annual change of 0.2%, significantly lower than the 8.2% observed in the previous year.

The main figures of the Salvadoran financial sector are presented below:

## El Salvador - Main financial sector figures and indicators

(figures in USD million)

	Amount			Variation (1)	
	Nov. 22	Nov. 23	Nov. 24	2024-2023	2023-2022
Total assets	21,955	23,636	25,051	6.0%	7.7%
Investments	2,932	3,802	3,679	-3.2%	29.7%
Total loans	15,100	15,689	17,003	8.4%	3.9%
Commercial*	7,773	7,953	8,854	11.3%	2.3%
Consumer*	5,123	5,460	5,785	5.9%	6.6%
Mortgage*	2,649	2,737	2,843	3.9%	3.3%
Other assets**	3,923	4,145	4,370	5.4%	5.7%
Liabilities	19,441	21,033	22,302	6.0%	8.2%
CDs	5,517	6,453	6,909	7.1%	17.0%
Demand deposits	10,478	10,549	11,316	7.3%	0.7%
Other liabilities***	3,447	4,031	4,077	1.1%	16.9%
Equity	2,465	2,552	2,696	5.7%	3.5%
Future commitments and contingencies	-49	-52	-52	0.6%	5.9%
ROA (2)	1.41%	1.34%	1.29%		
ROE (3)	12.82%	12.62%	12.14%		

Source: Superintendencia of the Financial System of El Salvador (SSF).

\* The loan portfolio by modality does not include provisions for loan losses, therefore the sum is not equal to the total portfolio available in the Balance Sheet figures.

\*\* Other assets include inter-mediation assets, temporary acquisition of documents, fixed assets, and other assets.

\*\*\* Other liabilities include inter-mediation liabilities, restricted and inactive deposits, loans, demand obligations, accounts payable, withholdings, provisions, and other liabilities.

(1) The variation is based on the local currency.

(2) The numerator is calculated by annualizing the balances accumulated to the month (balance x 12 / # of the month); the denominator is the balances accumulated to the month. Methodology of the Superintendencia del Sistema Financiero de El Salvador (SSF) for ROA.

(3) The numerator is calculated by annualizing the balances accumulated to the month (balance x 12 / # of the month); the denominator is the balances accumulated to the month. Methodology of the Superintendencia del Sistema Financiero de El Salvador (SSF) for ROE.



## HONDURAS

### *Economic Activity*

Honduras economy grew at an average rate of 3.5% during the first three quarters of 2024, compared to 3.4% in the same period in 2023. This performance was primarily driven by domestic demand in consumption and private investment.

Cumulatively, from January to September 2024, there was a decline in external demand for textiles, which particularly affected the manufacturing sector. The manufacturing sector contracted by an average of 4.1% in the first three quarters of 2024—an improvement relative to the -4.6% average contraction observed in the same period in 2023. This was due to lower production of shrimp, soft drinks, coffee, and tobacco, as well as a reduction in textile and apparel manufacturing, driven by diminished external demand, primarily from the United States.

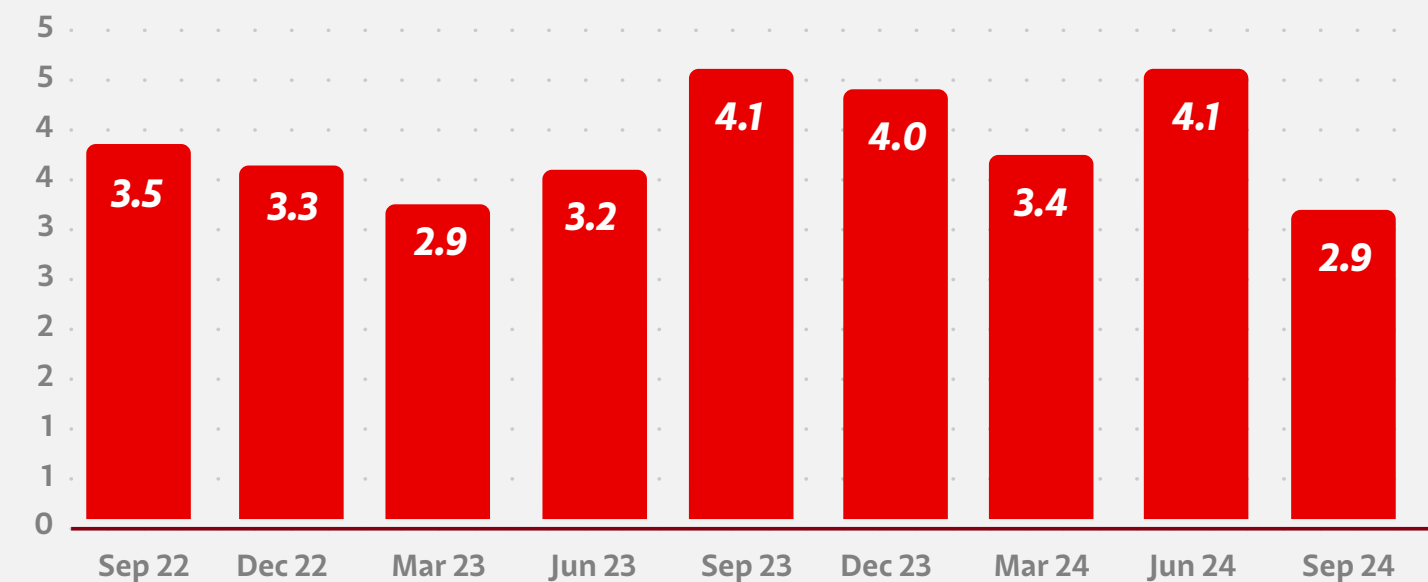
In contrast, the financial intermediation sector performed favorably during the first three quarters of 2024, recording an average annual growth of 13.6%, driven primarily by higher interest and commission income and increased transactions via credit and debit cards.

As of November 2024, Honduras trade deficit reached USD 7,862.9 million, with an annual variation of 9.1% (USD 656.2 million), resulting from an increase of USD 338.6 million in CIF imports (imports include transportation equipment, food and

beverages, and inputs for the maquiladora industry) totaling USD 18,144.3 million. Meanwhile, FOB exports declined by USD 317.6 million to USD 10,281.4 million, driven by lower shipments of coffee, bananas, palm oil, and shrimp, among others.

### *Honduras - Gross Domestic Product*

(Annual percent changel)



Source: Central Bank of Honduras and Davivienda calculations.



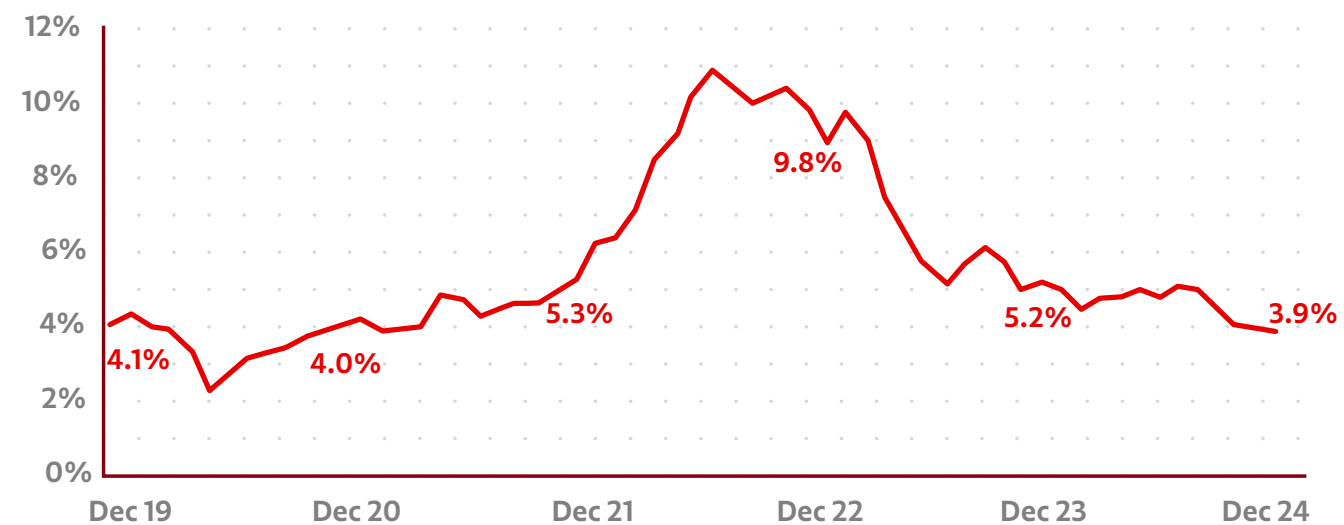


## Inflation

Annual inflation in Honduras decelerated to 3.9% in 2024 (from 5.19% in 2023), marking the lowest rate in the past eight years.

This result is attributable to the monetary measures implemented by the government, which successfully contained inflation within the target range specified in the 2024 Monetary Program ( $4.0\% \pm 1.0\%$ ).

### Honduras - Annual inflation



Source: Hondura's Central Bank and Davivienda calculations.

The main contributors to inflation were food and non-alcoholic beverages, along with lodging, water, electricity, gas, and other fuels—primarily driven by rising agricultural food prices due to adverse climatic factors and increases in rental and fuel costs.



## Exchange Rate

In 2024, the Honduran lempira depreciated by approximately 3% against the dollar, marking a more pronounced depreciation than in previous years.

### Honduras - Nominal exchange rate

HNL per 1 USD



Source: Banco Central de Honduras.

This depreciation exceeded initial expectations and accelerated in the final quarter. Factors contributing to this adjustment included a decline in international reserves and commitments with the International Monetary Fund (IMF), which influenced the lempira's value adjustment. This adjustment was crucial for the approval of revisions to the IMF agreement, allowing the Government to access funds to strengthen the balance of payments and the national budget.

Furthermore, a decline in external demand and other adverse factors led to a reduction in Net International Reserves (NIR), sparking speculation in the foreign exchange market. However, external loan disbursements helped stabilize the situation, positioning reserves at the lower limit of the target set by the monetary authority—at least 5.0 months of imports. Notably, at the end of 2023, NIR covered 5.1 months of imports, within the expected range.

Additionally, remittances remained a key source of foreign currency for Honduras, with total remittances reaching USD 9,743 million in 2024—an increase of 6.2% compared to 2023.

*The National Government of Honduras secured funding to strengthen the balance of payments and the national budget.*

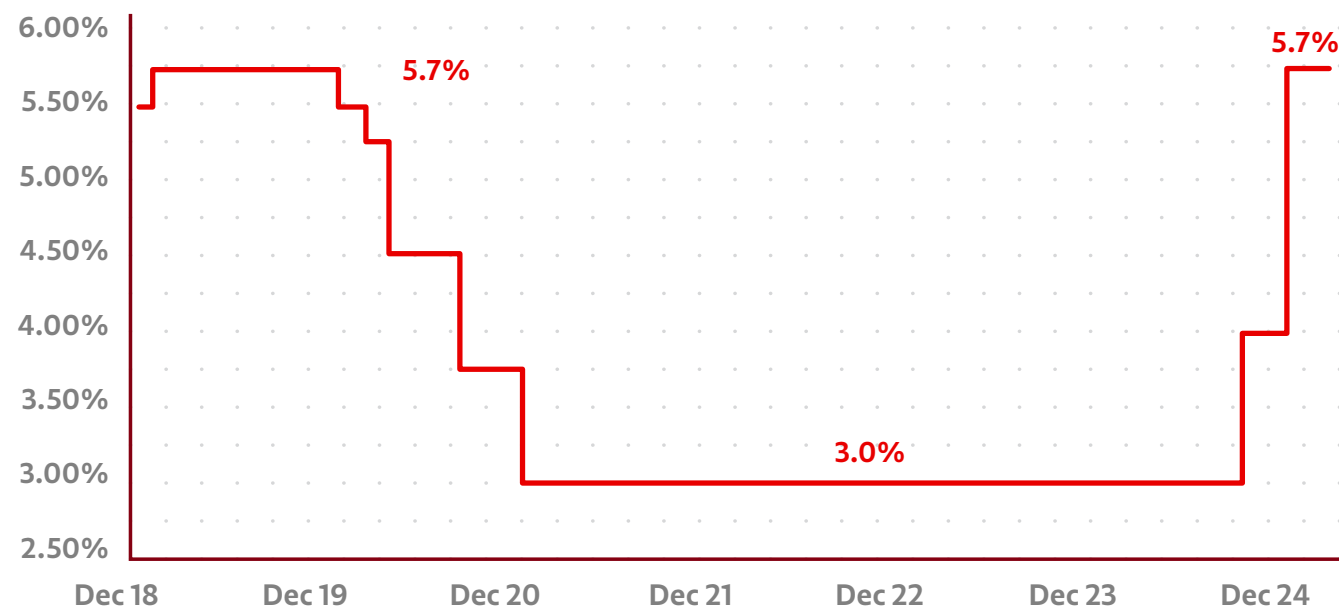




## Monetary, Fiscal Policies and Risk Rating

En 2024, el Banco Central de Honduras (BCH) implementó ajustes en la Tasa de Política Monetaria (TPM)<sup>28</sup> con el objetivo de mitigar las presiones inflacionarias y fortalecer la posición externa del país.

### Honduras- Nominal exchange rate



Source: Hondura's Central Bank and Davivienda calculations.

**The Central Government's public debt decreased from 47.2% of GDP at the end of the third quarter of 2023 to 44.2% of GDP at the end of the third quarter of 2024.**



In 2024, the Banco Central de Honduras (BCH) adjusted its Monetary Policy Rate (TPM)<sup>28</sup> to mitigate inflationary pressures and strengthen the country's external position. On July 16, 2024, the BCH's Open Market Operations Committee increased the TPM by 100 basis points, raising it from 3% to 4% annually. Subsequently, in October 2024, the BCH raised the TPM by an additional 1.75 percentage points, bringing it to 5.75% annually.

These adjustments reflect the BCH's strategy to confront a challenging economic environment, aiming to maintain price stability and reinforce Honduras' external position.

On the fiscal side, the Secretaría de Finanzas (SEFIN) reported that the fiscal deficit of the Central Administration as of November 2024<sup>29</sup> was -0.03% of GDP, significantly lower than the -0.6% recorded in the same period in 2023. Additionally, the Central Administration's debt decreased from 47.2% of GDP at the close of Q3 2023 to 44.2% at the close of Q3 2024.

<sup>28</sup> The Monetary Policy Rate (TPM) set by the BCH will be the maximum accepted for purchase bids in liquidity auctions directed to national financial institutions, and will be the minimum for sale bids. The TPM will serve as a benchmark for interbank operations.

<sup>29</sup> This figure represents the cumulative fiscal deficit of the Central Administration from January to November. Due to the revenue and expenditure structure of the Honduran government throughout the year, the deficit increases towards the end of the year.



Regarding risk ratings, Moody's maintained Honduras rating at B1 with a stable outlook, while in September 2024, Standard & Poor's maintained its BB- rating but revised the outlook from stable to negative, reflecting concerns about potential fiscal and economic challenges that could affect the country's ability to meet its financial obligations.

## Financial Sector

**Honduras financial system in 2024 demonstrated its capacity to adapt to changing conditions, achieving growth in key areas that supported national economic expansion.**

According to data from the Comisión Nacional de Bancos y Seguros (CNBS) in December 2024, the credit portfolio grew by 12.3%, driven primarily by increased commercial and consumer lending, which contributed to an improvement in profitability, with an average return of 11.7% in 2024 compared to 11.6% in 2023.

Credit quality showed a slight deterioration, increasing from 1.49% in 2023 to 1.74% in 2024. Meanwhile, non-performing loans as of December 2024 stood at 59.4% (compared to 59.6% in December 2023), reflecting a year-over-year variation of 30.9%, while the delinquency rate was 40.6% (compared to 40.4% in December 2023), representing a variation of 31.8%.

Key financial sector figures for Honduras are summarized below:

## Key Figures and Indicators of the Financial Sector in Honduras

(figures in USD million)

	Amount			Variation (1)	
	Nov. 22	Nov. 23	Nov. 24	2024-2023	2023-2022
Total assets	35,283	40,577	45,587	12.3%	15.3%
Investments	4,863	4,103	4,159	1.4%	-15.5%
Total loans (2)	19,592	23,301	26,169	12.3%	19.2%
Commercial	14,401	16,652	18,161	9.1%	15.9%
Consumer	3,668	4,756	5,723	20.3%	29.9%
Mortgage	2,716	3,316	3,894	17.4%	22.4%
Other assets*	10,827	13,173	15,259	15.8%	21.9%
Liabilities	31,896	36,879	41,556	12.7%	15.9%
CDs	6,576	7,861	10,257	30.5%	19.8%
Savings	10,539	11,283	11,708	3.8%	7.3%
Other liabilities**	10,218	12,495	14,783	18.3%	22.6%
Checking accounts	4,563	5,239	4,808	-8.2%	15.1%
Equity	3,391	3,698	4,031	9.0%	9.3%
ROA (4)	2.52%	2.17%	1.95%		
ROE (3)	13.98%	11.64%	11.68%		

Source: National Banking and Insurance Commission (CNBS).

- \* Other assets include liquid assets and other assets.
- \*\* Other liabilities include financial costs payable, other deposits, bank obligations, and other liabilities.
- (1) Variation is expressed in local currency.
- (2) Figures are adjusted for accumulated loan loss provisions and loan subsidies according to the CNBS reporting methodology. Figures for the portfolio by modality are not adjusted for these items, so the sum does not equal the total portfolio in the Balance Sheet. Exchange rates for 2021, 2022, and 2023 were used.
- (3) Results are annualized earnings/capital and reserves as per CNBS methodology.
- (4) Results are annualized earnings/average real assets as per CNBS methodology.





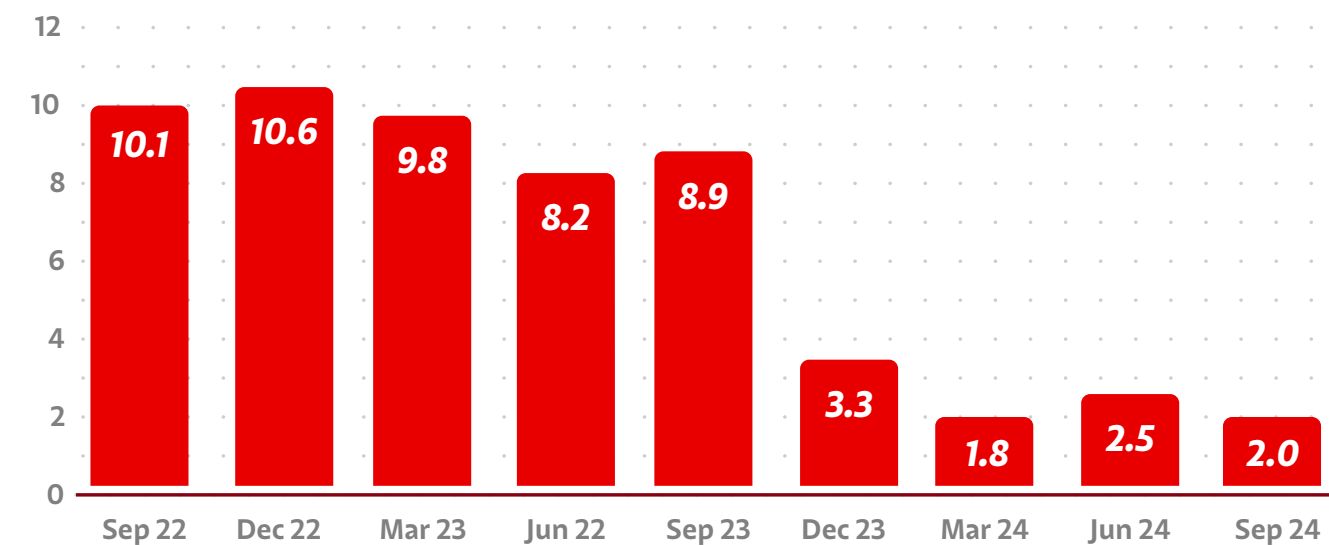
## PANAMA

### *Economic Activity*



### *Panama - Gross domestic product*

(Annual percent change)



Source: INEC Panama and Davivienda calculations.

Panama's economic activity in 2024 was significantly affected by the closure of the copper mine. The average annual growth rate for the first three quarters was 2.1%, which is below the decade-long average GDP growth of 4%. This outcome was also driven by adverse impacts on merchandise trade in the Zona Libre de Colón (ZLC)

and lower revenue from tolls and canal transits.

Regarding trade in the ZLC, from January to November 2024, total trade (exports plus imports) contracted by 20.7% on an annual basis, with the main impact from a 34% annual decline in imports, while re-exports grew by 0.3% annually.



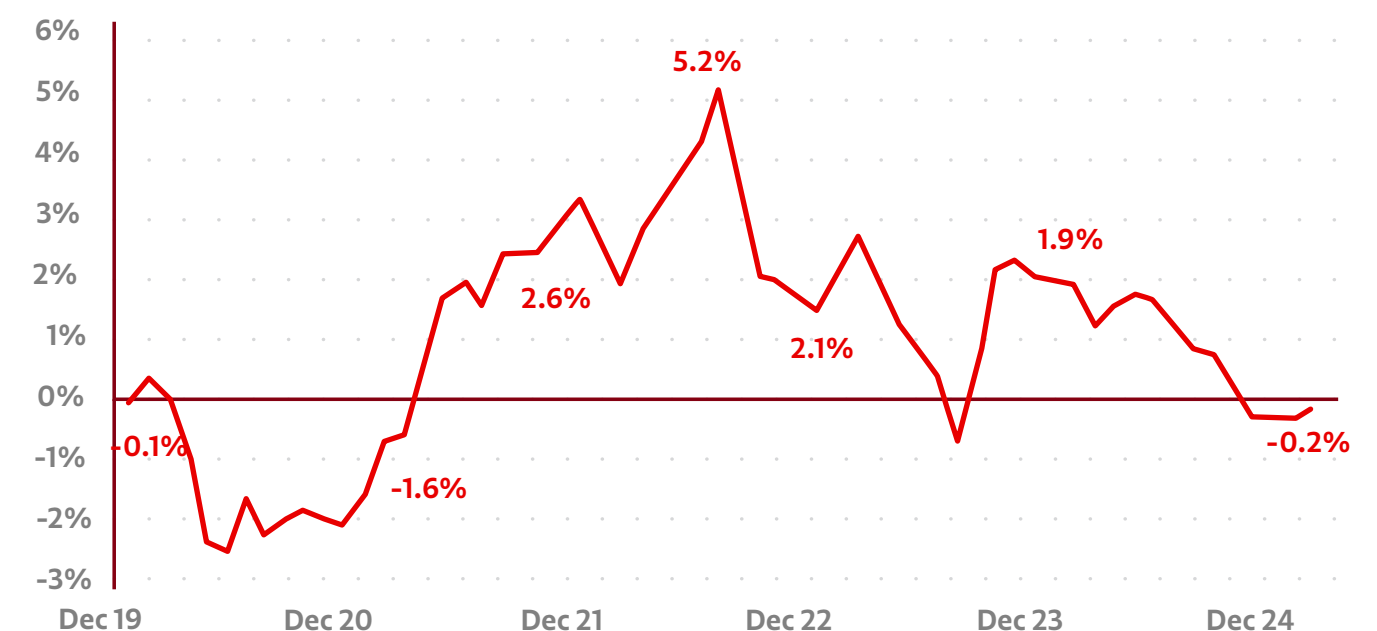
Data from the Panama Canal for the first 11 months of 2024 continued to show headwinds due to measures taken in response to reduced water availability from drought and the El Niño phenomenon. Vessel transits through the canal contracted by 14.1% during this period, and toll revenues declined by 1.7%. Measures to counteract the drought were gradually phased out during the year until the maximum allowable draft for vessel crossings was reached in mid-August; subsequently, the daily number of permitted transits normalized.

In contrast, tourism remained dynamic in 2024: from January to October, international arrivals grew by 8.38% annually, with tourist spending increasing by 9.26% year-over-year. Although these growth rates were lower than those registered in 2023, they exceeded pre-pandemic levels.

### **Inflation**

Panama's annual inflation in 2024 ended in negative territory at -0.19%. Throughout the year, inflationary pressures were subdued in sectors such as food and transportation, and a decline in fuel prices played a significant role in this behavior.

### **Panama - Annual Inflation**



Source: INEC Panama and Davivienda calculations.

**Tourism experienced growth exceeding the levels recorded prior to the COVID-19 pandemic.**







## Fiscal Policies and Risk Rating

By September 2024, Panama's Central Government accumulated a fiscal deficit of 8.04% of GDP, compared to 5.84% in the same period of the previous year. This deterioration was due to a 13.8% decline in total revenues, including a 5.4% drop in tax revenues and a 9.2% decline in non-tax revenues. These figures fell short of budget expectations, as the Ministry of Finance noted that certain administrative measures to boost revenue—such as the extension of electronic invoicing and increased commerce supervision—had encountered setbacks.

For the close of December 2024, the Ministry of Finance anticipated higher revenue collections due to the Fiscal Moratorium decreed on October 28, 2024, which established a deadline of December 31, 2024, for individuals and legal entities to settle their tax debts. Additionally, contributions from economic surpluses generated by the Panama Canal and other public or mixed entities are expected by year-end.

Total expenditure increased by 12.7% year-over-year as of September, despite government measures to contain spending by USD 1,387 million<sup>30</sup>. The Ministry of Finance also reported accounts payable of USD 877 million to suppliers. Consequently, public debt as a percentage of GDP at the close of 2024 reached 61.5%<sup>31</sup>, compared to 56.4% in 2023.

The Government also modified the Ley de Responsabilidad Fiscal<sup>32</sup>; key adjustments include raising the maximum fiscal deficit limit for the Sector Público No Financiero (SPNF) for 2025 to 4% and to 3.5% for 2026, a gradual reduction of the net debt-to-GDP ratio for the SPNF to 50% or less within ten years from 2026, and the maintenance of a primary surplus from fiscal year 2028 onward.

Moreover, Panama's country risk rating underwent several changes in 2024. In March, Fitch Ratings downgraded Panama's rating from BBB- to BB+, thereby stripping it of its investment-grade status. In November, Moody's assigned a negative outlook to Panama's Baa3 rating, and in November, S&P downgraded Panama from BBB to BBB-. These changes were attributed to fiscal challenges, including lower revenue collections, increased debt, and a higher interest burden.



30 Resolution No. 69-24 of July 30, 2024.

31 The current-price GDP for 2024 used in this calculation by the Ministerio de Hacienda de Panama is estimated by this entity at USD 87,347 million.

32 Law No. 445 of October 28, 2024.



## Financial Sector

According to the Financial Stability Report published by the Superintendencia de Bancos de Panama (SBP), during the first half of 2024, banks in the International Banking Center maintained solvency indicators above the required 8%. Additionally, the risk-adjusted Capital Adequacy Ratio was 15.94% as of September 2024.

Regarding profitability in the national banking system, as of November 2024, the Return on Assets (ROA) reached 1.84% and the Return on Equity (ROE) was 16.8%, slightly higher than the figures recorded in the same period in 2023. The net intermediation margin reached 2.77%, a slight reduction from 2.81% in the same period in 2023. The SBP noted that this reduction reflects ongoing pressure on margins, possibly due to increased competition in interest rates and higher funding costs.

The improvement in ROA and ROE, despite the slight contraction in the net intermediation margin, suggests that banks have managed to offset these pressures through operational efficiencies and increased non-interest income.

The total credit portfolio grew by 8.3% annually as of November, driven primarily by growth in commercial and household loans, while the ratio of non-performing to total credit was 2.4%, lower than the 2.7% recorded in the same period of the previous year. The delinquency rate stood at 1.8%, a reduction from 2% in the previous year. Total deposits increased by 4.7% annually, characterized by a 3.2% rise in domestic deposits and an 8.3% increase in foreign deposits.

Below is a summary of the key figures for Panama’s financial sector:

## Panama - Main financial sector figures and indicators

(figures in USD million)

	Amount			Variation (1)	
	Nov. 22	Nov. 23	Nov. 24	2024-2023	2023-2022
Total assets	123,788	129,751	137,255	5.8%	4.8%
Investments	24,260	26,537	28,225	6.4%	9.4%
Total loans	76,153	80,425	87,160	8.4%	5.6%
Consumer	13,077	13,631	14,235	4.4%	4.2%
Mortgage	19,737	20,483	21,071	2.9%	3.8%
Other loans	23,851	24,746	26,914	8.8%	3.8%
Foreign	19,488	21,566	24,939	15.6%	10.7%
Other assets*	23,375	22,789	21,870	-4.0%	-2.5%
Liabilities	111,215	115,878	121,852	5.2%	4.2%
CDs	43,329	47,767	46,208	-3.3%	10.2%
Savings	16,286	15,335	15,669	2.2%	-5.8%
Other liabilities**	37,285	38,744	46,200	19.2%	3.9%
Checking accounts	14,315	14,033	13,775	-1.8%	-2.0%
Equity	12,573	13,873	15,404	11.0%	10.3%
ROA (1)	1.22%	1.73%	1.84%		
ROE (1)	11.81%	16.63%	16.78%		

\* Other assets include liquid assets and other assets.  
\*\* Other liabilities include official local and foreign deposits, obligations, and other liabilities.  
(1) Calculations by the Superintendency of Banks of Panama.





## Appendix: Sovereign risk ratings

Material Circularity Indicators	Moody's	S&P	Fitch
Medium investment grade	A1	A+	A+
	A2	A	A
	A3	A-	A-
Low investment grade	Baa1	BBB+	BBB+
	Baa2 Colombia (neg) <sup>5</sup>	BBB	BBB
	Baa3 Panama (neg) <sup>9</sup>	BBB- Panama (est) <sup>11</sup>	BBB-
Non-investment grade	Ba1	BB+ Colombia (neg) <sup>1</sup>	BB+ Panama (est) <sup>3</sup> Colombia (est)
	Ba2	BB	BB Costa Rica (est) <sup>2</sup>
	Ba3 Costa Rica (pos) <sup>6</sup>	BB- Honduras (neg) <sup>7</sup> Costa Rica (pos) <sup>8</sup>	BB-
Highly speculative	B1 Honduras (est)	B+	B+
	B2	B	B
	B3 (est) <sup>4 10</sup>	B- El Salvador (est)	B- El Salvador (est) <sup>12</sup>
Default risk	Caa 1	CCC+	CCC+
	Caa2	CCC	CCC
	Caa3	CCC-	CCC-
High default risk	Ca	CC	CC

1. Change in outlook from stable to negative - 18/01/2024
2. Improvement in risk rating from BB- to BB - 28/02/2024
3. Downgrade in risk rating from BBB- to BB+ - 28/03/2024
4. Improvement in risk rating from Caa3 to Caa1 - 23/05/2024
5. Change in outlook from stable to negative - 27/06/2024
6. Improvement in risk rating from B1 to Ba3 - 18/09/2024
7. Change in outlook from stable to negative - 20/09/2024
8. Change in outlook from stable to positive - 22/10/2024
9. Change in outlook from stable to negative - 29/11/2024
10. Improvement in risk rating from Caa1 to B3 - 26/11/2024
11. Downgrade in risk rating from BBB to BBB- - 26/11/2024
12. Improvement in risk rating from CCC+ to B- - 07/01/2025  
Updated as of 27 January 2025.



# Financial Results

## Consolidated Financial Results

The following figures correspond to the consolidated financial results obtained in 2024 by Banco Davivienda S.A. and are compared to 2023 results, both reported under IFRS.

### ASSET STRUCTURE AND ANALYSIS

At the end of the year, total assets reached COP 191.3 trillion, increasing 7.4% over the year. Excluding the impact of the Colombian peso depreciation (-15.4%), assets grew by 1.6%.

Cash and interbank funds increased by 0.1%, mainly due to the higher deposits in el Salvador at year-end

The investment balance grew by 12.3%, driven by new investments in sovereign debt securities in Colombia, aligned with the bank's liquidity management strategies implemented during the year.

Gross loan portfolio expanded by 7.0% year-over-year, explained by: (i) the effect of the Colombian peso depreciation (-15.4%). Excluding this effect, gross loans would have grown by 2.6%, and (ii) the expansion of the commercial and mortgage portfolios, supported by corporate and construction sector growth, as well as increased low-income housing. Loan loss provisions decreased by 9.0%, due to charge-offs carried out during the year.

The commercial loan portfolio grew by 15.4%, primarily due to strong performance in the corporate and construction segments in Colombia, as well as growth in Panama, El Salvador, and Honduras. Excluding the depreciation effect (-15.4%), commercial loans expanded by 12.6%.







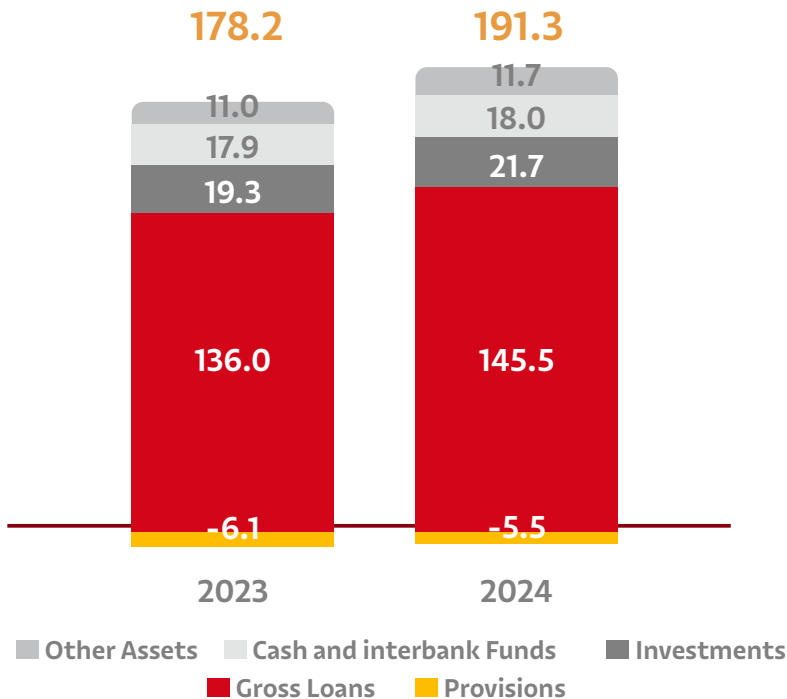
The consumer loan portfolio contracted by 8.1%, explained by lower disbursements, natural payment dynamics, and charge-offs. Excluding the depreciation effect (-15.4%), the decline was 9.1%.

The mortgage portfolio increased by 8.8%, primarily due to stronger low-income housing growth, especially in Colombia, as well as improved disbursement activity in Central America, particularly in Honduras and El Salvador. Excluding the depreciation effect (-15.4%), mortgage loans grew by 8.1%.

**Gross Loan Portfolio 2024: COP 145.5 trillion, +7% YoY, driven by the expansion of the commercial and mortgage portfolios.**

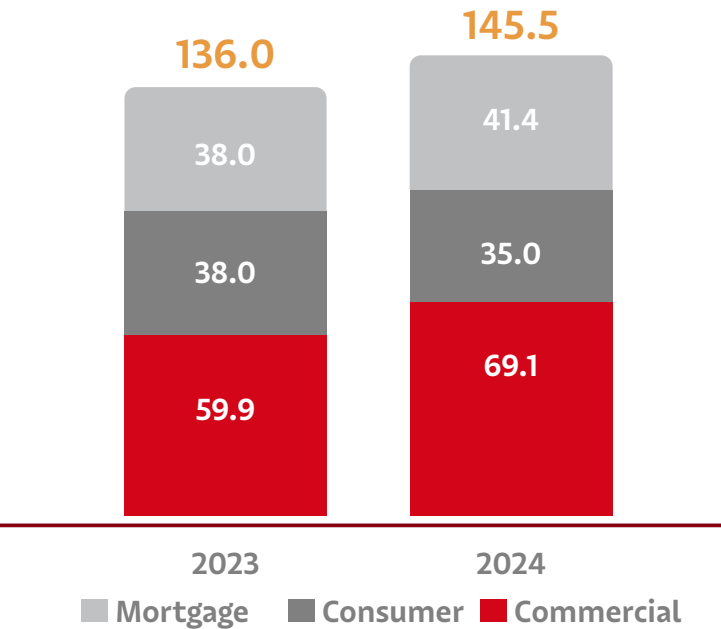
**Davivienda Consolidated / Asset Performance**

(Figures in COP trillion)



**Davivienda Consolidated / Gross Loan Portfolio**

(Figures in COP trillion)



As of December 2024, the consolidated 90-day PDL ratio stood at 4.41%, decreasing by 53 bps over the year, mainly reflecting improvements in the consumer loan portfolio’s risk profile and the charge-offs carried out during the period.



The commercial loan delinquency rate increased by 14 basis points, attributed to pressures in certain SME loan subsegments, particularly in agriculture, retail, and contractors linked to the construction sector. However, recent vintages show early signs of stabilization. The consumer loan delinquency rate decreased by 268 basis points compared to 2023. Finally, the mortgage loan delinquency rate (>90 days) increased by 64 basis points mainly due to a combination of high interest rates on certain disbursements and portfolio securitizations carried out during the year.

At year-end 2024, the traditional coverage ratio was 86.1%, 4.4 percentage points lower than the 90.5% reported in December 2023. This decline resulted from a higher proportion of commercial and mortgage loans within the portfolio mix, segments that naturally require lower coverage levels due to their high collateralization.

The coverage-plus-collaterals, which better reflects credit risk exposure by including secured guarantees, closed at 139.0% in 2024, increasing by 670 basis points. This improvement was driven by the Bank's provisioning efforts aimed at strengthening coverage across all segments.

*We closed the year with a coverage ratio including collateral of 139.0%.*

### Portfolio Quality and Coverage Indicators

(Past-Due Loans over 90 Days)

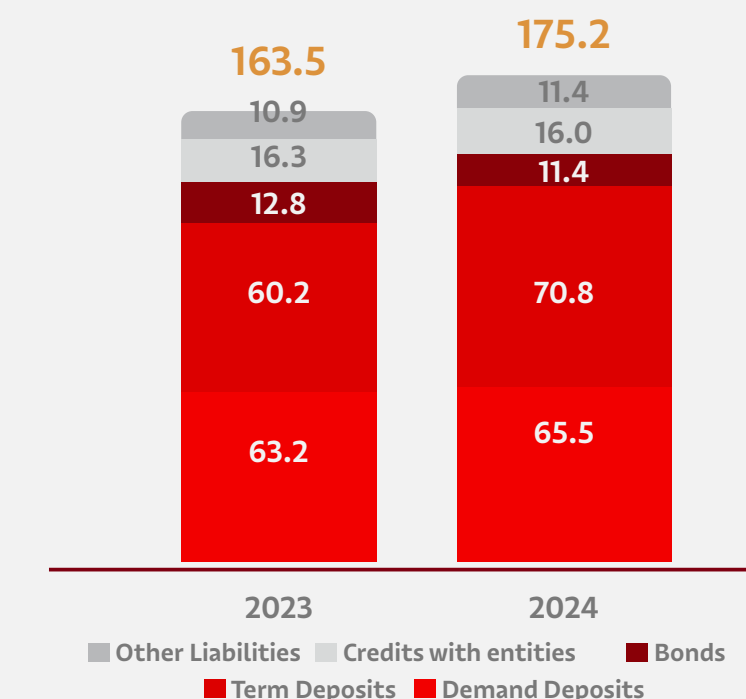
	Portfolio Quality and Coverage Indicators	
	2023	2024
Comemrcial	3,79%	3,93%
Consumer	6,97%	4,29%
Mortgage	4,69%	5,33%
<b>TOTAL</b>	<b>4,94%</b>	<b>4,41%</b>
<b>TOTAL COVERAGE</b>	<b>90,5%</b>	<b>86,1%</b>
<b>TOTAL COVERAGE + COLLATERALS</b>	<b>132,3%</b>	<b>139,0%</b>

## LIABILITIES ANALYSIS AND STRUCTURE

Total liabilities increased by 7.2% compared to 2023, closing at COP 175.2 trillion, primarily due to 17.6% growth in term deposits. Excluding the impact of the Colombian peso depreciation (+15.4%), funding sources grew by 2.0%.

### Liabilities Performance

(Figures in COP trillion)







The gross loan-to-funding ratio was 88.8%, decreasing by 28 basis points compared to fourth quarter 2023 (89.1%).

The increase in traditional funding mainly comes from term deposits, which grew by 17.6%. This was primarily driven by a slower-than-expected decline in interest rates, leading customers to shift from traditional funding to term deposits. Meanwhile, demand deposits increased by 3.6% during the year, mainly in Central America (COP 0.2 trillion)

Bond issuances declined by 11.2% compared to 4Q23, mainly due to maturities of Colombian-issued bonds.

Loans with financial institutions showed a 1.8% decline during the year, mainly due to a slower rollover of credits.

**Term deposits grew by 17.6%.**

### **Banco Davivienda - Funding Sources**

(in COP trillion, except percentages)

	Dec. 2024		Dec. 2023		Variation	
	Balance	Percentage	Balance	Percentage	Balance	Percentage
Saving accounts	49.3	30.1%	47.3	31.0%	2.0	-0.9%
Checking accounts	16.2	9.9%	15.9	10.4%	0.3	-0.6%
Term deposits	70.8	43.2%	60.2	39.4%	10.6	3.8%
Bonds	11.4	7.0%	12.8	8.4%	-1.4	-1.5%
Credits with entities	16.0	9.8%	16.3	10.7%	-0.3	-0.9%
Funding sources	163.7	100.0%	152.6	100.0%	11.2	0.0%





## EQUITY ANALYSIS AND STRUCTURE

Consolidated equity totaled COP 16.2 trillion as of December 2024, increasing by 9.5% compared to the same period of 2023, reflecting the capital injection in 1Q24, positive financial results in 3Q and 4Q, and the exchange rate effect.

The CET1 ratio increased by 70 bps<sup>33</sup> during the year, mainly due to the capital increase, net profits from the second half of the year, and the reduction in Operational Value at Risk.

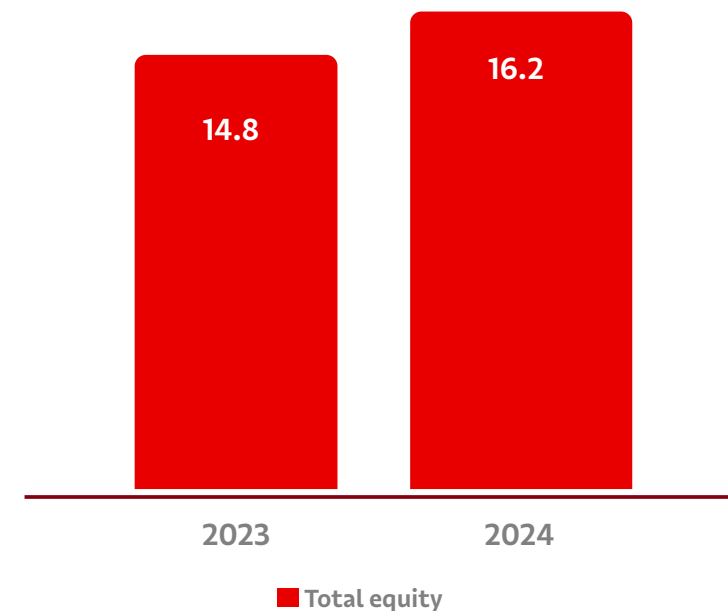
Additionally, Total Capital Adequacy Ratio increased by 103 bps compared to 4Q23, driven by the previously mentioned factors and the depreciation of the Colombian peso against the U.S. dollar

The leverage ratio increased by 24 bps compared to 4Q23.

Risk-Weighted Asset Density decreased by 395 bps year-over-year (71.7% in 4Q23), mainly due to the reduction in Operational Value at Risk.

### Equity

(In COP trillion)



***The total solvency ratio increased by 103 basis points compared to 2023.***

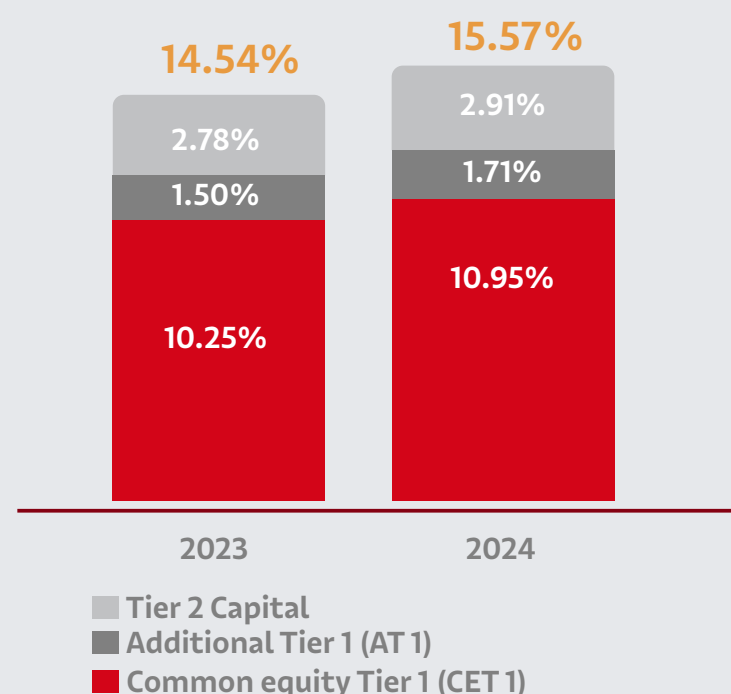
<sup>33</sup> Corresponds to the arithmetic variation of solvency to 2 decimal places.





## Solvency Ratio

(in percentages)



*We complied with the risk **appetite framework** established for liquidity risk.*

## LIQUIDITY POSITION

The macroeconomic environment in 2024 was marked by interest rate reductions, although at a slower pace than initially expected by the markets, alongside political uncertainty at both local and international levels, a slight growth of the Colombian economy, and growing concerns over the country's fiscal outlook. Despite these conditions, no material changes in liquidity risk were observed across Davivienda and its subsidiaries, and no unforeseen liquidity pressures emerged beyond those anticipated in the business plans. The Group maintained sufficient liquid assets to ensure financial stability, adhering to the liquidity risk appetite framework.

Although returns on term deposits declined, customer preference for this product remained

strong, driving an increase of COP 5.2 trillion in fixed-term deposits. This trend was evident across both Colombia and subsidiaries.

On average, Davivienda and its subsidiaries maintained liquid assets of COP 21.3 trillion, allowing them to meet 2.3x their 30-day liquidity needs based on the Financial Superintendence of Colombia's standard methodology. The Net Stable Funding Ratio (NSFR), which ensures adequate long-term funding, averaged 110.18% in 2024.



## Banco Davivienda Subsidiaries / Average Indicator Compliance for 2024

	Short Term Ratio		Long Term Ratio	
	Compliance	Limit	Compliance	Limit
Costa Rica	2.2	>1	1.1	>1
El Salvador	4.2	>1	1.3	>1
Honduras	1.8	>1	1.1	>1
Panama	1.6	>1	1.3	>1



## INCOME STATEMENT

The consolidated result closed at -COP 89.7 billion, improving by COP 283 billion compared to the accumulated figure as of December 2023. This was mainly driven by lower financial expenses, reduced provision expenses, better foreign exchange and derivatives results, and controlled operating expenses. Consequently, the return on average equity (ROAE) over the last 12 months closed at -0.58%.

The accumulated gross financial margin reached COP 8.7 trillion, representing a 6.6% decrease.

However, considering that part of the interest rate risk management is conducted through derivatives, when including net income from foreign exchange and derivatives, the gross financial margin reached approximately COP 8.9 trillion, reflecting a 2.8% increase compared to the same period in 2023.

The 12-month NIM C&D stood at 5.65%, increasing by 17 basis points compared to the previous year's figure, driven by a reduction in funding costs and interest rate risk strategies.

Provision expenses (net of recoveries) as of December 2024 reached COP 5.2 trillion, reflecting a 12.2% reduction compared to the same period the previous year. This improvement results from efforts to enhance the risk profile of the consumer portfolio.

Accumulated operating income as of December 2024 increased by 8.4% year-over-year, mainly in Colombia, driven by higher income from debit and credit card fees and transactional income.

Accumulated operating expenses as of December 2024 reached COP 6.2 trillion, increasing by 4.7%, impacted by higher personnel expenses (8%) associated with salary increases. Meanwhile, operational and other expenses rose by 1.3%, driven by increased technology infrastructure maintenance costs and deposit insurance fees. However, expense growth remained below the accumulated inflation rate of 2023 (9.3%), reflecting the Bank's efficiency strategies.





## Results as of December 2024

(in COP billions, except percentages)

The accumulated income tax as of December 2024 amounted to COP 26 billion, increasing compared to the accumulated amount for the same period of the previous year. This rise was driven by the variation in the pre-tax result and higher deductions applied in 2023.

**Accumulated operating income as of December 2024 increased by 8.4%.**

	Dec. 2024	Dec. 2023	Variation	
			Amount	Percentage
Financial Income	20,090	22,331	-2,241	-10.0%
Loan Portfolio	17,812	19,782	-1,971	-10.0%
Investments and Interbank funds	2,278	2,549	-270	-10.6%
Interest Expenses	11,415	13,039	-1,625	-12.5%
Gross Financial Margin	8,675	9,292	-616	-6.6%
Net Provisions Expenses	5,196	5,917	-722	-12.2%
Net Financial Margin	3,480	3,374	106	3.1%
Operating Income	2,146	1,981	166	8.4%
Operating expenses	6,173	5,940	233	3.9%
FX & Derivatives	249	-613	862	-140.7%
Other net income and expenses	234	204	30	14.6%
Operating Margin	-64	-994	930	-93.6%
Taxes	26	-621	648	-104.2%
Net Income	-90	-372	283	-75.9%
Utilidad Neta	-90	-372	283	-75.9%



## RESULTS BY SEGMENTS AND PERSPECTIVE

For a detailed review of segment performance, please refer to Note 9 of the Consolidated Financial Statements.

### *Individual Financial Report*

## ASSET STRUCTURE AND ANALYSIS

At the end of 2024, Banco Davivienda total assets in Colombia reached COP 144.3 trillion, growing by 4.1% over the year. This growth was mainly attributed to increases in cash, interbank funds and the gross loan portfolio

Cash and interbank deposits totaled COP 10.1 trillion, representing a 8.7% annual decline, mainly due to lower balances at the Colombian Central Bank and correspondent banks abroad.

The investment portfolio reached COP 23.3 trillion, reflecting a 2.4% quarterly increase and 18.8% annual growth. This performance was aligned with the Bank's liquidity management strategies, ensuring adequate resource availability and an efficient, profitable asset allocation.

Gross loans closed at COP 105.9 trillion, increasing 2.8% over the year. The commercial portfolio closed at COP 49.1 trillion, increasing 14.6%, driven by stronger disbursement performance in the energy, hydrocarbons, services, and agribusiness segments.

The consumer loan portfolio totaled COP 23.6 trillion, decreasing 18% year-over-year, in line with lower credit demand and reduced disbursements, consistent with overall market trends.

The mortgage loan portfolio reached COP 33.2 trillion, reflecting 5.6% annual growth. This was primarily driven by the performance of low income housing (VIS) lending, supported by government subsidies and increased demand for non-VIS housing.



*The investment  
portfolio  
**increased  
by 18.8% over  
the year.***



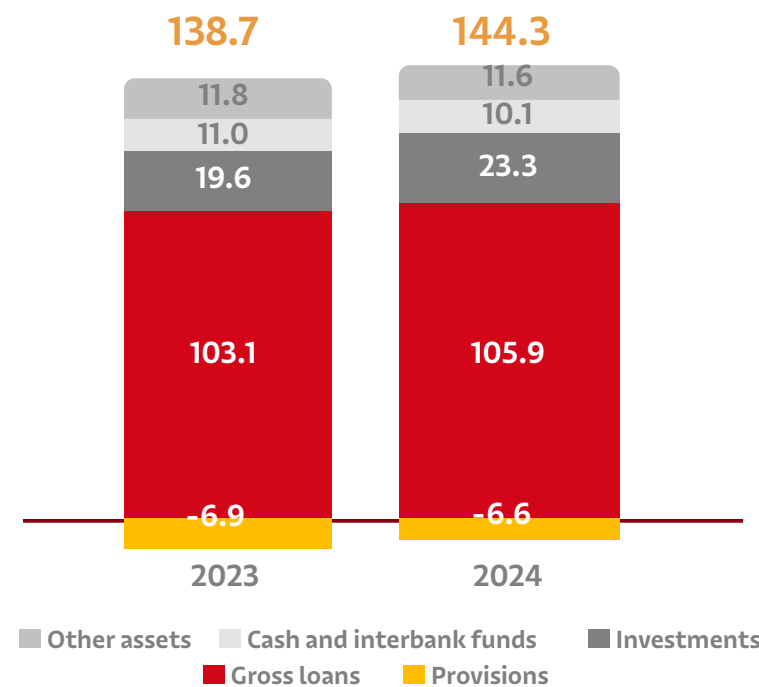


At the end of 2024, Banco Davivienda remained the second-largest bank in Colombia in terms of gross loans, with a 15.1%<sup>34</sup> market share.

Finally, other assets, including net properties and equipment, increased by 1,9% compared to 2023, mainly driven by acceptances and derivatives.

## Banco Davivienda Assets

(in COP Trillion)



**15.1%**  
**15.1% was our market share.**

## LIABILITIES ANALYSIS AND STRUCTURE

At the end of 2024, total liabilities reached COP 129.7 trillion, reflecting 3.2% annual growth, primarily due to higher term deposits, repos, and interbank funding.

Demand deposits closed at COP 48.0 trillion, marking a 0.8% increase year-over-year, driven by the migration of institutional clients from term deposits to demand deposits, in line with the Bank's strategy to optimize low-cost funding.

Term deposits reached COP 52.5 trillion, reflecting 11.6% annual growth. This increase was primarily due to customer preference for higher-yielding products, driven by persistently high interest rates during the early months of the year.

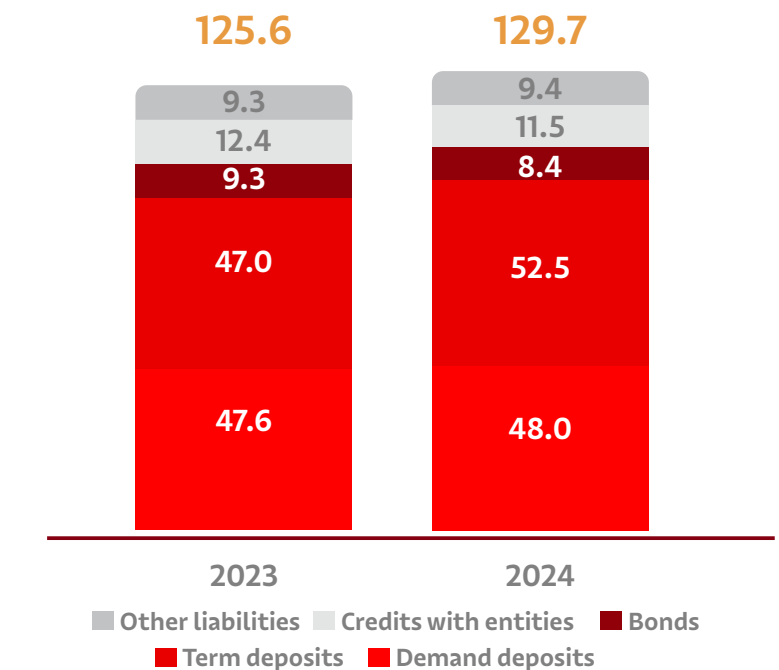
Outstanding bonds closed at COP 8.4 trillion, reflecting a 10.1% annual decline, mainly due to maturing bond issuances.

Credits with entities totaled COP 11.5 trillion, decreasing by 7.4% year-over-year due to lower renewal activity of obligations in foreign currency.

At the end of 2024, the gross loan-to-funding ratio stood at 88.06%.

## Banco Davivienda Assets

(in COP Trillion)



<sup>34</sup> Invested emissions for Davivienda Colombia base year 2022.

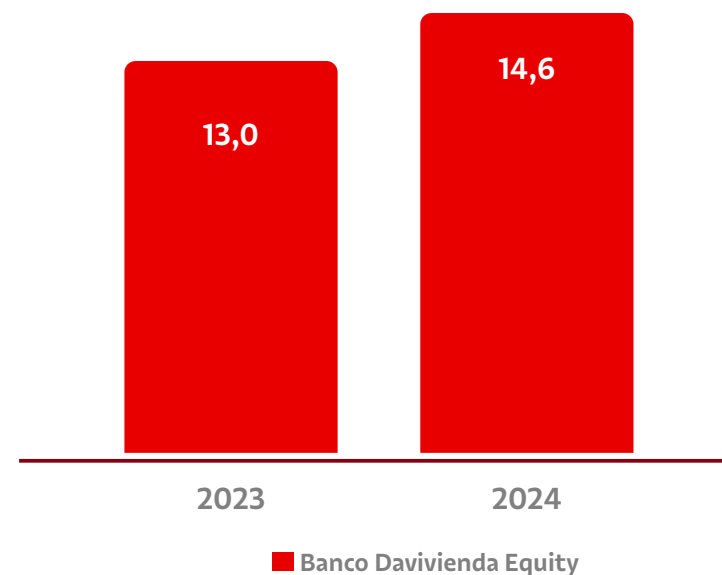


## EQUITY ANALYSIS AND STRUCTURE

The equity for the individual operation reached approximately COP 14.6 trillion, reflecting a 12.3% increase for the year. Meanwhile, the Common Equity Tier 1 (CET1) ratio closed at 12.11%, rising by 138 basis points over the year.

### *Equity*

(in COP Trillion)



## LIQUIDITY SITUATION

The first quarter of 2024 reflected tight liquidity conditions, in line with monetary policy objectives. However, starting in April 2024, market liquidity improved, coinciding with accelerated interest rate reductions. Banco Davivienda subsequently lowered interest rates on demand and term deposits, leading to a reduction in institutional funding participation in demand deposits.

Under these conditions, the Bank observed a reduction in liquidity surpluses, particularly in Q3 2024. However, year-end liquidity surplus stood at COP 2.7 trillion above the risk appetite threshold.

Throughout the year, the Bank consistently met regulatory liquidity requirements. The Liquidity Risk Indicator (IRL), which measures the sufficiency of liquid assets to cover 30-day liquidity needs, maintained an average surplus of 204 times required levels. The Net Stable Funding Ratio (NSFR), designed to ensure stable funding for long-term assets, averaged 109.6% throughout the year, with a positive funding gap of COP 9.4 trillion at year-end.





## INCOME STATEMENT

Net income closed at COP 852.7 billion, reflecting a 704.9% increase compared to the figure accumulated in December 2023, mainly driven by lower financial expenses, an increase in foreign exchange and derivatives income, and a reduction in provision expenses.

Financial income decreased by 13.1% compared to 2023, with loan income falling by 13.3%.

By the end of 2024, investment and inter-bank portfolio income totaled approximately COP 1.3 trillion, marking an 11.2% decrease from the previous year.

Interest expenses declined by 16.4% compared to 2023, driven by liability repricing in line with lower rates.

On an accumulated basis, gross financial margin closed at COP 6.0 trillion, reflecting a 7.6% reduction, primarily due to lower loan and investment income.

Provision expenses (net of recoveries) amounted to COP 4.9 trillion, decreasing by 10.1% from the same period last year, mainly due to lower provision expenses in the consumer loan portfolio.

The Bank's net financial margin increased by COP 58 billion, representing a 5.3% annual rise.

**COP**  
**852.7**

**852.7 billion**  
**was the net**  
**result**





Operational income increased by 6.2%, while other net income and expenses grew by 38.1%, driven by non-recurring income related to the consolidation of Banco Davivienda's operations in Costa Rica, Honduras, and El Salvador under Holding Davivienda Internacional S.A., along with stronger fee and service income from the acquiring business and higher transaction volumes.

Operating expenses closed at COP 4.5 trillion, rising 5.3% compared to December 2023. This increase is primarily explained by higher personnel expenses, including the impact of the collective bargaining agreement.

Accumulated pre-tax profit for 2024 reached COP 77 billion, showing an annual increase of 108.3%.

Income tax for 2024 amounted to -COP 776 billion, decreasing compared to the amount recorded in the same period last year, reflecting the higher pre-tax income.

## Results as of December 2024

(in COP billions, except percentages)

	Dec. 2024	Dec. 2023	Variation	
			Amount	Percentage
<b>Financial Income</b>	<b>15,312</b>	<b>17,623</b>	<b>-2,311</b>	<b>-13.1%</b>
Loan Portfolio	14,059	16,213	-2,154	-13.3%
Investments and Interbank funds	1,253	1,410	-157	-11.2%
<b>Interest Expenses</b>	<b>9,269</b>	<b>11,085</b>	<b>-1,815</b>	<b>-16.4%</b>
<b>Gross Financial Margin</b>	<b>6,043</b>	<b>6,539</b>	<b>-496</b>	<b>-7.6%</b>
Net Provisions Expenses	4,902	5,455	-554	-10.1%
<b>Net Financial Margin</b>	<b>1,141</b>	<b>1,083</b>	<b>58</b>	<b>5.3%</b>
Operating Income	1,731	1,629	102	6.2%
Operating expenses	4,534	4,307	226	5.3%
FX & Derivatives	692	-86	777	-905.2%
Other net income and expenses	1,047	758	289	38.1%
<b>Operating Margin</b>	<b>77</b>	<b>-922</b>	<b>999</b>	<b>-108.3%</b>
Taxes	-776	-1,028	252	-24.5%
<b>Net Income</b>	<b>853</b>	<b>106</b>	<b>747</b>	<b>704.9%</b>





# Current Issuances And Their Performance

## Current Issuances

### EQUITY MARKET

We are part of the equity market of the Colombian Stock Exchange (BVC) and one of the issuers included in the market's main stock index, the MSCI Colcap. Additionally, our shares are traded on the Santiago Stock Exchange (BCS) through the Colombian Global Market (MGC) system.

Type of Security	Authorized Capital (Shares)	Shares Outstanding	Total Shares Outstanding	Stock Exchange
Preferred Shares	500,000,000	116,601,012	487,670,413	BVC - BCS
Common Shares		371,069,401		Unlisted





## FIXED INCOME MARKET

In terms of fixed income securities, we have strengthened our position in the local capital market as a recurring issuer. Currently, we operate two active bond issuance and placement programs, along with a hybrid bond issuance in the international market, which is listed on the Singapore Exchange (SGX) fixed income market.

Additionally, we offer Term Certificates of Deposit (CD) registered with the Colombian Stock Exchange (BVC).

Below, we present a detailed breakdown of the outstanding issuances under each Issuance and Placement Program (IPP) registered with the Financial Superintendence of Colombia.



## LOCAL BONDS

### *Senior and Subordinated Bonds Program 2011*

(COP billion)

The total limit for the ordinary and subordinated bond issuance program is up to COP 6 trillion, with COP 200 billion available as of December 31, 2024. Below is a detailed breakdown of the issuances corresponding to this program.

Senior and Subordinated Bonds Program 2011	Date Of Issuance	Maturity Date	Amount Issued*	Amount Placed**	Outstanding Amount (Dec 24)***
First Issuance	10/03/2011	10/09/2013	1,300	334	0
	10/03/2011	10/03/2015		176	0
	10/03/2011	10/09/2018		235	0
	10/03/2011	10/09/2021		354	0
Second Issuance	25/04/2012	25/04/2022	400	181	0
	25/04/2012	25/04/2027		219	219
Third Issuance	15/08/2012	15/08/2015	500	96	0
	15/08/2012	15/08/2022		174	0
		15/08/2027		230	230





Senior and Subordinated Bonds Program 2011	Date Of Issuance	Maturity Date	Amount Issued*	Amount Placed**	Outstanding Amount (Dec 24)***
Fourth Issuance	13/02/2013	13/02/2016	500	101	0
	13/02/2013	13/02/2023		215	0
	13/02/2013	13/02/2028		185	185
Fifth Issuance	10/12/2013	10/12/2015	400	316	0
	10/12/2013	10/12/2020		84	0
Sixth Issuance	15/05/2014	15/05/2017	600	256	0
	15/05/2014	15/05/2019		183	0
	15/05/2014	15/05/2024		161	0
Seventh Issuance	09/10/2014	09/10/2016	600	273	0
	09/10/2014	09/10/2017		90	0
	09/10/2014	09/10/2019		109	0
	09/10/2014	09/10/2024		128	0
Eighth Issuance	12/02/2015	12/02/2018	700	379	0
	12/02/2015	12/02/2020		187	0
	12/02/2015	12/02/2025		134	134





Senior and Subordinated Bonds Program 2011	Date Of Issuance	Maturity Date	Amount Issued*	Amount Placed**	Outstanding Amount (Dec 24)***
Ninth Issuance	13/05/2015	13/05/2025	400	400	400
	10/11/2015	10/11/2017		177	0
Tenth Issuance	10/11/2015	10/11/2020	600	149	0
	10/11/2015	10/11/2025		274	274
TOTAL			6,000	5,800	1,441

\* Corresponds to the total amount of each issuance as stated in the public offering memorandum.

\*\* The UVR at the issuance date is used to restate UVR-linked bonds to COP. (UVR: Unidad de valor real, Colombia's inflation-linked unit).

\*\*\* The outstanding amount only includes principal.

	Global Amount	Available at Dec 24
Program 2011	6,000	200





## Senior and Subordinated Bonds Program 2015

(COP billion)

The global amount of the Senior and Subordinated Bonds Program is up to COP \$14.51 trillion; COP \$8.1 trillion were available as of December 31, 2024. The detail of each issuance batch of the program is provided in the table below.

Senior and Subordinated Bonds Program 2015	Date Of Issuance	Maturity Date	Currency	Amount Issued*	Amount Placed**	Outstanding Amount (Dec 24)***
First Issuance	27/07/2016	27/07/2019	COP	600	222	0
	27/07/2016	27/07/2023	COP		132	0
	27/07/2016	27/07/2028	COP		246	246
Second Issuance	28/09/2016	28/09/2026	COP	400	359	359
Third Issuance	29/03/2017	29/03/2024	COP	400	199	0
	29/03/2017	29/03/2025	COP		200	200
Fourth Issuance	07/06/2017	07/06/2020	COP	700	357	0
	07/06/2017	07/06/2024	COP		174	0
	07/06/2017	07/06/2027	COP		169	169





Senior and Subordinated Bonds Program 2015	Date Of Issuance	Maturity Date	Currency	Amount Issued*	Amount Placed**	Outstanding Amount (Dec 24)***
Fifth Issuance	15/11/2018	27/07/2023	COP	500	200	0
	15/11/2018	15/11/2021	COP		87	0
	15/11/2018	15/11/2026	COP		166	166
Sixth Issuance	19/02/2019	19/02/2022	COP	500	276	0
	19/02/2019	19/02/2029	COP		224	224
Seventh Issuance	16/07/2019	16/07/2022	COP	600	169	0
	16/07/2019	16/07/2024	COP		307	0
	16/07/2019	16/07/2029	COP		124	124
Eighth Issuance	26/09/2019	26/09/2023	COP	700	291	0
	26/09/2019	26/09/2026	COP		290	290
	26/09/2019	26/09/2031	COP		119	119
Ninth Issuance	11/02/2020	11/02/2025	COP	700	244	244
	11/02/2020	11/02/2027	COP		169	169
	11/02/2020	11/02/2032	UVR		287	287







Senior and Subordinated Bonds Program 2015	Date Of Issuance	Maturity Date	Currency	Amount Issued*	Amount Placed**	Outstanding Amount (Dec 24)***
Tenth Issuance	18/02/2021	18/02/2026	COP	700	221	221
	18/02/2021	18/02/2028	COP		276	276
	18/02/2021	18/02/2031	UVR		203	203
Eleventh Issuance	07/09/2021	07/09/2031	COP	700	217	217
	07/09/2021	07/09/2024	COP		277	0
	07/09/2021	07/09/2026	COP		205	205
Total				6,500	6,410	3,717

\* Corresponds to the total amount of each issuance as stated in the public offering memorandum.

\*\* The UVR at the issuance date is used to restate UVR-linked bonds to COP. (UVR: Unidad de valor real, Colombia's inflation-linked unit).

\*\*\* The outstanding amount only includes principal.

	Global Amount	Available at Dec 24
Program 2015	14,510	8,101





## DOMESTIC ISSUANCES WITH A SINGLE INTERNATIONAL BUYER

(COP billion)

The following issuances were listed in the local market with a single buyer. The COP 433 billion Green Bond was acquired by the IFC, and the COP 363 billion Gender Social Bond was acquired by the IDB.

Senior	Holder	Date of Issuance	Maturity Date	Currency	Amount Placed	Outstanding Amount (Dec. 2024)
Senior	IFC	25/04/2017	25/04/2027	COP	433	433
Senior	BID	25/08/2020	25/08/2027	COP	363	363

## INTERNATIONAL BONDS

Currently, we have an international issuance of a perpetual AT1 instrument with a placed and outstanding amount of USD \$500 million as of December 31, 2024. This instrument is traded on the Singapore Stock Exchange (SGX).

Type	Date of Issuance	Maturity Date	Currency	Amount Placed	Outstanding (Dec 24)	Coupon Rate	Risk Ratings	Stock Exchange
AT1	22/04/2021	Perpetuo NC10	USD	500	500	6,65%	Fitch: B Moody's: B2	SGX



### Distributable Items

As of December 2024, Banco Davivienda had distributable items in its Individual Financial Statements totaling COP \$2.1 trillion. The distributable elements consist of: i) accumulated profits from previous fiscal years, and ii) occasional reserves established for distribution purposes.





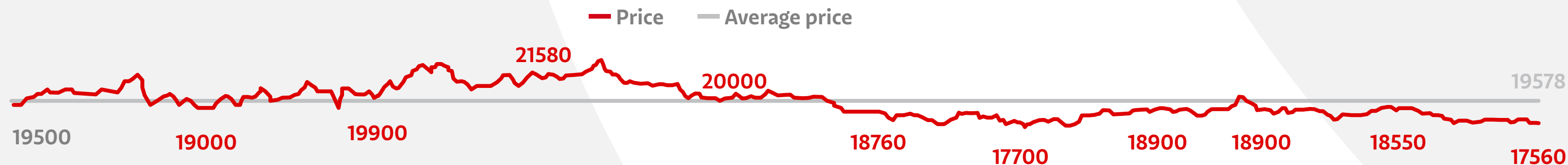
*The preferred share price closed at COP 17,560.*

## TERM DEPOSITS (CDS)

Term Deposits (CDs) issued by Banco Davivienda traded and listed on the Colombian Stock Exchange had a nominal value as of December 31, 2024 of COP 27.21 trillion.

## Stock Price Evolution

(Figures in COP)



## Stock Market Performance

### STOCK PERFORMANCE<sup>35</sup>

At the end of 2024, Davivienda had a total of 487,670,413 issued shares, consisting of 76.1% common shares and 23.9% preferred shares.

The preferred shares are listed on the Bolsa de Valores de Colombia (BVC) and had a market capitalization of COP 2.05 trillion as of year-end 2024.

As of December 2024, the ownership distribution of preferred shares was as follows: 53.8% held by pension funds, 20.5% by foreign investors, 20.1% by Colombian

corporations, and the remaining 5.6% by individual investors.

The Davivienda preferred share price declined by 8.45% during the year, closing at COP 17,560 in December 2024. The highest price recorded was COP 23,100 in May, while the lowest price was COP 17,400 in August. The average price for 2024 stood at COP 19,578, which was higher than the 2023 average price of COP 18,733.

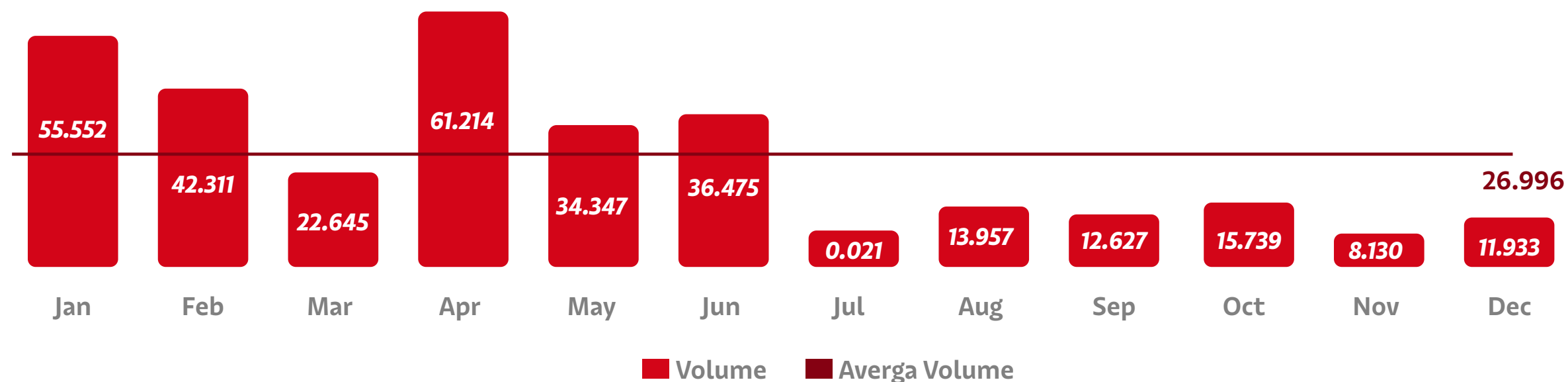
<sup>35</sup> At the end of 2024, Davivienda had 487.7 million shares outstanding.



The total trading volume for 2024 was approximately COP 324 billion, with an average monthly trading volume of COP 26,996 million. This represents a daily average trading volume of COP 1,322 million, compared to 2023 figures of COP 36,907 million per month and COP 1,830 million per day.

## Traded Volume

(Figures in COP millions)



*The average monthly trading volume reached **COP 26,996 million.***

The performance of Davivienda's stock contrasted with the overall trend in the Colombian market, where the MSCI Colcap index grew by 15.4% during the year. The bank's stock performance aligned with other publicly traded financial institutions, primarily impacted by local and international outlooks on the Colombian financial system, macroeconomic conditions, political uncertainty, and ongoing discussions around structural reforms. Additionally, low liquidity and the lack of depth in the local equity market contributed to the observed trends.





*Our AT1 bond appreciated approximately 20.6% during the year.*

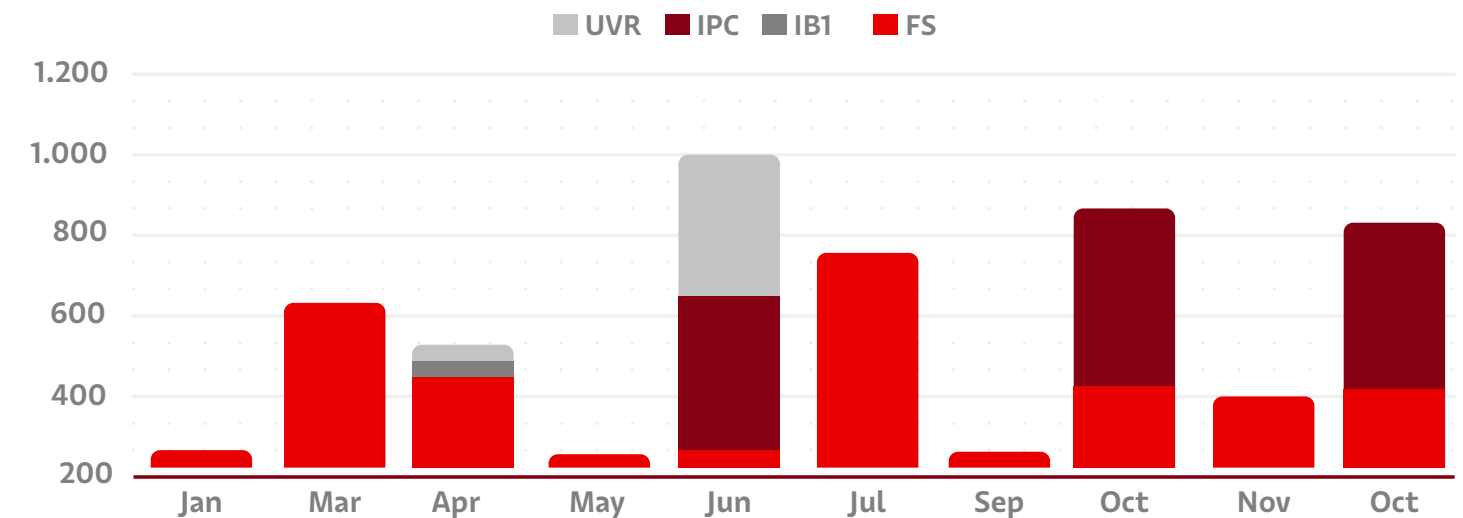
## BOND PERFORMANCE

### Local Bonds

In 2024, we did not participate in the primary issuance of bonds in the local market. The total volume of local bonds placements amounted to COP 4.7 trillion, reflecting a 42% increase compared to the previous year. The fixed-rate segment accounted for the largest share at 57%, followed by inflation-linked (IPC) bonds, which represented 32% of total issuances.

Under the 2015 Davivienda Bond Issuance Program, there remains a pending issuance capacity of COP 8.1 trillion.

### Share by Indicator





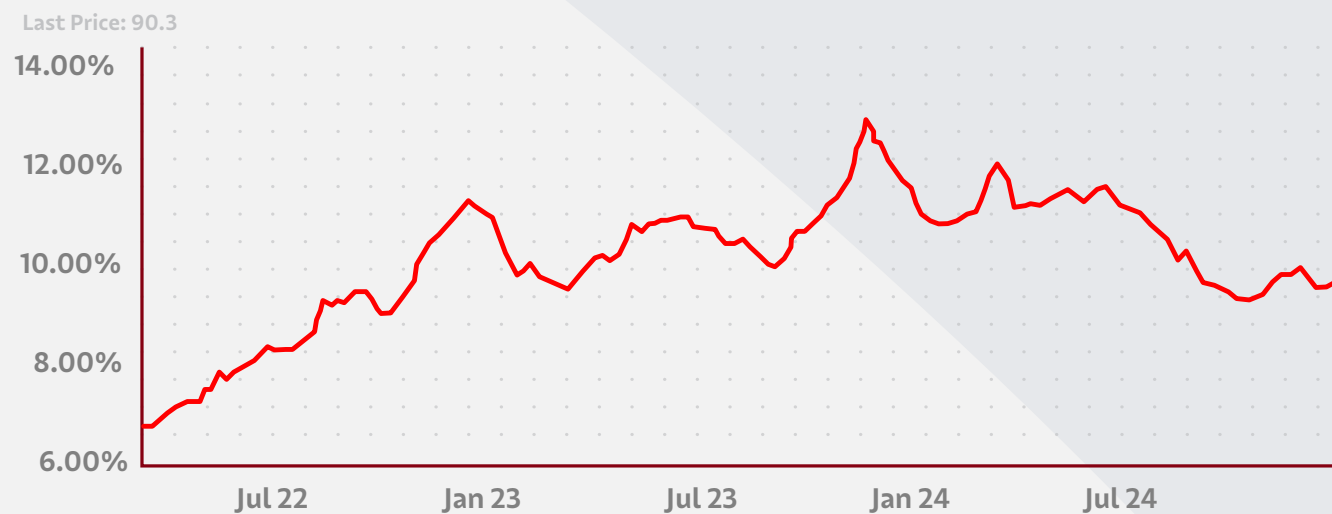
## International Bonds

Throughout 2024, the Bank did not participate in new issuances in the international market. As previously mentioned, the Bank has a single outstanding issuance of perpetual subordinated bonds amounting to USD 500 million, with a 6.65% rate, issued in April 2021 and rated B by Fitch and B2 by Moody's.

In the secondary market, the yield on Davivienda's perpetual bonds decreased to 9.68% during 2024. This outcome was driven, on one hand, by the Federal Reserve's monetary policy rate cuts, which significantly impacted global bond yields, and on the other hand, by the Bank's improved financial performance, particularly during the second half of the year, leading to a reduction in the instrument's risk perception.

### Davivienda - Perpetual Bond

(Yield to Maturity)







## PERFORMANCE OF TERM DEPOSITS (CDS)<sup>36</sup>

During 2024, the volume of new issuances of dematerialized CDs decreased by 25% compared to 2023. Interest rates for one-year deposits declined by 150 basis points, from 11.2% to 9.7%. A similar trend was observed across all maturity terms. This decline was primarily driven by lower inflation levels, coupled with monetary policy decisions by the Central Bank to reduce its benchmark interest rate and reduced pressure from CFEN requirements.

Issuer	Total Primary Market CDs*
Banco Davivienda	13.5 COP Trillion
Rest of the Market	83.3 COP Trillion

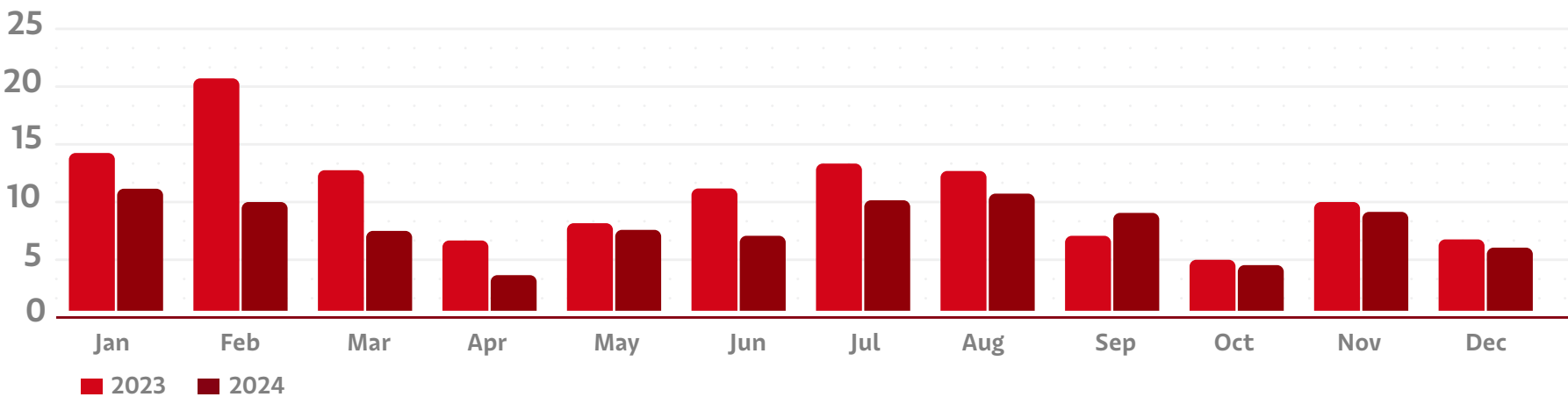
\* Figures correspond to CDTs registered on the Colombian Stock Exchange (BVC)

One-year deposits had a **decrease of 150 bps in their interest rates.**

36 Figures correspond to dematerialized Term Deposits (CDs).

## Monthly Captured Volume

(COP trillion)





# Sustainable Funding

We mobilize resources to finance activities and projects that generate environmental and social benefits. This objective is achieved through a shared value approach, leveraging innovative financial instruments to create prosperity in the countries where we operate.

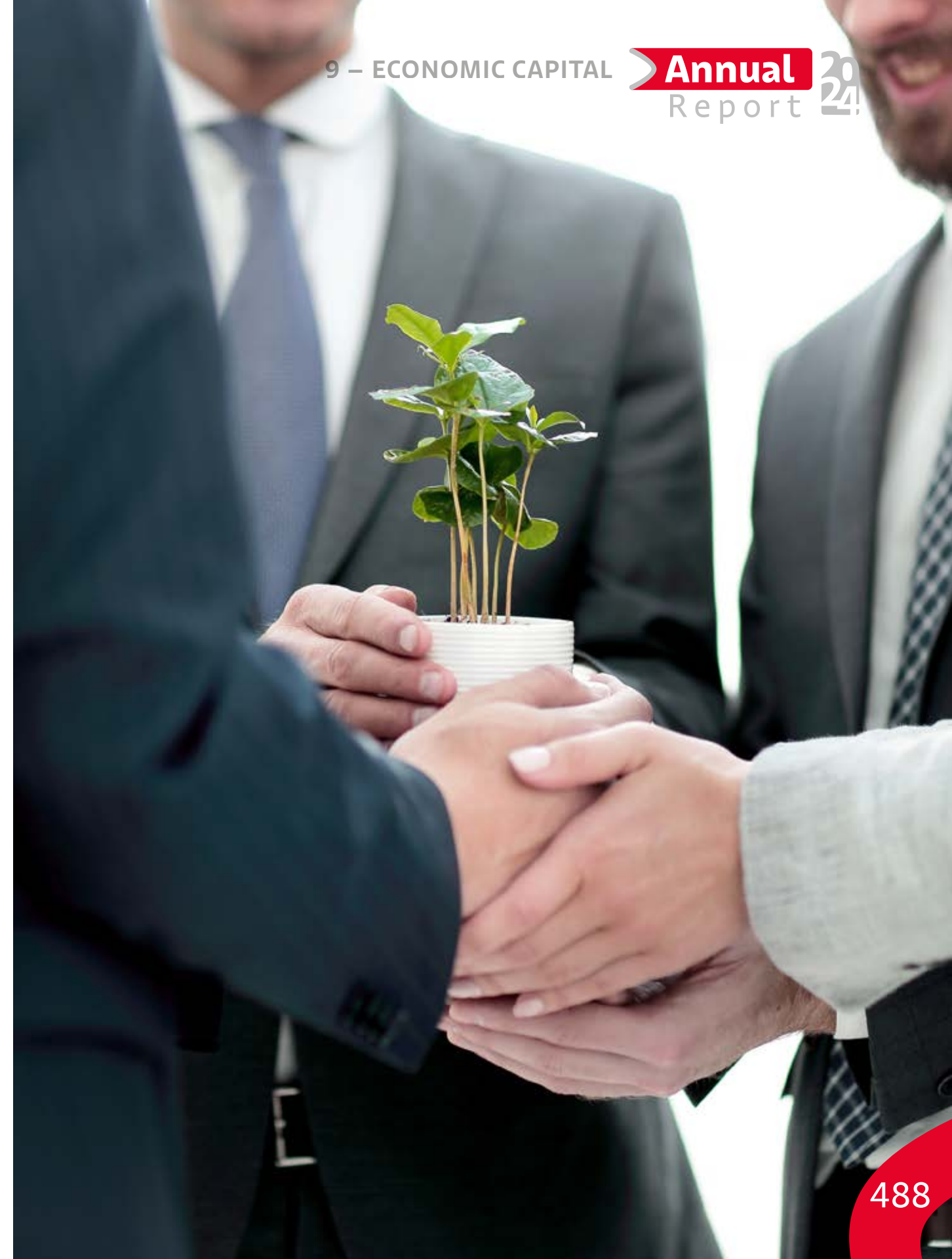
To this end, we have secured loans from multilateral entities and developed projects using funds from second-tier financial institutions.

## Multilateral Resources

For Davivienda Colombia and Central America, securing resources and diversifying capital in alignment with Environmental, Social, and Governance (ESG) criteria is essential for financing new social and environmental projects.

This year, we successfully secured additional funds through a second disbursement from the Inter-American Development Bank (IDB) as part of an initial USD 50 million loan granted in 2020 in El Salvador. These funds will be allocated to the financing of renewable energy and energy efficiency projects, as well as to support the growth of the small and medium-sized enterprises (SME) loan portfolio.

***We signed loans with multilateral entities to generate prosperity in Colombia and Central America.***







## Sources of Funds - Multilateral Agencies

(Figures in USD millions)



Agency/ Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
IFC	50			150		395	100		290	10		995
BID				16	200		270			145	50	681
OPIC					243							243
Wells Fargo					25							25
OFID							50					50
Findev							20					20
DFC							250					250
JICA									150			150
Ecobusiness					30		25		20			75
FMO				60								60
DEG										50		50
<b>TOTAL</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>226</b>	<b>498</b>	<b>395</b>	<b>715</b>	<b>0</b>	<b>460</b>	<b>205</b>	<b>50</b>	<b>2599</b>



## Second-Tier Banking Resources

### Rediscount Banks - Colombia

Development banks in Colombia remained key strategic partners in the growth of our sustainable portfolio, providing rediscount loans that reached a total balance of COP 1.2 trillion. These funds were distributed among Bancóldex (4.1%), Finagro (3.6%), and Findeter (92.2%).

The resources were primarily allocated to sustainable water management projects, including aqueduct and sewerage systems (38.4% of the total rediscounted amount), as well as infrastructure and territorial development projects (33.9%).

### Sustainable Portfolio in Colombia - Sustainable Taxonomy - Rediscount Resources

(Figures in COP millions)

Rediscount Bank	Category	Balance December 2024	Total Bank
Bancoldex	Sustainable Infraestructure & Construction	898	50,567
	Sustainable Transport & Mobility	39	
	Sustainable Energy	6,254	
	Social Well-being & Financial Inclusion	33,376	
Finagro	Sustainable Energy	1,280	44,095
	Sustainable Agro Development	6,702	
	Social Well-being & Financial Inclusion	36,113	
Findeter	Sustainable Infraestructure & Construction	414,604	1,129,352
	Sustainable Water Management	470,182	
	Sustainable Energy	194,714	
	Sustainable Well-being & Financial Inclusión	49,851	
TOTAL			1,224,014



The detailed breakdown of the thematic bonds we have issued can be found in the Inclusion and Natural Capital chapters of this report.





# Glossary

- ▼ **Preferred Shares:** Shares with preferential dividends and no voting rights, nominative, equity-based, and freely tradable.
- ▼ **Productive Assets:** Interest-generating assets (Gross Loan Portfolio + Investments in Debt Securities + Interbank Operations), excluding non-performing loans.
- ▼ **API:** Application Programming Interfaces.
- ▼ **Blockchain:** Bitcoin block exploration service, also functioning as a cryptocurrency wallet.
- ▼ **Bot:** Software program that performs specific and generally repetitive automated tasks on a network.
- ▼ **Broker:** An intermediary that executes buy and sell orders for assets in financial markets.
- ▼ **Traditional Deposits:** Demand deposits (Savings accounts + Checking accounts) + Time deposits.
- ▼ **CFEN:** Net Stable Funding Ratio, an indicator from the Financial Superintendence of Colombia aimed at ensuring entities maintain a stable funding profile relative to their assets.
- ▼ **Mobile Credit:** Fixed-rate, fixed-term credit for free investment with immediate disbursement.
- ▼ **Coverage:** Loan provisions / Loans overdue more than 90 days.
- ▼ **COP:** Colombian Pesos. Exchange rate as of December 31, 2023: COP 3,822.05 per USD 1.
- ▼ **CO2e:** Carbon dioxide equivalent. Estimated in kilograms or tons, it represents total greenhouse gas (GHG) emissions converted into this unit based on the gases' mass and heat-trapping potential.
- ▼ **12-Month Cost of Risk:** Accumulated net provision expense / Gross loan portfolio.
- ▼ **C-FER:** Renewable Energy Certificate (REC), a tradable product created when an energy source is certified as renewable.
- ▼ **Deceval:** Central Securities Depository of Colombia S.A.
- ▼ **Risk-Weighted Assets Density:** (Credit Risk-Weighted Assets + Market Risk + Operational Risk) / Total Assets.
- ▼ **DevOps:** Development operations – a cultural, automation, and IT platform design approach to deliver higher business value and faster, high-quality service deployment.



- ▼ **DevSecOps:** Development, Security, Operations - a software development methodology promoting collaboration between development (Dev) and operations (Ops) teams to accelerate delivery, improve quality, and foster automation.
- ▼ **Ecobertura:** Incentivizes sustainable development alternatives in eco-friendly housing projects, reducing carbon footprints.
- ▼ **12-Month Efficiency:** Operational Expenses / (Gross Financial Margin + Non-Financial Income + Currency Exchange and Derivatives).
- ▼ **End-to-End:** A process ensuring a global project view from start to finish, guaranteeing objectives are met through process automation and continuous improvement.
- ▼ **FinOps:** Financial Operations - cloud financial management system for applying best practices and responsibly managing variable cloud expenses.
- ▼ **Funding Sources:** Demand deposits (Savings accounts + Checking accounts) + Time deposits + Bonds + Institutional loans.
- ▼ **Operating Expenses:** Personnel expenses + Operating expenses + Other expenses from the normal course of business.
- ▼ **Currency Exchange and Derivatives Income:** Income from derivative contracts and foreign currency transactions.
- ▼ **Non-Financial Income:** Fee income + Other net income and expenses.
- ▼ **IR:** Investor Relations.
- ▼ **Machine Learning:** A branch of artificial intelligence that enables computers to identify patterns in large datasets and make predictions.
- ▼ **Clean Development Mechanism (CDM):** A Kyoto Protocol-based tool to generate certified emission reductions, lowering greenhouse gas emissions compared to a baseline scenario.
- ▼ **MWh:** Megawatt-hour, equivalent to one million watt-hours, used to measure energy consumption for large industrial plants and urban clusters.
- ▼ **NFC:** Near Field Communication - a communication protocol that allows data exchange between devices within a short range of about four centimeters.







- ▼ **IFRS:** International Financial Reporting Standards, the global accounting framework.
- ▼ **NIM (12 months):** Gross financial margin (12 months) / Average productive assets (5 periods).
- ▼ **NPS:** Net Promoter Score - a metric measuring customer satisfaction and the likelihood of recommending a company's products or services.
- ▼ **Obsolescence:** The process by which a product or equipment becomes outdated due to technological advancements.
- ▼ **PAD:** Debtor Support Program - a set of measures by financial institutions to help debtors manage financial commitments amid income or repayment capacity impacts.
- ▼ **PCR:** Post-consumer recycled materials.
- ▼ **PDET:** Development Programs with a Territorial Approach.
- ▼ **Additional Capital:** Complementary level of basic and additional capital, including subordinated debt instruments.
- ▼ **Additional Tier 1 Capital:** Pending confirmation.
- ▼ **Ordinary Tier 1 Capital Ratio:** Pending confirmation.
- ▼ **Total Capital Ratio:** Pending confirmation.
- ▼ **Risk:** Uncertainty faced by an investor or financial institution due to market changes.
- ▼ **ROAA:** Net profit / Average assets.
- ▼ **ROAE:** Net profit / Average equity.
- ▼ **RPA:** Robotic Process Automation - business process automation technology using metaphorical software robots or AI-powered digital workers.
- ▼ **Telco:** A generic term for large telecommunications companies serving millions of customers.
- ▼ **Digital Transformation:** The use of technology to improve processes, operations, and services, enhancing customer experience and operational efficiency.
- ▼ **SMS:** Short Message Service - cell phone text messaging.
- ▼ **VIS:** Social Interest Housing - housing that meets minimum standards for habitability, urban design, architectural quality, and construction.

1. Information from the Superintendency of Finance of Colombia.  
2. At the end of 2024, Davivienda had 487.7 million outstanding shares.  
3. Values corresponding to dematerialized CDTs.

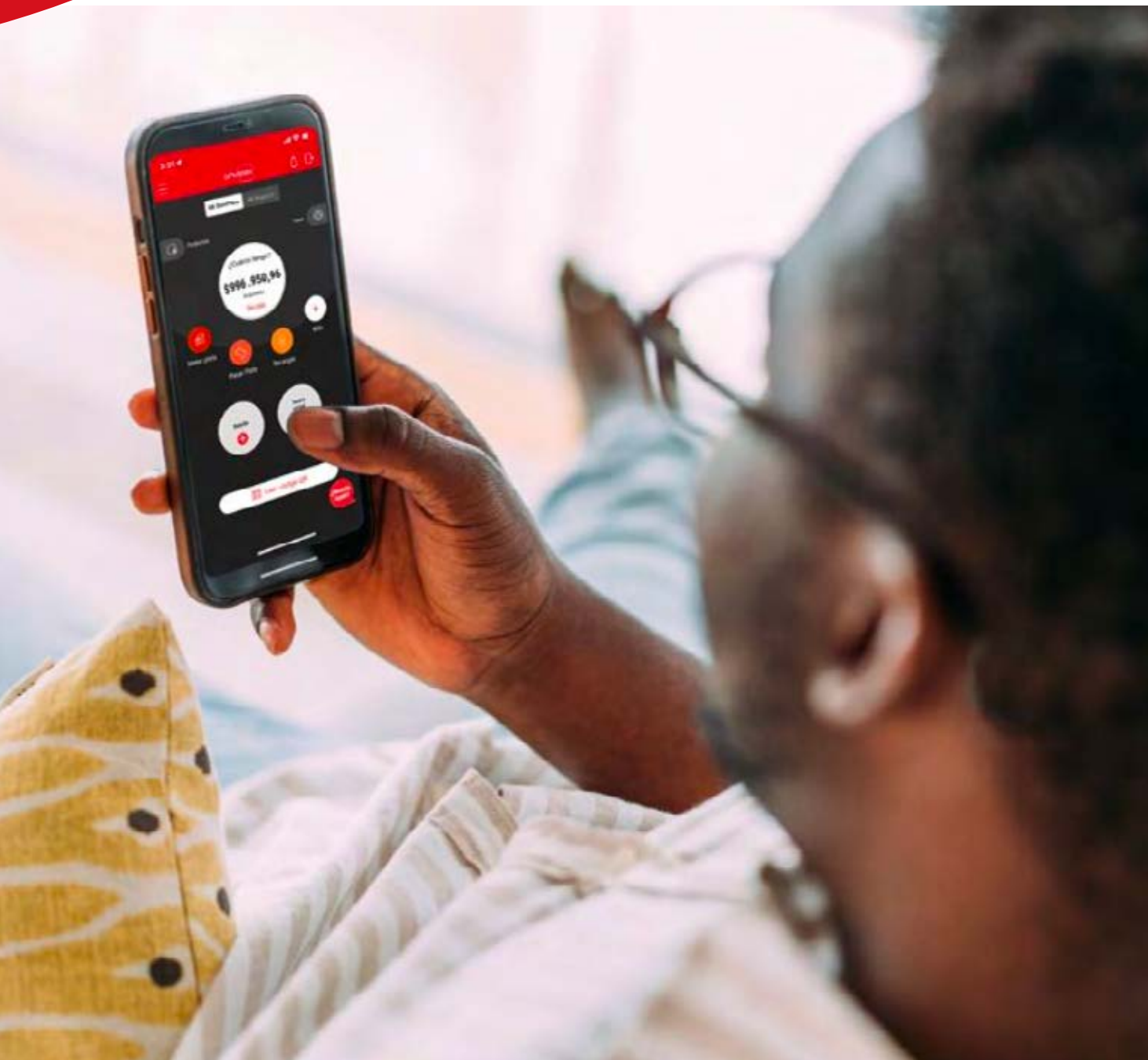
> Annual Report 2024

# Appendices

*The world*  
is our  
**home**







**Appendix 1.**

DAVIVIENDA 2024 TCFD REPORT

**Appendix 2.** STATEMENT OF PROGRESS FOR SIGNATORIES OF  
THE PRINCIPLES OF RESPONSIBLE BANKING (PRB)

**Appendix 3.**

ALIGNMENT REPORTING FRAMEWORKS

**Appendix 4.**

INDEPENDENT REVIEW MEMORANDUM

**Appendix 5.**

OTHER ASPECTS

**Appendix 6.**

CONSOLIDATED AND INDIVIDUAL FINANCIAL STATEMENTS

**Appendix 7.**

CERTIFICATION AND RESPONSIBILITY OF FINANCIAL  
INFORMATION

**Appendix 8.**

CERTIFICATIONS ON CONTROLS AND PROCEDURES USED FOR  
REPORTING TO THE NATIONAL REGISTRY OF SECURITIES AND  
ISSUERS

# Annex 1. TCFD REPORT

Banco Davivienda TCFD Report 2024  
Climate and biodiversity risks and  
opportunities management







# Introduction

At Davivienda, we recognize that the world is facing an unprecedented triple crisis: climate change, biodiversity loss, and pollution. These challenges are deeply interconnected, driving significant environmental, social, and economic impacts that threaten global stability and well-being.

Climate change is a major contributor to biodiversity loss, while, in turn, healthy, biodiverse ecosystems play a critical role in mitigating its effects and strengthening climate resilience.

As a financial institution, we are committed to driving transformation among our clients. Through innovative financial and non-financial solutions, we support them in making structural changes to their businesses—promoting climate mitigation and adaptation, while also contributing to biodiversity conservation and regeneration.

This commitment is reflected in our adoption of the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)** and, for the first time in this report, the **Task Force on Nature-related Financial Disclosures (TNFD)**. By doing so, we expand our integrated approach to include natural capital as a material topic in our decision-making—managing risks and capitalizing on opportunities that arise at the intersection of climate, biodiversity, and sustainability.





In 2024, we reaffirmed this commitment with a holistic approach, focused on:

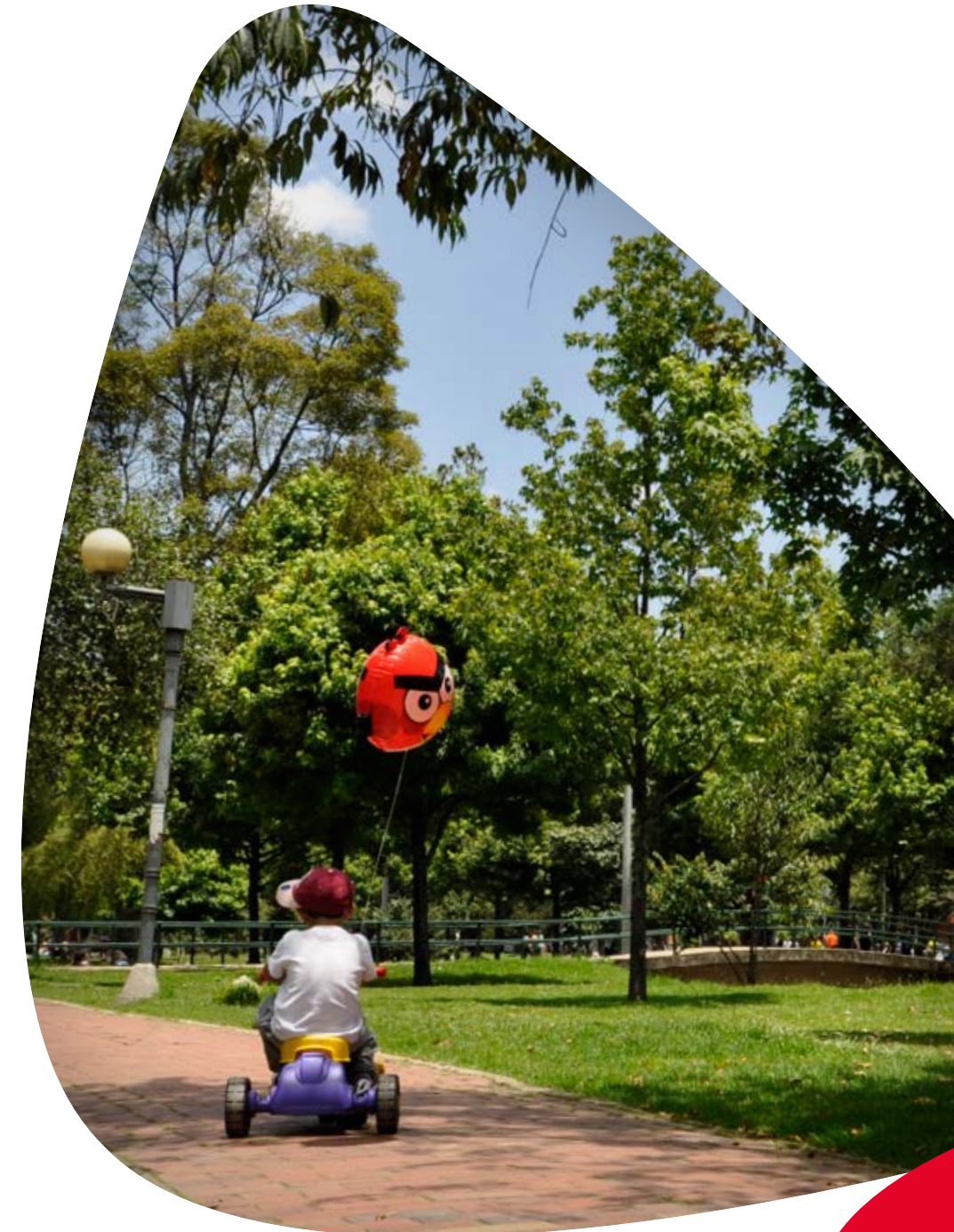
- ▶ Proactively managing climate and nature-related risks through scenario analysis that considers both climate change and ecosystem degradation;
- ▶ Promoting sustainable financial solutions that support biodiversity restoration and the transition to a low-carbon, climate-resilient economy, through concrete mitigation and adaptation actions;
- ▶ Mobilizing capital toward transformative projects, recognizing that healthy ecosystems are essential allies in carbon capture, climate regulation, and the delivery of vital ecosystem services.

All of this is aligned with the Sustainable Development Goals (SDGs) and with the commitments set out in the Paris and Kunming-Montreal Agreements for 2030. Our commitment to transparency is reflected in our climate performance disclosures through the Carbon Disclosure Project (CDP), and in the fact that for 11 consecutive years we have been included in the S&P Dow Jones Index for Latin America (DJSI)—now the Best in Class Index—and in the S&P Sustainability Yearbook, which recognizes the top 15% of companies globally with leading sustainability practices.

- ▶ In this edition, through the implementation of TCFD and TNFD recommendations, we have strengthened our capacity to identify, measure,

and disclose risks and opportunities related to climate and nature. Our key achievements include:

- ▶ The integration of double materiality criteria, addressing both financial and environmental impacts, with a focus on Natural Capital and ecosystem resilience in our decision-making processes.
- ▶ The expansion of our emissions accounting across all operations and our value chain using the Greenhouse Gas Protocol methodology—specifically, the Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, covering Scopes 1, 2, and 3 (Categories 1–14) in all Central American countries where we operate.
- ▶ Comprehensive measurement of Scope 3 Category 15 emissions—those related to financed, invested, and insured activities—in both Colombia and Central America, using the Partnership for Carbon Accounting Financials (PCAF) methodology, along with the development of climate engagement strategies targeting the most carbon-intensive sectors connected to our financing and investment decisions.







- ▶ The development of interim 2030 targets aligned with climate science and Net Zero goals for 2050, in accordance with the recommendations of the Net Zero Banking Alliance (NZBA) and the Science Based Targets Initiative (SBTi).
- ▶ A deeper application of the International Finance Corporation's (IFC) Performance Standard 6 in the environmental and social risk assessments of credit

applications, aimed at evaluating our clients' performance in biodiversity protection, conservation, and the sustainable management of living natural resources.

- ▶ The identification of biodiversity dependencies and impacts across the activities of our corporate loan portfolio, through expanded use of the ENCORE (Exploring Natural Capital Opportunities, Risk and Exposure) tool and the

LEAP (Locate, Evaluate, Assess, and Prepare) methodology in combination.

- ▶ The publication of the policy The World Is Our Home: Let's Make It More Prosperous<sup>1</sup>, Inclusive, and Green through Our Banking Services, in which we reaffirm our commitment to sustainable growth through innovative financial and non-financial solutions. This policy also incorporates the new Sustainable Taxonomy, which identifies activities eligible for sustainable financing—whether social, green, or a combination of both—and is built on both national and international frameworks. In addition, we advanced our Climate Engagement Strategy to encourage clients and issuers to take decarbonization actions, and we defined transition financing guidelines for the most carbon-intensive sectors.

The structuring of the Biodiversity Finance Framework, aligned with Colombia's 2030 Biodiversity Action Plan and supported by a Second Party Opinion (SPO) from S&P. This framework includes 6 categories, 12 subcategories, and 38 activities aimed at promoting biodiversity conservation and restoration. Based on this technical foundation, we signed an agreement with the IFC to issue the first biodiversity bond approved in the Colombian capital market, announced within the framework of COP16.

This fourth TCFD report—and our first alignment with the TNFD recommendations—reflects our long-term strategic vision and our commitment to placing sustainability at the core of our decision-making. We recognize that only through determined collaboration, continuous innovation, and a deeply engaged organizational culture can we move

toward a shared purpose: **to make the world a more prosperous, inclusive place in balance with nature.**

[1] <https://sostenibilidad.davivienda.com/politics/politica-el-mundo-es-nuestra-casa.pdf>



## Report Structure and Key Topics

Recommended Disclosure	Key Topics
<b>Governance:</b> This chapter outlines the governance structure established by the Bank to oversee climate and biodiversity matters, including management, oversight, and key actions taken.	
Board of Directors	<ul style="list-style-type: none"><li>Responsibilities and roles</li><li>Composition</li><li>Relevant governance committees</li></ul>
Senior Management and Responsible Areas	<ul style="list-style-type: none"><li>Roles and responsibilities</li><li>Areas involved in defining and developing the strategy</li><li>Policies and other regulatory aspects.</li></ul>
Key Management Actions – 2024	<ul style="list-style-type: none"><li>Board of Directors and associated committee decisions</li></ul>
<b>Strategy:</b> This chapter describes the climate strategy and its integration into the organization's overall and business strategy.	





Recommended Disclosure	Key Topics
Our Strategy	<div><div></div>Sustainable management</div>
Climate Change Management	<div><div></div>Management across our banking services</div> <div><div></div>Strategic risks and opportunities</div> <div><div></div>Sustainable finance</div> <div><div></div>Decarbonization and engagement strategy</div> <div><div></div>Direct management of GHG emissions in our operations (eco-efficiency)</div> <div><div></div>Resilience of our strategy</div> <div><div></div>Climate change and biodiversity-related training</div>
<b>Risk Management:</b> This chapter details the process used to identify, assess, mitigate, control, or transfer risks related to climate and biodiversity.	
Comprehensive Risk Management	<div><div></div>Environmental and Social Risk Management System (SARAS)</div> <div><div></div>Progress in climate risk management</div> <div><div></div>Current and future physical risks</div> <div><div></div>Transition risks</div> <div><div></div>Progress in biodiversity risk management</div> <div><div></div>Risk Appetite Framework (RAF)</div>
Key Management Actions	<div><div></div>Description of key actions</div> <div><div></div>Methodology</div> <div><div></div>Analysis of physical and transition risks, and opportunities</div>

Recommended Disclosure	Key Topics
<b>Metrics and Targets:</b> This chapter outlines the goals and metrics defined by the organization to assess and manage risks and opportunities related to climate change, along with their progress and performance.	
Targets and Goals in Our Banking Services	<div><div></div>Indicators for climate change management across our banking services</div> <div><div></div>Estimated financed GHG emissions</div> <div><div></div>Green finance</div>
Targets and Goals in Our Operations	<div><div></div>Indicators for climate change management across our operations</div> <div><div></div>Estimated operational GHG emissions</div> <div><div></div>Environmental offsets</div> <div><div></div>Energy efficiency and renewable energy</div>



# Governance

The comprehensive management of our strategy is grounded in actions **that place sustainability at the core of our business and organizational culture**. We promote a Corporate Governance model that encourages active stakeholder engagement, fosters open, transparent, and responsible dialogue, and aligns our day-to-day actions with global objectives.

Governance and the areas responsible for defining and managing the strategy and actions related to our material topic of Natural Capital—which encompasses all environmental, climate change, and biodiversity matters—are outlined as follows:

*We promote actions  
that strengthen an  
**organizational culture  
based on sustainability.***

## Governance Model

### Annual General Meeting (AGM)

- Validates results (annually)

### Board of Directors

- Provides strategic guidance
- Oversees the implementation and performance of the strategy
- Approves related policies

Quarterly

### Corporate Governance and Sustainability Committee

Ensures compliance with and execution of the sustainable strategy at the multinational level, as well as the implementation of best practices on this matter within the Bank and its national and international subsidiaries.

Quarterly

### Internal Sustainability Committee

Proposes and discusses the Bank's sustainable business strategy, its policies and initiatives, and monitors progress to drive the achievement of established goals.

Monthly

### Administrative Services Department

- Oversees eco-efficiency strategy
- Ensures regional alignment
- Metrics and reporting

### Sustainability Department

- Designs the strategy
- Consolidates, analyzes, and reports information
- Leads and promotes adoption of sustainability practices
- Manages stakeholder communication

### Credit Risk Vice Presidency

- Defines product-related policies
- Assesses environmental and social risks in projects and activities
- Defines and ensures compliance with green eligibility criteria





The Board of Directors, as the highest governing body, sets the strategic direction for managing risks and opportunities related to Natural Capital. It oversees the implementation of the strategy that integrates climate and biodiversity considerations, monitors overall progress, and approves incentive structures for employees based on effective performance in these areas.

Recognizing the potential impact of **climate change and biodiversity loss on our stakeholders and our business, the Board of Directors treats these issues—and their implications—as potential financial risks.** For this reason, in 2024, we reaffirmed our commitment to proactively address these challenges, emphasizing the role of Senior Management in setting strategic guidelines to mitigate risks and seize opportunities.

To develop these guidelines, the Board is supported by the **Corporate Governance and Sustainability Committee, the Corporate Risk Committee, and the Audit Committee**—all of which are responsible for overseeing these matters. Each committee is composed of at least three members of the Board. (To learn more about other supporting committees, [click here](#)).

**At Davivienda, sustainable business strategy is a shared responsibility.** The following areas define, drive, and coordinate actions that bring to life our strategic business priorities and double materiality topics—both impact and financial—including Natural Capital (encompassing environmental, climate, and biodiversity matters, as well as the

management of related impacts, risks, and opportunities:

- ▶ Executive Vice Presidency of Risk
- ▶ Executive Vice Presidency of International Operations
- ▶ Executive Vice Presidency of Investment Risk – Grupo Bolívar
- ▶ Vice Presidency of Strategic Risk and Planning
- ▶ Vice Presidency of Credit Risk
- ▶ Vice Presidency of Administrative Services
- ▶ Business Vice Presidencies
- ▶ Sustainability Department

## *We have a defined governance model for the oversight and deployment of our environmental strategy.*

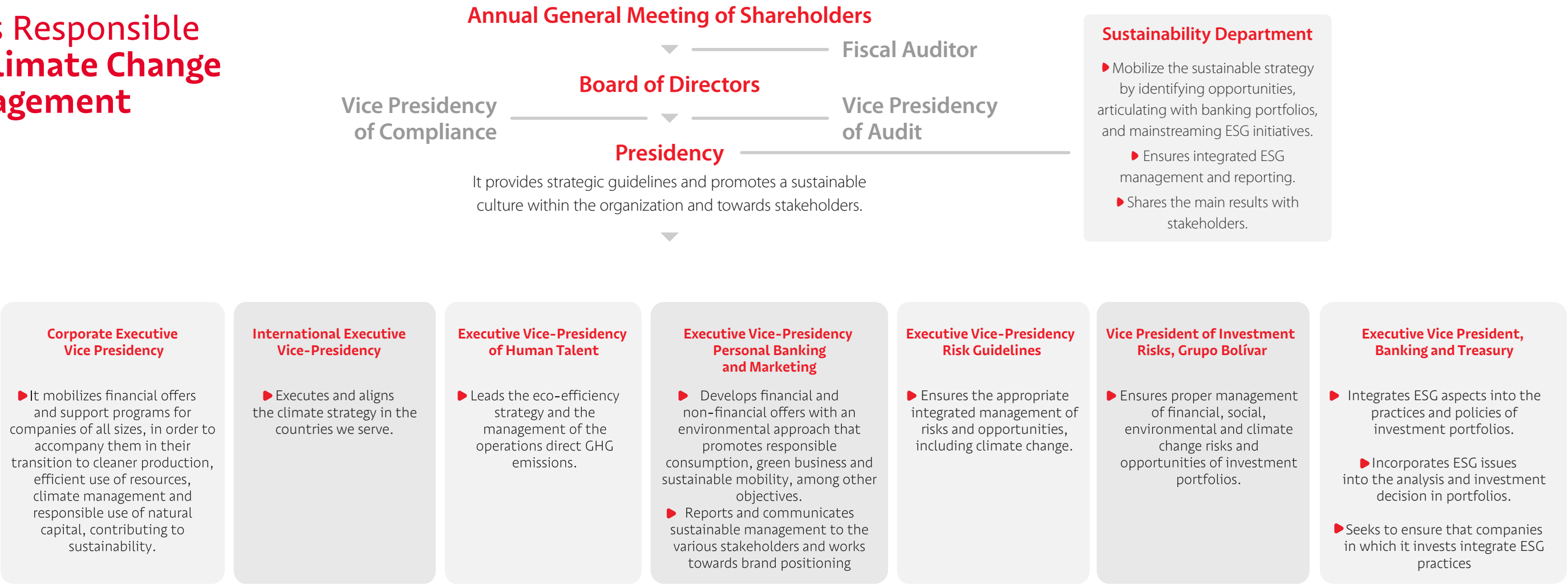
The Strategic Risk and Planning Department is specifically responsible for monitoring and controlling business indicators. Meanwhile, the Vice Presidency of Administrative Services oversees the eco-efficiency strategy. The Sustainability Department, together with the Legal Vice Presidency and the Executive Vice Presidency of Credit Risk, consolidates, monitors, and reports progress on sustainability management to the Corporate Governance and Sustainability Committee, the Board of Directors in Colombia, and the Bank's subsidiaries.

In 2024, we established an interdisciplinary team of 29 experts exclusively dedicated to managing environmental matters. These professionals are part of the Sustainability, Eco-efficiency, Risk, and Davivienda Seguros areas. By incorporating specialized and technical profiles, we have accelerated and strengthened the management of Natural Capital (environmental issues, including climate change and biodiversity).



We also enhanced collaboration with other areas of the Bank—such as business lines, financial planning, and treasury desks, among others—to continue developing sustainable and responsible financing and investment strategies that generate long-term value for our clients.

## Areas Responsible for Climate Change Management







We conduct ongoing evaluation and continuous improvement of our environmental management. In 2021, we adopted a five-year strategic plan aimed at strengthening governance and oversight of climate- and biodiversity-related risks and opportunities by the Board of Directors and Senior Management.

**This proactive approach reinforces our resilience and leadership in the transition toward a more sustainable economy.**



# Committees

## *Corporate Governance and Sustainability Committee*

This is a supporting committee of the Board of Directors, responsible for reviewing, overseeing, and implementing policies, guidelines, and procedures related to corporate governance best practices and sustainability standards. Its work aligns with national measures such as the Code of Best Corporate Practices – Country Code– and international benchmarks like the Dow Jones Sustainability Index, as well as voluntary agreements presented to the Board of Directors for approval..

Accordingly, the Committee’s role is to support the Board in decision-making related to good corporate governance and ESG matters. It is composed of three Board members and chaired by an independent member. All members possess the experience required to fully carry out their responsibilities.

## COMMITTEE FUNCTIONS

The Committee’s key sustainability-related functions include:

- ▶ Ensuring the implementation and execution of the sustainability strategy across the Bank’s multinational operations, as well as the adoption of best practices within Davivienda and its national and international subsidiaries. This includes reviewing the annual sustainability management report, which must be approved by the Board of Directors before being presented at the Annual General Meeting (AGM).



- ▶ Promoting the Bank's participation and strategic involvement in national and international sustainability initiatives, frameworks, or commitments that the organization adopts at the multinational level.
- ▶ Overseeing the Bank's corporate image and positioning in sustainability matters across its multinational presence.
- ▶ Any other responsibilities assigned by Senior Management or the Board of Directors.

The Committee may also invite the Bank's President, Vice Presidents, and Directors to its meetings, as permanent guests depending on the topics discussed, along with any other employees deemed relevant by the Committee, particularly those responsible for areas involved in the related matters and capable of providing pertinent information.

### ***Corporate Risk Committee***

This is another supporting body of the Board of Directors, responsible for overseeing the functioning of the Bank's Comprehensive Risk Management system across Davivienda and its subsidiaries. Among its responsibilities is monitoring the Risk Management Report, which consolidates the institution's management of environmental and social risks, including those related to climate change and biodiversity, among others. The committee is composed of three members of the Board and meets four times a year, or as deemed necessary by any of its members.

## **COMMITTEE FUNCTIONS**

- ▶ Monitor the institution's risk profile and risk appetite.
- ▶ Evaluate alignment with the business plan, capital levels, and liquidity.
- ▶ Report key findings to the Board of Directors.
- ▶ Issue recommendations when necessary or when deviations in risk appetite levels are identified.



*We are leading the transition **to a more sustainable economy.***





## Audit Committee

This is a control and oversight body that supports the work of the Board of Directors. It is responsible for evaluating internal controls and promoting continuous improvement in the implementation and supervision of the Internal Control System (ICS). The committee consists of three Board members, the majority of whom are independent, and meets four times a year, or as deemed necessary by any of its members.

### COMMITTEE FUNCTIONS

Evaluate risks that may affect the execution of the strategic plan, including those arising from changes in Senior Management and their impact on the ICS. Where necessary, recommend appropriate measures to mitigate such impacts.

#### *Board of Directors*

- ▶ Approval of reports
- ▶ Oversight of sustainability management outcomes
- ▶ Approval of the following policies:
  - ▶ World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green through Our Banking Services
  - ▶ Responsible Investment
- ▶ Approval of the biodiversity bond issuance agreement with the IFC. Oversight of the Bank's active participation in the United Nations Biodiversity Conference COP16.

## 2024 Highlights

#### *Corporate Governance and Sustainability Committee*

- ▶ Monitoring progress in the Bank's sustainability management
- ▶ Presentation and approval of the TCFD Report for publication as an annex to the annual report submitted at the Annual General Meeting on March 19, 2024.
- ▶ Approval of adherence to the Equator Principles (EP).
- ▶ Approval of the policy The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green from Within Our Home.

#### *Corporate Risk Committee*

- ▶ Presentation of the current scope of the lines of defense and their coverage, as part of ongoing monitoring and oversight of environmental matters, including climate-related issues. This included updates on environmental and social risk management, monitoring of excluded activities, coal exposure, and the management of climate risks—both physical and transitional.



# Policies associated with climate change and biodiversity management

Our integrated approach to sustainable management is also guided by a set of policy declarations that establish the key principles and commitments:

**Policy: The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green through Our Banking Services**

This policy defines the assets or activities the Bank seeks to support, promote, and pursue across its different business lines, based on their contribution to national progress and competitiveness, social inclusion, general well-being, and low-carbon, nature-aligned growth. It also outlines areas undergoing a transition toward more sustainable economies over time, as well as those where the Bank expresses no appetite due to misalignment with its institutional purpose.

Additionally, we have set the intention to reduce exposure to the thermal coal mining and coal-fired power generation sectors within our Investment Portfolio, with the goal of reaching zero exposure by 2040. For other prioritized carbon-intensive sectors, we will carry out ongoing monitoring and periodic reviews of our exposures. (For more information, [click here](#)).

***We are working towards zero exposure by 2040.***





**Policy: The World Is Our Home:** Let's Make It More Prosperous, Inclusive, and Green from Within Our Home

This policy complements existing policies in other areas. It incorporates the Bank's previously adopted Environmental and Climate Change Policy and its Human Rights Policy, while also setting out declarations in the following areas: Sustainable Procurement; Diversity, Equity, and Inclusion (DEI); Eco-efficiency; and Circular Economy. It is designed to complement the policy The World Is Our Home: ...through Our Banking Services, which—as mentioned above—focuses on commitments toward clients. (For more information, [click here](#)).

**Responsible Investment Policy**

This policy establishes the guidelines for integrating environmental, social, and governance (ESG) criteria into the investment evaluation and decision-making processes of the Bank and its subsidiaries. It entails active risk management and the adoption of responsible investment practices, including climate change considerations.

The policy is aligned with the United Nations (UN) Principles for Responsible Investment (PRI) and was updated in the fourth quarter of 2024. Key improvements include: alignment with corporate exclusions, the definition of the engagement process, the incorporation of ESG internal assessment criteria by economic sector, and clarifications related to corporate governance for monitoring and updating purposes. (For more information, [click here](#)).

# Internal control over climate and biodiversity matters

Our Internal Audit function contributes to the management of climate and biodiversity issues by evaluating the Internal Control System (ICS) in relation to the environmental and social risk management process. Audit reviews are carried out according to the risk priorities defined for the period, as outlined in the Annual Audit Plan approved by the Audit Committee.

*We actively manage risks and adopt responsible practices in the face of climate change.*





## Other aspects

We have implemented the guidelines established by Circular 031 of 2021 issued by the Financial Superintendence of Colombia.

This regulation sets disclosure requirements for social and environmental matters—including climate-related information—for issuers. Its approach is based on financial materiality and incorporates international standards, specifically the TCFD recommendations and the SASB standards issued by the Value Reporting Foundation (VRF), which are reported throughout this year-end report.

***We participate in the Sustainable Finance Committee and the Green Protocol of Asobancaria.***

In terms of industry engagement, we actively participate in the Sustainable Finance Committee and the Green Protocol of the Colombian Banking Association (Asobancaria), an initiative aimed at advancing the management of environmental risks and opportunities—including climate risks—within the financial sector. Through this platform, we contribute to strengthening regulatory frameworks and policies by submitting comments on draft regulations at the local level, while also promoting initiatives that accelerate the transition toward a resilient, low-carbon economy with positive outcomes for nature. (For more details on our participation in industry associations, see Section 1.1.5. Our business strategy is sustainable, as referenced in this report. [Click here.](#))

In the specific case of our multinational operations, we updated the Corporate Governance Code in Costa Rica. This update incorporated the management of ESG factors as a formal responsibility of the Board of Directors of Corporación Davivienda Costa Rica, the Board of Directors of Davivienda Seguros, the Risk Committee, and Senior Management.

This framework strengthens the analysis of climate risks and biodiversity loss—both for the business and for our stakeholders—while also integrating business opportunities arising from ESG-related matters.





## Strategy

Climate change, nature loss, and pollution are ongoing crises with escalating economic risks that threaten global economic stability. In response, we have integrated climate and biodiversity risk management into our business decisions, in alignment with global standards and best practices. Our dual objective is to mitigate negative impacts while identifying and capturing opportunities that strengthen the resilience of our clients.

## Our sustainable management approach

We recognize that our sustainability is intrinsically linked to the health of our planet. In the face of global and local challenges, we mobilize resources to bring to life our commitment: **The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green:**



## Prosperous

We help individuals, families, and businesses achieve their goals through innovative and sustainable solutions that contribute to their progress and to the competitiveness of the countries where we operate.



## Inclusive

We promote access to financial and non-financial services for all, supporting the financial well-being of individuals, families, companies, and communities.



## Green

We drive initiatives that contribute to a low-carbon, resilient economy with positive outcomes for nature.

We identify and prioritize the key factors that impact both our stakeholders and our business. Based on our material topics, we integrate ESG risks and opportunities into the design of our products, services, and operating models. (To learn more about our material topics, [click here](#)).

For our material topic of **Natural Capital**, in particular, we support our clients in their transition toward a low-carbon, just, and resilient economy. We offer both financial and non-financial solutions, alongside engagement strategies and relationship-building efforts, to facilitate their adaptation to emerging environmental challenges.

Our approach drives us to continuously innovate, manage our impacts responsibly, and contribute to a future where the economy and nature thrive in balance.

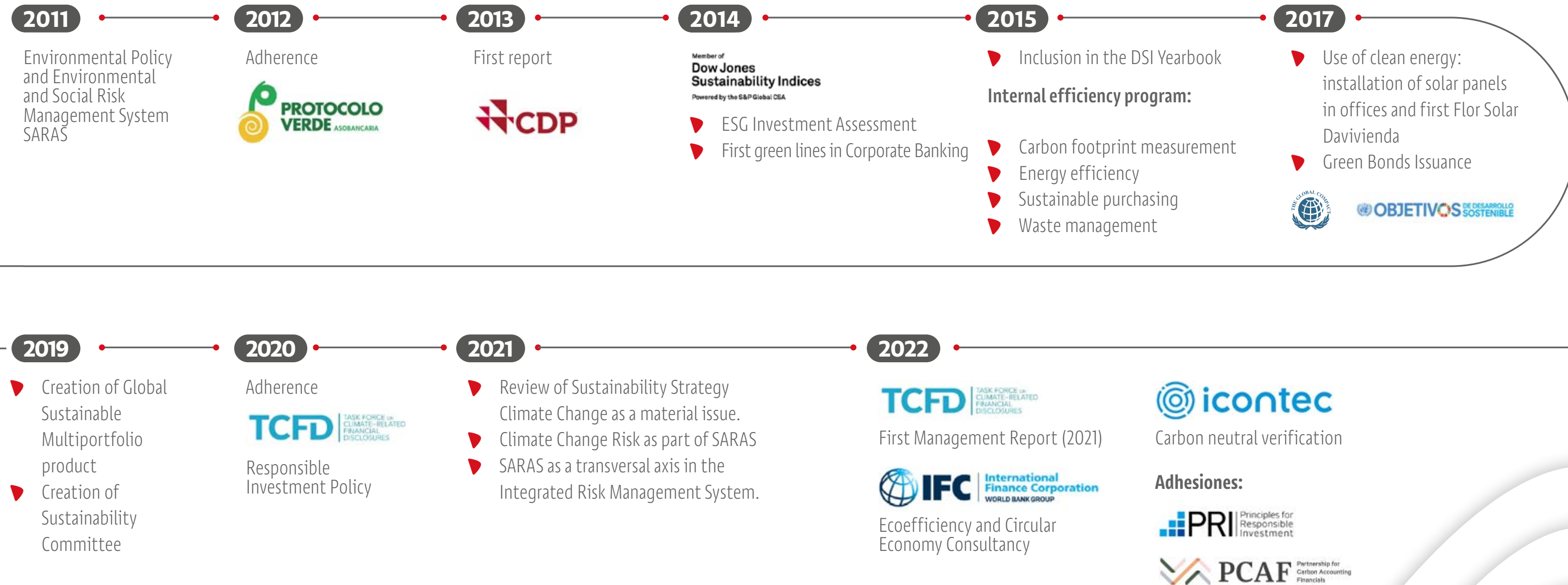
*We integrate ESG risks and opportunities into the design of our services and products.*





## Our Journey

### Key milestones in our management approach





## 2023



Second Management Report (2021)



Carbon-neutral certification Scope 1 and 2

### Adherences:



### Updates:

- Update of the Environmental and Climate Change Policy
- Responsible Investment Policy Update
- Identification of climate risks for subsidiaries in Central America.
- Synergy with Seguros Bolívar for physical risks.

## 2024

- Third TCFD Report (2023 Management Report)
- Carbon Neutral Certification from ICONTEC for Scopes 1 and 2
- Renewable Energy Seal from ICONTEC
- Zero Waste Gold Category Certification from ICONTEC — Davivienda became the first bank in Colombia to receive this recognition
- Adherence to the Equator Principles
- Policy: The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green — Through Our Banking Services
- Policy: The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green — From Within Our Home
- Updated Responsible Investment Policy
- Expanded Sustainable Taxonomy

## 2024

### Biodiversity Milestones

- Biodiversity Finance Framework with 6 categories and 38 eligible activities; aligned with Colombia's 2030 Biodiversity Action Plan and supported by a Second Party Opinion from S&P
- Agreement signed with IFC to issue the first biodiversity bond approved in the Colombian capital market — and the second globally
- Enhanced application of methodologies to identify biodiversity risks, in accordance with IFC Performance Standard 6.







# Climate management

Our climate management approach is grounded in global frameworks such as the UNEP-FI Principles for Responsible Banking (PRB), the Net Zero Banking Alliance (NZBA), the Glasgow Financial Alliance for Net Zero (GFANZ), and the Science Based Targets initiative (SBTi). Under the latter, we have worked to define short-, medium-, and long-term decarbonization targets based on climate science and aligned with our goal of reaching Net Zero by 2050.

To advance in this direction, we have taken the following actions:

- ▶ We expanded and refined our emissions inventory for Scopes 1, 2, and 3, including all applicable categories, with a focus on comprehensive estimation of financed, invested, and insured emissions in the countries where we operate.
- ▶ We established 2022 as the baseline year.
- ▶ We designed short-term science-based decarbonization targets for Scopes 1 and 2, covering the Bank's direct operations.
- ▶ We developed decarbonization scenarios aligned with the Paris Agreement target of limiting global warming to 1.5°C, which will guide the design and management of our financed and invested emissions targets.

*Achieving our goal of being **Net-zero by 2050.***

This approach has enabled us to build more rigorous and sustainable climate strategies that also generate positive outcomes for nature.

## **Climate Management Across Our Banking Services**

Through a risk-and-opportunity-based approach, we manage our climate strategy in alignment with our business activities, following the strategic guidelines set forth in the policy *The World Is Our Home: Let's Make It More Prosperous, Inclusive, and Green through Our Banking Services*.

- ▶ **Sustainable Finance:** We actively explore and manage financing pathways. We support our clients in developing climate change mitigation and adaptation projects, offering comprehensive backing for their initiatives, investments, and activities.





▼ **Environmental and Social Risk Management System – SARAS:** We incorporate climate risk management into our credit portfolios.

To strengthen and align our contribution to the global decarbonization strategy, we have committed to **promoting a just, equitable, and orderly transition to a low-carbon, net-zero economy**. We have prioritized the following actions to reduce the financed emissions associated with our credit portfolios:

- 1. Transition Financing:** We are accelerating climate transition efforts by financing mitigation, offset, and adaptation projects. Our goal is for at least 30% of our portfolio to be sustainable by 2030. We expanded our offering by strengthening the Sustainable Taxonomy, which provides greater support and opportunities for our clients. (For more information, see Annex 6 of the Policy – click here).
- 2. Climate Engagement:** We work proactively with companies in the most emissions-intensive sectors, not only to promote knowledge and measurement of their carbon emissions inventory, but also to **encourage investment decisions and the development of projects that contribute directly to decarbonization. We promote ambitious decarbonization and Net-Zero commitments and concrete emission reduction plans, offering financial solutions and strategic** advice to facilitate the transition to a

more sustainable model. (For more information, see annex 5 of the Policy [click here](#)).

- 3. Carbon-Intensive Sectors:** We have prioritized the following high-carbon sectors to direct our financing efforts and support decarbonization: (For more information, see Tables 6 and 7 of the Policy – click here).

**a. Sectors such as iron and steel manufacturing, cement, air and maritime transport, automobile manufacturing, and livestock:** We provide preferential financing for sector-specific activities that contribute to the transition toward a low-carbon economy.

**b. Thermal coal sector:** We are committed to phasing out thermal coal by 2040, under clearly defined conditions.

**c. Oil and gas sector:** We have established specific conditions for this sector, including the exclusion of unconventional extraction.

Across all these actions, **we measure financed emissions to support the monitoring**, definition, and updating of science-based targets, as well as the management of climate-related risks. This allows us to maintain alignment between our commitments and national policies and realities, with a mandatory review and update at least every five years.

Specifically, our climate risk management is governed by dedicated policies and procedures that allow us to track concentration levels and thresholds in our financing of carbon-intensive sectors. In addition, we identify, assess, and monitor our clients' climate management practices within their activities and financed projects (including project finance), beyond compliance with applicable regulations. These aspects are further detailed in the “Risk Management” section of this report.

## ***Risks and Opportunities in the Climate Strategy***

Managing climate-related risks and opportunities is essential for strategic decision-making. Climate risks—both physical and transitional—can have negative financial and reputational impacts. Meanwhile, opportunities lie in innovation, the development of new sustainable products and services, improved operational efficiency, and long-term value creation.

We have prioritized key sectors across our Banking Services, including the classification of the most carbon-intensive sectors. Below, we present those considered as potential focus areas for the management of our climate strategy.





Risks and Opportunities in the Business Banking Sectors

- Estimated timeframes for the earliest expected occurrence of risks and opportunities
- Short Term (ST): less than 4 years
- Medium Term (MT): 4 to 10 years
- Long Term (LT): more than 10 years

Industry	Risks	Opportunities
Infrastructure and Construction	<b>Physical Risks:</b> <b>Acute (ST, MT)</b> Disruptions, repair costs, and threats to human life due to floods, landslides, and heavy rainfall, which can damage infrastructure and buildings.	<b>Sustainable Construction (ST)</b> Projects that comply with sustainable construction standards and hold certifications such as EDGE, LEED, BREEAM, CASA, HQE, or other applicable standards.
	<b>Chronic (MT)</b> Erosion, leaks, and damage to infrastructure and buildings due to increased intensity and frequency of rainfall, requiring greater maintenance.	Green Mortgages: Mortgage loans for projects with approved sustainability certifications.
	<b>Transition Risks</b> <b>Legal (ST, LT)</b> Increased construction and maintenance costs due to the need for sustainable materials, technologies, and certifications required by emissions reduction policies.	<b>Infraestructura para el desarrollo territorial (CP)</b> Infrastructure projects, investments, or activities (construction, repair, improvement, expansion, equipment, operation, or maintenance) aligned with sustainable and inclusive urban development plans and climate change adaptation, mitigation, and resilience objectives.
	<b>Market (ST, MT)</b> Rising fuel prices, which affect transportation costs and the economic viability of certain infrastructure projects.	



Industry	Risks	Opportunities
Manufacturing and Industry	<b>Physical Risks</b> <b>Acute (ST, MT)</b> Increased production and repair costs, as well as operational and supply chain disruptions due to landslides and flooding.	<b>Waste Management and Circular Economy (ST)</b> Projects, investments, or activities focused on sustainable waste management, including collection, separation, transport, treatment, recovery, recycling, and final disposal.
	<b>Chronic (MT):</b> Reduced availability of water for industrial processes due to altered rainfall patterns, particularly affecting sectors heavily dependent on this resource.	<b>Sustainable Manufacturing (ST)</b> Projects, investments, or activities aimed at manufacturing products and optimizing production processes to reduce significant environmental impact. Includes sustainable cement and steel production, carbon dioxide removal (CDR) technologies, carbon capture and storage (CCUS), and components for primary plastic manufacturing.
	Decline in equipment and process efficiency, as well as worker health and productivity, due to rising temperatures	
	<b>Transition Risks</b> <b>Technology (ST, MT, LT)</b> Additional costs for businesses related to technological adaptation and compliance with stricter environmental regulations.	<b>Potable Water Management (ST)</b> Projects, investments, or activities for water purification and efficient water use..
	<b>Legal (ST, MT)</b> Higher operational costs for industries dependent on fossil fuels due to carbon taxes.	<b>Wastewater Management (ST)</b> Projects or activities for wastewater treatment, including collection, conveyance, treatment, storage, and discharge.
	Carbon intensity requirements for exported products.	<b>Energy Efficiency (ST)</b> Projects, investments, or activities focused on reducing energy consumption through new technologies or process and energy flow optimization. Includes manufacturers or suppliers of equipment or products used in energy efficiency projects.
	<b>Market (ST, MT)</b> Shifting consumer demand toward low-emission and sustainable products.	
	<b>Reputational (MT)</b> Negative changes in customer and societal perception due to lack of action—or delayed action—toward low-emission business models.	





Industry	Risks	Opportunities
Information and Communication Technologies (ICT)	<p><b>Physical Risks</b> Damage to physical assets, and operational interruptions or delays due to extreme weather events (such as hurricanes or floods).</p> <p><b>Chronic (MT)</b> Increased repair and maintenance costs, and the need to relocate operations and facilities due to recurring extreme weather conditions in certain geographic areas.</p> <p><b>Transition Risks</b> <b>Technology (ST, MT, LT))</b> Late or unsuccessful adoption of energy-efficient and productivity-enhancing technologies.</p> <p><b>Legal (ST, MT)</b> Implementation of new taxes and regulatory measures that penalize high energy consumption.</p>	<p><b>Green ICT (ST)</b> Projects, investments, or activities involving the development and use of digital and information technology to reduce greenhouse gas emissions..</p> <p><b>Energy Efficiency (ST)</b> Projects, investments, or activities aimed at reducing energy consumption through the implementation of new technologies or optimization of processes and energy flows.</p>
Energy	<p><b>Physical Risks</b> <b>Acute (ST)</b> Operational disruptions due to damage to pipelines and power grids caused by extreme weather events.</p> <p><b>Chronic (ST, MT, LT)</b> Changes in energy supply and higher production costs due to phenomena such as droughts and shifting precipitation patterns.</p> <p>Increased repair and maintenance costs, and the need to relocate operations and facilities due to recurring extreme weather conditions in certain geographic areas.</p>	<p><b>Generation and Cogeneration (ST)</b> Projects for the generation or cogeneration of energy from renewable sources (solar, wind, tidal, hydroelectric, geothermal, biomass, green hydrogen, wave energy, among others).</p>



Industry	Risks	Opportunities
Energy	<p><b>Transition Risks</b></p> <p><b>Legal (ST, MT)</b> Introduction of taxes and additional regulatory measures penalizing high-GHG-emission energy sources</p> <p>Increased reporting and transparency obligations related to GHG emissions.</p> <p><b>Market (ST, MT, LT)</b> Rising consumer demand for cleaner and more sustainable energy sources.</p> <p>Difficulty securing funding for high-emission energy products.</p> <p><b>Technology (ST, MT, LT)</b> Risk of stranded assets due to write-offs, devaluations, or unexpected reclassification as liabilities.</p> <p>Delayed or failed design and implementation of a low-GHG-emission energy mix.</p> <p><b>Reputational (ST, MT)</b> Potential reputational damage due to lack of action—or delayed action—toward a low-emission model..</p> <p>Growing concern from shareholders and other stakeholders about progress toward a low-emissions model.</p>	<p><b>Transmission and Storage (ST)</b> Projects, investments, or activities related to the transmission or storage of energy from renewable sources.</p> <p><b>Energy Efficiency (ST)</b> Projects, investments, or activities aimed at reducing energy consumption through the implementation of new technologies or optimization of energy flows and processes.</p>







Industry	Risks	Opportunities
Agriculture and Livestock	<b>Physical Risks</b> <b>Acute (ST, MT)</b> Crop and livestock losses due to heavy rainfall, flooding, landslides, and wildfires.	<b>Sustainable Agricultural Practices (ST)</b> Projects that include practices, technologies, and inputs for crop conversion in line with Colombia’s green taxonomy guidelines, including sustainable agriculture certifications, Finagro credit lines, and other agri-focused instruments. Includes projects for renewable energy generation or cogeneration.
	<b>Chronic (ST, MT))</b> Food scarcity and rising prices due to shifting climate patterns.	<b>Bioeconomy (ST)</b> Projects that promote businesses based on the value of natural capital, biodiversity, science, technology, and innovation—focused on protecting and enhancing ecosystem services.
	Drought conditions and rising temperatures affecting agriculture, leading to increased pests and diseases.	<b>Biodiversity Management (ST)</b> Projects, investments, or activities promoting restoration and conservation of terrestrial areas, and sustainable production practices that reduce or avoid negative impacts on biodiversity. Includes investments with biodiversity co-benefits, conservation and restoration as a primary objective, and nature-based solutions.
	Higher production costs and soil/agroecosystem contamination due to increased use of agrochemicals and pest pressure.	<b>Blue Economy (ST)</b> Projects, investments, or activities that promote the management, restoration, and conservation of marine and coastal ecosystems; climate adaptation and resilience; tourism; value chains; transport; ports; marine renewable energy; and pollution reduction and control.
	Intensified desertification, loss of water sources, soil productivity decline, coastal erosion, saltwater intrusion, among others.	
	<b>Transition Risks</b> <b>Market (ST, MT, LT)</b> Shifts in production decisions and input usage by farmers to mitigate the impacts of climate shocks.	
	<b>Technology (ST, MT)</b> Delayed or failed adoption of efficient and productive technologies and techniques..	
	<b>Legal (ST, MT, LT)</b> Stricter export requirements related to product carbon intensity.	



Risks and Opportunities in the Most Carbon-Intensive Sectors of Business Banking

Estimated timeframes for the earliest expected occurrence of risks and opportunities

- Short Term (ST): less than 4 years
- Medium Term (MT): 4 to 10 years
- Long Term (LT): more than 10 years

Industry	Risks	Opportunities
Iron and Steel Manufacturing	<p><b>Physical Risks:</b></p> <p><b>Acute (ST)</b> Damage to physical assets, and production delays or disruptions due to extreme weather events (e.g., flooding).</p> <p><b>Chronic (MT)</b> Increased repair and maintenance costs, and the need to relocate operations and facilities due to recurring extreme weather conditions in certain geographic areas (e.g., heatwaves).</p> <p><b>Transition Risks</b></p> <p><b>Legal (ST, MT)</b> Higher operating costs due to reliance on coke (produced by heating coal at high temperatures) as a key raw material and on fossil fuels, considering carbon taxes.</p> <p>Stricter export requirements based on carbon intensity per unit of product.</p> <p><b>Technology (ST, MT)</b> Failures, delays, and increased costs associated with the selection, development, and deployment of new technologies, as well as the capabilities needed to operate, maintain, and improve them.</p>	<p><b>Short-Term (ST)</b></p> <ul style="list-style-type: none"><li>• Projects that reduce coal usage and CO<sub>2</sub> emissions, such as Electric Arc Furnaces (EAFs), or those incorporating CO<sub>2</sub> capture and storage technologies (e.g., pollution control systems).</li><li>• Projects using Direct Reduced Iron (DRI) or iron ore electrolysis, which promote the use of non-fossil fuels.</li><li>• Transition projects for coking coal (considered part of the steel sector’s value chain), including open hearth furnace implementation, coal washing plants, photovoltaic systems, waste heat recovery from furnaces, mine mechanization, among others.</li></ul>





Industry	Risks	Opportunities
Cement Manufacturing	<b>Physical Risks</b> <b>Acute (ST)</b> Infrastructure damage and operational disruptions due to extreme weather events such as flooding and heavy rainfall.	<b>Term (ST)</b> Projects and activities that improve the use of industrial mineral components to reduce clinker content.
	<b>Chronic (MT)</b> Increased repair and maintenance costs, and the need to relocate operations and facilities due to recurring extreme climate conditions in certain geographic areas (e.g., heatwaves, water scarcity).	Projects and activities for implementing carbon capture, utilization, and storage (CCUS) technologies in the clinker production process.
	<b>Transition Risks</b> <b>Legal (ST, MT)</b> Higher operating costs due to carbon taxes linked to direct CO <sub>2</sub> emissions from fuel combustion for heat and electricity generation.	Projects, investments, or activities aimed at reducing energy consumption through the implementation of new technologies or the optimization of processes and energy flows.
	Export requirements based on carbon intensity per unit of product..	
	<b>Technology:</b> Failures, delays, and increased costs in the selection, development, and deployment of new technologies, as well as the capabilities needed to operate, maintain, and improve them.	
	<b>Market (MT))</b> Revenue loss due to consumer preference for low-carbon products.	
	<b>Reputational (ST, MT)</b> Growing concern among shareholders and other stakeholders regarding progress toward a low-GHG emissions model.	
	<b>Tecnológicos (CP, MP)</b> Fallas, demoras y mayores costos por selección, desarrollo y despliegue de nuevas tecnologías y de las capacidades necesarias para operarlas, mantenerlas y mejorarlas.	





Industry	Risks	Opportunities
Transport (Including Air, Maritime, and Automotive Manufacturing)	<b>Physical Risks</b> <b>Acute (ST)</b> Extreme weather events such as hurricanes, strong winds, and heavy rainfall can cause delays, operational disruptions, and increased operating costs.	<b>Term (ST)</b>  Projects that reduce emissions from passenger and freight transport, including low- and zero-emission technologies.
	<b>Chronic (CP, MP, LP)</b> Operational adjustments and rising costs due to heavier rainfall, landslides, and sea level rise.	Acquisition of aircraft with lower emissions in accordance with guidelines from the International Air Transport Association (IATA).
	<b>Transition Risks</b> <b>Legal (ST, MT)</b> Higher operating costs or increased investment requirements to reduce emissions as a result of rising carbon prices.	Deployment of zero-emission vehicle fleets for river or maritime transport (e.g., electric or low-carbon hydrogen-powered).
	<b>Technology (ST, MT)</b> Uncertainty regarding sustainable aviation fuel (SAF) production capacity and its ability to meet future demand in the countries where airlines operate.	Vessels powered by certified sustainable biofuels or biogas.
	<b>Reputational (ST, MT)</b> Failure to meet investor and stakeholder expectations regarding ambitious climate targets or regulatory compliance.	Projects that promote operational efficiency in logistics (energy, waste, water), including acquisition of electric or hybrid vehicles and technologies for increased efficiency.  Energy efficiency projects and activities at vehicle manufacturing plants.





Industry	Risks	Opportunities
Livestock	<p><b>Physical Risks</b> <b>Acute (ST)</b> Losses due to extreme weather events such as flooding, strong winds, heavy rainfall, and wildfires.</p> <p><b>Chronic (ST, MT)</b> Rising operating costs due to increasing intensity of climate events.</p> <p><b>Transition Risks</b> <b>Legal (ST, MT)</b> Stricter export requirements based on carbon intensity per unit of product.</p> <p><b>Technology (ST, MT)</b> Failures, delays, and higher costs related to the selection, development, and deployment of new technologies or techniques.</p>	<p><b>Term (ST)</b></p> <p>Proyectos y actividades para:</p> <ul style="list-style-type: none"><li>▶ Efficient management and protection of water sources</li><li>▶ Adoption of silvopastoral systems</li><li>▶ Implementation of sustainable livestock practices (conservation, restoration, and sustainable use of natural resources)</li><li>▶ Use of manure and effluents</li><li>▶ Paddock division and rotation, live fences, forage hedges, pasture and forage management</li><li>▶ Integration of complementary technologies such as biodigesters, aquatic plant channels and aquaculture, oxidation ponds, composting, and vegetative systems.</li></ul>



Industry	Risks	Opportunities
Oil and Gas Extraction	<b>Physical Risks</b> <b>Acute (ST, MT)</b> Extreme weather events such as flooding, heavy rainfall, and wildfires that affect company assets, operations, and supply chains.	<b>Term (ST)</b>  Energy optimization initiatives
	<b>Chronic (ST, MT)</b> Rising operational costs due to heatwaves and increased drought conditions.	Use of alternative fuels (biomass, hydrogen, among others)
	<b>Transition Risks</b> <b>Legal (ST, MT)</b> Higher operating costs, risk of stranded assets due to the energy transition, and increased investment needs to reduce emissions in light of rising carbon prices.	Circular economy initiatives
	<b>Reputational (CP)</b> Growing concern from shareholders and other stakeholders regarding the company's actions—or inaction—toward a low-GHG emissions model.	Transition to renewable energy
	<b>Technology (ST, MT)</b> Failures, delays, and increased costs associated with the selection, development, and deployment of new technologies, and the capacities required to operate, maintain, and improve them.  Slow or no progress in diversification and adoption of renewable energy sources.	Carbon capture and offset initiatives





Industry	Risks	Opportunities
Thermal Coal-Based Power Generation	<b>Physical Risks</b> <b>Acute (ST)</b> Operational disruptions due to damage to power grids caused by extreme weather events.	<b>Term (ST)</b> <b>Generation and Cogeneration (ST)</b> Projects for energy generation or cogeneration from renewable sources.
	<b>Chronic (ST, MT, LT)</b> Increased repair and maintenance costs, and need to relocate operations and facilities due to recurring extreme weather conditions in specific geographic areas.	<b>Energy Efficiency (ST)</b> Projects, investments, or activities aimed at reducing energy consumption through the implementation of new technologies or optimization of processes and energy flows.
	<b>Transition Risks</b> <b>Legal (ST, MT)</b> Introduction of taxes and additional regulations penalizing high-GHG-emission energy sources.	Carbon Capture and Offset.
	Increased obligations related to GHG emissions reporting and transparency.	
	<b>Market (ST, MT, LT)</b> Increasing consumer demand for cleaner, less polluting energy sources.	
	Difficulty attracting funding for high-emission energy products.	
	<b>Technology (ST, MT, LT)</b> Risk of stranded assets due to amortizations, devaluations, or unexpected or premature reclassification as liabilities.	
	Delayed or failed design and implementation of a low-GHG-emission energy mix.	
	<b>Reputational (ST, MT)</b> Potential reputational damage due to lack of action—or delayed action—toward a low-emission energy model.	



Industry	Risks	Opportunities
Thermal Coal Mining	<b>Physical Risks</b> <b>Acute (ST, MT)</b> Extreme weather events such as flooding or heavy rainfall that affect operations and supply chains.	<b>Term (ST)</b> <b>Energy Efficiency:</b>  Projects, investments, or activities aimed at reducing energy consumption through the implementation of new technologies or the optimization of energy flows and processes.  Carbon Capture and Offset.
	<b>Chronic (ST, MT)</b> Increased operating costs due to heatwaves.	
	<b>Transition Risks</b> <b>Technology (ST, MT)</b> Slow or no progress in diversifying and incorporating renewable energy.	
	<b>Legal (ST, MT)</b> Higher operating costs due to rising carbon prices.	
	Increased obligations related to GHG emissions reporting and transparency.	
	<b>Market (ST, MT, LT)</b> Difficulty securing funding for high-GHG-emission operations.	
	<b>Reputational (CP)</b> Growing concern from shareholders and other stakeholders about progress toward a low-emission model.	





## Sustainable Finance

Integrating climate change into our strategy helps drive new business, increase revenue, and reduce risk. Over the past year, we have strengthened our product and service offering, enhanced mitigation and offsetting of emissions in financed productive activities, reinforced our reputation, and supported initiatives aimed at climate adaptation.

We expanded our Sustainable Taxonomy, which defines the offering of green credit lines for our Corporate and Retail Banking clients, among other elements.

(For more information, see Annex 6 of the Policy – click [here](#).) The definition and verification of compliance with these criteria is the responsibility of the Environmental and Social Risk Management System (SARAS).

From the perspective of identifying opportunities arising from climate change, we have defined the following key activities:

- ▼ Mobilize resources for sustainable financing.
- ▼ Develop new offerings of sustainable products and services.
- ▼ Support our clients in their transition by offering added value and a sector-specific engagement strategy.
- ▼ Monitor the performance and growth of green credit lines, setting targets that contribute to the decarbonization of related sectors.
- ▼ Stay up to date and conduct research on mitigation and adaptation trends/activities, as well as emerging sectoral taxonomies. This allows us to continuously refine and update our green credit offerings and other sustainable products and services for clients.
- ▼ Maintain alignment with official taxonomies in the

countries where we operate.

- ▼ Analyze methodologies, best practices, and metrics associated with climate-related matters.
- ▼ Identify projects and activities aligned with our science-based targets.

***We support initiatives aimed at adapting to climate related phenomena.***



These guidelines have allowed us to work closely with our business lines to define strategic segments and priorities, where we concentrate our green financing efforts:

***We mobilize resources for sustainable financing.***



### Financial Inclusion

Supporting people at the most important moments in their lives:

- ▶ Employment
- ▶ Business development (PNCN\* and MSMEs)
- ▶ Housing (low-income housing / green housing)
- ▶ Pensions

### Focused efforts for specific populations:

Women

Agri  
culture

Youth

### Through strategies to:

- ▶ Save
- ▶ Invest
- ▶ Protect
- ▶ Finance
- ▶ Transfer money

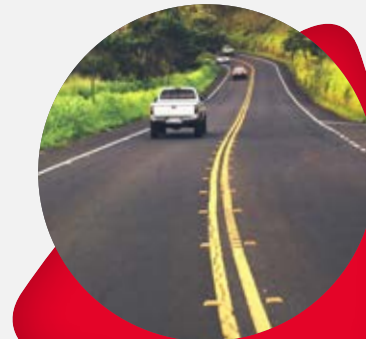
\* PNCN: Sole proprietors (individuals with a business)



### Sustainable Enterprises

Focused efforts for specific populations

- ▶ Sustainable construction.
- ▶ Corporate and business loans with environmental and social benefits.
- ▶ Value-added programs.



### Sustainable Infrastructure

Focused efforts for specific populations

- ▶ Loans for energy and social infrastructure projects, such as hospitals, roads, and more.



### Responsible Investment

Mobilizing investment resources with an ESG focus.

- ▶ Movilización de recursos de inversión con enfoque ASG.





We strengthened our technical capabilities to identify and declare short- and long-term targets and support our business lines in developing new opportunities. With this strategic approach, our sustainable portfolio grew to COP 24.7 trillion, representing a significant increase of 43.7% compared to the previous year—equivalent to 17.0% of our total loan portfolio. Notably, green or environmentally beneficial financing balances reached COP 6.2 trillion in Colombia and USD 316.8 million in Central America.

It is important to note that the growth of our sustainable portfolio and green loan book was also driven by the implementation of our Sustainable Taxonomy, which enhances our ability to identify and tag financed sustainable assets, strengthens client relationships, and attracts new sources of funding that enable us to generate new business opportunities.

As highlighted in the green finance section of the Natural Capital chapter of this report, our starting point for defining the categories, subcategories, and eligibility criteria of the Sustainable Taxonomy was the six lines that had historically made up the Bank's green portfolio (sustainable construction, energy efficiency, renewable energy, clean production, sustainable infrastructure, and sustainable agriculture). We then reviewed and refined them using the

following references: Colombia's Green Taxonomy (TVC) issued by the Financial Superintendence of Colombia (SFC), the Green Bond Principles of the International Capital Market Association (ICMA), as well as the sectors and activities covered by the development bank credit lines of institutions like Findeter and FDN, among others.<sup>1</sup>

In Colombia, our **Agro Ecosystem** continues to evolve as we work to reduce the agricultural sector's vulnerability to climate change—given its significant role in the national economy and its position as one of the main contributors to greenhouse gas emissions.

This strategy aims to strengthen the sector through innovative financial and non-financial solutions that promote financial inclusion, specialized technical assistance, and risk mitigation—contributing to improved well-being and development of communities.

#### **The ecosystem is built around four key pillars of implementation:**

- ▶ Integrator strategy
- ▶ Strengthening of non-traditional export sectors

- ▶ Promotion of local production
- ▶ Inclusion and social well-being

In partnership with Porkcolombia, we developed a sustainable credit line aimed at financing the investments and working capital required to obtain the Association's sustainability certifications. These certifications incorporate best environmental and social practices, as well as guidelines for biodiversity conservation on farms. This initiative will help mitigate negative environmental impacts and reduce greenhouse gas emissions in pig farming operations.

Through our rediscount lines with the Business Development Bank of Colombia (Bancóldex) and the Territorial Development Bank (Findeter), we finance

renewable energy projects, as well as protection and restoration initiatives that contribute to closing social gaps in water supply networks, sewer systems, and drinking water and wastewater treatment plants.

<sup>1</sup> To learn more about the Sustainable Taxonomy, you can refer to Annex 6 of the "The World is Our Home" Policy published at <https://sostenibilidad.davivienda.com/>.



**billion in Colombia and USD  
316.8 million in Central  
America, the balance of the  
portfolio linked to green  
financing.**



In Central America, and through Davivienda Seguros, we offer two green products that contribute holistically to the biodiversity of the countries where we operate: Seguro Verde (in Honduras, El Salvador, and Costa Rica), Green Group Life Insurance for SMEs (El Salvador), and Davivienda Green Accounts (El Salvador).

**Green Insurance:** With over 14 years of history, **this is the only product in Central America where clients directly support biodiversity conservation and climate change mitigation.** With every policy issued, the insured contributes to the restoration of mangrove ecosystems.

#### Green Accounts:



#### El Salvador:

We issued **21,289 policies**. Policyholders contributed 1% of their premiums toward the restoration of 8 hectares of mangrove forest over the past six years. We also launched the **Green Group Life Insurance for SMEs**, an extension of the Individual Green Life Insurance, allowing **SMEs to protect their employees** while contributing to the conservation of key **ecosystems**.



#### Honduras:

We issued **2,919 policies**, which funded maintenance for the **6 hectares** of mangroves restored since the start of the project in RAMSAR Site 1000, located in Punta Condega in the southern region. Additionally, we supported the release of 3,000 olive ridley turtle hatchlings.



#### Costa Rica:

We issued **14,895 Davida Integral** policies (covering life moments and family accident protection), continuing our support of the mangrove rehabilitation project in Bahía Tomas, which included: Stabilization of **2.5 km** of channels built for hydrological restoration; Maintenance of bridges and sediment traps; Collection of **1,223 Avicennia germinans** propagules from mature mangroves for restoring areas where natural regeneration has not yet begun.



#### El Salvador:

Clients contribute to a marine turtle conservation program. Over the last 15 years, more than **1.67** million hatchlings have been released.





## INCENTIVES ALIGNED WITH SUSTAINABLE FINANCE AND PERFORMANCE

Driving impactful action among our clients and strengthening environmental awareness across our teams are key elements of our sustainable business strategy. As a result, ESG criteria play a central role in our operations and are integrated into the variable compensation system for all employees, including our commercial teams and senior management.

*Incentives by group:*

► **Our People:** As part of this approach—and in line with our medium-term goal for at least 30% of our portfolio to be sustainable by 2030—we incorporated a metric tied to its growth.

To this end, we introduced the Sustainable Finance Indicator into our performance-based bonus structure, ensuring that variable compensation reflects our collective commitment to prosperity in alignment with natural capital.

# 26.23

*was the  
Sustainable  
Finance  
Indicator.*



This indicator measures the balance of the sustainable portfolio relative to the total potential portfolio, which includes, among others, housing loans, commercial lending, and eco-vehicle financing within our consumer portfolio—areas where we concentrate our environmental and social impact products.

As of year-end 2024, we reached 26.23%, exceeding the year's optimistic scenario projection. The result of this indicator, along with the weighting of other performance metrics on our compensation dashboard, enabled all our people to receive a performance bonus for 2024.

► **Corporate Salesforce:** Additionally, and as part of our incentive program to promote the placement of green credit lines, we offer a

50-basis-point margin incentive on loans up to COP 4 billion that meet green eligibility criteria. This initiative is part of the broader incentive scheme for our corporate commercial teams.

► **Senior Management:** As part of the benefits offered to our leadership team in line with their performance objectives, we acquired 46 vehicles, expanding the presence of eco-efficient options in our fleet. Of these, 78% are low-emission, hybrid, or electric vehicles. We recognize that leading by example is essential to accelerating the sustainable transition, and for this reason, in 2025 we will expand this initiative with the goal of further increasing the use of energy-efficient, lower-impact vehicles.



## SUSTAINABLE FUNDING WITH A CLIMATE PURPOSE AND EMPHASIS ON BIODIVERSITY

We are fully committed to mobilizing green capital. In recent years, we have supported this commitment through the issuance of a Green Bond and the signing of an agreement for the issuance of a Biodiversity Bond.

In 2017, we issued our first Green Bond for COP 433 billion with a 10-year term, subscribed by the International Finance Corporation (IFC). The proceeds have primarily financed sustainable building projects with certifications, as well as renewable energy, energy efficiency, and water reuse initiatives.

In 2024, during COP16 in Cali (Colombia), we entered into an agreement with IFC to issue the first Biodiversity Bond in the Colombian capital market, totaling USD 50 million over four years. This bond will finance projects focused on biodiversity conservation, agricultural development, water management, sustainable production, circular economy, and sustainable energy.

S&P Global Ratings assigned the bond a Medium Green Second-Party Opinion, reinforcing its credibility and alignment with Colombia's 2030 Biodiversity Action Plan. For more details, please refer to the Green Finance section of this End-of-Year Report.

## RESPONSIBLE INVESTMENT IN THE CONTEXT OF CLIMATE MANAGEMENT

As responsible investors committed to creating long-term value, we promote the development of more prosperous and inclusive societies through the benefits of a sustainable financial system.

In our investment evaluation and limit allocation process, we integrate ESG factors, including climate change. These criteria apply to the financial resources managed in both our proprietary portfolios and third-party portfolios.

We became signatories to the UN Principles for Responsible Investment (PRI) in November 2022. In 2024, we completed our first mandatory assessment and addressed the identified gaps—some of which were closed through the update of our Responsible Investment Policy, the strengthening of our Voting Policy, and the enhanced incorporation of ESG factors into investment decision-making.

*Subscription of the first Biodiversity Bond in the Colombian capital market.*





## Decarbonization Strategy and Climate Engagement

We carried out a strategic climate engagement exercise as part of our climate change management approach—specifically regarding transition risks to which we may be exposed, and the identification of decarbonization opportunities.

This exercise allowed us to develop active relationships with our credit clients and priority issuers in the financial sector, particularly those in the highest carbon-emitting sectors (CO<sub>2</sub>e). The strategic guidelines and implementation phases applied in this engagement process are detailed in Annex 5: Decarbonization and Engagement Strategy of the policy “The World Is Our Home: Let’s Make It More Prosperous, Inclusive, and Green through Our Banking Services.”

For the engagement process, we prioritized companies using a materiality model based on financed and invested emissions, and defined two differentiated approaches:

- 1. Credit portfolio – corporate clients:** We held meetings with clients and multidisciplinary teams from both organizations to understand and deepen their climate strategies, identifying opportunities, challenges, and barriers in their transition toward a sustainable model.
- 2. Investment portfolio – securities issuers:** We conducted meetings

with companies issuing securities, especially those present in both our credit and investment portfolios, to deepen our understanding of their climate strategies.

In the case of Colombia, the key outcomes of this process were:



**Coverage of 16%** of financed emissions<sup>2</sup> and 71% of invested emissions<sup>3</sup>, spanning four of the seven carbon-intensive sectors we defined: oil and gas extraction, natural gas extraction, cement and concrete manufacturing, and energy generation.



**50% of the companies** engaged have decarbonization plans, primarily focused on energy efficiency, renewable energy, and carbon offsetting. One client has defined science-based targets, and 17% expressed interest in the Bank’s non-financial solutions. Overall, we successfully raised awareness among companies about the importance of measuring their carbon inventories and setting decarbonization and Net Zero commitments.

<sup>2</sup> Invested emissions for Davivienda Colombia base year 2022

<sup>3</sup> Emisiones invertidas para Davivienda Colombia y su sucursal en Miami, incluyendo bonos y acciones sin soberanos año base 2022

*1 client has defined science-based goals and 17% are interested in non-financial solutions.*







**Most decarbonization and investment plans** are long-term. The most common investments are in energy transition solutions. The definition of some targets in the medium term invites ongoing dialogue with our clients, through both financial and technical support.



**We assessed clients' Climate Maturity Ratings** using our internal methodology, which evaluates aspects such as carbon inventory measurement, GHG reduction strategies, identification and management of physical and transition risks, and the establishment of carbon neutrality or Net Zero targets. These results allow us to classify carbon-intensive clients from incipient to advanced levels of climate management, helping us better understand their decarbonization strategies.



**We applied an expanded Due Diligence Questionnaire (DDQ)** by incorporating specific climate criteria, particularly for international issuers. This enables us to gather key information on sectoral complexities and the strategies each company is implementing to mitigate climate-related risks.



**We identified opportunities** for creating innovative financial solutions, such as Sustainability-Linked Loans (SLBs), and green credit lines for projects related to energy efficiency and renewable energy—solutions that provide greater support for a just transition.



Looking ahead to 2025, our goal is to further strengthen this climate engagement, identify sector-specific opportunities, and extend our work to other carbon-intensive industries. We view the transition to a low-carbon economy as an opportunity for companies to reduce their environmental impact—and for us to move forward together in making the world a greener home.

*We categorize our carbon-intensive customers in terms of their climate management.*





## *Climate Change Management through Our Operations: 2030 Green Mission*

### **Eco-efficiency**

We are committed to minimizing the environmental impact of our operations, with the goal of turning Davivienda into a benchmark for sustainability.

Our 2030 **Green Mission strategy** is built on three pillars: operational eco-efficiency, circular economy, and sustainable procurement. Through these focus areas, we work to reduce resource consumption, minimize waste generation, and strengthen our value chain by working with suppliers who share our environmental commitment.

With 2030 Green Mission, we align with global climate goals and actively contribute to climate change mitigation and ecosystem preservation. We foster a culture of efficiency, adopt innovative technical and technological solutions, and implement responsible practices across our operations in Colombia, Costa Rica, El Salvador, Honduras, and Panama.

The policy “The World Is Our Home: Let’s Make It More Prosperous, Inclusive, and Green from Within Our Home” is a foundational pillar of our environmental management. It reinforces our sustainability commitment by complementing existing policies on environmental protection, climate change, and human rights, and sets clear guidelines on eco-efficiency, circular economy, and sustainable procurement.

In particular, under the operational eco-efficiency pillar, we are committed to maintaining the estimation and reporting of greenhouse gas (GHG) emissions under Scopes 1, 2, and the applicable categories of Scope 3 (categories 1 through 14). We also work to reduce, mitigate, and compensate for our environmental impacts, incorporate non-conventional renewable energy, and develop an energy efficiency program. The results of this program are presented in detail in the “Goals and Metrics” chapter of this report.

As a reflection of our efforts, we were recognized by the Colombian Institute of Technical Standards and Certification (Icontec) with Carbon Neutrality

Recertification under the standards of the Greenhouse Gas Protocol. This certification is the result of an external audit of our GHG emissions inventory and of implementing energy efficiency systems, photovoltaic energy solutions, renewable energy consumption, the gradual transition to less polluting fire extinguishers, efficient management of public utilities, and the purchase of renewable energy certificates. We also obtained the recertification of the Renewable Electricity Seal for our operations in Colombia and Central America.





# Resilience of the Sustainable Strategy

As part of our climate risk management, we analyze how changes in climate variables could impact our strategy. We aim to refine the identification of both physical and transition risks by using a range of tools that allow us to assign more precise impact ratings to potential adverse effects on our business.

We consider various climate scenarios, both above and below 2°C. These analyses allow us to project how risks may evolve in the future and how they could affect our strategy. This, in turn, enables us to design responses to adverse situations or poor adaptation outcomes, while prioritizing financing opportunities for climate mitigation and adaptation.

Through this process, we have built new capabilities, improved methodologies, strengthened our overall strategy, and incorporated climate variables into the management of our credit portfolio. In future stages, these variables will also be integrated into the management of other financial risks, so they can directly support decision-making and enhance the robustness of our service offerings.







# Training on Climate Change and Biodiversity

In the current global context, it is essential to have highly trained and specialized teams capable of responding effectively to the environmental challenges and expectations that continue to grow. Meeting these demands requires deep expertise and a comprehensive understanding of climate change mitigation and adaptation, as well as biodiversity-related issues.

That's why we actively promote a variety of training and awareness initiatives tailored to our different stakeholder groups.

## Our People:

- ▶ Since 2021, we have trained and certified 4,308 internal environmental leaders and stewards in partnership with the World Energy Council and Vértebra. These individuals promote the protection and efficient use of water and energy both at work and in their homes.
- ▶ Through our corporate university, **UXplora**, we have also delivered specialized training to various teams across the organization. More than 6,000 employees have participated in programs designed to strengthen specific skills and competencies in environmental matters.  
Basura Cero: economía circular y prácticas de separación de residuos.
  - ▶ Zero Waste: circular economy and waste separation practices
  - ▶ Carbon inventory measurement and science-based target setting
  - ▶ Roadmap to Net Zero and low-carbon economy
  - ▶ Green hydrogen financing
  - ▶ Nature-based financial solutions
  - ▶ Biodiversity finance
  - ▶ Sustainability in the agricultural sector



- ▶ We have also provided training from a climate risk management perspective, focusing on emerging methodologies and trends to identify and manage climate-related risks. These efforts have included hands-on training in the tools used to support assessments, as well as conceptual frameworks that enable deeper integration of climate risk into business decision-making.

### Suppliers:

- ▶ We launched a pilot program using the UXplora platform. Through this initiative, selected vendors gained access to five courses focused on climate change, biodiversity, and waste management—designed to guide them toward implementing more sustainable practices.

### Clients:

- ▶ We supported and encouraged our clients to develop climate mitigation and adaptation projects through training and awareness-building initiatives.
- ▶ With the support of strategic partners, we trained clients from the construction sector in sustainable building certifications. We created learning spaces that helped them strengthen their capabilities and implement environmental best practices in their projects.

- ▶ In the context of COP16, we launched multiple initiatives focused on raising awareness, educating, and building consciousness around biodiversity and natural capital.

- ▶ **Our People:** We organized awareness activities to highlight the importance of biodiversity and its connection to the financial sector, encouraging individuals to become agents of change both within the organization and in their everyday lives.
- ▶ **Clients:** We hosted six biodiversity-focused webinars in collaboration with experts, delivered through our Visión platform, which specializes in economic research. These sessions reached thousands of participants and sparked conversations around the identification of interdependencies and the economic impacts of ecosystem service loss across sectors. In total, we achieved more than 74,000 views.)

*Some suppliers accessed  
courses **on climate change and  
biodiversity at UXplora.***







# Risk Management

Our comprehensive risk management framework is designed to **establish the guiding principles, overarching policies, governance structure, and key components required to manage the risks inherent to our business.**

This approach is implemented through a collaborative model, in which specialized risk areas work closely with the organization's most strategic macroprocesses and business lines—particularly those that present the greatest exposure or are most critical to our corporate strategy. The goal is to proactively identify and mitigate threats and material events that could compromise the achievement of our strategic and business objectives.

Environmental and social risks, including those related to climate change, that may arise from the projects and activities we finance for our clients, are addressed through our Environmental and Social Risk Management System (SARAS).



# Environmental and Social Risk Management System (SARAS)

We implement climate risk management through our Environmental and Social Risk Management System (SARAS), leveraging tools and components already embedded within our broader risk framework. In addition, we continuously develop and refine methodologies and conduct pilot exercises aimed at enhancing our ability to assess both physical and transition climate risks. These efforts, along with their scope and outcomes, are further detailed in this section. A general overview of SARAS is available in Annex 3 of the policy “The World Is Our Home: Let’s Make It More Prosperous, Inclusive, and Green through Our Banking Services.”



In the context of climate change, SARAS plays a key role in managing climate risks by applying methodologies, models, procedures, metrics, and indicators to identify, assess, mitigate, control, or transfer these risks. It also distinguishes risk management approaches according to their nature and relevance across different banking segments—personal and corporate—and generates information and alerts that support decision-making by business units and senior leadership.

This framework enables the identification and management of material risks, while also uncovering green business opportunities related to climate change mitigation and adaptation. **SARAS is responsible for validating compliance with eligibility criteria for environmentally beneficial projects and plays an active role in raising awareness and providing training on environmental, social, and climate-related risks.**

## Progress in Climate Risk Management

Since 2020, we have implemented a series of actions to advance our climate risk management strategy, as detailed in our TCFD reports for 2021, 2022, and 2023.

The following are the key actions undertaken in 2024:

We consolidated the policy “The World Is Our Home: Let’s Make It More Prosperous, Inclusive, and Green through Our Banking Services,” which integrates our environmental policy statement and business strategy, including our climate risk and opportunity management approach. The policy defines the assets and activities we support—and those we exclude—in alignment with the Sustainable Development Goals (SDGs) and international commitments such as the Paris Agreement.

- ▶ We strengthened our decarbonization and climate engagement strategy, also included in the aforementioned policy. Its objective is to establish a structured approach to engaging with clients, supporting the effective decarbonization of their businesses and activities.
- ▶ We developed a client prioritization model and subsequently held climate engagement sessions with those operating in carbon-intensive sectors.
- ▶ In accordance with the PCAF methodology, we expanded the coverage of our financed and invested emissions measurement to include additional asset classes and credit businesses across our Central American subsidiaries.
- ▶ We broadened our analysis of physical and transition risks by incorporating future climate scenarios. This has enabled us to identify potential threats at different levels and serves as a foundation for establishing preventive or mitigation mechanisms.







- ▶ We were invited by our regulator, the Financial Superintendency of Colombia, to participate in its pilot program for climate risk identification. This experience provided valuable feedback that enhanced our management of physical and transition risks across our portfolios.
- ▶ In response to the regulator’s annual “Resilience Testing Framework” (EPR), we quantified the financial impact of an adverse scenario involving the materialization of a physical risk through stress testing. One of the primary objectives of this exercise was to assess the resilience of the financial system to emerging and unexpected shocks such as those posed by climate change.

These initiatives have enabled us to deepen our understanding of climate risks and strengthen our capacity to manage the high levels of uncertainty they entail. At the same time, they challenge us to engage in ongoing research, conduct pilot exercises, and implement new procedures to overcome information gaps and limitations.

In the following section, we outline the policies, procedures, and tools we have established to manage both physical and transition risks across each stage of the risk lifecycle: identification, assessment, control, and monitoring.

Stages of Physical and Transition Climate Risk Management

Stage	Description
Identification	Collection and consolidation of information to identify exposure to risk within the defined scope.
Assessment	Classification, evaluation, and measurement of exposure to risk as high, medium, or low; scenario analysis and stress testing.
Mitigation and Adaptation	Policies, procedures, and measures aimed at reducing both the impact and the likelihood of risk occurrence.
Monitoring	Ongoing tracking and comparison of policies and indicators related to risk management, including early warning signals.
Reporting	Periodic reports on the status of risks.

We conduct stress tests to assess the financial impact of climate change risks.



## Physical Climate Risk Management

### Identification of Physical Risks

In line with the typologies of physical risks—acute and chronic , we identify those that could generate short-, medium-, and long-term financial impacts associated with climate-related risk factors. For this reason, in the “Strategy” chapter of this report, we identified and described the key risks affecting the main sectors in our credit portfolio.

Below, we present a set of general risks that may affect not only our portfolio, but also the Bank’s own operations. This tool serves as the starting point for our climate risk management cycle:

### Estimated timeframes for the earliest expected occurrence of risks

Short Term (ST): less than 4 years  
Medium Term (MT): between 4 and 10 year  
Long Term (LT): more than 10 years

Risk Type	Risk Description	Potential Financial Risk for Clients and the Bank
Acute	Increased severity or frequency of extreme weather events (heatwaves, torrential rains, hurricanes, etc.) that can trigger adverse events such as floods, landslides, or wildfires.	Disruption or decline in client operations or revenues. Timeframe: ST, MT
		Losses due to damage to client and Bank facilities or assets. Timeframe: ST, MT
		Deterioration or damage to collateral securing loans, such as real estate. Timeframe: ST, MT
		Increased insurance costs for both clients and the Bank. Timeframe: ST, MT, LT
	Disruptions to business continuity due to events such as flooding or hurricanes.	Higher operational costs and revenue losses due to disruptions in the Bank’s own operations. Timeframe: MT





Risk Type	Risk Description	Potential Financial Risk for Clients and the Bank
Chronic	Changes in climate patterns, such as shifts in precipitation and temperature.	Reduced revenues and higher costs in clients' productive activities. Timeframe: ST, MT
		Regional displacement of people and economic activities. Timeframe: MT
		Deterioration of loan collateral held by the Bank. Timeframe: ST, MT

The stages of physical risk identification, assessment, mitigation, and monitoring—considering both current and future timeframes—are applied throughout the credit process for corporate clients and developers within our commercial loan portfolio.

*With geo-referencing and background research  
we evaluate potential risk mitigation measures.*

Current Physical Risks

APPLICATION TO NEW LOAN APPLICATIONS

The environmental and social risk assessment applied to loan applications for client projects and business activities includes the identification and evaluation of potential risk mitigation measures through location analysis, georeferencing, and background checks.

This process considers impacts from climate-related events such as floods, droughts, and landslides, as well as threat analysis using geospatial tools. It also evaluates whether clients have implemented mitigation or adaptation measures within their activities or projects.

During the post-disbursement monitoring phase, we track the implementation and performance of the mitigation plans established by clients to address the risks to which they may be exposed.



## APPLICATION TO EXISTING LOAN PORTFOLIOS AT THE PORTFOLIO LEVEL

The identification and assessment of physical risks at the loan portfolio level are carried out through two main approaches:

### *Geographic Threat Analysis:*

This consists of a series of stages and procedures, summarized in the following process:



In 2024, we evaluated 254 new loan applications for projects submitted by clients in the Corporate, Construction, Business, and SME segments, totaling COP 8.8 trillion. In terms of flood risk, 92.3% of the applications assessed were classified as medium or low risk, while for landslide susceptibility, 90.5% fell into the medium or low risk categories.

This information informs decision-making by the Credit Approval Committee. Where applicable, follow-up commitments are established with clients for the duration of the loan.





We prioritize **flood risk** as the main variable of analysis, as it is the most frequent emergency event in Colombia according to the National Unit for Disaster Risk Management. The country’s diverse climate—ranging from regions with heavy rainfall to areas with scarce precipitation—combined with complex geography, results in significant variability in flood susceptibility across regions.

In this context, we use Colombia’s national flood zone maps provided by the Institute of Hydrology, Meteorology and Environmental Studies (IDEAM). By georeferencing our clients, we determine the threat level applicable to each one within the commercial and mortgage loan portfolios.

Based on the application of this methodology, during the year we identified the following distribution of flood threat levels across our Commercial and Mortgage portfolios in Colombia:

Threat Level	Flood Risk	
	% Commercial Loans	% Mortgage Portfolio
Low	85,5%	80,6%
Medium	13,6%	17,7%
High	0,9%	1,7%





We expanded the scope of physical risk identification at the portfolio level to include the loan portfolios of our subsidiaries in Central America. Throughout this process, we encountered several challenges related to the availability of climate data and limited access to information from official institutions in each country. To facilitate effective management, we established dedicated working groups that enabled the cross-functional alignment of concepts.

As a result, we obtained the following flood threat classifications for the georeferenced portfolio data as of year-end 2023, broken down by subsidiary:

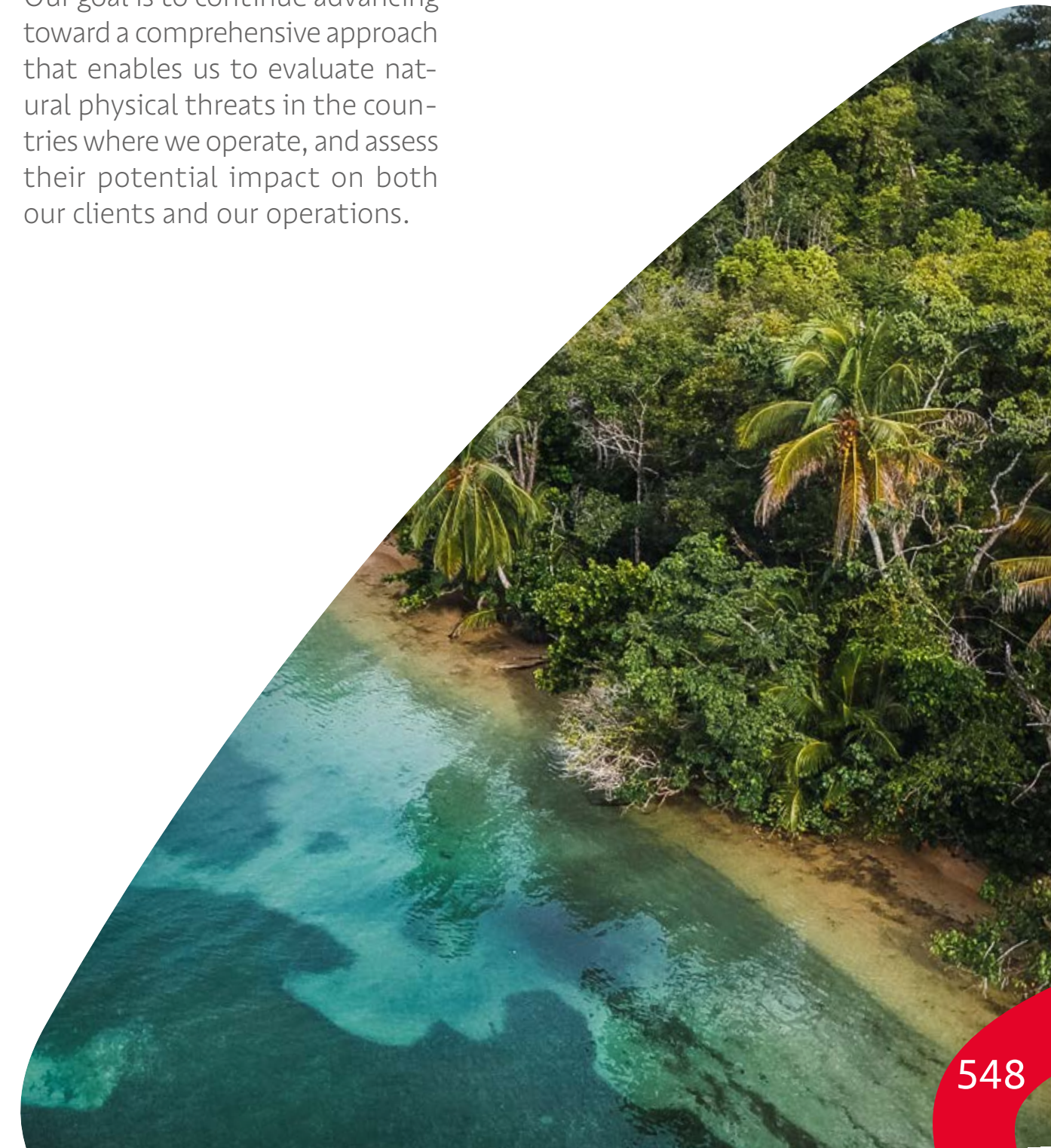
Flood Risk Level	Costa Rica	El Salvador	Honduras
Low	73,9 %	98,2%	50,5%
Medium	25,5 %	0,6%	47,3%
High	0,6 %	1,2%	2,2%

***Thanks to the physical risk analysis, we seek mitigation measures for natural hazards in our subsidiaries.***

This physical risk analysis allows us to identify and understand the behavior of natural hazards across each of our subsidiaries. We also cross-referenced this analysis with physical risk indicators from the Global Risk Report, which confirmed that coastal flooding is one of the most significant threats facing our subsidiaries.

Looking ahead to 2025, we have identified opportunities to improve the quality of our data. We recognize that each region experiences unique impacts from natural hazards, and we are working to expand the geographic detail of our operational data to enhance our analyses. Among the challenges identified is the analysis of the Panama portfolio, which we aim to include alongside the disclosures for the rest of our Central American countries.

Our goal is to continue advancing toward a comprehensive approach that enables us to evaluate natural physical threats in the countries where we operate, and assess their potential impact on both our clients and our operations.







## APPLICATION TO OUR DIRECT OPERATIONS

As part of our efforts to identify physical climate risks in our direct operations in Colombia, we conducted an initial assessment comparing the locations of 145 sites—where our offices and owned properties are located—against the national flood hazard map.

This analysis revealed that 74% of these locations are in low-risk areas, 26% in medium-risk areas, and none in high-risk areas for flood exposure. The maps used for this analysis are based on historical data from IDEAM and represent points of potential exposure rather than areas currently experiencing flooding. They also do not account for local vulnerability factors.

As a next step, we recognize the need to establish residual risk assessments that consider potential vulnerabilities at each site. In the meantime, to mitigate and transfer potential risks, we maintain our business continuity plan and comprehensive insurance coverage

### Threat Analysis by Economic Sector

In addition, as part of our strategy to identify physical risks that could impact key economic sectors, **we initiated a collaborative work plan in 2023 with Seguros Bolívar to deepen our understanding and analysis of climate-related physical hazards.**

*No location is at high risk of exposure to flooding.*

This initiative helped align analytical methodologies across our corporate group and was informed by literature reviews, hazard assessments, and historical records of natural disasters in the country. The resulting methodology is focused on quantifying both exposure and vulnerability to various threats.

In our case, we applied this methodology to the economic activities that comprise our loan portfolio in Colombia. Based on this analysis, we identified the most frequent and severe events occurring across the country and their potential correlation with financed productive sectors—initially prioritizing our agricultural loan portfolio.

To prioritize and rank hazards with the greatest potential financial impact, we held roundtable sessions with experts from the credit risk, lending, and business line areas, where we validated and refined our preliminary hazard classifications.

**26%**

***of the locations are at medium risk of flooding.***



Following this analysis of the agricultural sector, we identified livestock, coffee production, poultry farming, rice, and avocado cultivation as the most exposed activities to physical threats such as flooding, landslides, and drought. Looking ahead to 2025, we intend to continue building on this

important progress, as it will enable us to define adaptation measures by risk level and integrate them into our credit risk management processes.

As part of our risk management monitoring phase, in 2024 we began issuing monthly climate alert reports. These reports, designed as early-warning tools, aim to anticipate potential impacts on our clients' economic activities. They are based on official data from institutions such as the National Oceanic and Atmospheric Administration (NOAA) and IDEAM.

Throughout 2024, we continuously tracked El Niño and La Niña climate phenomena, evaluating the likelihood of their occurrence and issuing short-term forecasts (1 to 3 months) on rainfall behavior across Colombia. This enabled us to alert clients to potential shifts in precipitation patterns that could impact their operations, especially in the hydropower and agricultural sectors.

This monitoring provided valuable insights to support credit decision-making, particularly in cases where economic activities could be directly or indirectly affected by rainfall variability. During hurricane season, we also closely monitored meteorological developments that could potentially affect our clients or our operations. In 2025, we will continue strengthening this monitoring system and deepening our preparedness to respond to physical climate risks.

## ***Future Physical Risks in the Loan Portfolio***

We structured the identification of future physical risks based on scenario analysis of potential climate developments. This forward-looking approach enables us to anticipate the increasing likelihood of such risks and to assess the financial implications under different assumptions. It supports proactive decision-making and the definition of policies, eligibility criteria, and financial planning aligned with a changing climate landscape.

***During 2024, we included monthly reports on weather phenomenon alerts.***





Future Physical Scenario Analysis

As part of our commitment to continuously enhance our management of physical climate risks, we updated our climate scenario analysis using the most recent data from IDEAM’s Fourth National Communication on Climate Change. This report provides a comprehensive assessment of potential changes in climate variables, based on the Shared Socioeconomic Pathways (SSP), which represent an evolution from the previous IPCC modeling framework (CMIP5). These pathways describe a range of possible futures—from a low-emission, sustainable world (SSP2-6) to a high-emission scenario driven by continued fossil fuel dependency (SSP8-5).

As a first step, we selected four scenarios—SSP2-6, SSP4-5, SSP7-0, and SSP8-5—based on IDEAM’s projections for temperature and precipitation. We then applied these scenarios to our mortgage portfolio, simulating its evolution across different timeframes through the year 2100. To explore divergent futures, we focused on comparing two key scenarios: SSP2-6, which reflects a sustainable, low-emission trajectory, and SSP8-5, which assumes continued reliance on fossil fuels and a steep increase in emissions.

The rationale for selecting these scenarios lies in their stark contrast. SSP2-6 envisions a path toward sustainability through substantial emissions reductions, whereas SSP8-5 portrays a future of high emissions that presents significant challenges for climate resilience and long-term sustainability.

The following tables present the results of this analysis, showing the potential exposure of our mortgage portfolio to changes in temperature and precipitation over two time horizons.

**Temperature Variable:** Percentage of the mortgage portfolio potentially affected by temperature changes under each climate scenario and projected time period.

Temperature Increase Range (Celsius)	2021 to 2040		2080 to 2100	
	2.6 Scenario	8.5 Scenario	2.6 Scenario	8.5 Scenario
Increase between 0 and 0,5°C	1%	0%	0%	0%
Increase between 0,5 and 1°C	55%	30%	5%	0%
Increase between 1 and 1,5°C	40%	59%	40%	0%
Increase between 1,5 and 2°C	2%	9%	48%	0%
Increase between 2 and 2,5°C	2%	1%	5%	1%
Increase between 2,5 and 3°C	0%	1%	3%	5%
Increase between 3 and 3,5°C	0%	0%	0%	12%
Increase between 3,5 and 4°C	0%	0%	0%	27%
Increase over 4°C	0%	0%	0%	54%



**Precipitation Variable:** Percentage of the mortgage portfolio that could potentially be affected by changes in precipitation across each climate scenario and time range.

Change in Annual Precipitation (%)	2021 to 2040		2080 to 2100	
	(Scenario 2.6)	(Scenario 8.5)	(Scenario 2.6)	(Scenario 8.5)
Decrease between 0% and 10%	0%	11%	0%	1%
Decrease between 10% and 20%	0%	0%	0%	1%
Decrease between 20% and 30%	0%	0%	0%	8%
Increase between 0% and 10%	57%	85%	27%	3%
Increase between 10% and 20%	43%	3%	71%	6%
Increase between 20% and 30%	0%	0%	2%	36%
Increase between 30% and 40%	0%	0%	0%	36%
Increase between 40% and 50%	0%	0%	0%	7%

Through this analysis, we identified the percentage of clients within our mortgage portfolio who could face significant impacts from projected changes in temperature and precipitation at the national level—both in the medium term (2021–2040) and long term (2080–2100). Additionally, we pinpointed the regions most vulnerable to climate change by comparing a low-emissions, sustainable scenario (SSP 2.6) with a high-emissions scenario characterized by intensive fossil fuel use (SSP 8.5).

The analysis highlights a clear divergence between a sustainable future (SSP 2.6) and one in which development continues to rely heavily on fossil fuels (SSP 8.5). In the short term (2021–2040), the SSP 2.6 scenario reflects a more moderate temperature increase, with most of the portfolio experiencing a rise between 0.5°C and 1°C. In contrast, under SSP 8.5, a sharper warming trend is projected, with 59% of the portfolio exposed to a temperature increase between 1°C and 1.5°C. This contrast underscores the importance of evaluating multiple emissions pathways when assessing short-term climate risk.

By the end of the century (2081–2100), the gap between scenarios widens substantially. Under SSP 8.5, a significant temperature rise is projected, with 54% of the mortgage portfolio experiencing increases greater than 4°C. Such high-emissions pathways could result in considerable impacts on the housing portfolio, including damage to properties, higher maintenance costs, and shifts in housing demand in certain geographic areas. Conversely, the SSP 2.6 scenario presents a much more moderate temperature rise for the same time horizon.

*We evaluated various future climate scenarios to strengthen our physical risk management.*





In terms of precipitation, both scenarios also show notable changes. Under SSP 8.5, a substantial increase in rainfall is projected in the long term, with 36% of the mortgage portfolio potentially experiencing a 20%–30% rise in annual precipitation, and another 36% facing a 30%–40% increase. This could heighten the risk of physical climate events, such as flooding and landslides.

In comparison, SSP 2.6 projects a more moderate but still significant increase in rainfall relative to current patterns. These shifts in

precipitation could impact water availability, agricultural productivity, and hydroelectric energy generation—underscoring the need for integrated water management and adaptation to new climate conditions.

These findings clearly demonstrate the need to implement long-term climate adaptation strategies, as well as the continued expansion of financial products that promote sustainable construction and climate resilience—essential measures to mitigate the risks associated with climate change.

*We understand  
the need for  
integrated water  
management **and**  
**adaptation to new  
rainfall patterns.***





# Transition risks

To effectively manage transition risks, we have established policies and procedures that guide us through the key stages of risk management: identification, assessment, mitigation, and monitoring. These processes are supported by the following tools:

*We identify the risks involved in the transition to a low-carbon economy.*

- ▼ A methodology for identifying and evaluating risks using a matrix and heat map, allowing us to determine sector-specific risk levels and types of transition risks across the commercial loan portfolio and investment portfolios.
- ▼ Measurement of financed emissions, which serves as a key indicator for transition risk monitoring.
- ▼ Collection, assessment, and classification of climate-related information from prioritized clients.
- ▼ Climate risk prioritization and client engagement strategies.
- ▼ Monitoring of portfolio concentration in prioritized high-risk activities.
- ▼ Forward-looking assessment of transition risks through scenario analysis.

These procedures enable us to strengthen our internal processes and improve early-warning capabilities for exposure to transition risks or for identifying emerging opportunities. For further details on financed emissions, please refer to the “Metrics and Targets” section.

## Identification of Transition Risks

Transition risks arise from the global shift toward a low-carbon economy and stem from changes in regulation, technology, market preferences, and other factors required to address climate change.

In the “Strategy” chapter, we identified and described the transition risks affecting the key

sectors of our loan portfolio, with particular attention to those classified as carbon-intensive. Below, we present a general overview of the transition risks across our portfolio, including those that may also affect our internal operations. This framework serves as the starting point for our transition risk management cycle:





Transition Risk Identification

Type of risk	Climate-related risks	Possible financial risk for clients and the Bank
Regulatory and legal risk	Increase in greenhouse gas emissions prices	Financial impact on clients due to higher operating costs, increased insurance premiums, or greater investments required to reduce carbon emissions. <b>Timeframe:</b> ST, MT
		Increase in carbon-related costs for the Bank due to financing activity. <b>Timeframe:</b> ST, MT
	Increase in legal obligations	Higher operating costs for the Bank related to the implementation of monitoring and verification procedures. <b>Timeframe:</b> ST, MT
	Regulation of existing products and services	For clients, potential loss of asset value or depreciation before the end of useful life (stranded assets), and decreased sales while adjusting to new requirements. <b>Timeframe:</b> MT, LT
		Deterioration in clients' credit repayment performance. Loss of collateral value and need for balance sheet adjustments by the Bank due to exposure in certain activities. <b>Timeframe:</b> MT, LT



Type of risk	Climate-related risks	Possible financial risk for clients and the Bank
Technological risk	Unprofitable investments in new technologies	Increased costs and expenditures for clients in research and development (R&D) of new and alternative technologies. <b>Timeframe:</b> ST, MT
	Initial costs for transitioning to low-emission technology	Initial R&D expenses for new and alternative technologies. <b>Timeframe:</b> ST, MT
Market risk	Changes in consumer behavior	Reduced demand for goods and services due to shifts in consumer preferences, potentially leading to decreased sales. <b>Timeframe:</b> ST, MT, LT
		Possible deterioration in clients' repayment performance on credit obligations, affecting the Bank. <b>Timeframe:</b> ST, MT, LT
Reputational risk	Sector stigmatization	Growing concern among shareholders and other stakeholders regarding the transition toward a low-GHG emissions model. <b>Timeframe:</b> ST, MT  Damage to the Bank's image due to a perceived lack of commitment when financing projects or activities that negatively impact the environment. <b>Timeframe:</b> ST, MT
	Investment exclusions	Reduced capital availability for clients. <b>Timeframe:</b> ST, MT, LT





## Scope of Transition Risk Management Procedures

### Risk Prioritization Matrix and Heatmap

We identify and measure the exposure of both our loan portfolio and investment portfolio to transition risks. Regular updates have enabled us to closely monitor the sensitivity of our commercial loan portfolio to these risks, as well as the concentration of exposure in sectors considered carbon-intensive.

As part of our ongoing commitment to continuous improvement, we updated our risk analysis matrix to include a variable identifying sectors with the highest GHG emissions levels, based on Colombia's 2022 National Greenhouse Gas Emissions and Absorptions Inventory (INGEI). Additionally, a new parameter was added to the methodology to account for sector-level GHG emissions.

Within this framework, we considered the following variables and parameters:

- ▶ Priority sectors recommended by the TCFD climate disclosure framework.
- ▶ Existing regulatory frameworks weighted accordingly. In this case, we compiled national regulations related to climate change by sector to identify restrictions or new requirements, as well as related public policy instruments.
- ▶ The most carbon-intensive sectors based on Colombia's 2022 INGEl.





Based on this analysis, we classified sectors into seven levels to generate a “heatmap” reflecting the relative sensitivity of productive sectors to political/legal, technological, market, and reputational transition risks. The following results reflect this evaluation applied to the total loan portfolio amounts:

***Sensitivity Classification of Productive Sectors to Transition Risks and Credit***

Classification	Activities	% of Exposure in Total Loan Portfolio
Sectors exposed to transition risks	Oil, coal, energy (thermoelectric power generation)	0,52%
Sectors with medium sensitivity to transition risks	Gas (gas extraction), cement	0,44%
Sectors with low sensitivity to transition risks	Transport (intermodal freight transport and passenger air transport)	0,68%
Other sectors	Remaining commercial, mortgage, and consumer loan portfolio	98,4%
OVERALL PORTFOLIO		100%





*Sensitivity classification of productive sectors to transition risks and exposure in investments as of December 2024*

We applied the methodology to evaluate the loan portfolio, based on balances as of the end of 2024, and identified that 0,96% of the exposure was in sectors with high and medium sensitivity, while 98,4% was in sectors with low sensitivity. During the year, we expanded the number of economic activities assessed by further segmenting certain sectors, which resulted in a more detailed evaluation and a lower number of sectors classified under medium sensitivity.

We also applied the methodology to the investment portfolio, identifying that 0,72% of the exposure was in sectors with high and medium sensitivity, and 99,28% in sectors with low sensitivity.

This expanded analysis of transition risks in investments strengthens our ESG management and reaffirms our commitment to responsible investment.

Classification	Sectors	% of exposure over total portfolio
Sectors exposed to transition risks	Oil (crude oil extraction, refining), Energy (thermoelectric power generation)	0,66%
Sectors with medium sensitivity to transition risks	Natural gas extraction Cement companies	0,06%
Sectors with low sensitivity to transition risks	-	0,00%
Other sectors	Remaining portfolio	99,28%
TOTAL		100,00%



As a monitoring measure, we have specific policies and procedures in place to regularly track the concentration and thresholds of our financing in the most carbon-intensive sectors, which have been prioritized for this analysis.

In particular, to monitor our commitment to phasing out thermal coal by 2040, we track the financing of related activities such as thermoelectric power generation based on thermal coal and thermal coal extraction. To this end, we have established a policy with a tolerable threshold and a gradual reduction path, which we periodically verify is not exceeded.

As part of our controls, we require clients financed in the thermal coal, oil, and gas extraction sectors to meet specific conditions and provide information on their carbon emissions inventory, emissions reduction and transition plans, short-, medium-, and long-term targets, and key indicators. We specifically verify that our clients do not engage in unconventional extraction practices and closely monitor outstanding balances in these sectors. This information allows us to assess clients according to their level of climate maturity.

*We are working toward our goal of **phasing out thermal coal by 2040.***





## Financed emissions measurement

The measurement of financed and invested emissions serves as a risk monitoring procedure because it enables us to prioritize sectors and activities for mitigation, compare trends over time, generate information for business decision-making, and support climate-related engagement with our clients.

Financed emissions are measured for credit portfolios in Colombia and Central America, while invested emissions are measured for Davivienda's investment portfolios in Colombia, its Miami branch, and foreign subsidiaries. The methodology, process, procedures, and results of the measurement are described in the "Metrics and Targets" section.



## Climate risk management information from our clients

As part of the mitigation phase for transition risks, we made progress this year in understanding the climate risk management practices of our clients in carbon-intensive sectors. We continued applying our proprietary methodology to assess the **climate maturity** level of our clients based on the following scale:

### Scale

Advanced	Has Net Zero / Carbon Neutrality targets. Publishes a TCFD report.
Leader	Has short-, medium-, and long-term emission reduction strategies
Intermediate	Includes climate management initiatives. Measures carbon emissions inventory.
Basic	Complies with environmental regulations
Nascent	No information available





To establish this rating, as part of our engagement with clients in the corporate, business, and construction segments, we conducted a survey and received responses from a total of 1,732 clients. Among them, 29 operate in carbon-intensive activities such as thermal power generation, thermal coal mining, oil and gas extraction, cement, iron and steel production, livestock farming, air and maritime transport, and automobile manufacturing. These companies represented 1,7% of the outstanding balances of our commercial loan portfolio as of the end of 2024, and are distributed across the following climate maturity levels:

Categories	Number of Companies	%
Basic	14	48
Intermediate	1	3
Leader	9	31
Advanced	5	17





We highlight that 17% of the companies assessed have advanced climate management practices. This indicates that while companies in these sectors are beginning to establish commitments and actions, it remains essential to continue promoting the development of sound climate practices and sustainable financing. The information we receive from our clients enables us to compare it with data obtained through geovisualization tools and other resources to refine our analysis of current risks and climate change scenarios.

Another key achievement was the development of a model to prioritize clients for climate engagement. This model generates a risk rating for clients with high carbon impact.

As a first methodological input, we used sector-based transition risk identification data. Then, for each client, we considered the materiality of their financed emissions and their climate maturity level, comparing this with their economic activity to identify a target group of clients. Once the risk level (high, medium, or low) was assigned, corresponding strategies and guidelines were defined for each case. In this way, we tailor climate engagement to each client, helping mitigate risks and seize opportunities.

## ***Future Transition Risk Scenario Analysis***

As part of our transition risk management strategy, we conducted a future scenario analysis for clients in carbon-intensive sectors of our commercial loan portfolio.

### **NGFS Scenario Analysis**

We used scenarios developed by the Network for Greening the Financial System (NGFS), which offer a long-term outlook with a broad set of climate and economic variables. These models explore different policy ambitions, reflected in factors such as carbon taxes and other climate policies.

By adjusting key variables in the climate models—such as temperatures and carbon emissions—a variety of possible future pathways are constructed. The primary goal of this analysis is to assess the responsiveness of our clients in key sectors to a potential increase in the carbon tax. Here, we aim to identify which sectors would be most affected and to what extent, enabling us to make informed decisions and design appropriate mitigation strategies.





We considered the following variables for the analysis:

**Scope 1 emissions of clients:**

Scope 1 emissions data were calculated based on the PCAF methodology.

**Clients' financial statements:**

We analyzed clients' financial information to estimate their ability to absorb the additional cost of a carbon tax.

**Carbon price projections**

We used projections from the REMIND-MAgPIE and IAM GCAM 6.0 models for the Colombia region.

We selected three analytical scenarios based on carbon price projections:

**Below 2°C:**

Represents an ambitious effort to limit global warming to below 2°C.

**Nationally Determined Contributions (NDCs), above 2°C:**

Assumes that NDCs are fully implemented and that respective targets for energy and emissions are achieved by 2025 and 2030 across all countries.

**Net Zero 2050:**

Assumes net-zero emissions are achieved by 2050.





The analysis focused solely on the direct impact of the carbon price on the companies' current financial situation, without considering potential changes in financial performance or transition measures that companies may implement in the future. Therefore, the study does not reflect the companies' projected evolution or their long-term response strategies.

We used carbon tax projections with a time horizon through 2050. The main objective was to assess the financial resilience of clients under a possible tax increase. This was conducted at the sector level, grouping clients by economic activity to identify which sectors would be most affected.

Finally, we defined a threshold to interpret the results, classifying clients' capacity to manage this potential risk into three levels: low, medium, and high. Clients in the high-impact category are those that would face the greatest financial difficulty in dealing with the tax, assuming they maintain the same financial condition as in the reference year of the study.

Below are the results of the analysis for 2030 and 2050 under the Nationally Determined Contributions (NDC) scenario:

### *Carbon Tax Impact by Sector – NDC Scenario*

NDC Scenario	2030			2050		
Sector	Low	Medium	High	Low	Medium	High
Energy	98,08%	0%	1,92%	96,15%	0%	3,85%
Gas	100,00%	0%	0%	100,00%	0%	0%
Iron and Steel	100,00%	0%	0%	100,00%	0%	0%
Mining and Coal	100,00%	0%	0%	100,00%	0%	0%
Oil	90,91%	4,73%	4,36%	94,55%	2,91%	2,55%
Transport	100,00%	0%	0%	100,00%	0%	0%
Vehicles	99,75%	0%	0,25%	99,75%	0%	0,25%
Others	98,77%	1,08%	0,15%	68,26%	15,60%	16,13%

*We evaluate and classify the capacity of clients to address the potential risk to carbon tax, horizon 2050.*



The analysis of the impact of a carbon tax across various sectors, under the NDC scenario, reveals key changes for the years 2030 and 2050. In the short term (2030), the vehicle (0,25%), energy (1,92%), and oil (4,36%) sectors show a proportion of clients with high exposure to the increased carbon tax. While these percentages are relatively low compared to the total number of clients in each sector, they suggest that these sectors could face significant financial challenges if emissions mitigation strategies are not implemented early.

As we move into the medium term (2050), there is a noticeable increase in the proportion of clients facing high risk within sectors grouped under “Others” (16,13%). Meanwhile, the energy (3,85%), oil (2,55%), and vehicle (0,25%) sectors continue to show high levels of risk. It is important to note that sectors such as

gas, iron and steel, coal mining, and transportation remain consistently at low risk, which may indicate either lower exposure or a higher adaptive capacity among clients in those sectors.

As part of our monitoring and control strategy, we will maintain an ongoing analysis of future transition risk scenarios across our portfolio. This analysis will allow us to identify potential adverse impacts on our portfolio that may result from regulatory, market, technological, or other shifts.

With this in mind, we recognize that diversifying our portfolio, supporting the transition to more sustainable practices, and implementing robust internal policies are essential mitigation mechanisms. These tools will not only help reduce potential negative impacts but also provide **opportunities to capture value from a low-carbon economy.**

**Ultimately, our resilience to climate change will depend on our ability to anticipate, monitor, and respond effectively to these evolving risks.**

***The Gas, Iron and Steel, Mining and Coal, and Transportation sectors **present a low constant risk.*****





### Climate Resilience Stress Testing

As part of our risk analysis, we conducted stress tests that, for the first time, included an assessment of our resilience to emerging and unexpected shocks such as those derived from climate change—specifically, flood-related risks, given that flooding is one of the main physical threats in Colombia. To this end, a scenario involving materialization was considered.

To analyze the impact of the La Niña phenomenon, we used the Oceanic Niño Index (ONI) as a reference. This index is one of the primary global indicators used to monitor El Niño/La Niña events and is calculated as the three-month running average of sea surface temperature anomalies in the central equatorial Pacific Ocean.

Positive ONI values above +0.5 indicate warm conditions associated with El Niño, which in Colombia are typically linked to lower rainfall and drought, depending on the intensity of the phenomenon. Conversely, negative values below -0.5 indicate the cold conditions of La Niña, typically associated with a significant increase in precipitation; values below -1.0 correspond to a strong La Niña event. The intensity of these phenomena varies depending on their duration and the degree of ocean warming or cooling.

To estimate the economic impact of a La Niña scenario, we referenced historical ONI behavior from January 2010 to May 2024, using data from the National Oceanic and Atmospheric Administration (NOAA). This scenario included assumptions of macroeconomic

shocks and a marginal effect derived from the materialization of climate risk. It was assumed that the La Niña phenomenon would extend from August 2024 through July 2026, in order to identify its potential impact on the macro performance of the loan portfolio.

*For the first time, we included the analysis of our resilience to climate change shocks in our stress tests.*





According to the results of this risk analysis, an additional deterioration in credit risk indicators was identified. This deterioration is attributed to the impact of the La Niña event, under the assumption that it would materialize between August 2025 and July 2026, based on the projections and assumptions applied in the exercise. The realization of this climate risk would result in an increase in provisioning expenses for the commercial loan portfolio, due to the effects on the agricultural sector.

This analysis represents a significant step forward in the management of our environmental and social risks. The findings regarding the portfolio's exposure to floods and the potential financial impacts under various climate scenarios highlight the need to incorporate climate information into decision-making processes and portfolio monitoring.

It is essential to continuously strengthen these analyses by expanding asset coverage and improving data accuracy, in order to effectively anticipate and mitigate climate-related risks and ensure both our resilience and that of our clients. This exercise not only supports regulatory compliance but also reinforces our commitment to sustainability and the promotion of a fair transition to a low-carbon economy.

### **Risk Integration**

The results of our climate risk management are integrated into our broader risk management framework. We continuously monitor our established environmental and social risk appetite framework. Climate-related information is embedded in credit granting decisions and portfolio monitoring, enabling us to conduct analyses and generate early warnings in response to potential impacts on credit risk management—and, subsequently, on other risk systems where climate factors may have repercussions.





# Progress in biodiversity risk management

In alignment with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), we strengthened our capabilities to understand and apply this framework. This allowed us to identify early actions leveraged through existing procedures within the Environmental and Social Risk Management System (SARAS).

We enhanced the criteria and analysis for identifying biodiversity risks through two approaches: at the transaction level during credit application assessments, and at the portfolio level for our existing loan book.

## Transaction-Level Approach

As part of the agreement signed for the issuance of the Biodiversity Bond between the Bank and the IFC in October 2024, we worked on enhancements to the SARAS methodology to

address the specific requirements of IFC Performance Standard 6 on biodiversity conservation and the sustainable management of living natural resources, as described below:

1. During the review of the location of the project or activity to be financed, we incorporated consultations across various geospatial platforms to identify risks associated with the conversion of natural habitats and impacts on key biodiversity areas:
  - **Global Forest Watch Geovisor:** Analysis of vegetation cover loss and conversion of natural habitats.
  - **IBAT Geovisor<sup>98</sup>:** Identification of Alliance for Zero Extinction (AZE) sites and other key biodiversity areas.
  - **UNESCO Geovisor:** Detection of areas designated as natural or cultural heritage sites and regions included in the Man and the Biosphere Programme.

<sup>98</sup> IBAT Geovisor: It is the tool for integrated biodiversity assessment, which integrates information from the IUCN Red List of Threatened Species and databases of protected areas and key biodiversity areas.







2. As part of the document review and search protocols, we incorporated a consultation of the IUCN<sup>99</sup> website to verify that there are no critical habitats for endangered species within the project's or activity's area of influence. This includes a review of species classified under the categories Critically Endangered (CR), Endangered (EN), and Vulnerable (VU)<sup>100</sup>.
3. In the evaluation of agribusinesses, detailed information is requested regarding the location of the production farms and their biodiversity management plans. Compliance with minimum standards throughout the primary sector supply chain is verified. Additionally, certifications issued by qualified third parties—specifically approved sustainable agriculture certifications—are considered a verification method to ensure the implementation of good environmental and social practices in general, and specifically, best practices for the management, protection, and conservation of biodiversity.

99 IUCN: International Union for Conservation of Nature.

100 IUCN Categories: CR - Critically Endangered, EN - Endangered, VU - Vulnerable.

*We strengthened the criteria and analysis for the identification of biodiversity risks.*



These improvements enable a more targeted review and analysis of the risks and impacts that a project or activity could have on biodiversity. They also help identify the actions that must be implemented to prevent events that could harm ecosystems and species of flora and fauna.





## Credit Portfolio Level

As part of our ongoing efforts to strengthen internal capabilities on biodiversity-related matters, we expanded the scope of our management of nature-related risks and opportunities by adopting and applying the LEAP approach (Locate, Evaluate, Assess, Prepare) proposed by the TNFD.

This approach comprises four key phases:



1

### **Locate:**

Identify the location of assets and their interconnection with sensitive areas.

2

### **Evaluate:**

Understand the organization's potentially material dependencies and impacts on nature and quantify them.

3

### **Assess:**

Analyze nature-related risks and opportunities to inform disclosures.

4

### **Prepare:**

Decide what and how to disclose the identified material issues.



We tailored the first two stages of the LEAP approach to our methodology and began by assessing potentially material dependencies and impacts associated with each financed economic activity. Using a heat map, we prioritized those activities with high dependencies on nature and those generating significant impacts on ecosystems. This prioritization guided our efforts to geolocate clients within the prioritized activities and cross-reference them with data layers from the National Register of Protected Areas (RUNAP) as well as areas inhabited by Indigenous and Afro-Colombian communities.

As in 2023, we continued using the ENCORE tool to evaluate dependencies and impacts on nature components. We also used

heat maps to assign each economic activity a materiality rating on a scale from Very High (VH), High (H), Medium (M), Low (L), to Very Low (VL). This allows us to identify the ecosystem services most critical to each activity, the most concerning potential pressures, and the key aspects to prioritize for further analysis.

We also referred to the list of high-impact commodities defined by the SBTn, which includes products known to drive deforestation, pollution, and other environmental impacts. Based on this, we developed a model to prioritize economic activities with high dependency on ecosystem services and those generating high or very high impacts on nature.



*We use the ENCORE tool to evaluate the dependencies **and impacts on the components of nature.***





Through this model, we prioritized seven economic activities—basic mining, thermal coal mining, metallurgical coal mining, rice production, avocado production, coffee production, and fish farming. These represent

5,516 clients, accounting for 3.7% of our loan portfolio and an exposure close to COP 1 trillion (outstanding loan balance of COP 954.981 billion, equivalent to 2% of the total portfolio) as of year-end 2024.

Sector	Activity	Dependencies	Impacts	SBTN	Score
Mining and Coal	Basic Mining	M	VH	VH	VH
Mining and Coal	Thermal Coal Mining	M	VH	VH	VH
Mining and Coal	Metallurgical Coal Mining	M	VH	VH	VH
Rice	Rice Production	VH	M	VH	VH
Agriculture	Avocado Production	VH	M	VH	VH
Coffee	Coffee Production	VH	M	VH	VH
Agriculture	Fish Farming	VH	M	VH	VH

Source: Environmental and Social Risk

**VH:** Very high, **M:**Medium







The highest dependencies on ecosystem services for the prioritized activities were identified as follows:

1. **Soil and sediment retention:** Pertains to ecosystem services that prevent soil erosion, particularly the stabilizing effect of vegetation, which supports the environment's ability to enable other activities such as agriculture and water supply
2. **Genetic material:** Refers to the ecosystem contributions of fauna and flora (e.g., seed production) used in economic activities, for instance, to develop new animal or plant breeds, gene synthesis, or products that directly use genetic material.
3. **Global climate regulation:** Encompasses the ecosystems' contributions to regulating the chemical composition of the atmosphere and oceans, impacting global climate through the accumulation and retention of carbon and other greenhouse gases, and the capacity of ecosystems to sequester atmospheric carbon.
4. **Storm mitigation:** Involves the vegetation's role in mitigating the impact of wind, sand, and other non-water-related storms on local communities.





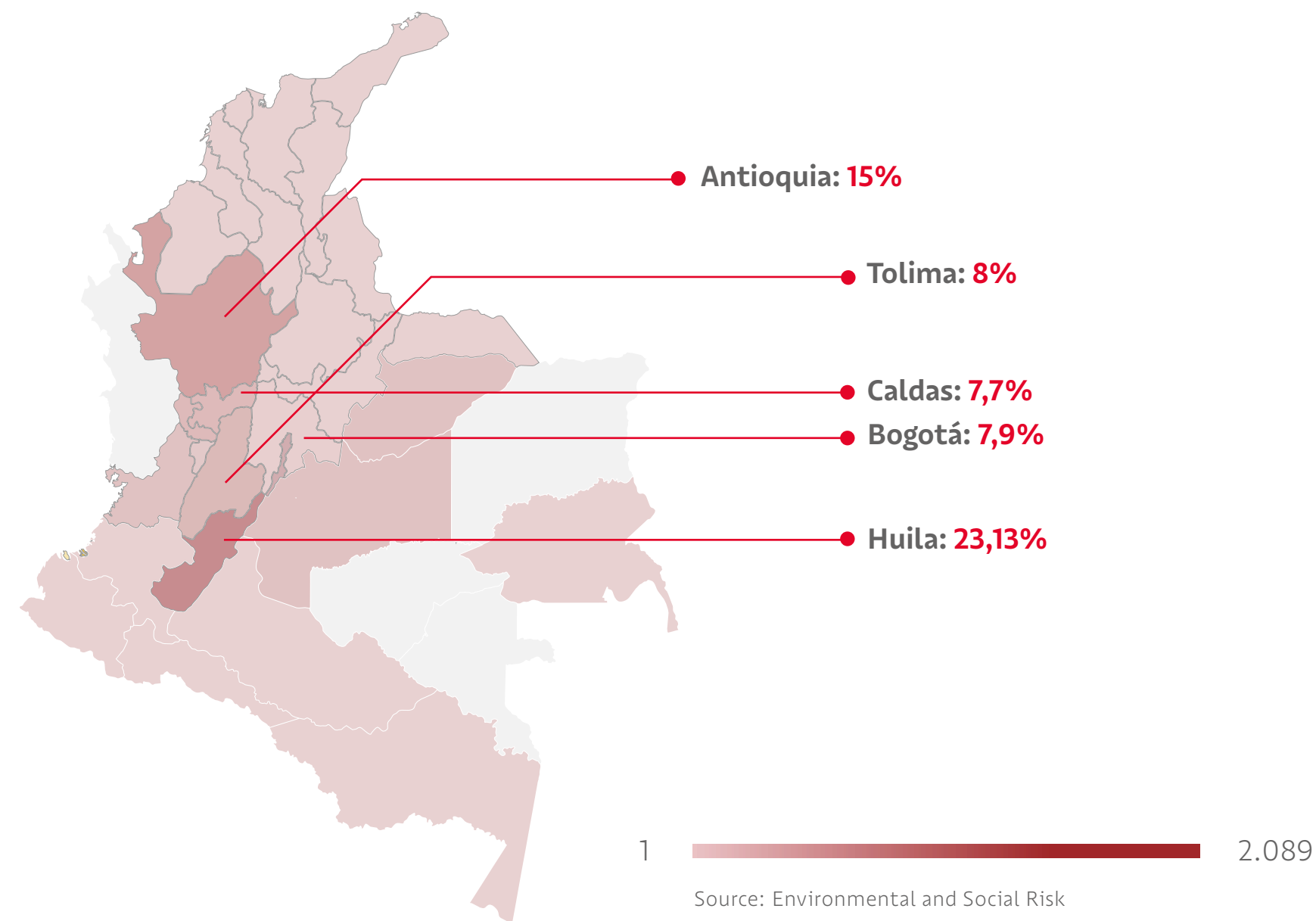
The most significant impacts of the prioritized activities include water pollution, use of terrestrial and freshwater ecosystems, increased water consumption, and soil contamination.

Following the evaluation of prioritized economic activities and clients, we proceeded to the georeferencing phase, covering 3.203 clients (2% of the total loan portfolio and 58% of prioritized clients). The vast majority belong to the SME segment (99%), followed by the Corporate segment (0,7%) and the Business segment (0,3%), with a total loan balance of COP 589 billion (1,2% of the total portfolio).

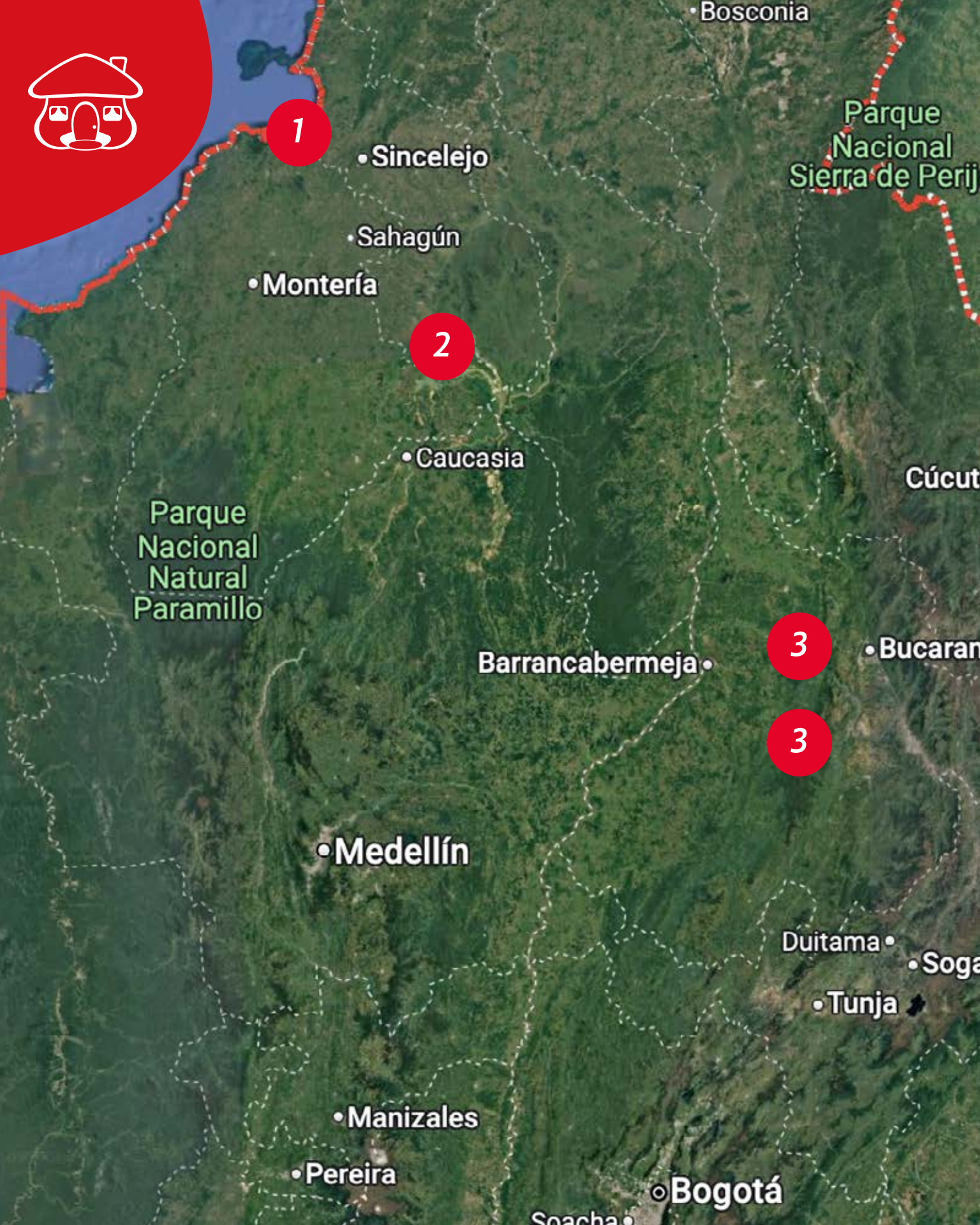
It is important to clarify that the geographic coordinates obtained correspond to the clients' contact locations. In 2025, we will develop a work plan to assess and map the productive units of our clients of interest, based on nature-related risks and opportunities.

To that end, we are considering involving the prioritized clients in gathering the necessary data. Client participation is key to obtaining accurate geolocation data of assets and productive areas.

As a first step, we identified the departments with the highest exposure to prioritized productive activities:







We compared the georeferenced clients using two layers: the National Registry of Protected Areas (RUNAP) and the layers of Indigenous and Afro-Colombian communities.

Regarding RUNAP, we found that five clients engaged in prioritized activities overlap with three Regional Integrated Management Districts located in the departments of Córdoba and Santander. We then reviewed the permitted land uses in these areas and confirmed that Integrated Management Districts allow for sustainable use, preservation, restoration, re-search, and enjoyment of the area.

No.	RUNAP Area Name	Department	Municipality	No. clients
1	Regional Integrated Management District of the Bajo Sinú Wetland Complex	Córdoba	Lorica	1
2	Regional Integrated Management District of the Ayapel Wetland Complex	Córdoba	Ayapel	1
3	Regional Integrated Management District of the Serranía de los Yariguíes	Santander	<div><div></div>San Vicente de Chucurí</div> <div><div></div>Chima</div>	3

Source: Environmental and Social Risk





With respect to ethnic communities, no overlaps were found with the layers of Indigenous or Afro-descendant communities.

For 2025, our work plan includes strengthening the process for obtaining the locations of areas where productive activities are carried out. We aim to deepen our analysis and assessment of value chains in these areas, as well as to measure and prioritize the risks and opportunities related to nature.

### Deforestation Risk

Colombia has experienced a troubling trend of deforestation over the past decades. Between 2018 and 2022, the country lost an estimated 825,357 hectares of forest. This issue poses significant environmental, social, and cultural risks, and represents a major threat to biodiversity. In response, **we conducted an initial assessment of deforestation-related risks—both sectoral and territorial—using the methodology outlined in Colombian Banking Association’s Deforestation Risk Management Guide.**

For the sectoral analysis, we identified and categorized 21 economic activities, grouping them into high, medium, and low deforestation risk levels. These were mapped to 97 credit client segments. Based on the

distribution of our portfolio across these categories, we found that our exposure is largely concentrated in low-risk segments, with limited connection to major deforestation drivers such as extensive livestock grazing, grassland conversion, agricultural frontier expansion, illegal logging, and unauthorized land use. This analysis will inform deeper reviews of financing linked to cattle ranching and the agricultural machinery and equipment sector.

On the territorial side, we focused on our agricultural loan portfolio, which showed low exposure to municipalities with the highest deforestation rates. However, we plan to further analyze specific high-risk zones—particularly the deforestation arc and key hotspots identified by IDEAM, USAID, and the Foundation for Conservation and Sustainable Development (FCDS).

In line with this, we updated our environmental and social exclusion list for credit origination to include activities that promote land-use change in ecologically important areas, impact protected zones, or occur beyond the national agricultural frontier. We also explicitly exclude deforestation—defined as the clearing, burning, cutting, uprooting, or destruction of one or more hectares of natural forest, whether continuous or fragmented—for the purpose of converting land to productive uses (e.g., livestock ranching).







# Risk appetite framework (RAF)

Our Risk Appetite Framework (RAF) incorporates a range of elements, including defined risk thresholds, stakeholder considerations, risk objectives, and metrics. Based on these, we establish the top layer of our risk appetite structure, which must align with specific metrics for each business line and risk type, as well as the priorities set out in the organization's strategic plan.

This approach enables us to connect the development of our organizational strategy and pursuit of profitability with the levels of risk the organization is willing to accept or tolerate. In managing environmental and social risks—including climate-related risks—we define our risk appetite by taking into account indicators tied to exclusion lists, portfolio thresholds, and metrics focused on sectors that are particularly sensitive to risks associated with climate change.







# ***Metrics and targets***

*Climate change is an issue that demands the commitment of governments, organizations, individuals, and all stakeholders to ensure progress toward the goals of the global agenda.*

To achieve meaningful results, it is essential to adopt a system of metrics that allows us to track progress and demonstrate the achievement of objectives and the direct and indirect impacts on both our business and operations.



GHG Emissions Inventory – Banco Davivienda in Colombia and Central

Scope	Indicator	2022	2023	2024
Scope 1	Emissions from refrigerant gases used in air conditioning systems, fuel consumption from power generators, and fire extinguishers (Ton CO <sub>2</sub> e)	3.905	2.455	2.253
Scope 2	Emissions from electricity consumption (location-based) <sup>101</sup> (Ton CO <sub>2</sub> e)	5.567	4.722	8.898
	Emissions from electricity consumption (market-based) <sup>102</sup> (Ton CO <sub>2</sub> e)	103	98	95
Scope 3	1. Purchased goods or services (Ton CO <sub>2</sub> e)	45.963	58.723	52.462
	2. Capital goods (Ton CO <sub>2</sub> e)	4.727	5.974	5.591
	3. Fuel- and energy-related activities (Ton CO <sub>2</sub> e)	17	19	22

101 Location Based: Reflects the emissions estimated based on the amount of electricity supplied by the grid.  
102 Market Based: Reflects the emissions based on the certified renewable energy purchased by the Bank.





Scope	Indicator	2022	2023	2024
Scope 3	4. Upstream transportation and distribution (Ton CO <sub>2</sub> e)	2.406	1.556	1.396
	5. Waste generated in operations (Ton CO <sub>2</sub> e)	433	395	182
	6. Business travel (Ton CO <sub>2</sub> e)	502	939	663
	7. Employee commuting (Ton CO <sub>2</sub> e)	10.068	9.998	9.493
	8. Upstream leased assets (Ton CO <sub>2</sub> e)	Fuel and energy consumption from leased assets was included within the Bank's organizational boundaries under Scopes 1 and 2.		
	9. Downstream transportation (Ton CO <sub>2</sub> e)	18.621	24.964	28.914
	10. Processing of sold products (Ton CO <sub>2</sub> e)	Since we do not develop products that require processing, transformation, or inclusion in another product prior to use, this category does not apply to our business model.		
	11. Use of sold products (Ton CO <sub>2</sub> e)	1.734	5.685	7.963
	12. End-of-life treatment of sold products (Ton CO <sub>2</sub> e)	7	11	9



Scope	Indicator	2022	2023	2024
Scope 3	13. Downstream leased assets (Ton CO <sub>2</sub> e)	13	3	91
	14. Franchises (Ton CO <sub>2</sub> e)	Since we do not operate under a franchise model, this category does not apply.		
	15. Financed emissions/investments/insurance (Ton CO <sub>2</sub> e)	4.438.627	7.171.314	9.537.602
TOTAL CARBON EMISSIONS INVENTORY		4.532.693	7.286.856	9.655.634







# Climate change management indicators through our banking segments

We consider the following key metrics to assess the management of climate-related risks and opportunities across our banking segments:

- ▶ **- Estimated financed emissions:** This refers to the greenhouse gas emissions inventory measured in tons of CO<sub>2</sub> equivalent. It enables us to establish a baseline for setting targets and reduction goals for our loan portfolios and investment portfolios, and is used as a risk monitoring indicator.
- ▶ **Green financing:** This refers to the outstanding balances of our green financing lines, which include funding for climate change mitigation and adaptation projects.





## ***Estimation of Financed, Invested, and Insured Emissions***

**Since 2022, we have been part of the PCAF initiative**, with the goal of using a globally recognized methodology to estimate financed, invested, and insured carbon emissions. We use this methodology to measure our emissions in Colombia and Central America. Because these emissions can represent the most significant share of a financial institution's greenhouse gas (GHG) inventory, being part of PCAF enables us to complete this estimation.

The measurement is based on the Global GHG Accounting & Reporting Standard for the Financial Industry, which allocates emissions proportionally to each type of asset in accordance with the standard. This methodology is widely used by financial institutions to measure the GHG

emissions associated with their loan and investment portfolios.

The standard allows for the calculation of financed emissions by considering factors such as client revenues, sector-specific emission factors, and the proportion of financing we provide. Data quality is crucial in this process, as accurate information on clients' economic activities and relevant emission factors is required to obtain reliable and meaningful results. By providing a detailed analysis of financed emissions, the PCAF methodology enables us to understand the climate impact of our portfolios, identify areas for improvement, and make informed decisions to align portfolios with sustainability and emissions reduction goals.

Measuring financed GHG emissions is essential, as it provides the foundation for setting science-based reduction targets (SBTi). These targets are critical to making a meaningful contribution to climate change mitigation and aligning our actions with the broader vision of achieving carbon neutrality by 2050.

The measurement of our financed emissions relies heavily on our clients' financial statements, which become available the year following the reporting period. As a result, our estimation is carried out with a one-year lag. This means that for the 2024 reporting period, we used data as of year-end 2023, and for 2023 we used data as of December 2022—this latter year serving as our base year.







*We recalculated our funded emissions reported at the end of 2023 **for the sake of transparency and accuracy.***

Each year, we update our calculations in accordance with the methodological parameters in force at the time. In 2024, for the annual estimate, we adopted the latest update to the PCAF methodology, which introduced changes to the classification of economic activities and corresponding emission factors, making them even more specific to each activity.

We also incorporated PCAF's recommendations to include inflation and currency correction factors in our calculations. In light of these updates—and to maintain consistency and comparability across yearly estimates—we decided to recalculate our previously reported financed emissions for year-end 2023. This resulted in an updated figure with broader data coverage compared to the original calculation.

At year-end 2022, we completed our first estimation based on the methodological parameters available at that time. In 2023, to prepare our annual estimate, we adopted the latest PCAF updates, including the revised classification of economic activities and corresponding emission factors, and integrated inflation and currency adjustments into the calculations. Based on these changes, and to ensure year-over-year consistency and comparability, we also recalculated our financed emissions for 2022, obtaining an updated result with more robust input data than the original estimate.

For the 2023 estimation, we used the available data for commercial loan obligations as of year-end 2022, in line with the applicable methodological parameters. For this exercise, we expanded the scope of measured assets according to the PCAF classification, including commercial loans, project finance assets, corporate bonds, and equities (the latter two from the investment portfolio), thereby broadening the emissions inventory.





Similarly, given the challenge of incorporating a large volume of data from our loan portfolios into the calculation, we identified an opportunity to optimize our process by designing and implementing a programming-based tool. This tool consolidates client information for each measured asset, PCAF databases, and other methodological parameters, automating the calculation of financed emissions. This system enables us to generate periodic estimates, monitor risks, and produce insights to prioritize climate engagement with our clients.

One of the main challenges in calculating financed emissions for 2023 was obtaining financial data from clients, which is a key input for the estimation—particularly for clients not required to publicly disclose their financial statements.

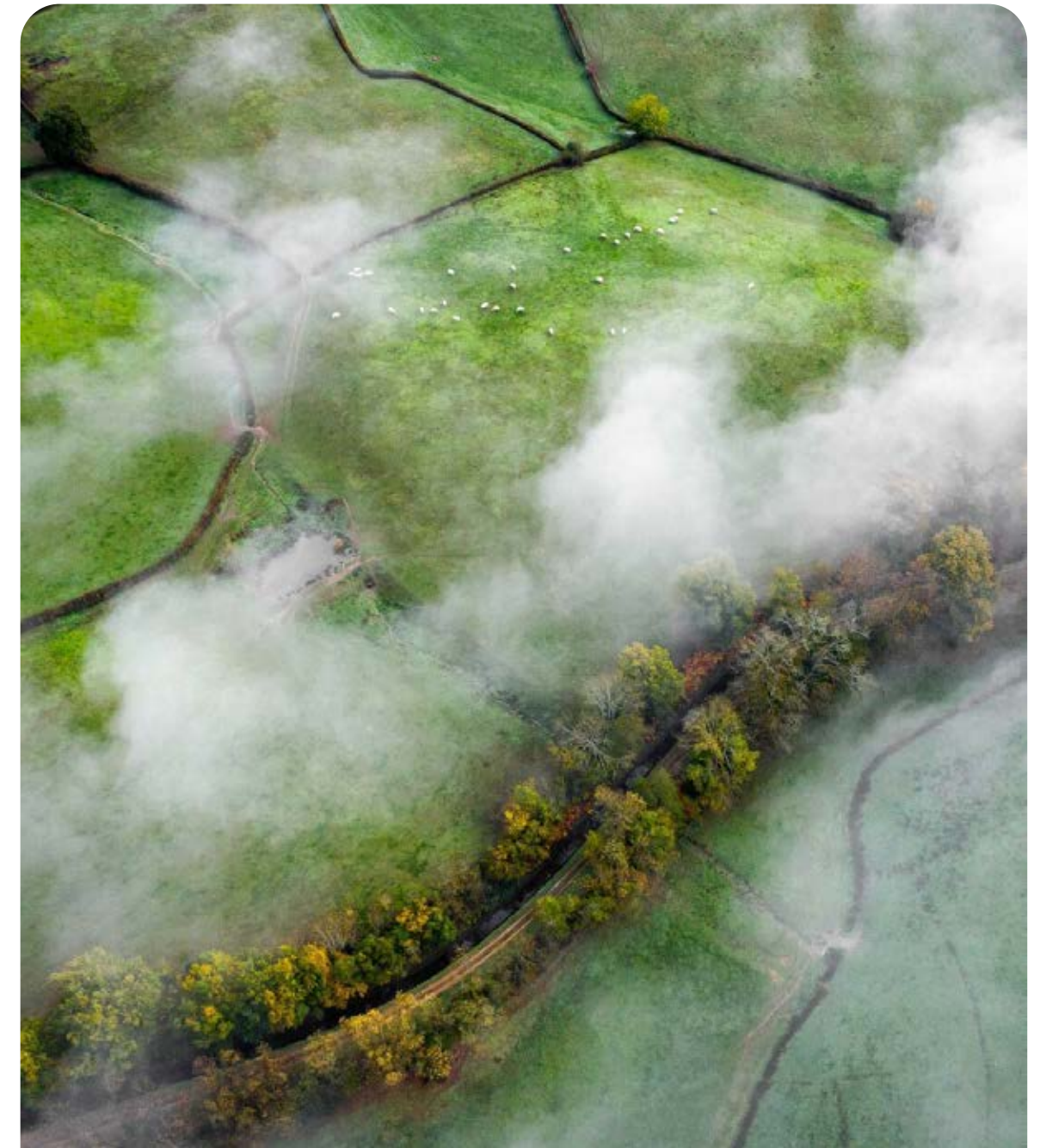
In 2024, we expanded our scope to include residential mortgage and commercial real estate portfolios, significantly increasing our coverage. Additionally, the Environmental and Social Survey and the engagement sessions with clients in high-emission sectors allowed us to enrich our database with more accurate data from their reported carbon inventories, thereby improving data quality across multiple sectors.

For Colombia, we also recalculated previously reported invested emissions, incorporating inflation adjustments into the PCAF emissions factors database. We expanded our coverage to include sovereign debt. In 2024, we extended the invested emissions measurement to our Central American subsidiaries, for both the 2023 baseline and 2024 reporting periods.

Furthermore, we broadened our emissions estimates to include the Central American subsidiaries' portfolios, measuring emissions from commercial loans, project finance, and commercial real estate for both 2023 and 2024. However, it is important to note that most of these estimates rely on standardized PCAF emission factors, as only a small percentage of clients currently report carbon inventories. As a result, improving the quality and precision of our emissions data will be a priority for 2025.

***We prioritize the climate relationship with our customers by monitoring risk.***

With this context, the following are the results for Colombia as of year-end 2024:







## Measurement of Absolute Financed and Invested GHG Emissions – Colombia 2023 and 2024

(Information as of December 2023 )

	Year	Total Scopes 1, 2 and 3 (MTon CO <sub>2</sub> e)*	Scopes 1 and 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	% Coverage	Emissions Intensity (MTon CO <sub>2</sub> e / COP trillion)	Data Quality Level
Commercial loans	2024	4,95	2,59	2,35	75%	0,19	3,60
	2023	4,26	2,1	2,16	78%	0,16	3,68
Project finance	2024	0,36	0,05	0,31	100%	0,04	3,98
	2023	0,31	0,07	0,24	78%	0,17	4
Corporate bonds and equities	2024	0,24	0,16	0,08	88%	0,06	1,15
	2023	0,08	0,03	0,05	74%	0,03	1,15

Based on the information available in the Financial Statements.



	Year	Total Scopes 1, 2 and 3 (MTon CO <sub>2</sub> e)*	Scopes 1 and 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	% Coverage	Emissions Intensity (MTon CO <sub>2</sub> e / COP trillion)	Data Quality Level
Sovereign (investments)	2024	0,5	0,50	N.D**.	100%	0,07	2
	2023	0,36	0,36	N.D**.	100%	0,05	2
Commercial real estate	2024	0,001	0,001	N.D**.	100%	0,001	1,00
	2023	0,001	0,001	N.D**.	100%	0,001	1,00
Residential mortgage	2024	1,16	1,16	N.D**.	95%	0,04	4,00
TOTAL EMISSIONS	2023	5,01	2,56	2,45	-	0,13	-
TOTAL EMISSIONS	2024	7,21	4,47	2,74	-	0,10	-

\*MtTon CO<sub>2</sub>e = Million metric tons of carbon dioxide equivalent

\*\*N.D. = Not determined





Measurement of Financed Absolute GHG Emissions  
by Economic Sectors – Colombia 2024

To identify the sectors with the highest contribution to emissions—both in absolute terms and by intensity—we conducted a detailed analysis of the emissions resulting from our loan and investment portfolios, segmented by economic sectors. Below, we present tables breaking down financed absolute GHG emissions by economic sectors in Colombia for the year 2024, based on financial statements from 2023.

Macrosector	Data Quality Level	Scopes 1 and 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	Total (MTon CO <sub>2</sub> e)	Emissions Intensity (MTon CO <sub>2</sub> e / COP trillion)
Agriculture	3,78	0,68	0,53	1,21	0,31
Commerce	3,88	0,05	0,23	0,28	0,09
Construction	3,72	0,46	0,36	0,82	0,17
Energy	2,54	0,67	0,13	0,80	0,47
Oil, Gas, and Mining	3,31	0,28	0,34	0,63	0,38
Financial, Insurance, and Investment	3,99	0,00	0,01	0,01	0,01
Commercial Real Estate (CRE)	1,00	0,00	0,00	0,00	0,00
Industrial	3,86	0,23	0,54	0,77	0,31
Government	4,00	0,01	0,04	0,05	0,03

Based on the information available in the financial statements.



Macrosector	Data Quality Level	Scopes 1 and 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	Total (MTon CO <sub>2</sub> e)	Emissions Intensity (MTon CO <sub>2</sub> e / COP trillion)
Services	3,61	0,26	0,48	0,75	0,06
Residential Mortgage	4,00	1,16	0,00	1,16	0,04
TOTAL LOAN PORTFOLIO	3,78	3,81	2,66	6,48	0,10

Notes based on the PCAF standard:

- Expansion of Scope 3 emissions across all sectors, in line with PCAF recommendations.
- Includes financed clients from all stages of each sector’s value chain.
- Data quality level ranges from 1 to 5, based on the weighted average score calculated from loan balance weights within each sector and the classification of CO<sub>2</sub> emissions data sources.

We follow the **PCAF recommendations for measurement.**







Estimated absolute GHG emissions financed by economic sector for Colombia’s portfolio, 2024

Included assets:

- Corporate Bonds and Equities
- Sovereign Instruments

(Data as of December 2023)

Macrosector	Data Quality Level	Scopes 1 and 2	Alcance 3 (MTon CO <sub>2</sub> e)*	Total (MTon CO <sub>2</sub> e)*	Intensidad de emisiones (MTon CO <sub>2</sub> e/ COP billones
Construction	1,00	0,02	0,01	0,03	0,73
Energy	1,04	0,04	0,00	0,05	0,04
Oil, Gas, and Mining	1,00	0,01	0,06	0,07	0,50
Financial, Insurance, and Investment	1,18	0,00	0,02	0,02	0,01
Industrial	1,00	0,11	0,00	0,11	0,22
Services	1,00	0,00	0,00	0,00	0,02
Sovereign Instruments	2,00	0,50	N.D.	0,50	0,07
TOTAL	1,70	0,65	0,08	0,73	0,06



To compare emissions across different sectors, we use emissions intensity (MTons CO<sub>2</sub>e / COP trillion) as the primary variable, as it provides a measure of efficiency in terms of carbon emissions per unit of economic value.

Based on the 2024 measurement of our loan portfolio, we identified the energy sector as having the highest emissions intensity, reaching 0,47 MTons CO<sub>2</sub>e / COP trillion, indicating that this sector is relatively emissions-intensive compared to others. It was followed by the oil, gas, and mining sector with an intensity of 0,38, and the agriculture and industrial sectors, both with a value of 0,31. It is important to highlight that while the energy sector is not the largest contributor to absolute emissions, it does have the highest emissions intensity, suggesting a key opportunity area for reducing emissions.

Additionally, it is important to emphasize that the agriculture sector is a significant contributor to the total emissions of the Colombian portfolio. This underscores the importance of implementing sustainable agricultural practices and promoting the adoption of low-carbon technologies. It is essential to note that data quality varies across sectors, directly impacting the accuracy of the estimates. This remains a key area of focus for improvement in 2025.

In 2024, **one of our key achievements was the calculation of emissions for commercial real estate and residential mortgage assets. This allowed us to significantly expand portfolio coverage**, particularly in the Residential Mortgage sector, which represents 47% of the total measured balance. However, it is worth noting that the emissions intensity of this sector is minimal compared to other economic sectors.

***We expanded the measurement coverage of our portfolios, mainly in the residential mortgage sector.***





*We included the measurement of the Sovereign Debt asset **and expanded the measurement coverage.***

Regarding our financed emissions, in 2024 the construction sector recorded the highest emissions intensity, reaching 0,73 MTons CO<sub>2</sub>e / COP trillion. However, this sector accounts for only 0,0004% of the total investment portfolio. The oil, gas, and mining sectors, with an intensity of 0,5, represented 1% of the portfolio. Once the sovereign debt asset was included in the measurement, we significantly expanded coverage—these assets accounted for 61% of the investment portfolio as of 2023—with an emissions intensity result of 0,07, a figure considered favorable when compared to other assets and economic sectors.

The data quality level achieved a result of 1,7, with most economic sectors nearing 1 (the best possible data quality score). For sovereign debt, the score was 2. This reflects a high level of data quality, supported by the stricter measurement standards and adjustments adopted by the company.

In line with our strategy to expand our measurement of financed emissions, we also calculated emissions for our Central American subsidiaries for the years 2023 and 2024.



Central America

*Estimated absolute GHG emissions financed and invested – Central America, 2023 and 2024*

\* MTons CO<sub>2</sub>e = Million metric tons of carbon dioxide equivalent emissions  
\*\* N.D. = Not Determined

	Year	Total scopes 1, 2 & 3 (MTons CO <sub>2</sub> e)*	Scopes 1 and 2 (MTons CO <sub>2</sub> e)	Scope 3 (MTons CO <sub>2</sub> e)	% Coverage	Emissions intensity (MTons CO <sub>2</sub> e/COP Trillion)	Data Quality Level
Commercial Loans	2024	1,99	0,59	1,40	95,60%	0,14	4
	2023	1,78	0,55	1,23	80,36%	0,12	4
Project Finance	2024	0,07	0,00	0,07	100,00%	0,01	4
	2023	0,09	0,00	0,09	97,97%	0,28	4
Corporate Bonds and Equities	2024	0,12	0,05	0,07	100,00%	0,05	2
	2023	0,13	0,05	0,07	100,00%	0.04	2





	Year	Total scopes 1, 2 & 3 (MTons CO <sub>2</sub> e)*	Scopes 1 and 2 (MTons CO <sub>2</sub> e)	Scope 3 (MTons CO <sub>2</sub> e)	% Coverage	Emissions intensity (MTons CO <sub>2</sub> e/COP Trillion)	Data Quality Level
Sovereign Instruments (Investments)	2024	0,11	0,11	0,00	100,00%	0,03	2
	2023	0,11	0,11	0,00	100,00%	0.03	2
Commercial Real Estate	2024	0,03	0,03	0	99,85%	0,002	4
		0,02	0,02	0,00	93,07%	0,01	4
TOTAL EMISIONES	2023	1,89	0,57	1,32	94,86%	0,11	4
TOTAL EMISIONES	2024	2,32	0,78	1,55	96,68%	0,11	3,43

\* MTons CO<sub>2</sub>e = Million metric tons of carbon dioxide equivalent emissions

\*\* N.D. = Not Determined



*Estimated absolute GHG emissions financed for the loan portfolio of our Central American subsidiaries, by economic sector, 2023 and 2024*

**Included Assets**

▼ Commercial Loans    ▼ Project finance    ▼ Commercial Real Estate

(Data as of December 2023)

Macrosector	Year	Data Quality Level	Scopes 1 y 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	Total (MTon CO <sub>2</sub> e)	Emissions Intensity (MTons CO <sub>2</sub> e/ COP trillion)
Agriculture	2024	4	0,05	0,08	0,14	0,18
	2023	4	0,03	0,04	0,07	0,12
Commerce	2024	4	0,06	0,26	0,31	0,10
	2023	4	0,07	0,25	0,32	0,08
Construction	2024	4	0,03	0,08	0,12	0,22
	2023	4	0,02	0,08	0,10	0,11
Energy	2024	4	0,1	0,2	0,28	0,52
		4	0,06	0,16	0,23	0,11





Macrosector	Year	Data Quality Level	Scopes 1 y 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	Total (MTon CO <sub>2</sub> e)	Emissions Intensity (MTons CO <sub>2</sub> e/ COP trillion)
Oil, Gas, and Mining	2024	4	0,0	0,1	0,10	1,92
	2023	4	0,04	0,06	0,10	0,55
Financial, Insurance, and Investment	2024	4	0,001	0,005	0,01	0,01
	2023	4	0,00	0,01	0,01	0,01
Commercial Real Estate (CRE)	2024	4	0,0	0,0	0,03	0,02
	2023	4	0,02	0,00	0,02	0,01
Industrial	2024	4	0,3	0,7	0,94	0,59
	2023	4	0,28	0,63	0,91	0,26
Services	2024	4	0,1	0,1	0,16	0,05
		4	0,06	0,09	0,15	0,03
TOTAL EMISSIONS	2023	4	0,6	1,5	2,09	0,18
TOTAL EMISSIONS	2024	4	0,57	1,32	1,89	0,11



In 2023, the loan and investment portfolio in Central America generated 1.89 million metric tons of CO<sub>2</sub>e (MTons CO<sub>2</sub>e). 70% of these emissions (1.32 MTons CO<sub>2</sub>e) came from Scope 3, indicating that indirect emissions from clients' value chains are the main contributor to our carbon emissions inventory. Scopes 1 and 2, which include direct emissions and indirect emissions from energy use, accounted for the remaining 30% (0.57 MTons CO<sub>2</sub>e). Emissions intensity was 0.11 MTons CO<sub>2</sub>e per COP trillion financed.

When analyzed by macro sector, oil, gas, and mining showed the highest emissions intensity, at 0.55 MTons CO<sub>2</sub>e / COP trillion, suggesting that financed activities in this sector are particularly carbon-intensive. However, it is important to note that there are no clients engaged in oil and gas extraction in Central America; participation in this sector is concentrated in other parts of the value chain, such as commercialization. The industrial sector also exhibited a relatively high emissions intensity (0.26 MTons CO<sub>2</sub>e / COP trillion), while the financial, insurance, and investment sector and commercial real estate (CRE) posted the lowest

intensities (0.01 MTons CO<sub>2</sub>e / COP trillion).

In 2024, our loan and investment portfolio generated 2.09 million metric tons of CO<sub>2</sub>e (MTons CO<sub>2</sub>e). As in 2023, Scope 3 accounted for the majority of these emissions, with 72% (1.5 MTons CO<sub>2</sub>e), highlighting the significance of indirect emissions across our clients' value chains. Emissions intensity rose slightly to 0.18 MTons CO<sub>2</sub>e per COP trillion financed.

***In Central America we have no customers engaged in oil and gas extraction.***





The oil, gas, and mining sector continued to show the highest emissions intensity, at 1.92 MTons CO<sub>2</sub>e / COP trillion, while the industrial sector also exhibited elevated intensity (0.59 MTons CO<sub>2</sub>e / COP trillion). This underscores the need to work hand in hand with our clients in decarbonizing this sector to mitigate the associated risk. Additionally, in 2025 we will focus on substantially improving our data quality, encouraging our clients in the loan portfolio to measure and report their carbon emissions inventory.

In line with our ambition to expand and strengthen our Scope 3 emissions inventory, particularly Category 15, which relates to our financed, invested, and insured emissions in Colombia and Central America, we conducted an analysis in 2024 specifically in Costa Rica,

El Salvador, and Honduras. This analysis includes insured assets in the personal vehicle and commercial insurance business lines.

To estimate the emissions associated with insurance in Central America, we applied the methodology set out in Part C of the PCAF standard, differentiating the calculation based on the type of policy:

▼ **Personal vehicle insurance:**

Emissions are estimated based on factors such as the type of insured vehicle, its energy efficiency, and expected usage.

▼ **Commercial insurance:**

Emissions attribution is based on the proportion of the underwritten premium relative to the sector in which the client operates.

For both types of policies, we applied a methodology based on the average GHG emissions intensity by vehicle category, adjusted according to the insurance coverage share of the total asset and the client's sector.

This methodology enhances the transparency and accuracy of our financed emissions estimates, strengthening our ability to manage climate transition risks. By integrating these measurements into our risk management framework, we can anticipate regulatory and market changes linked to the transition toward a low-carbon economy, ensuring that our business strategy aligns with international sustainability standards and emerging regulatory expectations in the insurance sector.





Estimated absolute GHG emissions insured – 2023 and 2024

	Year	Total scopes 1, 2 y 3 (MTon CO <sub>2</sub> e)	Scopes 1 y 2 (MTon CO <sub>2</sub> e)	Scope 3 (MTon CO <sub>2</sub> e)	% coverage	Emissions intensity (MTon CO <sub>2</sub> e/COP trillion)	Data quality level
Commercial Insurance	2024	0,008	0,005	0,003	100,00%	0,00012	5
	2023	0,03	0,01	0,02	98,12%	0,00006	5
Personal Vehicle Insurance	2024	0,004	0,004	0	100,00%	0,00004	3
		0,003	0,003	0	100,00%	0,00004	3
TOTAL EMISSIONS	2023	0,03	0,01	0,02		0,00006	5
TOTAL EMISSIONS	2024	0,012	0,005	0,003		0,00009	4

\* MTons CO<sub>2</sub>e = Metric tons of carbon dioxide equivalent emissions





## Green Finance

With the development of our Sustainable Taxonomy, our green finance activities aim to support the achievement of the environmental objectives of the countries where we operate. We do this by mobilizing resources toward solutions for climate change mitigation and adaptation, land and water management, biodiversity protection, conservation, and restoration, circular economy, and pollution prevention and control, among other areas.<sup>103</sup>

In the interest of transparency—and given that this is a transition report—the following section presents year-end green finance balances under the previous eligibility criteria used for reporting, along with the year-over-year variation:

### Consolidated Green Finance (Colombia and Central America) Business-Based Metrics – Preexisting Criteria

(in COP billions)

Line	2021	2022	2023	2024
Sustainable Construction	1.051,1	1.486,7	1.663,7	2.313,4
Renewable Energy	882,0	1.024,2	641,7	844,8
Energy Efficiency	292,0	216,6	171,4	157,0
Sustainable Infrastructure	537,4	557,0	831,9	422,4
Clean Production	278,9	200,8	279,9	357,6
Eco-Vehicle	116,7	213,9	257,7	332,9
Green Mortgages	119,1	228,6	456,9	1.029,6
Agro-Sustainable	0,0	605,2	1.038,0	1.662,9
GREEN FINANCE	3.277,3	4.533,1	5.322,6	7.120,7
Y/Y VARIATION	–	38,3%	17,8%	33,3%

As of December 2024, **consolidated green finance reached COP 7,1 trillion**, reflecting a 33,3% increase compared to the previous year. The segment with the largest share of green finance was **sustainable construction**, with a balance of COP 2,3 trillion at year-end 2024 and a 39,1% growth compared to 2023, representing 32,5% of the consolidated green portfolio.

**The agro-sustainable segment showed the highest growth**, reaching a portfolio balance of COP 1,7 trillion, a 60,2% increase compared to 2023. This represents 23,4% of the consolidated green portfolio and marks a rise of more than 4 percentage points in its share over the year. We also highlight the renewable energy segment, which posted a significant 31,6% increase compared to 2023, reaching a portfolio balance of COP 844 billion.

<sup>103</sup> To learn more about the Sustainable Taxonomy, go to Annex 6 of the policy “The World is Our Home,” available at [www.sostenibilidad.davivienda.com](http://www.sostenibilidad.davivienda.com), which provides detailed information on the green, social, and sustainable criteria.



Colombia accounted for 80% of the green portfolio, with approximately COP 5,7 trillion and a 21,5% growth, driven by increases in the balances of green mortgages<sup>104</sup>, renewable energy, and sustainable construction. Meanwhile, Central America represented the remaining 10%, with USD 478,9 million and a 38,4% growth, primarily explained by the significant expansion in the sustainable construction, eco-vehicle, and VIS (social interest housing) segments.

With the aim of moving toward reporting under the structure of our Sustainable Taxonomy, we aligned the previously presented green criteria, with the following results:

<sup>104</sup> Increase of COP 400 billion resulting from improvements in the identification and tagging of low-income subsidized housing (VIS) and non-VIS mortgage and leasing loans.

### **Consolidated Green Finance (Colombia and Central America) Business-Based Metrics – Sustainable Taxonomy Criteria**

(in COP billions)

Category	2024 Balance
<b>Sustainable Infrastructure and Construction</b>	3.351,5
<b>Sustainable Production and Circular Economy</b>	153,7
<b>Sustainable Water Management</b>	10,4
<b>Sustainable Transport and Mobility</b>	338,6
<b>Information and Communication Technologies for Sustainability</b>	0,0
<b>Sustainable Energy</b>	1.673,0
<b>Sustainable Agricultural Development</b>	2.052,3
<b>Biodiversity Conservation and Sustainable Use</b>	0,0
<b>Social Well-being and Financial Inclusion</b>	0,0
<b>Sustainability-Linked Loans</b>	0,0
<b>TOTAL</b>	<b>7.120,7</b>





In close coordination with our commercial, credit, credit risk, and environmental and social risk teams, we conducted a rigorous assessment—focused on Colombia—to identify clients and business activities whose operations or use of disbursed funds align with the categories, subcategories, and activities defined in our Sustainable Taxonomy. This analysis targeted areas not previously captured by our legacy green finance classifications. The outcome of this alignment exercise is as follows:

**Colombia accounted for 80% of the green portfolio with approximately COP 5.7 trillion.**

## Green Finance – Colombia / Business-Based Metrics – Sustainable Taxonomy Criteria

(in COP billions)

Category	Subcategory	2024 Balance - Colombia	2024 Balance - Central America	2024 Consolidated
<b>Sustainable Agricultural Development</b>	Sustainable Agricultural Practices	1.683,2	196,2	1.879,4
	Sustainable Livestock Practices	63,1	109,7	172,9
<b>Sustainable Energy</b>	Energy Efficiency	115,3	0,0	117,4
	Generation and Cogeneration	729,9	692,8	1.422,7
	Transmission and Storage	133,0	0,0	133,0
<b>Sustainable Water Management</b>	Wastewater Management	10,4	0,0	10,4
<b>Sustainable Infrastructure and Construction</b>	Certified Construction	3.206,7	144,8	3.351,5
<b>Sustainable Production and Circular Economy</b>	Waste Management and Circular Economy	15,5	137,4	153,0
	Sustainable Manufacturing	0,7	0,0	0,7
<b>Sustainable Transport and Mobility</b>	Low-Emission Transport and Mobility	222,5	116,1	338,6
<b>TOTAL SUM</b>		<b>6.180,4</b>	<b>1.397,0</b>	<b>7.577,4</b>



The expansion of eligibility criteria enabled the identification of projects and assets with a substantial contribution to environmental objectives. On a consolidated level, the green portfolio closed at COP 7,6 trillion, reflecting 41,9% growth compared to the previous year. Colombia accounted for COP 6,2 trillion, representing 81,6% of the consolidated green portfolio, with a 42,7% year-over-year increase.

This portfolio growth was driven by the identification of funds allocated to generation, cogeneration, transmission, and storage of renewable energy—all within the Sustainable Energy category—as well as to sustainable agricultural and livestock practices, under the Sustainable Agricultural Development category.

Meanwhile, the Central America portfolio reached COP 1,4 trillion (USD 316,8 million), representing 18,4% of the consolidated green portfolio and posting approximately 19,8% growth, driven primarily by the strong performance of Sustainable Construction and Renewable Energy.

In addition, we incorporated into the portfolio a new instrument: sustainability-linked loans, which define specific environmental commitments jointly established with our clients.

*We granted our first loan **tied to sustainability indicators.***

**Sustainability-Linked Loans – Sustainable Taxonomy**

(Figures in COP billions)

Category	Subcategory	2024 Balances
Sustainability-Linked Loans	Sustainability-Linked Loans	217,2
TOTAL SUM		217,2







Environmental Benefits of Renewable Energy Projects

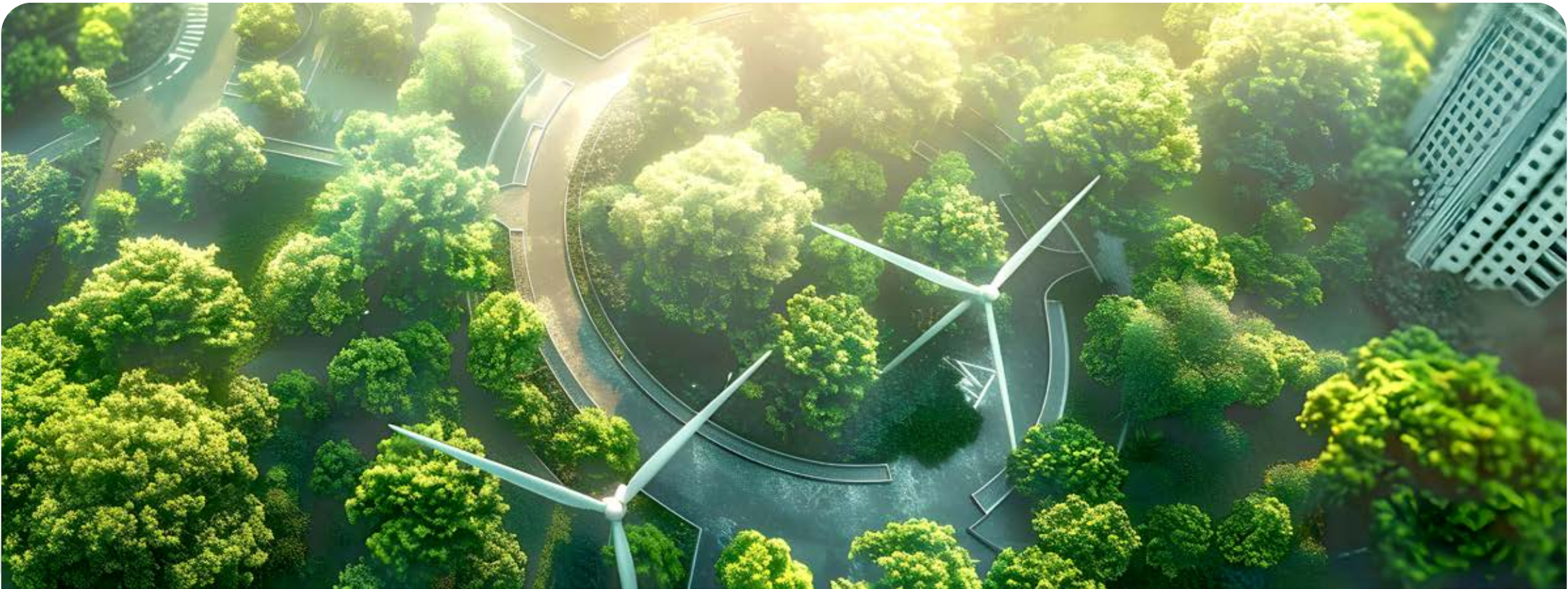
The sustained growth of our green portfolio brings us ever closer to our goal of making 30% of our total portfolio sustainable by 2030. In 2025, we will focus on the implementation and identification of clients and projects aligned with the Sustainable Taxonomy, expanding our reach to Central America.

Through the information provided by our clients in the green finance application form, we quantify the various environmental benefits of the sustainable projects we finance through these lines:

Period	Avoided Emissions (Tons CO <sub>2</sub> )	Renewable Energy Generated (MWh/year)	Installed Capacity (MWp)
2024	1.517*	9.852	6,08
CUMULATIVE	889.425	105.812	51,08

\* Calculated based on the renewable energy generated and the emissions factor (EF) for solar and wind energy projects as defined by UPME (0.154 Ton CO<sub>2</sub>e/MWh)

\* Approximate data based on information reported by clients.







## Green Bond

We mobilized projects through the resources of the Green Bond issued in 2017 for a total of COP 433 billion, with a 10-year term, fully acquired by the IFC. As of December 31, we had financed 84 sustainable construction projects for clients in our Construction, Mortgage, and Corporate Banking segments, primarily in the housing sector, with additional projects in healthcare, hospitality, retail, and office spaces, mainly located in cities such as Bogotá, Ibagué, Cali, Pereira, and Barranquilla.

*The projects are mainly located in **the housing sector**.*



### **EDGE Certification: 76 projects**

- ▶ 34 final certifications
- ▶ 36 preliminary certifications
- ▶ 6 assessments



### **LEED Certification: 8 projects**

- ▶ 4 final certifications
- ▶ 4 preliminary certifications







**38**  
projects

have achieved final certification, resulting in the following environmental benefits through the use of Green Bond resources:

*We have a methodology to collect information on the **environmental benefits generated by project financing.***

Annual Avoided Emissions (Tons CO <sub>2</sub> e)	Number of Units	Average Energy Savings	Average Water Savings	Energy Savings in Materials
7.332,83*	22.654		35,25%	52,67%

\*Adjusted to avoid double counting for projects with more than one phase.





# Climate change management indicators through our operations: eco-efficiency

We evaluate the results of our direct CO<sub>2</sub> emissions management by monitoring the targets and indicators aligned with our **Misión Verde 2030 strategy**. Through operational eco-efficiency, we contribute to the reduction, mitigation, and off-setting of our environmental impacts—particularly those related to our direct and indirect carbon emissions.



## Environmental Performance Targets

We are continuously working to optimize our environmental performance. After analyzing operational changes following the COVID-19 pandemic, and applying the SBTi methodology, we updated the baseline for our eco-efficiency targets, adopting 2022 as the new reference year.

We recognize the importance of setting ambitious, science-based targets to reduce GHG emissions. Accordingly, we have committed

to an absolute reduction of 42% in Scope 1 and 2 emissions by 2030, compared to 2022 levels, across all of our operations in Colombia and Central America. This target was developed using the SBTi methodology for financial institutions, with the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard serving as the basis for establishing the baseline.

*We apply the **SBTi methodology** to establish our emission reduction targets.*





To formalize this commitment, we prepared the necessary documentation to submit our target to the SBTi initiative for review and approval. We are confident that the robustness and ambition of our approach will be recognized, reflecting our genuine commitment to climate action across our operations.

Indicator (in absolute terms)	2022–2030 Target	* 2024 Target	2024 Result
Renewable Energy	100%	100%	100%
Scope 1 and 2 Carbon Emissions	-42%	-5%	-39,9%**

\* Negative values indicate a reduction; positive values indicate an increase.

\*\* Applies to Colombia and Central America.

In line with our commitment to the principles of continuous improvement, we will continue working to reduce our emissions and ensure the efficient use of energy resources through innovation and data analytics.

GHG Emissions Inventory

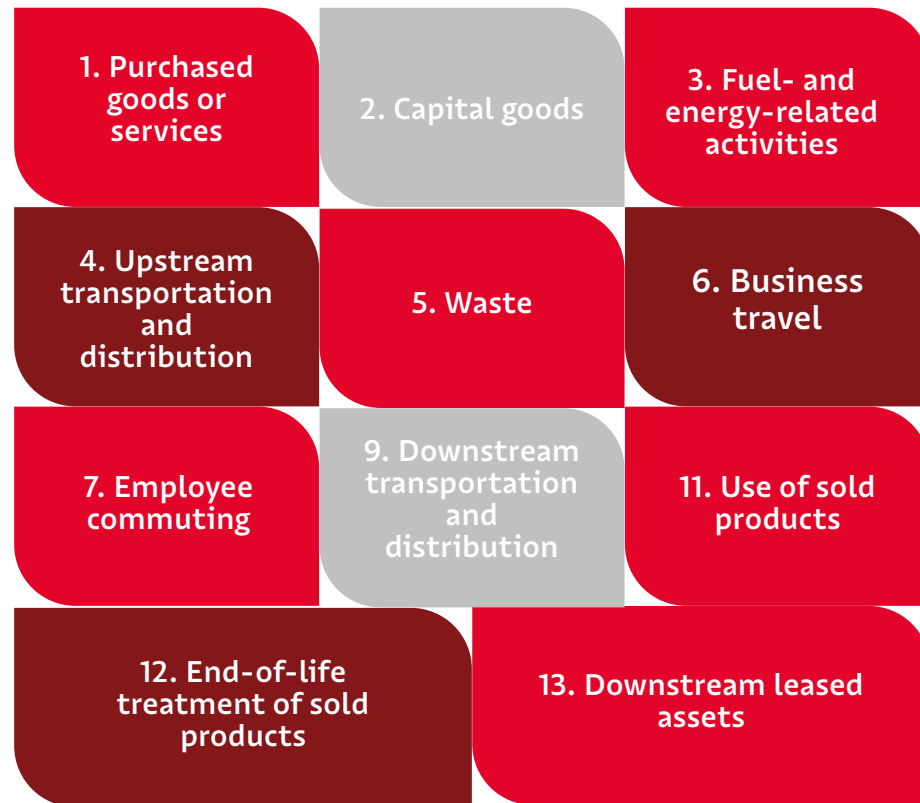
Measure and Reduce:  
Our Carbon Focus

We have strengthened the estimation of our emissions inventory. Since 2022, we began expanding Scope 3 emissions measurement in Colombia and Central America, based on the Greenhouse Gas Protocol standards. Over the past year, we incorporated the Corporate Accounting and Reporting Standard as well as the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, covering Categories 1–14 under Scopes 1, 2, and 3.

**42% absolute reduction target for Scope 1 and 2 emissions by 2030.**



We quantify emissions for the following applicable Scope 3 categories:



#### Not applicable categories

##### 8. Upstream leased assets

Fuel and energy consumption from leased assets was included within the Bank's organizational boundaries under Scopes 1 and 2.

##### 10. Processing of sold products

Since we do not develop products that require processing, transformation, or incorporation into other products before use, this category does not apply to our business model.

##### 14. Franchises

As we do not operate under a franchise model, this category does not apply.

## Consolidated Greenhouse Gas Emissions – Colombia and Central America

(Tons CO<sub>2</sub>e)

Scope	Source	Central America	Colombia	Consolidated
		TOTAL	TOTAL	TOTAL
1	Stationary Fuel Sources	341,9	46	388
	Mobile Fuel Sources	262,5	0	263
	Stationary Refrigerant Sources	974,9	355	1.330
	Stationary Fire Extinguisher Sources	2,3	270,0	272
	<b>SUBTOTAL</b>	<b>1.581,7</b>	<b>671,0</b>	<b>2.253</b>
2	Purchased Energy Location-Based	4.209,1	4.689,0	8.898
	Purchased Energy Market-Based	0,0	95	95
	<b>SUBTOTAL</b>	<b>4.209,1</b>	<b>4.784,0</b>	<b>8.993</b>





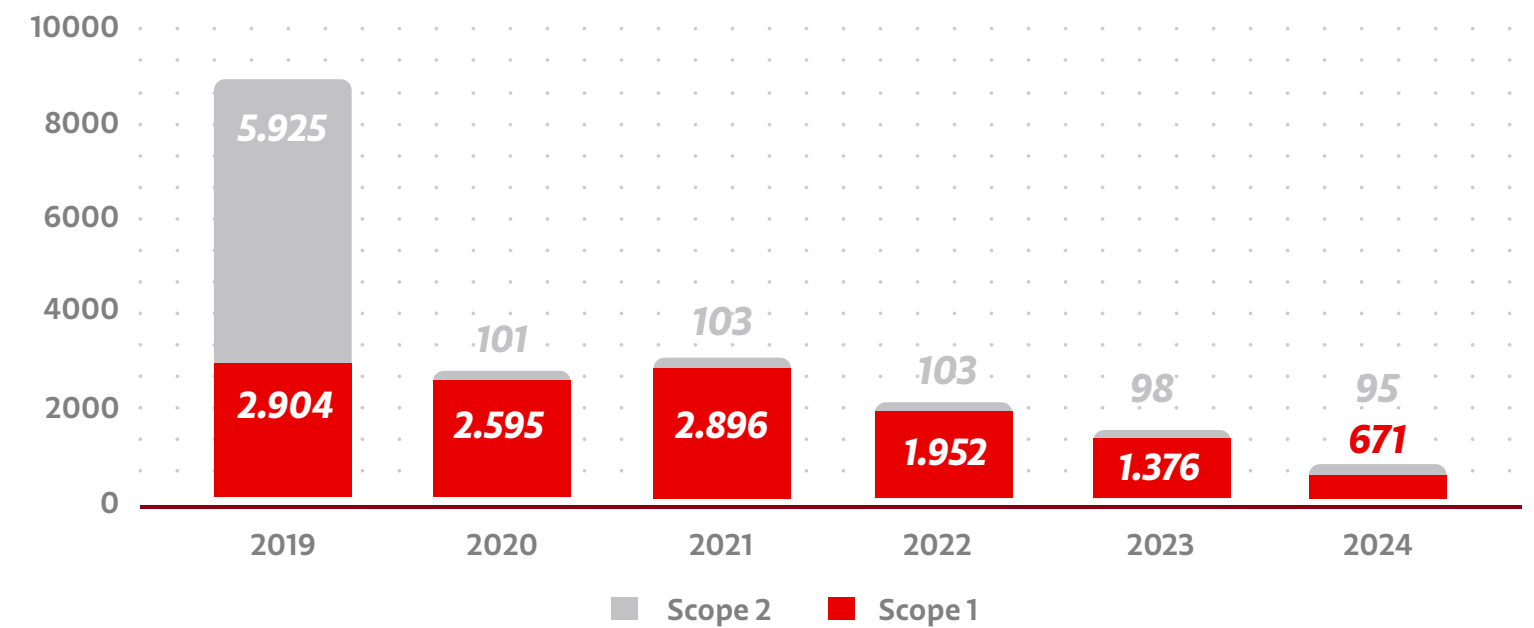
Scope	Source	Central America	Colombia	Consolidated
		TOTAL	TOTAL	TOTAL
3	1 - Purchased Goods or Services	17.766,0	34.696,00	52.462
	2 - Capital Goods	529,7	5.061,00	5.591
	3 - Fuel- and Energy-Related Activities	17,0	5,00	22
	4 - Upstream Transportation and Distribution	283,8	1.112,00	1.396
	5 - Waste Generated in Operations	181,6	0,19	182
	6 - Business Travel	195,1	468,00	663
	7 - Employee Commuting	3.358,4	6.135,00	9.493
	9 - Downstream Transportation and Distribution	7.207,2	21.707,00	28.914
	11 - Use of Sold Products	310,3	7.653,00	7.963
	12 - End-of-Life Treatment of Sold Products	0,9	8,00000	9
	13 - Downstream Leased Assets	0,0	91,00	91
	<b>SUBTOTAL</b>	<b>29.850,2</b>	<b>76.936,19</b>	<b>106.786,35</b>
	<b>TOTAL CARBON EMISSION</b>	<b>35.640,9</b>	<b>82.391,19</b>	<b>118.032,13</b>





We have developed emissions reduction and offset strategies, achieving a 62% reduction in Scope 1 and 2 emissions from our operations in Colombia, compared to the 2022 base-line. This is equivalent to avoiding the emission of 1.288,40 tons of CO<sub>2</sub>e.

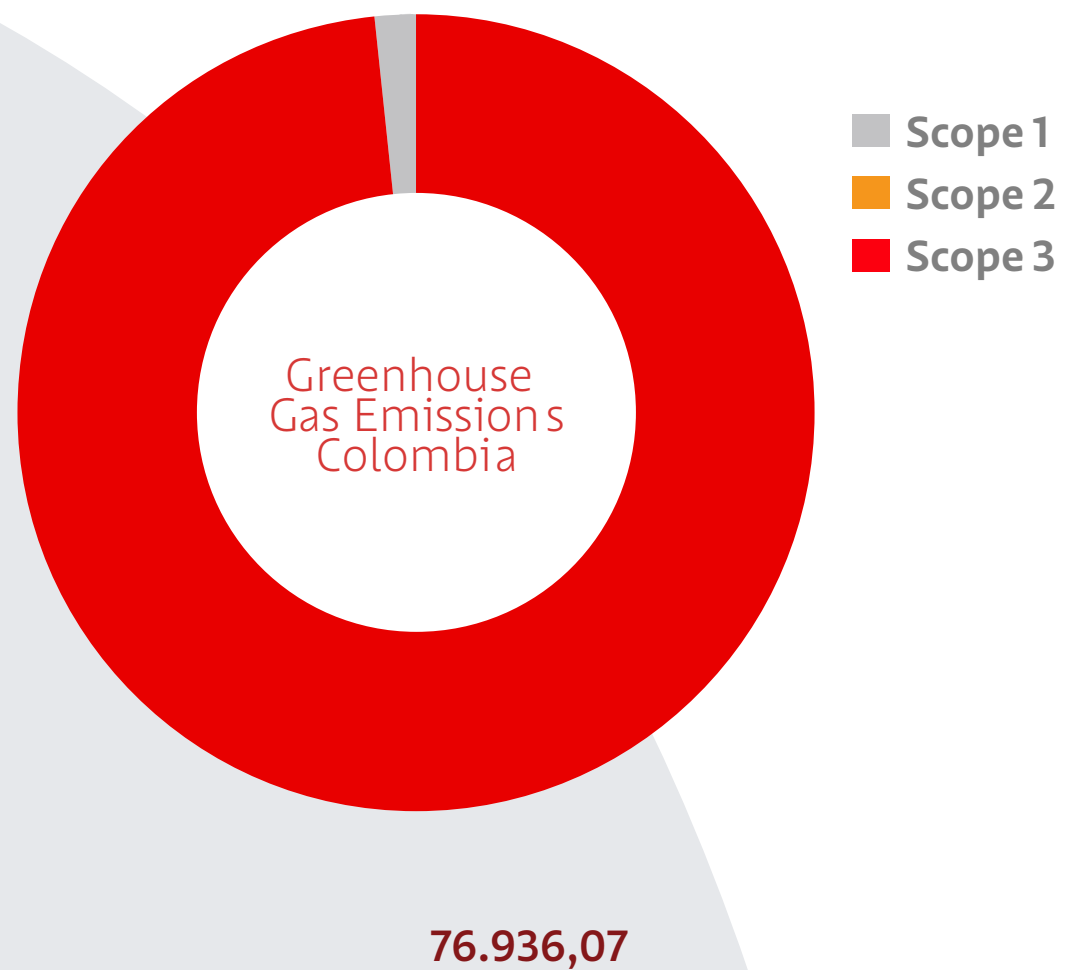
### Greenhouse Gas Emissions Colombia (Tons CO<sub>2</sub>e)



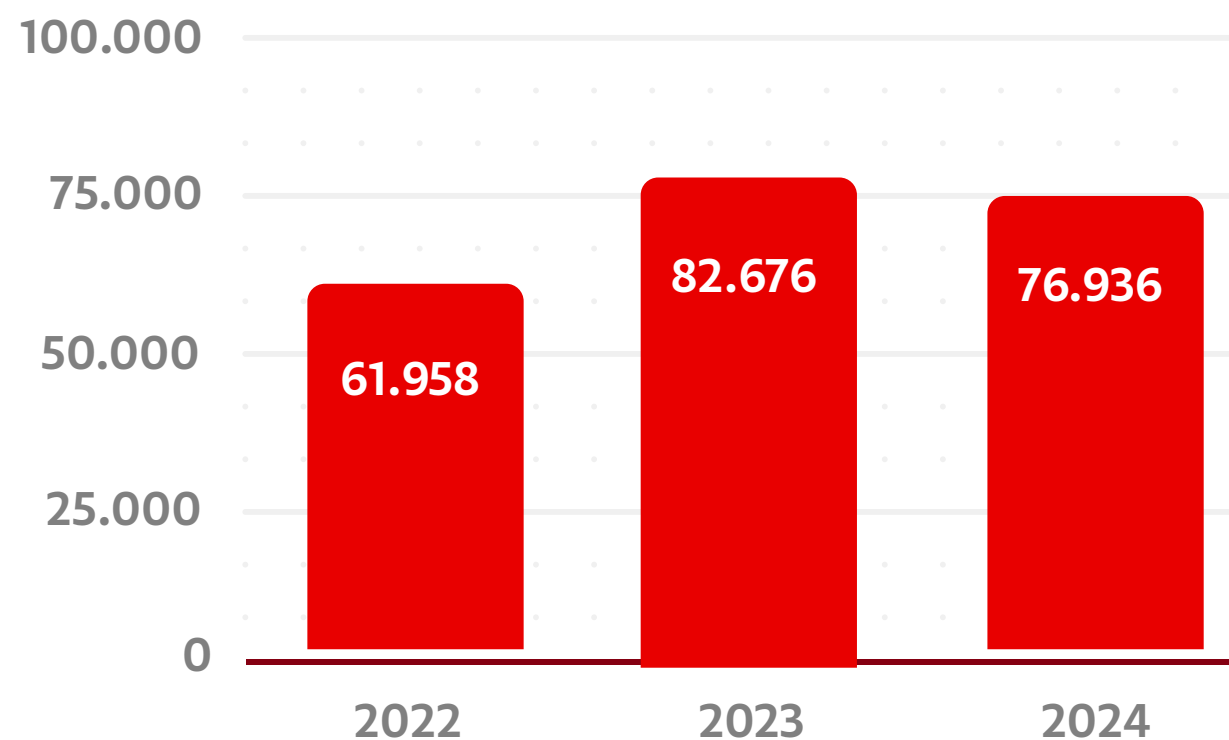




For the third consecutive year, thanks to the ongoing monitoring and measurement of our **carbon emissions inventory**, we renewed our greenhouse gas inventory certification from Icontec, in accordance with the Greenhouse Gas Protocol standards and our **carbon neutrality** certification. In 2025, we will continue implementing decarbonization strategies aligned with the SBTi.



## Greenhouse Gas Emissions Scope 3 (Tons CO<sub>2</sub>e)





Greenhouse Gas Emissions – Colombia (Tons CO <sub>2</sub> e) / Year		2022	2023	2024	Δ 2024 / 2022
Scope 1	Direct Emissions	1.952	1.376	671	-66%
Scope 2	Location-Based	3.060	4.722	4.689	53%
	Market-Based	103	98	95	-8%
Scope 1 + 2	Location-Based	5.012	6.098	5.360	7%
	Market-Based	2.055	1.473	766	-63%
Scope 3	Other Indirect Emissions	61.958	82.676	76.936	24%
TOTAL CARBON EMISSIONS	Location-Based	66.970	88.774	82.296	23%
	Market-Based	64.014	84.150	77.702	21%
TOTAL CARBON EMISSIONS PER FTE	Location-Based	6,6	8,7	8,4	27%
	Market-Based	6,3	8,2	7,9	26%
TOTAL CARBON EMISSIONS PER m <sup>2</sup>	Location-Based	0,24	0,32	0,30	28%
	Market-Based	0,23	0,30	0,29	26%

\*Figures for location-based and market-based emissions have been adjusted retroactively from 2019, following internal reviews with our specialized utilities management partner.

\*\* As of 2022, the quantification of indirect emissions has been expanded.

The result shows an increase of 23% in total GHG emissions (15,326 Tn CO<sub>2</sub>eq) compared to the base year. This increase is mainly due to the expansion in the quantification of **Scope 3**, which includes a greater coverage of indirect emission sources, as well as changes in the emission factors used in the calculation.





Scope	Emission Sources	Greenhouse Gas Emissions – Colombia (Tons CO <sub>2</sub> e)					
		CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Fluorinated Compounds	Biogenic emissions	Total
1	Stationary Fuel Sources	45,4	0,2	0,1	0	0,03	46
	Stationary Refrigerant Sources	0	0	0	355	0	355
	Stationary Fire Extinguisher Sources	2,5	0	0	268	0	270
	<b>SUBTOTAL</b>	<b>48</b>	<b>0,2</b>	<b>0,1</b>	<b>623</b>	<b>0</b>	<b>671</b>
2	Purchased Energy – Location-Based	4.689	0	0	0	0	4.689
	Purchased Energy – Market-Based	95	0	0	0	0	95
	<b>SUBTOTAL</b>	<b>4.784,3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4.784</b>



Scope	Emission Sources	Greenhouse Gas Emissions – Colombia (Tons CO <sub>2</sub> e)					
		CO <sub>2</sub>	CH <sub>4</sub>	N <sub>2</sub> O	Fluorinated Compounds	Biogenic emissions	Total
3	1 – Purchased Goods or Services	34.696,4	0	0	0	0	34.696
	2 – Capital Goods	5.061,2	0	0	0	0	5.061
	3 – Fuel- and Energy-Related Activities	4,6	0	0	0	0	5
	4 – Upstream Transportation and Distribution	1.111,2	0,09	0,97	0	0,09	1.112
	5 – Waste	0,2	0	0	0	0	0,19
	6 – Business Travel	467,3	0,2	0,7	0	0,04	468
	7 – Employee Commuting	6.135,1	0	0	0	0	6.135
	9 – Downstream Transportation and Distribution	21.706,8	0	0	0	0	21.707
	11 – Use of Sold Products	7.652,6	0	0	0	0	7.653
	12 – End-of-Life Treatment of Sold Products	7,9	0	0	0	0	8
	13 – Downstream Leased Assets	91	0	0	0	0	91
		<b>76.934,0</b>	<b>0,3</b>	<b>1,7</b>	<b>0</b>	<b>0,13</b>	<b>76.936</b>
<b>TOTAL CARBON EMISSIONS</b>		<b>81.766,1</b>	<b>0,5</b>	<b>1,8</b>	<b>622,8</b>	<b>0,16</b>	<b>82.391</b>





# ***Our Commitment to Emissions Reduction Knows No Borders***

In recent years, we have replicated our environmental best practices across every country where we operate, embedding them as cross-cutting principles. This drives us to be a multilatina bank that leaves a positive environmental footprint, where together we contribute to the urgent change our planet needs.





### Costa Rica

We made solid progress with outstanding results. In energy consumption, the MWh/FTE indicator decreased by 3% compared to 2022, thanks to an investment of more than USD 240.000 for the replacement of air conditioning units in ten branches and one administrative building, reducing electricity use and protecting the ozone layer.

In Scopes 1 and 2 of our operations, we observed an increase due to refrigerant leaks and the inclusion of previously unavailable electricity consumption data. These efforts enhance the accuracy of our reporting and reflect our ongoing commitment to a more transparent, efficient, and sustainable operation.



### El Salvador

We completed the replacement of four elevators in the Centro Financiero Building, which now consume 30% less energy than the previous models.

We also installed four new photovoltaic plants, including one at our headquarters, increasing estimated annual generation to 950 MWh across a total of nine plants, driven by an investment of over USD 747.000.



### Honduras

We saw an increase in Scope 1 GHG emissions, resulting from higher generator use at branches and corporate buildings during the energy supply challenges faced in the second and third quarters of 2024. However, this was partially offset by a reduction in refrigerant consumption following the replacement of air conditioning equipment. For Scope 2, we achieved a reduction by requesting detailed billing in kWh from our utility provider and modernizing lighting systems across our facilities.



### Panama

We observed a slight 0,53% decrease in Scope 1 emissions compared to 2023. On the other hand, Scope 2 emissions increased by 6,6%, primarily due to a rise in electricity rates, which also influenced the adoption of new technologies in some branches. Meanwhile, Scope 3 emissions rose by 0,93%, attributed to an increase in the number of measured categories.





Greenhouse Gas Emissions – Central America (Tons CO <sub>2</sub> e) / Year		2023					2024					Δ 2024 / 2023
		Costa Rica	El Salvador	Honduras	Panama	TOTAL	Costa Rica	El Salvador	Honduras	Panama	TOTAL	
Scope 1	Direct Emissions	265	1.321	368	125	2.079	390	590	477	124	1.581	-24%
Scope 2	Location-Based	247	2.007	1.811	210	4.275	238	1.896	1.851	224	4.209	-2%
	Market-Based	0	0	0	0	0	0	0	0	0	0	0%
Scope 1 + 2	Location-Based	512	3.328	2.179	335	6.354	628	2.486	2.329	348	5.790	-9%
	Market-Based	265	1.321	368	125	2.079	390	590	477	124	1.581	-24%
Scope 3	Other Indirect Emissions	10.586	8.512	5.404	1.088	25.590	11.222	10.161	7.369	1.098	29.850	17%
TOTAL CARBON EMISSIONS	Location-Based	11.099	11.839	7.584	1.423	31.944	11.849	12.647	9.698	1.446	35.640	12%
	Market-Based	10.851	9.833	5.773	1.213	27.669	11.612	10.751	7.846	1.222	31.431	14%
TOTAL CARBON EMISSIONS FTE	Location-Based	10,6	6,7	6,1	7,0	30,4	11,4	7,2	7,7	6,3	32,5	7%
	Market-Based	10,4	5,6	4,6	5,9	26,5	11,1	6,1	6,2	5,3	28,8	8%



Greenhouse Gas Emissions – Central America (Tons CO <sub>2</sub> e)		2023					2024					Δ 2024 / 2023
		Costa Rica	El Salvador	Honduras	Panama	TOTAL	Costa Rica	El Salvador	Honduras	Panama	TOTAL	
TOTAL CARBON EMISSIONS PER m2	Location-Based	0,65	0,42	0,19	0,31	1,56	0,73	0,45	0,24	0,31	1,71	10%
	Market-Based	0,64	0,35	0,141	0,26	1,39	0,71	0,38	0,19	0,26	1,54	11%

Scope	Greenhouse Gas Emissions – Central America (Tons CO <sub>2</sub> e)	2024				TOTAL
		Costa Rica	El Salvador	Honduras	Panama	
Scope 1	CO <sub>2</sub>	52	138	286	121	598
	CH <sub>4</sub>	0	0,3	0,9	0,2	1,6
	N <sub>2</sub> O	1,0	1,9	1,9	2,6	7,4
	Fluorinated Compounds	337	450	188	0	975
	SUBTOTAL	390	590	477	124	1.582





Scope	Greenhouse Gas Emissions – Central America (Tons CO <sub>2</sub> e)	2024				TOTAL
		Costa Rica	El Salvador	Honduras	Panama	
Scope 2	CO <sub>2</sub>	238	1.896	1.851	224	4.209
	CH <sub>4</sub>	0	0	0	0	0
	N <sub>2</sub> O	0	0	0	0	0
	Fluorinated Compounds	0	0	0	0	0
	<b>SUBTOTAL</b>	<b>238</b>	<b>1.896</b>	<b>1.851</b>	<b>224</b>	<b>4.209</b>
Scope 3	CO <sub>2</sub>	11.222	10.161	7.369	1.098	29.850
	CH <sub>4</sub>	0,00	0,00	0	0	0,00
	N <sub>2</sub> O	0,00	0,00	0	0	0,00
	Fluorinated Compounds	0,00	0,00	0	0	0,00
	<b>SUBTOTAL</b>	<b>11.222</b>	<b>10.161</b>	<b>7.369</b>	<b>1.098</b>	<b>29.850</b>
<b>TOTAL CARBON EMISSIONS</b>		<b>11.850</b>	<b>12.647</b>	<b>9.698</b>	<b>1.446</b>	<b>35.641</b>



## Environmental Offsets

We offset 100% of our direct greenhouse gas emissions (Scopes 1 and 2) through the acquisition of carbon credits and renewable energy certificates. To achieve this, we participate in various projects that promote reforestation and the generation of renewable electricity. Notable among these projects are:

- ▶ **REDD+ PAZcífico Project:** Located in the northern Nariño Department and western Cauca, specifically in the municipalities of Magüí and Santa Bárbara, Colombia. The project spans 288.000 hectares, of which 274.000 hectares (95%) are stable forests over time.
- ▶ **Ventus Wind Park:** Situated in Matapán, El Salvador, this project generates wind energy through the installation of 15 turbines. It supplies renewable energy to the grid, meeting the needs of 80.000 households, thereby reducing reliance on non-renewable resources and cutting emissions in the energy sector. Furthermore, it plays a key role in El Salvador's transition to a low-carbon economy.

To support biodiversity conservation, we organized the “**Siembra con Sentido**” initiative in partnership with the Bolívar Davivienda Foundation (FBD), positively impacting four ecosystems in the departments of Cundinamarca, Boyacá, Antioquia, and the Eje Cafetero. Over **1.200** trees were planted, with the participation of 1.916 employees and their families in Colombia and our international subsidiaries.

As part of our holistic efforts, we have launched several initiatives to reduce our CO<sub>2</sub> emissions. One such initiative is Davivienda en Bici, a sustainable mobility program that provides our employees with 250 cutting-edge electric bikes. This program not only encourages a healthy and active lifestyle but has also resulted in a reduction of 359 tons of CO<sub>2</sub>, equivalent to preserving 15.800 trees. Through this initiative, we are actively contributing to improving air quality and alleviating traffic congestion, promoting clean mobility in 11 cities across Colombia.



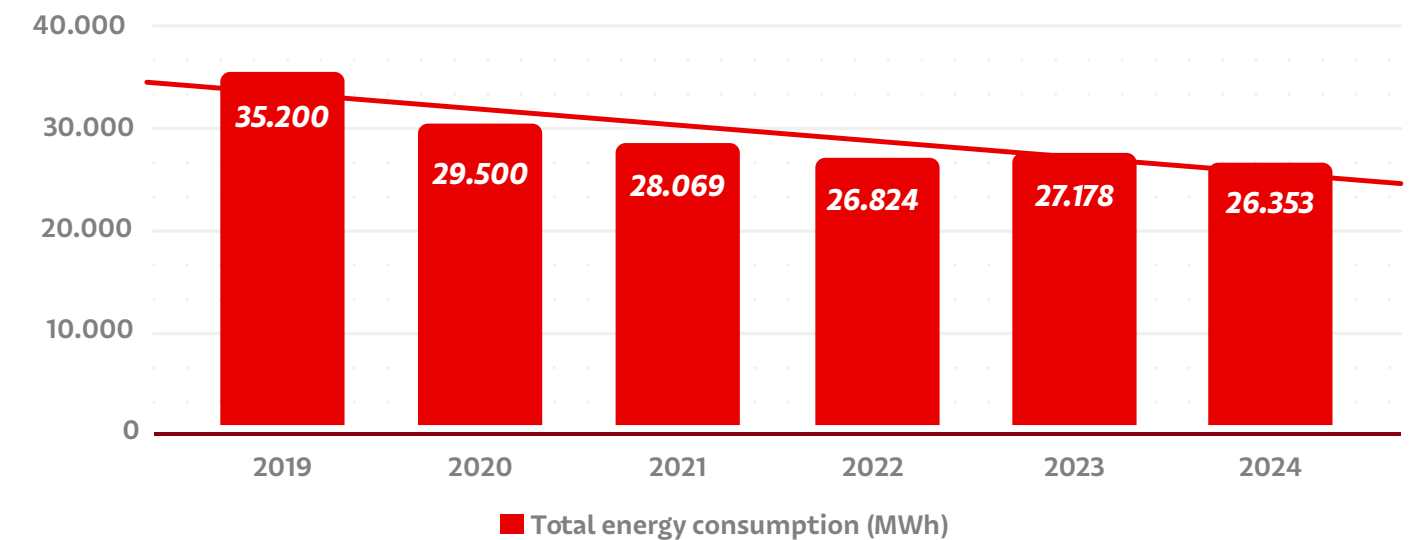




## Energy Efficiency

# Committed to energy efficiency and responsible consumption!

In 2024, a 3% reduction was achieved compared to 2023 and a 1,8% reduction compared to the base year 2022, decreasing 814,55 MWh and 476,49 MWh, respectively.



The reduction achieved is the result of a collective effort under the ISO 50001:2018 standard, with actions such as the implementation of over 4.300 bots for the analysis and auditing of 23.800 invoices, consumption monitoring to detect anomalies, optimization of electromechanical equipment, and adjustment of energy consumption to align with operational hours.

We invested COP 4,9 billion in 132 energy-efficient air conditioning units and over COP 97 million in the installation of protective covers to prevent thermostat tampering in 385 offices. Through these initiatives, we are protecting the ozone layer and reducing electricity consumption with our hybrid work model.



Colombia Indicator	2022	2023	2024	Δ 2024 / 2023
*Purchased Energy from the Grid (MWh)	26.526	26.882	26.072	-3,0%
Clean Energy Generated for Self-Consumption (MWh)	194,6	216,4	215,6	-0,4%
** Energy from Non-Renewable Sources (MWh)	119	80	76	-5,1%
Energy from Renewable Sources (MWh)	0	0	0	0,0%
<b>TOTAL ENERGY CONSUMED (MWh)</b>	<b>26.840</b>	<b>27.178</b>	<b>26.363</b>	<b>-3,0%</b>
Energy with Renewable Energy Certificates (MWh)	26.399	26.761	25.955	Not Applicable
<b>Total Clean/Renewable Energy Consumed (MWh)</b>	<b>26.593</b>	<b>26.978</b>	<b>26.170</b>	<b>Not Applicable</b>
MWh/FTE	2,64	2,66	2,69	1,1%
MWh/m <sup>2</sup>	0,095	0,098	0,097	-0,8%

*We have the **Icontec Renewable Energy Certification** in our operations in Colombia and Central America.*

In 2025, we will advance the integration of the Building Management System (BMS), enhancing our ability to respond to early consumption alerts and electrical failures, thereby ensuring operational continuity and maintaining the comfort of our employees and clients.

\* The energy consumption figures for 2022 have been adjusted based on external audit processes and data projections from the previous report. For 2024, 10,7% of the data is based on projections, as full consumption data (for November and December) was not available at the time of report generation, due to differences in the billing periods of energy providers.

\*\* The energy values generated by power plants are included.

\*\*\* The figures for clean energy generated for self-consumption are projected at 13%, as some data from October to December was unavailable due to changes in the communication network.



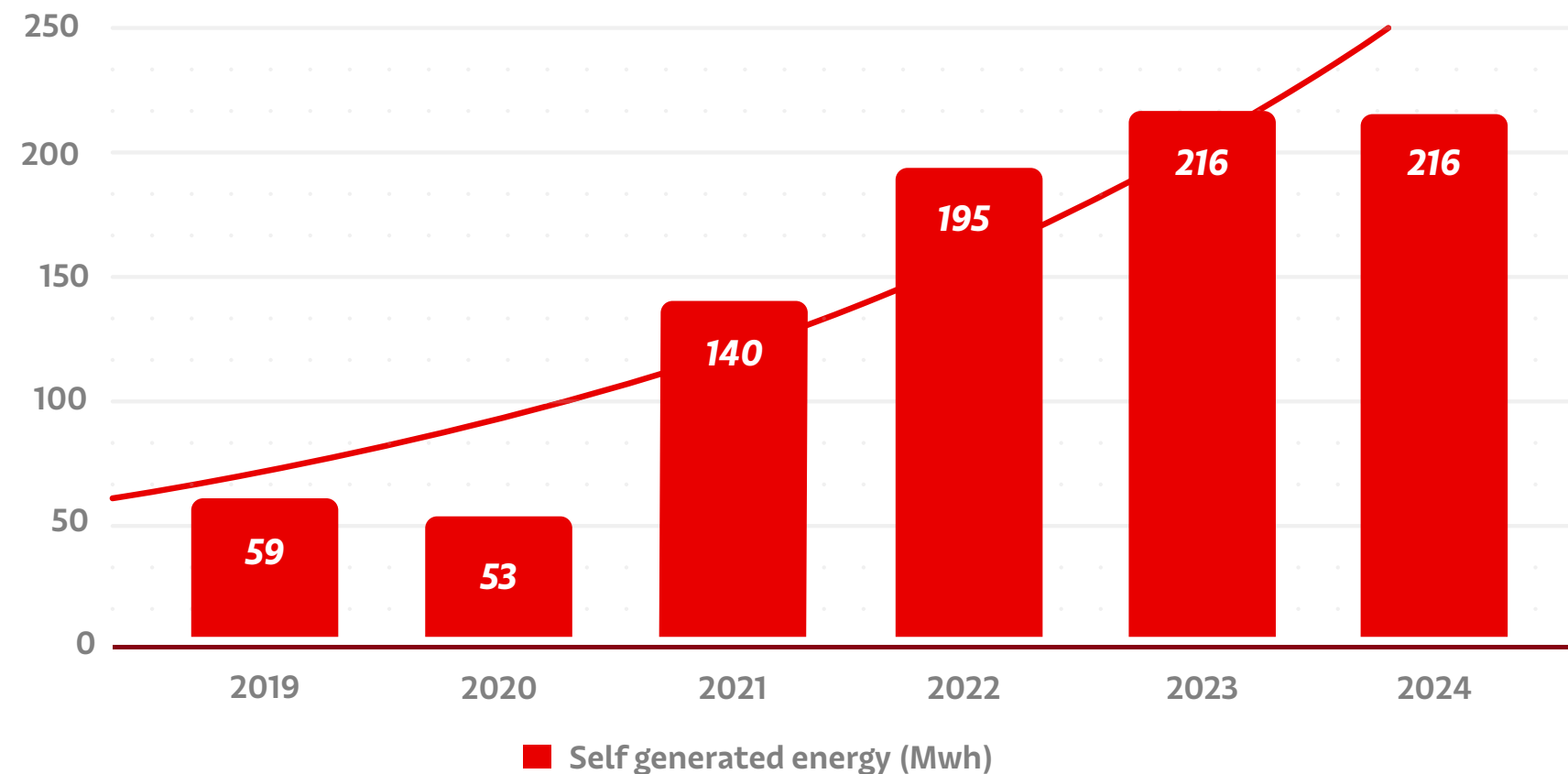


Indicator – Central America	2023					2024					Δ 2024 / 2023
	Costa Rica	El Salvador	Honduras	Panama	TOTAL	Costa Rica	El Salvador	Honduras	Panama	TOTAL	
Purchased Energy from the Grid (MWh)	2.814	6.536	4.920	696	14.966	2.707	6.175	5.059	742	14.682,059	-2%
Clean Energy Generated for Self-Consumption (MWh)	0	309	0	0	309	0	488	0	0	488,051	58%
Energy from Non-Renewable Sources (MWh)	9	21	186	2	218	9	19	322	1	349,421	60%
Energy from Renewable Sources (MWh)	0	0	0	0	0	0	0	0	0	0,000	0%
Total Energy Consumed (MWh)	2.823	6.866	5.106	698	15.493	2.715	6.682	5.380	742	15.519,531	0,17%
MWh/FTE	2,7	3,9	4,1	3,42	14	2,6	3,8	4,3	3,2	13,900	-1%
MWh/m2	0,2	0,2	0,1	0,001	0,534	0,2	0,2	0,1	0,001	0,534	0,1%



## Renewable Energies

# *Sustainable energy is a cornerstone for building a better world!*



We achieved a 10,8% increase in solar energy generation compared to 2022, driven by the installation of 16 solar panel systems across our administrative headquarters and offices nationwide. This growth underscores our commitment to transitioning to cleaner, more sustainable energy sources.

99% of the electricity consumed in our operations was backed by Renewable Energy Certificates (C-FER), allowing us to earn the Icontec Renewable Energy Certification for the third consecutive year, based on the 2023 analysis.





# Glossary

- ▼ **Glasgow Financial Alliance for Net Zero (GFANZ):** A global coalition of leading financial institutions committed to accelerating the decarbonization of the economy, focused on achieving the Paris Agreement goal of limiting the global temperature rise to 1.5°C above pre-industrial levels. This requires a complete economic transition. *(More information: [click here](#))* [GFANZ](#)
- ▼ **Partnership for Carbon Accounting Financials (PCAF):** A global network of financial institutions collaborating to develop and implement a unified approach for assessing and disclosing greenhouse gas (GHG) emissions related to their loans, investments, and insurance activities. *(More information: [click here](#))* [PCAF](#)
- ▼ **Climate Change:** Refers to long-term changes in temperature and climate patterns. While these changes can occur naturally, human activities have been the dominant driver of climate change since the 19th century, primarily due to the burning of fossil fuels such as oil, gas, and coal, which produce heat-trapping gases. *(More information: [click here](#))* [United Nations](#)
- ▼ **Carbon Disclosure Project (CDP):** A non-profit organization that manages the global disclosure system for investors, companies, cities, states, and regions, with the goal of managing their environmental impacts. *(More information: [click here](#))* [CDP](#)
- ▼ **Decarbonization:** The reduction of carbon content in global energy consumption. *(More information: [click here](#))* [Robeco](#)
- ▼ **IDEAM:** The Institute of Hydrology, Meteorology, and Environmental Studies in Colombia.
- ▼ **Science-Based Targets Initiative (SBTi):** A collaboration between CDP, the United Nations Global Compact, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF), driving ambitious climate action in the private sector by enabling organizations to set science-based emission reduction targets. *(More information: [click here](#))* [SBTi](#)
- ▼ **Net Zero Banking Alliance (NZBA):** A group of leading global banks committed to financing ambitious climate actions to achieve net-zero greenhouse gas emissions by 2050. *(More information: [click here](#))* [NZBA](#)
- ▼ **Principles for Responsible Banking (PRB):** A unified framework to ensure that the strategies and practices of signatory banks align with the vision established by society for its future, as outlined in the Sustainable Development Goals and the Paris Climate Agreement. *(More information: [click here](#))* [PRB](#)



- ▼ **Principles for Responsible Investment (PRI):** A voluntary framework enabling all investors to integrate ESG (Environmental, Social, and Governance) factors into their decision-making and ownership practices, helping to better align their goals with those of society at large. *(More information: [click here](#))* [PRI](#)
- ▼ **Climate Resilience:** The capacity of socio-ecological systems to absorb and recover from climate disruptions and stress, adapting and transforming their structures and livelihoods in response to long-term changes and uncertainty. *(More information: [click here](#))* [Climate Resilience Assessment and Monitoring](#)
- ▼ **Physical Risk:** Risks arising from the direct and indirect impacts of climate change, including shifts in weather and climate patterns. Acute physical risks occur due to specific disasters or increased extreme weather events, such as torrential downpours, landslides, cyclones, floods, and heatwaves. Chronic risks emerge from long-term climate changes, including shifts in precipitation patterns, extreme weather variability, rising temperatures, and rising sea levels. [Source: TCFD]
- ▼ **Transition Risks:** Risks resulting from the shift to a low-carbon economy, potentially causing political, technological, and market changes aimed at addressing climate change mitigation and adaptation. Depending on the nature, speed, and focus of these changes, transition risks may vary in their impact on organizations. The TCFD defines the following categories of transition risks:
  - ▼ **Political and Legal Risks:** Political measures aimed at limiting actions contributing to the adverse effects of climate change or promoting adaptation to it. Examples include implementing carbon pricing mechanisms to reduce GHG emissions, transitioning to low-emission energy sources, adopting energy efficiency solutions, water conservation measures, or encouraging more sustainable land-use practices.
  - ▼ **Technological Risk:** Technological advancements or innovations that facilitate the transition to a low-carbon economy can impact organizations. For instance, the development and deployment of emerging technologies such as renewable energy, battery storage, energy efficiency, and carbon capture and storage will influence an organization's competitiveness, production and distribution costs, and the demand for its products and services.
- ▼ **Market Risk:** Climate change can impact markets through changes in the supply and demand of key raw materials, products, and services, shifts in customer and investor behavior, or uncertainty in market signals.
- ▼ **Reputational Risk:** Climate change is increasingly recognized as a potential source of reputational risk, driven by changing perceptions from customers or the community regarding an organization's contribution to the transition to a low-carbon economy. [Source: TCFD]
- ▼ **Task Force on Climate-related Financial Disclosure (TCFD):** An organization that provides recommendations for effective climate-related disclosures, designed to promote informed decisions in insurance underwriting, credit, and investment, while enabling stakeholders to better understand the concentration of carbon-related assets within the financial sector. *(More information: [click here](#))* [TCFD](#)





- ▼ **Task Force on Nature-related Financial Disclosures (TNFD):** A framework aligned with the Kunming-Montreal Global Biodiversity Framework, aimed at identifying, assessing, and managing nature-related risks and opportunities in operations and finance. Using the LEAP approach (Locate, Evaluate, Analyze, Prepare), we have prioritized sectors with high reliance on ecosystem services, improved biodiversity impact analysis, and laid the groundwork for data-driven decision-making on natural capital. *(More information: click here)* [TNFD](#)
- ▼ **UNEP-FI:** The United Nations Environment Programme Finance Initiative, a global alliance of banks, insurers, and investors working together to drive collective action in the financial system to facilitate the transition to sustainable economies worldwide. *(More information: click here)* [UNEP-FI](#)





## Appendix 2. Progress Statement For Signatories Of The Principles For Responsible Banking (PRB)

In the second half of 2023, we formally adopted the Principles for Responsible Banking (PRB), an initiative of the United Nations Environment Programme Finance Initiative (UNEP-FI). Through this commitment, Davivienda reaffirms its pledge to advancing a sustainable financial system in Colombia and Central America, fully aligned with the Sustainable Development Goals (SDGs) and the Paris Agreement on climate change.

Here are our key achievements in implementing the 6 Principles for Responsible Banking:

### Principle 1

#### Alignment

*We will align our sustainable strategy to ensure it is consistent with and contributes to society's needs and goals, as outlined in the Sustainable Development Goals (SDGs), the Paris Agreement on climate change, and relevant local regulations.*

#### Business Model

We operate across 6 countries (Colombia, Costa Rica, El Salvador, Honduras, Panama, and the United States). With over 52 years of experience in the Colombian market, we offer a comprehensive range of financial and non-financial services to individuals, SMEs, and corporate clients. We currently serve more than 24.9 million customers through 658 branches and over 2,811 ATMs.

#### Links and References

- ▼ [Investor Relations Site](#)

#### Strategy Alignment

Our sustainable business strategy incorporates environmental, social, and governance (ESG) considerations into both opportunity management and risk mitigation. We reaffirm our commitment to the sustainable development of both our business and the countries in which we operate. This commitment is reflected in our *“The World is Our Home: Let's Make It More Prosperous, Inclusive, and Green”* policy, which aligns with national and international frameworks.

#### Links and References

- ▼ Dialogue with Our Stakeholders (pg. 24)
- ▼ Our Business Strategy is Sustainable (pg. 15)
- ▼ Memberships (pg. 16)
- ▼ 2.6 Our Commitment to the Sustainable Development Goals (pg. 95)





## Principle 2

### Impact and Setting Objectives

*We will continuously increase our positive impacts while reducing the negative ones, managing the risks to people and the environment arising from our activities, products, and services. To achieve this, we will set and publicly disclose objectives where we can make the most significant impact.*

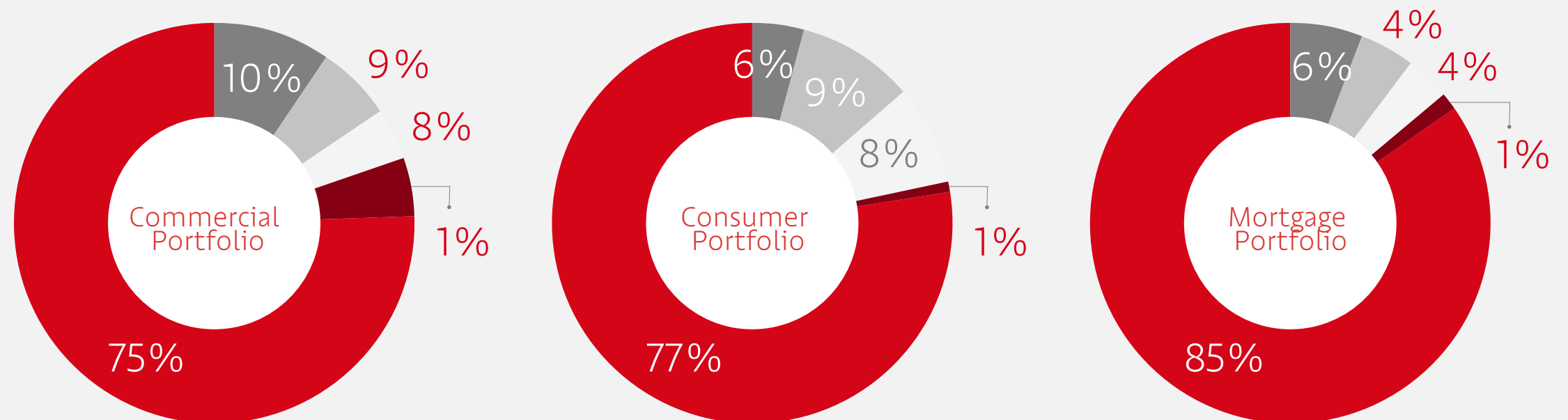
### Impact Analysis:

We conducted an impact analysis to evaluate our commercial and consumer portfolios in Colombia, Costa Rica, El Salvador, Honduras, Panama, and the United States for the period from January 1 to December 31, 2023. The portfolio amounts analyzed were geographically distributed as follows:

The implementation of the impact analysis tool was based on disbursement data by country for each portfolio.

For the commercial portfolio, data was segmented by economic sectors and activities. For the consumer portfolio, data was consolidated based on savings and credit products by country.

While Colombia holds the largest share of our portfolio as the headquarters, there have been notable advancements in commercial loans in Costa Rica and El Salvador, and consumer loans in El Salvador and Honduras.



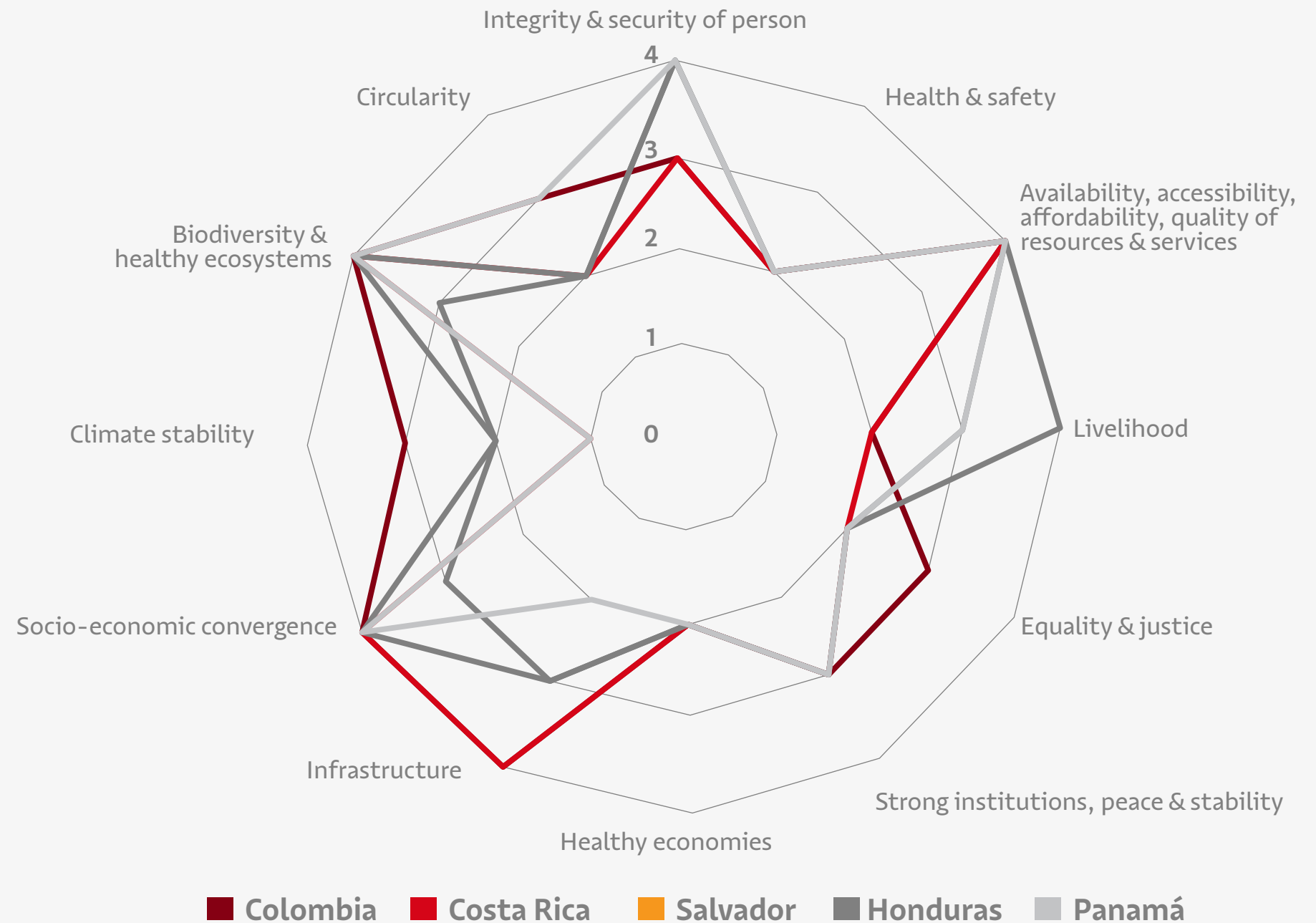


Using this data, we implemented the following impact analysis tools from UNEP-FI:

## 1. Context Module

We identified 4 key impact areas with the greatest relevance across all countries. These areas are primarily linked to climate risks, geographic characteristics of the region, and economic and political similarities among the populations, which lead to shared risks and opportunities.

- ▶ Climate Change
- ▶ Resource Availability and Accessibility
- ▶ Biodiversity and Ecosystem Health
- ▶ Socioeconomic Convergence







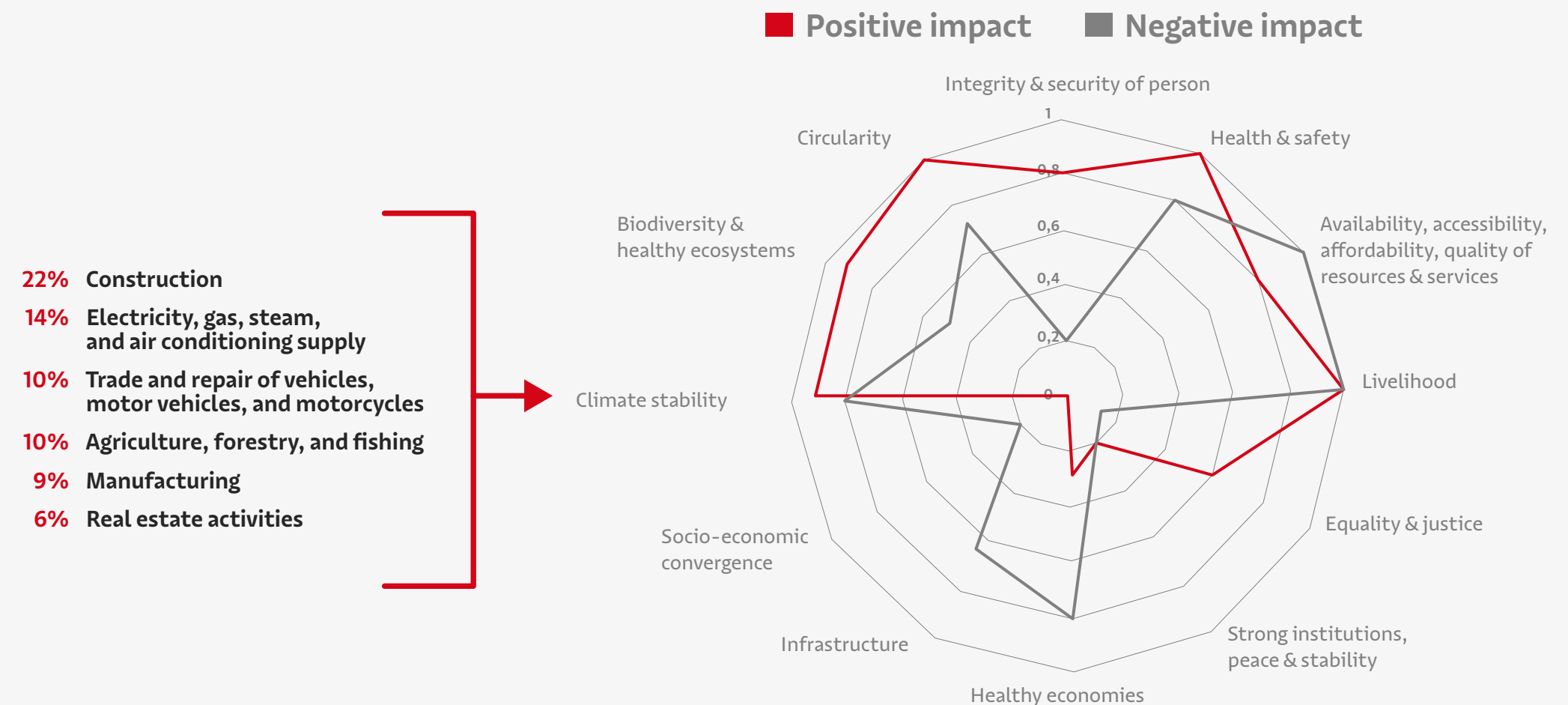
## 2. Business Banking: Identification Module

The areas with the greatest potential for positive impact were resource accessibility, availability, and infrastructure, due to the diverse economic activities in our portfolio, which contribute to the production of goods and services. Specifically, the construction sector plays a significant role in the development of sustainable cities and housing.

Conversely, the areas with the highest risk of generating negative impacts were biodiversity and climate change, highlighting the environmental impact of the financial sector. This impact analysis does not take into account the bank's current mitigation measures but instead assesses the potential contribution of financed sectors to environmental, social, and economic impacts.

The sectors with the highest potential for negative impact include construction, energy production, gas and steam production, automotive, and agriculture.

### Impact analysis Commercial Portfolio



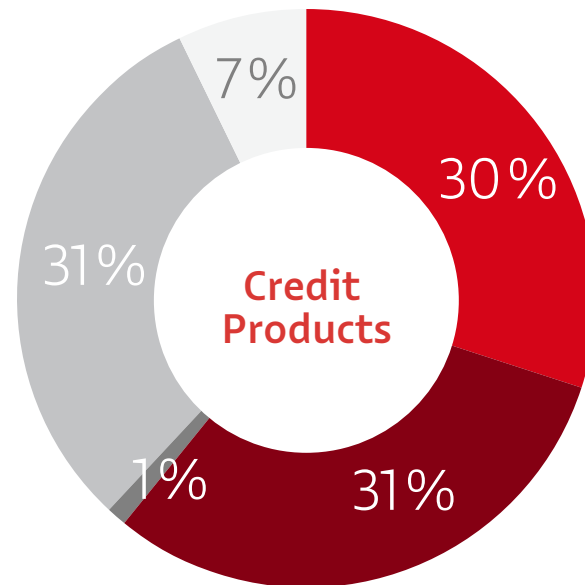


## Consumer Banking: Identification Module

We identified 2 key impact areas: Resource and service accessibility and availability, focusing on financial services access: Socioeconomic convergence, which refers to how financial services enable individuals to make long-term plans, investments, and projects.

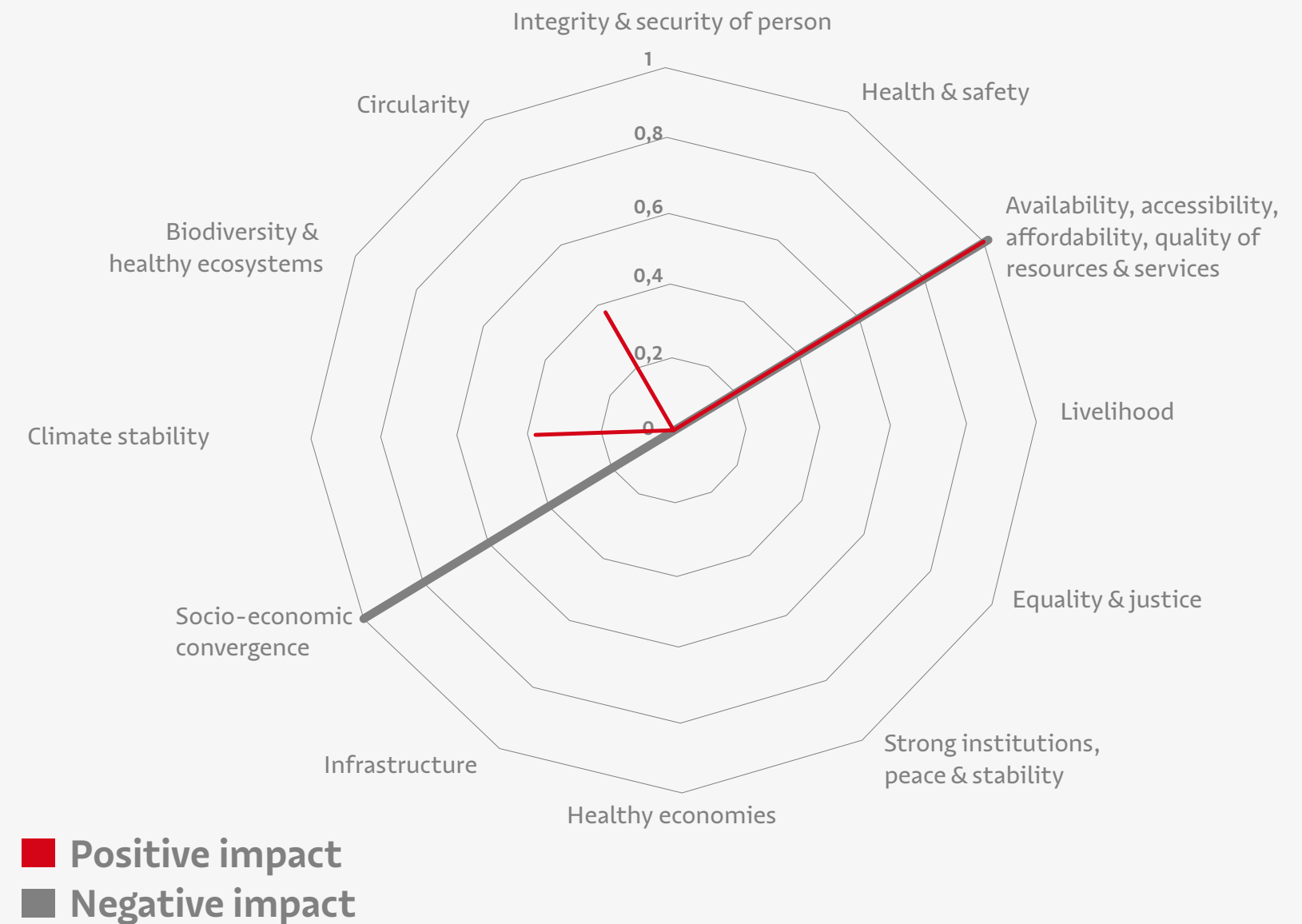


- Certificates of deposit
- Savings accounts
- Checking accounts



- Credit cards
- Consumer loans
- Others
- Mortgage loans
- Vehicle loans

## Impact analysis Consumer Portfolio







## Objectives and Implementation Plans

Based on the results of the impact analysis of the portfolio and in alignment with UNEP-FI’s global priorities for the banking sector in 2024, as well as our strategic goals, we have identified 2 key impact areas. For each of these areas, we have established the following objectives:

Impact Area	Climate Change	Financial Well-being and Health																	
Description	We define Natural Capital as one of our material topics, through which we drive initiatives within our business that contribute to the protection, conservation, restoration, and regeneration of ecosystems and natural resources, as well as climate change mitigation and adaptation.	Additionally, we have prioritized financial inclusion as another key material topic. Through our strategy, we aim to ensure access to both financial and non-financial services for all, fostering socioeconomic development, the protection and growth of wealth, and the financial well-being of individuals, families, businesses, and communities where we operate.																	
Covered Portfolio	The commercial portfolio, serving our corporate and business clients.	The consumer portfolio, primarily serving individuals and families.																	
Commitments	Drive the decarbonization of our financed and invested portfolio, as well as our operations, in alignment with the Paris Agreement and the Net Zero goal for 2050, following the guidelines of the Net Zero Banking Alliance (NZBA) and the Science Based Targets Initiative (SBTi).	Measure the financial well-being of our key financial inclusion segments: women, youth, elderly adults, small businesses, and rural populations, along with small agricultural businesses, enabling us to understand their financial situation and establish a baseline as a reference for the future.																	
SMART Objectives	<div>1. Reduce absolute GHG emissions from Scope 1 and Scope 2 by 42% by 2030 compared to the 2022 baseline across all our operations in Colombia and Central America.</div> <div>2. Establish short, medium, and long-term decarbonization targets for the financed and invested portfolios, grounded in scientific data, and aimed at achieving Net Zero by 2050. These targets will cover the following sectors and financial instruments:</div> <table><tr><td rowspan="4">Loans</td><td>Real Estate</td><td>• Commercial real estate loans</td><td>• General purpose real estate loans</td></tr><tr><td>Electricity Generation</td><td>• Project financing</td><td>• Long-term commercial loans</td></tr><tr><td>Fossil Fuels</td><td>• Short- and long-term commercial loans</td><td>• Short- and long-term SME loans</td></tr><tr><td>Other Sectors</td><td>• Listed long-term commercial loans</td><td>• Private long-term commercial loans (private)</td></tr><tr><td>Investment</td><td>Fixed Income</td><td>• Fossil Fuels</td><td>• Electricity Generation</td></tr></table>	Loans	Real Estate	• Commercial real estate loans	• General purpose real estate loans	Electricity Generation	• Project financing	• Long-term commercial loans	Fossil Fuels	• Short- and long-term commercial loans	• Short- and long-term SME loans	Other Sectors	• Listed long-term commercial loans	• Private long-term commercial loans (private)	Investment	Fixed Income	• Fossil Fuels	• Electricity Generation	By 2026, we will conduct the first measurement of Davivienda’s Financial Well-being Index (FWI), a tool that analyzes over 400 variables related to financial product usage, categorizing them into the dimensions of trust, management, planning, and resilience for each of our prioritized inclusion segments. This will establish a baseline to help us better understand financial well-being and refine our financial inclusion initiatives.
Loans	Real Estate		• Commercial real estate loans	• General purpose real estate loans															
	Electricity Generation		• Project financing	• Long-term commercial loans															
	Fossil Fuels		• Short- and long-term commercial loans	• Short- and long-term SME loans															
	Other Sectors	• Listed long-term commercial loans	• Private long-term commercial loans (private)																
Investment	Fixed Income	• Fossil Fuels	• Electricity Generation																



Impact Area	Climate Change	Financial Well-being and Health
Action Plan	<div><div>1. Enhance and expand the greenhouse gas (GHG) emissions inventory for Scopes 1, 2, and 3, including applicable categories, with a focus on the comprehensive estimation of emissions from financed, invested, and insured activities in the countries where we operate, using 2022 as the baseline year.</div><div>2. Set short-term, science-based decarbonization targets for Scopes 1 and 2.</div><div>3. Define decarbonization targets for the financed and invested portfolios under the SBTi framework, aligned with a 1.5°C scenario.</div><div>4. Develop decarbonization scenarios in line with the Paris Agreement to limit global warming to 1.5°C, establishing actions for managing the financed and invested portfolios.</div><div>5. Implement a transition financing framework.</div><div>6. Execute the decarbonization strategy and climate engagement for carbon-intensive sectors.</div><div>7. Monitor and annually report the GHG emissions inventory, adhering to the Greenhouse Gas Protocol standards, including the Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard for Scopes 1, 2, and 3 (Categories 1-14), using the Partnership for Carbon Accounting Financials (PCAF) methodology.</div><div>8. Provide annual updates on the progress of our decarbonization goals for both operations and the financed and invested portfolios.</div><div>9. Report annually on progress toward achieving the established decarbonization targets for both operations and the financed and invested portfolios.</div><div>10. Review and adjust decarbonization targets according to SBTi and NZBA guidelines, incorporating any necessary methodological updates, data quality improvements, and structural changes within the organization.</div></div>	<div><div>1. Define the methodology and specific variables for the segments of women, youth, elderly adults, small businesses, and rural populations, as well as small agricultural businesses.</div><div>2. Collect and analyze data from financial products and credit bureaus to ensure a comprehensive and representative measurement.</div><div>3. Calculate and validate the baseline by determining the Financial Well-being Index (FWI) and validating the results to ensure data accuracy and relevance.</div><div>4. Document and communicate the findings, establishing a clear reference point to serve as the foundation for future measurements and actions focused on enhancing financial well-being.</div></div>
More Information	<div>2.2. Climate Management. TCFD Report 2024 (pg. 496)</div> <div>4. Metrics and Objectives. TCFD Report 2024 (pg. 579)</div>	<div>7.1. Social Financing (pg. 360)</div> <div>7.3. Financial Inclusion (pg. 364)</div> <div>7.5. Financial Education (pg. 386)</div>





### Principle 3

## Clients

*We will engage responsibly with our clients to promote sustainable practices in their lives and develop value-driven solutions that foster prosperity in the countries we serve.*

### Client and Consumer Engagement:

We are committed to acting responsibly toward our clients, promoting sustainable economic practices through innovative products and services, internal policies, and targeted strategies.

We've implemented concrete actions to drive sustainability across key focus areas:

- ▶ **Climate Change: We support our corporate and business clients** in their decarbonization journeys through a comprehensive approach to risk and opportunity management. This

includes promoting sustainable financing and backing projects that contribute to climate change mitigation and adaptation. To help our clients set and meet science-based emissions reduction targets, we periodically measure and update our financed emissions. In parallel, we reinforce our climate commitment by promoting climate engagement-fostering constructive dialogue and proactive collaboration to implement effective emissions reduction strategies. This ensures an orderly, sustainable transition toward a low-carbon economy.

- ▶ **Financial Inclusion and Well-being: For our retail clients,** we contribute to national social goals by helping close inequality gaps, reduce poverty, and boost economic growth and community well-being. We offer products and services tailored to diverse population needs, especially those identified in our differential focus strategies. Our diversified portfolio of non-financial services allows us to connect meaningfully with clients and deliver added value. We train clients and financial consumers to manage their income and expenses effectively, while also building their confidence in the financial tools available to them.

### Links and References

- ▶ *The World is Our Home: Let's Make It More Prosperous, Inclusive, and Green.*
  - ▶ **Appendix 5:** Decarbonization and Climate Engagement Strategy (pg 83)
  - ▶ **Appendix 4:** Davivienda Non-Financial Products (pg. 71)
- ▶ TCFD Report 2024 (pg. 496)
- ▶ Section 7.5: Financial Education and Well-being (pg. 386)



## Business Opportunities

As part of our double materiality assessment in 2023, conducted with our financial planning and risk teams, the following opportunities were identified as highly relevant:

- ▶ Increasing resource efficiency
- ▶ Developing ESG-aligned products and services (e.g., green and social loans)
- ▶ Expanding access to new markets through collaboration with governments, development banks, small local entrepreneurs, and community groups
- ▶ Strengthening resilience to disruptions in supply chain networks and resources
- ▶ Generating long-term sustainable financing

With a strong emphasis on ESG-aligned innovation, and in pursuit of greater market competitiveness and long-term growth, we developed Davivienda's Sustainable Taxonomy. This framework expands the categories, activities, and criteria used to define what qualifies as part

of our sustainable portfolio. The taxonomy includes 10 categories, 25 subcategories, and 134 sustainable activities, offering a structured pathway to identify eligible green, social, or sustainable projects. Its objectives include:

- ▶ Identifying new sustainable financing opportunities
- ▶ Enhancing our sustainable portfolio tracking system
- ▶ Strengthening client engagement
- ▶ Attracting new funding sources to extend benefits to clients and grow the business

We have also issued several thematic bonds, each with a dedicated financing framework and performance indicators:

- ▶ **Green Bond:** We measure environmental benefits from financed projects in terms of avoided emissions, energy savings, water savings, and material efficiency.

- ▶ **Social Bond:** Includes the percentage of SME Women loans relative to total SME lending-used as a core performance indicator.







During COP16 in Cali, Colombia, Davivienda and the International Finance Corporation (IFC) signed a landmark agreement to issue Colombia's first biodiversity bond, approved by the Financial Superintendence of Colombia. The USD 50 million, 4-year bond will finance projects that support biodiversity—such as conservation, sustainable agriculture, water management, circular economy, and clean energy.

The bond's framework includes 6 categories, 12 subcategories, and 48 activities. S&P Global Ratings issued a Second Party Opinion, rating it Medium Green, which reinforces the credibility and positive impact of the bond. This initiative is aligned with Colombia's 2030 Biodiversity Action Plan.

#### Links and References

- ▶ *The World is Our Home: Let's Make It More Prosperous, Inclusive, and Green.*
  - ▶ **Appendix 6:**  
Davivienda Sustainable Taxonomy (pg. 87)
- ▶ *Social Bond Framework*
- ▶ Biodiversity Bond Framework
- ▶ *Green Bond Verification Memorandum*

### Principle 4

## Stakeholders

*We will engage and collaborate proactively and responsibly with key stakeholders to help achieve the goals we've set as a society.*

We strengthen relationships with our stakeholders through inclusive, accessible, and sustainable financial solutions, underpinned by key policies such as The World is Our Home: Let's Make It More Prosperous, Inclusive, and Green, our Code of Ethics, and our Corporate Governance Code.

This approach extends across all key stakeholder groups: shareholders and investors, the Board of Directors, employees, clients, suppliers, strategic partners, industry associations, authorities, communities, and the broader environment. These relationships enable us to promote sustainable practices, drive innovation, and contribute to long-term sustainable development.

For each stakeholder group, we have defined a clear communication protocol, available in the section Dialogue with Our Stakeholders. This section outlines how we engage with each group and the value we aim to deliver.

Additionally, as part of our double materiality process, we consult stakeholders to incorporate their expectations and concerns into the identification of key risks, opportunities, and impacts.

#### Links and References

- ▶ Dialogue with Our Stakeholders (pg. 24)
- ▶ 2.1 Materiality
- ▶ The World is Our Home: Let's Make It More Prosperous, Inclusive, and Green - Internal Policy
  - 2.1 Sustainable Procurement
  - 3.1 Human Rights
- ▶ Participation in Associations and Trade Associations (pg. 20)



## Principle 5

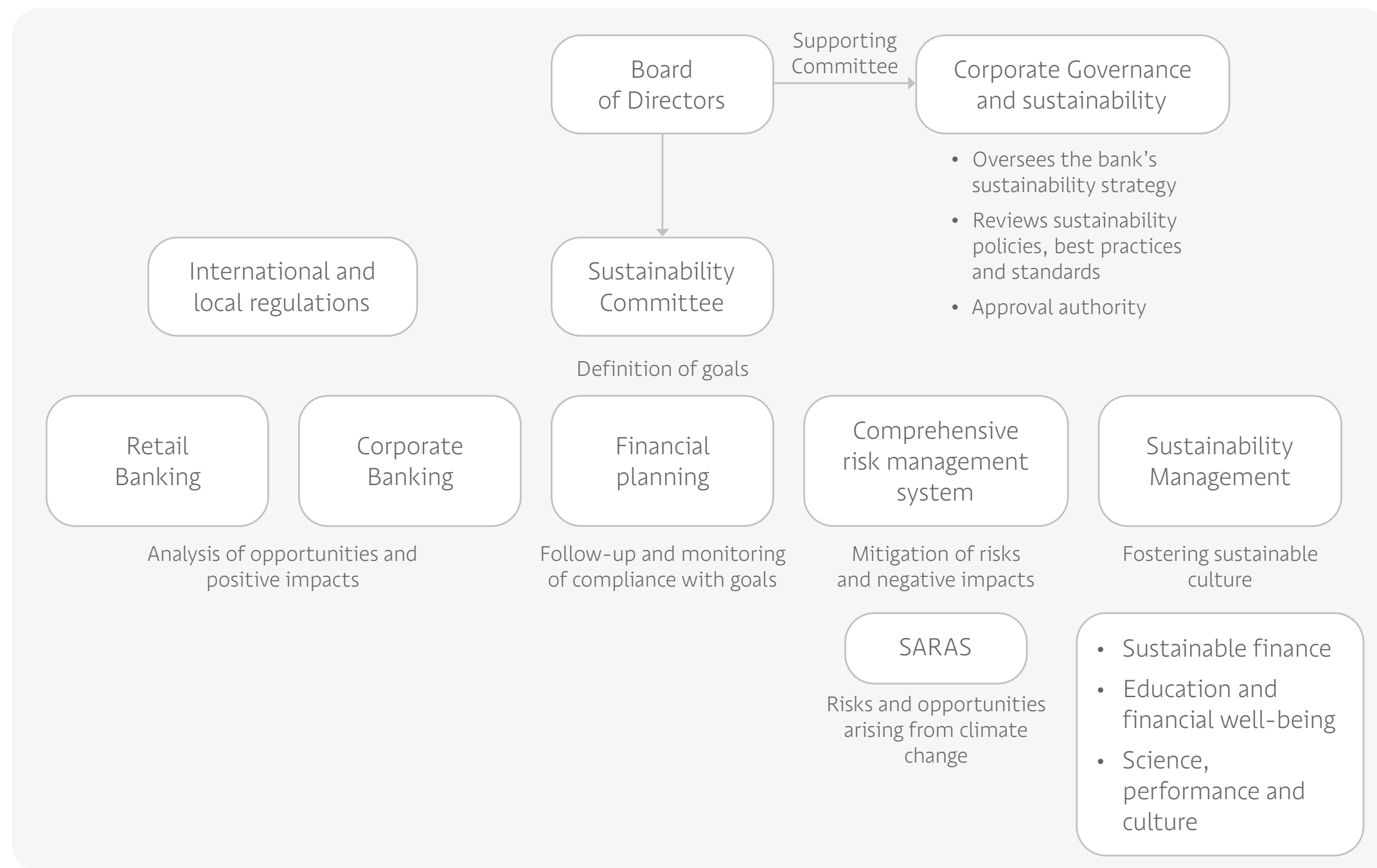
### Governance and Culture

*We are committed to putting these principles into practice through effective governance and a strong culture of responsible banking.*

### Governance Structure for Implementing the Principles

Sustainability governance is led by the Board of Directors, with support from the Corporate Governance and Sustainability Committee, which oversees our sustainable strategy, reviews best practices and standards, and recommends their approval. This governance framework is aligned with both national and international regulations, ensuring a consistent, strategic approach to managing ESG risks and impacts.

Sustainability targets are defined by the Strategic Sustainability Committee and executed across the organization by business line committees, while the Financial Planning and Risk areas monitor progress and compliance.







## Links and References

- ▶ Dialogue with Stakeholders and Sustainable Culture Initiatives (pg. 27)
- ▶ 4.2: Corporate Governance and Structure (pg. 233)
- ▶ TCFD Report 2024 (pg. 496)
- ▶ *Committees Supporting the Board of Directors*

## Promoting a culture of responsible banking

We continue to embed sustainability as a strategic pillar of our organizational culture, driving stronger individual and collective engagement on ESG issues and business objectives across all countries where we operate.

Our Sustainable Culture Unit promotes diverse initiatives aimed at strengthening relationships with our stakeholders through training, awareness, and education—creating shared spaces to advance a world that is more prosperous, inclusive, and green.

**Our people** play a vital role in delivering our sustainable business strategy. Through our corporate university,

Uxplora, we’ve designed a curriculum of 25 courses, training over 6,500 employees in areas such as risk management, finance for biodiversity, nature-based financial solutions, science-based targets, and DEI-related topics like unconscious bias.

We also leverage Workplace, our internal social network, to deliver quick-access content and educational capsules on sustainable finance—helping employees understand how their roles can contribute to addressing climate change and biodiversity loss.

From a business perspective, we support our clients in developing climate mitigation and adaptation projects through awareness and capacity-building efforts.

Within our supply chain, we’ve launched the Supplier Development Program, designed to encourage sustainable best practices among vendors. The program includes training, engagement, and recognition initiatives.

## Links and References

- ▶ Dialogue with Stakeholders and Sustainable Culture Initiatives (pg. 19)
- ▶ *“The World is Our Home: Let’s Make It More Prosperous, Inclusive, and Green” Policy.* (pg. 35)





## Risk, Due Diligence, and Policy Framework

As part of our Integrated Risk Management System, we operate the Environmental and Social Risk Management System (SARAS). This system includes policies and procedures to identify, assess, and manage environmental, social, climate, and human rights risks during the credit assessment process, and to apply due diligence from client onboarding. SARAS policies address thresholds, terms, sensitive activities, and local regulations. They apply to credit evaluations-including Project Finance-for clients in the Corporate, Business, Leasing, and Construction segments. Post-disbursement, we conduct ongoing monitoring of environmental and social risks.

### Links and References

- ▶ 2.3: SASB Indicators - Commercial Banking (FN-CB-410a.2)
- ▶ 4.1.7.2.1.1: SARAS Risk Assessment Results
- ▶ TCFD Report 2024 (pg. 541)
- ▶ ***“The World is Our Home: Let’s Make It More Prosperous, Inclusive, and Green” Policy.***
  - ▶ Appendix 3: ESG Criteria Integration (pg. 93)
  - ▶ 3.1: Environmental and Social Risk Management System - SARAS (pg. 94)

## Principle 6

### Transparency and Accountability

***We are committed to consistently reviewing both our individual and collective implementation of these principles-holding ourselves accountable and remaining transparent about our positive contributions, the challenges we face, and our impact on broader societal goals.***

Beyond this annual year-end report, we provide regular disclosures to leading sustainability benchmarks such as the Dow Jones Best in Class Index and the Carbon Disclosure Project (CDP), and we report annually on our progress in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

All sustainability information in these reports undergoes rigorous external assurance, ensuring its

accuracy, integrity, and reliability. Final approval of the year-end report lies with our Board of Directors, underscoring the strategic importance of our sustainability commitments at the highest level of governance.

This approach reflects not just our obligation-but our unwavering commitment-to full transparency and accountability in delivering on our sustainability agenda.

### Links and References

- ▶ Relevant documents, policies, and reports from previous years are available for consultation at the following link: ***Davivienda Reports***





Appendix 3. GRI table and SDGs

Tabla GRI y ODS

**Statement of Use:** Banco Davivienda S.A. has provided the information cited in this GRI content index for the period from January 1st to December 31st, 2023, using the GRI Standards as a reference.

GRI STANDARD/ OTHER SOURCE	GRI 1		GRI 1: 2021 Standards			
	Material Issue		Location	SDG	SDG Goal	Un-Global Compact Principles
GRI 2: General Disclosures 2022	2-1	Organizational details	Banca Davivienda S.A Headquarters Bogotá, Colombia Av. El Dorado No. 68C-61, Bogotá			
	2-2	Entities included in the organization’s sustainability reporting	About this report.	(Pg. 3)		
	2-3	Reporting period, frequency and contact point	About this report.	(Pg. 3)		
	2-4	Restatements of information	Not applicable.			
	2-5	External assurance	Memorandum of independent re-view. Appendix 3.	(Pg. 662 - 667)		10
	2-6	Activities, value chain and other business relationships	Managing our Value Chain.	(Pg. 294 - 299)		
	2-7	Employees	Human Talent.	(Pgs. 304 - 310)	8	8,5
	2-9	Governance structure and composition	Corporate Governance.	(Pg. 235 - 239)	5, 16	5.5, 16.7

\* Verification includes Banco Davivienda S.A.



GRI STANDARD/ OTHER SOURCE	GRI 1	GRI 1: 2021 Standards				
	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*
GRI 2: General Disclosures 2022	2-10 Nomination and selection of the highest governance body	Corporate Governance.	(Pgs. 243 - 245)	5, 16	5.5, 16.7	
	2-11 Chair of the highest governance body	Corporate Governance.	(Pg. 243)	16	16,6	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance.	(Pgs. 243 - 250)	16	16,7	
	2-13 Delegation of responsibility for managing impacts	Corporate Governance.	(Pgs. 251 - 261)			
	2-14 Role of the highest governance body in sustainability reporting	Corporate Governance This report has been revised and approved by the Board of Directors	(Pgs. 253 - 261)			
	2-15 Conflicts of interest	Corporate Governance. <i>Manual de conflictos de interés y uso de información privilegiada.</i>	16	16,6	10	
	2-16 Communication of critical concerns	Corporate Governance.	(Pgs. 243 - 250)		4, 6	
	2-17 Collective knowledge of the highest governance body	Corporate Governance.	(Pgs. 243 - 250)			
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance.	(Pgs. 243 - 250)			





	GRI 1		GRI 1: 2021 Standards					
GRI STANDARD/ OTHER SOURCE	Material Issue		Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*	
GRI 2: General Disclosures 2022	2-19	Remuneration policies	Corporate Governance.		(Pgs. 262 - 263)		4, 6	
	2-20	Process to determine remuneration	Corporate Governance.		(Pgs. 247, 262, 263)		4, 6	
	2-21	Annual total compensation ratio.	Corporate Governance.		(Pgs. 247, 262, 263)		4, 6	
	2-22	Statement on sustainable development strategy	Sustainable management.					
	2-23	Policy commitments	Human Rights Policy.	16	16,3		10	
	2-24	Embedding policy commitments	Comprehensive risk management.		(Pgs. 311 - 317)			
	2-25	Process to remediate negative impacts	Sustainable management.					
	2-26	Mechanisms for seeking advice and	Corporate Governance Transparency Model.		(Pg. 234) (Pgs. 311 - 317)	16	16,3	2, 10
	2-27	Compliance with laws and regulations	About this report.		(Pg. 3)			
	2-28	Membership associations	Memberships.		(Pgs. 16 - 23)			
	2-29	Approach to stakeholder engagement	Engaging our stakeholders.		(Pgs. 24 - 31)			3, 4
	2-30	Collective bargaining agreements	100% of Da-vivienda’s em-ployees are covered by a collective bargaining agreement.	8		8,8		



	GRI 1		GRI 1: 2021 Standards					
GRI STANDARD/ OTHER SOURCE	Material Issue		Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*	
GRI 3: Disclosures on material topics 2021	3-1	Process to determine material topics	Materiality.		(Pgs. 34 - 45)			
	3-2	List of material topics	Materiality.		(Pgs. 34 - 45)			
	3-3	Management of material topics	Sustainable management.		(Pgs. 34 - 45)			
GRI 201: Direct economic value generated and distributed	201-1	Direct economic value generated and distributed	Financial Report. Appendix 5.	8, 9	8.1, 8.2, 9.1, 9.4, 9.5	6		
	201-2	Financial implications and other risks and opportunities due to climate change	TCFD Report. Appendix 1.	13	13,1			
	201-3	Defined benefit plan obligations and other retirement plans	Human Talent.		(Pgs. 322 - 325)	6		
	201-4	Financial assistance received from government	Financial Report. Appendix 5.					
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Bussines Banking. Sustainable Infrastructure.		(Pgs. 139 - 150) (Pgs. 383 - 385)	5, 9, 11	5.4, 9.1, 9.4, 11.2	6





	GRI 1	GRI 1: 2021 Standards				
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*
GRI 203: Indirect economic impacts	203-2 Significant indirect economic impacts	Materiality.	(Pgs. 34 - 45)	1, 3, 8	1.2, 1.4, 3.8, 8.2, 8.3, 8.5	
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	Managing our Value Chain.	(Pgs. 294 - 199)	8	8,3	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Comprehensive risk management.	(Pgs. 219 - 220)	16	16,5	10
	205-2 Communication and training about anti-corruption policies and procedures	Comprehensive risk management.	(Pgs. 219 - 220)	16	16,5	10
	205-3 Confirmed incidents of corruption and actions taken	Transparency line management. No confirmed incidents of corruption were presented, nor were corrective measures necessary.	(Pgs. )	16	16,5	10 x
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Sustainability related indicators.	(Pg. 70)	16	16,3	10



	GRI 1	GRI 1: 2021 Standards					
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Eco-Efficiency Strategy.	(Pgs. 408 - 418)	8, 12	8.4, 12.2		
	301-2 Recycled input materials used	Eco-Efficiency Strategy.	(Pgs. 408 - 418)	8, 12	9.4, 12.2, 12.4		
	301-3 Reclaimed products and their packaging materials	Eco-Efficiency Strategy.	(Pgs. 408 - 418)	8, 12	8.4, 12.2, 12.4		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Eco-Efficiency Strategy.	(Pgs. 622 - 624)	7, 8, 12, 13	7.2, 7.3, 8.4, 12.2, 13.1	7, 8, 9	x
	302-3 Energy intensit	Eco-Efficiency Strategy.	(Pgs. 622 - 624)	7, 8, 12, 13	7.3, 8.4, 12.12, 13.1	7, 8, 9	
	302-4 Reduction of energy consumption	Eco-Efficiency Strategy.	(Pgs. 622 - 624)	7, 8, 12, 13	7.3, 8.4, 12.2, 13.1	7, 8, 9	x
	302-5 Reductions in energy requirements of products and services	Eco-Efficiency Strategy.	(Pgs. 622 - 624)	7, 8, 12, 13	7.3, 8.4, 12.2, 13.1	7, 8, 9	
GRI 303: Water end effluents 2018	303-1 Interactions with water as a shared resource	Eco-Efficiency Strategy.	(Pgs. 409 - 410)	6, 12	6.3, 6.4, 6.a, 6.b, 12.4	7, 8, 9	
	303-5 Water consumption	Eco-Efficiency Strategy.	(Pgs. 409 - 410)	6	6,4	7, 8, 9	x





	GRI 1	GRI 1: 2021 Standards					
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Eco-Efficiency Strategy.	(Pgs. 579 - 581)	3, 12, 13, 14, 15	3.9, 12.4, 13.1, 14.3, 15.2	7, 8, 9	x
	305-2 Energy indirect (Scope 2) GHG emissions	Eco-Efficiency Strategy.	(Pgs. 579 - 581)	3, 12, 13, 14, 15	3.9, 12.4, 13.1, 14.3, 15.2	7, 8, 9	x
	305-3 Other indirect (Scope 3) GHG emissions	Eco-Efficiency Strategy. TCFD Report. Appendix 1.	(Pgs. 579 - 581)	3, 12, 13, 14, 15	3.9, 12.4, 13.1, 14.3, 15.2	7, 8, 9	x
	305-4 Intensity of GHG emissions	Eco-Efficiency Strategy.	(Pg. 395)	13, 14, 15	13.1, 14.3, 15.2	7, 8, 9	
	305-5 Reduction of GHG emissions	Eco-Efficiency Strategy.	(Pg. 613)	13, 14, 15	13.1, 14.3, 15.2	7, 8, 9	x
GRI 306: Residues 2020	306-2 Management of significant wasterelated impacts	Eco-Efficiency Strategy.	(Pgs. 412 - 414)	3, 6, 8, 11, 12	3.9, 6.3, 8.4, 11.2, 11.6, 12.4, 12.5,	7, 8, 9	
	306-3 Waste generated	Eco-Efficiency Strategy.	(Pgs. 412 - 414)	3, 11, 12	3.9, 11.6, 12.4, 12.5	7, 8, 9	x



	GRI 1	GRI 1: 2021 Standards					
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*	
GRI 306: Residues 2020	306-4 Waste diverted from disposal	Eco-Efficiency Strategy.	(Pgs. 412 - 414)	3, 12	3.9, 12.4	7, 8, 9	x
	306-5 Waste directed to disposal	Eco-Efficiency Strategy.	(Pgs. 412 - 414)	6, 14, 15	6.6, 14.2, 15.1, 15.5	7, 8, 9	x
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria New suppliers that were screened using environmental criteria	Managing our Value Chain.	(Pgs. 294 - 299)				
	308-2 Negative environmental impacts in the supply chain and actions taken	Eco-Efficiency Strategy.	(Pgs. 294 - 299)				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Talent.	(Pgs. 304 - 310)	5, 8, 10	5.1, 8.5, 8.6, 10.3	4, 5, 6	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Talent.	(Pgs. 322 - 328)	3, 5, 8	3.2, 5.4, 8.5		
	401-3 Parental leave	Maternity and paternity leave with greater bene-fits.	(Pg. 328)	5, 8	5.1, 5.4, 8.5		





	GRI 1	GRI 1: 2021 Standards				
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Occupational health and safety management system. (Pgs. 346 - 352)	8	8,8		
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational health and safety management system. (Pgs. 346 - 352)	8	8,8		
	403-3 Occupational health services	Occupational health and safety management system. (Pgs. 346 - 352)	8	8,8		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational health and safety management system. (Pgs. 346 - 352)	8, 16	8.8, 16.7		
	403-5 Worker training on occupational health and safety	Occupational health and safety management system. (Pgs. 346 - 352)	8	8,8		
	403-6 Promotion of worker health	Occupational health and safety management system. (Pgs. 346 - 352)	3	3.3, 3.5, 3.7, 3.8		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational health and safety management system. (Pgs. 346 - 352)	8	8,8		
	403-8 Workers covered by an occupational health and safety management system	Occupational health and safety management system. (Pgs. 346 - 352)	8	8,8		



	GRI 1	GRI 1: 2021 Standards				
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Occupational health and safety management sys-tem. (Pgs. 346 - 352)  GRI 403-9 indicator <i>b</i> is omitted for the reason that it is not applicable, since Banco Davivienda does not have workers who are not employees of the organization and whose work or place of work is not controlled by the bank.	3, 8, 16	3.6, 3.9, 8.8, 16.1		x
	403-10 Work-related ill health	Occupational health and safety management sys-tem. (Pgs. 346 - 352)	3, 8, 16	3.4, 3.9, 8.8, 16.1		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Human Talent. (Pg. 331)	4, 5, 8, 10	4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3		
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Talent. (Pgs. 331 - 339)	8	8.2, 8.5		
	404-3 Percentage of employees receiving regular performance and career development reviews	Human Talent. (Pg. 340)	5, 8, 10	5.1, 8.5, 10.3		





	GRI 1	GRI 1: 2021 Standards				
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Human Talent. Corporate Governance.	(Pg. 307) (Pg. 244)	5, 8	5.1, 5.5, 8.5	x
<b>GRI 406: Non discrimination</b>	406-1 Incidents of discrimination and corrective actions taken	Human Talent.	(Pgs. 313 - 316)	5, 8	5.1, 8.8	
<b>GRI 408: Child Labor</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	Managing our Value Chain. Human Rights.	(Pgs. 294 - 299) (Pgs. 354 - 357)	5, 8, 16	5.1, 8.7, 16.2	
<b>GRI 409: Forced or Compulsory Labor</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Managing our Value Chain. Human Rights.	(Pgs. 294 -299) (Pgs. 354 - 357)	5, 7	5.1, 8.7	
<b>GRI 410: Prácticas en materia de seguridad 2016</b>	410-1 Security personnel trained in human rights policies or procedures	Human Rights.	(Pgs. 354 - 357)	16	16,1	2
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Corporate Citizenship.	(Pgs. 391 - 392)			



	GRI 1	GRI 1: 2021 Standards				
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	Managing our Value Chain.	(Pgs. 294 -299)	5, 8, 16	5.2, 8.8, 16.1	2,4,5,6
GRI 415: Public Policy	415-1 Political contributions	Donations and contributions.	(Pg. 671)	16	16,5	
Financial Services Sector Supplement	Sustainable financing. FS4. Process for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	Sustainable Finance.	(Pg. 202)			
	Sustainable financing. FS7. Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Social financing.	(Pgs. 360 - 363)			
	Sustainable financing. FS8. Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	Green financing.	(Pgs. 396 - 405)			x
	Sustainable financing. FS13. Access points in low-populated or economically disadvantaged areas by type	Our Commitment to Financial Access. (Pg. 56)				x





	GRI 1	GRI 1: 2021 Standards				
GRI STANDARD/ OTHER SOURCE	Material Issue	Location	SDG	SDG Goal	Un-Global Compact Principles	External Verification*
Financial Services Sector Supplement	Sustainable financing. FS14. Initiatives to improve access to financial services for disadvantaged people.	Service.		(Pgs. 291 - 292)		
	Sustainable financing. DAV.1. Skills management programs that foster product and services development and improvement.	Sustainable Finance.		(Pgs. 338 - 343)		
	Sustainable financing. DAV.2. New products and services through digital channels	Digital Transformation.		(Pgs. 121 - 122)		
	Corporate Governance. DAV.3. How often does the Board of Directors monitor the Sustainability strategy	Twice a year.				
	Corporate Governance. DAV.4. Claims regarding non-compliance with the Bank's Code of Good Governance	Corporate Governance.		(Pgs. 311 - 317)		
	Corporate Governance. DAV.5. Risk management results	Comprehensive risk management.		(Pgs. 176 - 232)		
	Corporate Governance. DAV.6. Survey results measuring customer satisfaction.	Service.		(Pg. 288)		
	Sustainable funding. DAV.27. Use of Funds linked to the Social Bonus	Our commitment to funding projects for the benefit of women.		(Pgs. 378 - 382)		



A3.1.1 Aclaraciones estándar GRI indicadores Ecoeficiencia

Indicator	Detail	Response
General	General Details	<ul style="list-style-type: none"><li>▶ Baseline corresponds to 2022 as it is a year when the Bank returns to its normal operation after the Covid-19 pandemic.</li><li>▶ The greenhouse gas emissions inventory (Scope 1, 2 and 3) is carried out through the Greenhouse Gas Protocol with an operational control consolidation approach.</li><li>▶ The variations are calculated according to the following formula: (Current Year - Baseline) / Baseline</li></ul>
	Energy consumption within the organization.	<ul style="list-style-type: none"><li>▶ The consolidation of information on energy purchased from the grid is done through a partner that manages the organization's public services, using software that collects and consolidates energy consumption data from the invoices of each service provider for each facility using bots.</li><li>▶ The total energy reported corresponds to the consumption of the facilities in general, since there is no detailed information on consumption by electricity, refrigeration consumption, among others.</li><li>▶ It is clarified that the organization does not sell energy. The reporting of electricity, heating, steam and/or refrigeration sold does not proceed since it is not part of the Bank's activity.</li><li>▶ The conversion of Megawatt-hour (MWh) consumption = 1000 kWh.</li><li>▶ The energy generated from the solar panels is consolidated and monitored through the Fronius Solar Web platform, where the energy generation in real time for each installation is found.</li><li>▶ Renewable energy certificates are purchased for the electrical consumption of the headquarters of the national interconnected system. No certificates are purchased for the locations on the island of San Andrés.</li><li>▶ The reporting of renewable fuels for power generation does not proceed because non-renewable fuels are used.</li></ul>





Indicator	Detail	Response
GRI 302-1	Energy consumption within the organization.	<p>To convert gallons of fuel used in electric generators to kWh, the following procedure is performed:</p> <ul style="list-style-type: none"><li>▶ Gallons are converted to liters by multiplying the value by 3.785</li><li>▶ Once the liters are obtained, it must be divided by the density established by the UPME either for Diesel B2 (0.852 kg/l), Gasoline (0.740 kg/l), Palm Biodiesel (0.8751 kg/l), Anhydrous Bioethanol (0.8208 kg/l). This operation will allow us to obtain the value in kg</li><li>▶ To obtain the energy value in MJ, the kg are multiplied by the calorific value issued by the UPME either for Diesel B2 (42.4 MJ/kg), Gasoline (45.3 MJ/kg), Palm Biodiesel (37.9 MJ/kg), Anhydrous Bioethanol (22.4 MJ/kg) and by the efficiency of Diesel and gasoline which is 30%</li><li>▶ Finally, to obtain the energy in kWh it is divided by the conversion factor which is 3.6</li></ul>
GRI 302-4	Energy consumption reduction	<ul style="list-style-type: none"><li>▶ The reduction in electrical energy is associated with the consumption of the national interconnected system; the quantification of the reduction is based on the comparison of the current period with the 2022 baseline.</li><li>▶ The total energy reductions reported correspond to the consumption of the facilities in general; electricity consumption, refrigeration consumption, among others, are included.</li></ul>
GRI 303-3/ 303-5	Water consumption	<ul style="list-style-type: none"><li>▶ The consolidation of water consumption information is done through a partner that manages the organization's public services, through software that uses bots to collect and consolidate water consumption from the invoices of each service provider for each facility.</li><li>▶ It is clarified that due to the fact that the source of water for the operation of the Bank's facilities is from the Aqueduct, the report is not applicable and there is no detail of consumption by water stressed areas.</li><li>▶ The method of converting the volume of water consumed is carried out by calculating the equivalence between the amount of m3 in megaliters, 1000m3 correspond to 1 megaliter.</li><li>▶ There has been no change in water storage and this does not generate an impact on the report made.</li></ul>



Indicator	Detail	Response
GRI 305-1	CO <sub>2</sub> emissions Scope 1	<ul style="list-style-type: none"><li>▶ Quantification of CO<sub>2</sub> emissions from biogenic sources from the combustion of the percentage of biomass (biofuel) contained in the fuel used in power plants, 0.029 Ton CO<sub>2</sub>e.</li><li>▶ The sources of the emission factors come from FECOC, IPCC 2006, GWP - IPCC Fifth Assessment Report AR6.</li><li>▶ Emission factors used:</li><li>▶ Diesel or ACPM (Without biodiesel blend): CO<sub>2</sub>: 10.148 KgCO<sub>2</sub>e/gal, CH<sub>4</sub>: 0.0014 KgCO<sub>2</sub>e/gal, N<sub>2</sub>O: 0.000082 KgCO<sub>2</sub>e/gal.</li><li>▶ Motor Gasoline (Without bioethanol blend) CO<sub>2</sub>: 8.808 KgCO<sub>2</sub>e/gal, CH<sub>4</sub>: 0.0012 KgCO<sub>2</sub>e/gal, N<sub>2</sub>O: 0.000076 KgCO<sub>2</sub>e/gal.</li><li>▶ Palm biodiesel: CH<sub>4</sub>: 0.0013 KgCO<sub>2</sub>e/gal, N<sub>2</sub>O: 0.000075 KgCO<sub>2</sub>e/gal.</li><li>▶ Anhydrous bioethanol: CH<sub>4</sub>: 0.0007 KgCO<sub>2</sub>e/gal, N<sub>2</sub>O: 0.000042 KgCO<sub>2</sub>e/gal.</li><li>▶ Refrigerants: R410A: 2,255.5 kgCO<sub>2</sub>e/kg, R22: 1,960 kgCO<sub>2</sub>e/kg.</li><li>▶ GWP Extinguishers: CO<sub>2</sub>: 1, HCFC 123: 90.4.</li></ul>
GRI 305-2	CO <sub>2</sub> emissions Scope 2	<ul style="list-style-type: none"><li>▶ The Bank quantifies the reductions of its emissions based on the two Location-based and Market-based methods.</li><li>▶ Emission factor 2023 of the national interconnected system issued by XM is: 0.177 TonCO<sub>2</sub>e/MWh, FE for clean electricity consumption: 0 TonCO<sub>2</sub>e/MWh.</li></ul>
GRI 305-3	CO <sub>2</sub> emissions Scope 3	<p>The sources of the FE for the different categories measured in scope 3 under the GHG Protocol are described below:</p> <ol style="list-style-type: none"><li>1. Purchased goods and services: Paper 0.9105 kgCO<sub>2</sub>e/ kg, recycled PVC plastic cards 0.007 kgCO<sub>2</sub>e/unit, PVC plastic cards 0.018 kg CO<sub>2</sub>e/unit, toner 12.472 kgCO<sub>2</sub>e/kg, other purchased goods U.S. Environmental Protection Agency.</li><li>2. Capital goods source: U.S. Environmental Protection Agency.</li><li>3. Upstream fuel and energy: extraction, refining and transport of Diesel 0.30 kgCO<sub>2</sub>e/Gal, extraction, refining and transport of gasoline 0.23 kgCO<sub>2</sub>e /Gal.</li><li>4. Upstream transport source: U.S. Environmental Protection Agency.</li></ol>





Indicator	Detail	Response
GRI 305-3	CO <sub>2</sub> emissions Scope 3	5. Waste generation: hazardous incineration 2.52 kgCO <sub>2</sub> e/kg, non-hazardous incineration 0.52 kg CO <sub>2</sub> e/kg, landfill 0.55 kg CO <sub>2</sub> e/kg, safety cell 0.22 kgCO <sub>2</sub> e/kg, composting 0.10 kgCO <sub>2</sub> e/kg.
		6. Downstream transport FE used for scope 1, for air travel there is no emission factor because the result of the emissions is taken directly from the ICAO website
		7. Employee displacement 8.29E-02 kgCO <sub>2</sub> e/working day
		9. Downstream transport source: U.S. Environmental Protection Agency.
		11. Use of sold products 0.002 kgCO <sub>2</sub> e/ transaction
		12. End-of-life treatment of sold products 0.55 kgCO <sub>2</sub> e/ kg
		13. Downstream leased assets 0.1728 kg CO <sub>2</sub> e / kWh
GRI 305-5	Waste reduction	<div><div></div>Reduction for each of the gases with respect to the baseline is not contemplated because the methodology for the emissions inventory according to the Greenhouse Protocol was implemented starting in 2021.</div> <div><div></div>The reductions are quantified taking into account the clean energy consumed by the market based and location based methods.</div>
GRI 306-3	Generated waste	The information is consolidated and validated monthly according to the reports and certificates of disposal and/or use of waste management partners at the national level, taking into account compliance with current environmental regulations.
GRI 306-4	Waste diverted from disposal	The waste diverted from disposal is used through processes such as: recycling, composting, reuse or donation.
GRI 306-5	Waste directed to disposal	The waste destined for disposal is sent to a sanitary landfill, security cell, wastewater treatment plant, or incineration (without energy recovery).



## A3.2 Sustainability Accounting Standards Board (SASB)

Estándar de banca comercial				
Topic	Code	Metric	Location	Indicator within Deloitte's scope
Data Security	FN-CB-230a.1	(1) Number of data breach-es, (2) percentage involving personally identifiable infor-mation (PII), (3) number of account holders affected	Pg. 58	x
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks	Pg. 58 Information security and cybersecurity	
Financial Inclusion & Capacity Building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding quali-fied to programs designed to promote small business and community develop-ment	Pg. 59	
	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to pro-mote small business and community development	Pg. 59	
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Pg. 59	
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, un-derbanked, or underserved customers	Pg. 60 Financial Education	





Estándar de banca comercial				
Topic	Code	Metric	Location	Indicator within Deloitte's scope
<b>Incorporation of Environmental, Social, and Governance Factors in Credit Analysis</b>	FN-CB-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	Pgs. 60 - 65 TCFD Report Appendix 1	Information related to metrics is included::  1, 2, 3, 4, 5, 6, 7, 8, 9, 11
<b>Financed Emissions</b>	FN-CB-410b.1	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3	Pg. 65 - 66	x
	FN-CB-410b.2	Gross exposure for each industry by asset class	Pg. 67 - 68	x
	FN-CB-410b.3	Percentage of gross exposure included in the financed emissions calculation	Pg. 69	x
	FN-CB-410b.4	Description of the methodology used to calculate financed emissions	Pg. 70	x
<b>Business Ethics</b>	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Pg. 70	x
	FN-CB-510a.2	Description of whistleblower policies and procedures	Pgs. 70 -72 Transparency Model Pgs. 311 - 317	x



Estándar de banca comercial				
Topic	Code	Metric	Location	Indicator within Deloitte's scope
Systemic Risk Management	FN-CB-550a.1	Global Systemically Im-portant Bank (G-SIB) score, by category	Pg. 72	
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital ad-equacy planning, long-term corporate strategy, and other business activities	Pg. 73 Stress tests Pg. 187	
Activity Metrics	FN-CB-000.A	(1) Number and (2) value of checking and savings ac-counts by segment: (a) personal and (b) small business	Financial results	
	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) per-sonal, (b) small business, and (c) corporate	Financial results	





A3.3 Principles For Responsible Investment Alignment

Capítulo	Sección	Ítem	Ubicación
Policy, Government and strategy	Stewardship	Stewardship general goal	Responsible investments Pgs. 159 - 161
	Policy	Percentage covered by the policy in the general investment approach for the portfolio and by asset type	Responsible investment policy
	Roles and responsibilities	Oversight and accountability over elements of Investment in Stewardship, climate and human rights related commitments and progress policy	Responsible investment policy Responsible investment Pgs. 159 - 161
	Reports and disclosure	Public disclosure of changes in Responsible Investment policies or governance.	Responsible investments Pgs. 159 - 161
	Sustainability results	Identification of planned and unplanned sustainability results	Responsible investments Pgs. 159 - 161
Fixed income and Variable income	Global material focus	Formal investment process to identify and incorporate ESG factors	Responsible investments Policy
	ESG Incorporation	A framework that differentiates ESG risks by issuing country, region and/or sector.	Responsible investments Policy Responsible investments Pgs. 159 - 161
	Gestión de Riesgos	Incorporación de los factores ESG materiales en el proceso de gestión de riesgos del portafolio	Responsible investments Policy



## Appendix 4. Independent Review Memorandum

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### LIMITED ASSURANCE REPORT ON THE INFORMATION SUBJECT TO ASSURANCE INCLUDED IN THE PERIODIC REPORT FOR THE YEAR ENDED 2024 OF BANCO DAVIVIENDA S.A.

To the Board of Directors of Banco Davivienda S.A.

*Limited Assurance report on the information subject to assurance included in the Periodic Report for the year ended 2024 of Banco Davivienda S.A.*

We have carried out limited assurance engagement on the selected information detailed in Annex A (hereinafter, information subject to assurance), included in the periodic report for the year ended 2024 of Banco Davivienda S.A., for the year ended December 31, 2024. This assurance engagement was conducted by a multidisciplinary team that includes assurance professionals and sustainability specialists.

Our limited Assurance engagement was performed only in relation to the selected indicators included in Annex A. Our assurance report does not extend to prior period information or other information included in the Periodic Report for the year ended 2024, or other information related to such report that may contain images, audio or video.

#### Criteria

The criteria used by the management of Banco Davivienda S.A. to prepare the information subject to assurance included in the Periodic Report for the year 2024 were established in accordance with the Global Reporting Initiative Standards (GRI), the GRI financial services sector supplement and the Sustainability Accounting Standards Board Standards (SASB).

Management's responsibilities for the information subject to assurance included in the periodic report for the year ended 2024 of Banco Davivienda S.A.

Management is responsible for the preparation of the information subject to assurance included in the periodic report for the year ended 2024 of Banco Davivienda S.A. in accordance with the criteria established in the GRI Standards, the GRI Financial Services Sector Supplement and the Sustainability Accounting Standards Board Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of the assurance information that is free from material error, whether due to fraud or error.

#### Inherent limitations of the assurance engagement

The selected sustainability information is subject to inherent uncertainty due to the use of non-financial information which is subject to greater inherent limitations than financial information given the nature of the methods used to determine, calculate, sample or estimate such information. Management makes qualitative interpretations about the relevance, materiality and accuracy of information that are subject to assumptions and judgments.

Deloitte se refiere a una o más entidades de Deloitte Touche Tohmatsu Limited ("DTTL"), su red global de firmas miembro y sus sociedades afiliadas a una firma miembro (en adelante "Entidades Relacionadas") (colectivamente, la "organización Deloitte"). DTTL (también denominada como "Deloitte Global") así como cada una de sus firmas miembro y sus Entidades Relacionadas son entidades legalmente separadas e independientes, que no pueden obligarse ni vincularse entre sí con respecto a terceros. DTTL y cada firma miembro de DTTL y su Entidad Relacionada es responsable únicamente de sus propios actos y omisiones, y no de los de las demás. DTTL no provee servicios a clientes. Consulte [www.deloitte.com/co/conozcanos](http://www.deloitte.com/co/conozcanos) para obtener más información.



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#### Our independence and Quality Control

We have complied with the ethical and independence requirements of the professional Code of Ethics for Public Accountants issued by the International Ethics Standard Board for Accountants (IESBA), which is based on the principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the International Standard on Quality Management ("ISQM") 1 and, therefore, maintains a comprehensive quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards and applicable law and regulatory requirements.

#### Responsibility of independent professionals

Our responsibility is to express a limited assurance conclusion on the sustainability report based on the procedures we have conducted and the evidence we have obtained. We carry out our limited assurance work in accordance with the International Standard for Assurance Engagement, other than audits or reviews of historical financial information ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IASSB). This standard requires planning and conducting work to obtain limited assurance about whether selected information of Periodic Report for the year ended 2024 is free from material error.

The procedures we performed were based on our professional judgment and included inquiries, observation of the processes performed, inspection of documents, analytical procedures, assessment of the adequacy of quantification methods and reporting policies, and agreement or reconciliation with underlying records.

Given the circumstances of the engagement, we have carried out the following procedures:

- Through inquiries, we obtained an understanding of the control environment and relevant information systems of Banco Davivienda S.A., but we did not evaluate the design of the particular control activities or obtain evidence on their implementation, nor did we test their operational effectiveness.
- Understanding of the tools used to generate, aggregate and report the information subject to assurance through inquiries with those responsible for the related process.
- Substantive testing on selective random basis of assurance information developed by management to determine standards and indicators and corroborate that data have been measured, recorded, collected and reported appropriately through:
  - Inspection of policies and procedures established by the Bank.
  - Inspection of supporting documents of internal and external origin
  - Recalculations
  - Comparison of the contents presented by the Administration with those established in the criteria section of this report.

Annex A details the subject matter of the assurance engagement included in the scope of our work.

Our limited assurance engagement was made only with respect to the selected indicators included in Annex A, for the year ended December 31, 2024; and we have not conducted any procedures with respect to prior years, projections and future goals, or any other items included in the Periodic Report for the year ended December 31, 2024, and therefore do not express a conclusion thereon.







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Limited assurance work involves assessing the appropriateness, in the circumstances, of the company's use of the criteria as a basis for preparation of the Periodic Report for the year ended 2024; assess all risks of material errors in reporting information subject to assurance due to fraud or error; responding to assessed risks as necessary in the circumstances; and evaluating the overall presentation of the Periodic Report for the year ended 2024. The scope of limited assurance engagement is substantially less than that of reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, as well as procedures performed in response to assessed risks. Therefore, we do not express a reasonable assurance conclusion as to whether the company's sustainability information has been prepared in all material respects, in accordance with the provisions of the criteria section of this report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion of limited assurance.

**Conclusion of Limited Assurance**

Based on the work carried out described in this report, the procedures performed, and the evidence obtained, nothing has come to our attention that causes us to believe that the information subject to assurance included in Annex A about the Periodic Report of Banco Davivienda S.A., for the year ended December 31, 2024, have not complied in all material aspects, in accordance with the Criteria section of this report.

**Restriction of Use of Report**

Our report is issued solely for the purpose set forth in the first paragraph and should not be used for any other purpose or distributed to other parties on its own. this report refers only to the matters mentioned in the preceding sections and to the sustainability and identified information and does not extend to any other financial and non-financial information included in the Periodic Report for the year ended 2024 of Banco Davivienda S.A. for the year ended December 31, 2024, nor to its financial statements, taken as a whole.

  
**JUAN DAVID LÓPEZ MONTOYA**  
Partner Audit & Assurance.

Bogotá, March 19, 2025



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**Annex A**

The following are the GRI Standards, the GRI Financial Services Sector Supplement and the Sustainability Accounting Standards Board Standards, defined by the Company's Management as the information subject to limited assurance.

Financial Sector Sector Supplement	Description
GRI FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.
GRI FS13	Access points in low-populated or economically disadvantaged areas by type.

SASB Sustainable Industry Classification System FN-CB	Description
FN-CB-230a.1	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected.
FN-CB-410a.2	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis
FN-CB-410b.1	Absolute gross financed emissions, disaggregated by (1) Scope 1, (2) Scope 2 and (3) Scope 3
FN-CB-410b.2	Gross exposure for each industry by asset class.
FN-CB-410b.3	Percentage of gross exposure included in the financed emissions calculation.
FN-CB-410b.4	Description of the methodology used to calculate financed emissions.
FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anticompetitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations.
FN-CB-510a.2	Description of whistleblower policies and procedures

GRI Standard	Description
GRI 205-3	Confirmed incidents of corruption and actions taken
GRI 403-9	Work-related injuries
GRI 405-1	Diversity of governance bodies and employees
GRI 302-1	Energy consumption within the organization
GRI 302-4	Reduction of energy consumption
GRI 303-5	Water consumption
GRI 305-1	Direct (Scope 1) GHG emissions
GRI 305-2	Energy indirect (Scope 2) GHG emissions





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GRI Standard	Description
GRI 305-3	Other indirect (Scope 3) GHG emissions
GRI 305-5	Reduction of GHG emissions
GRI 306-3	Waste generated
GRI 306-4	Waste diverted from disposal
GRI 306-5	Waste directed to disposal







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## LIMITED ASSURANCE REPORT ON BOND FRAMEWORK'S SELECTED INDICATORS FOR THE ISSUANCE OF A GENDER FOCUSED SOCIAL BOND INCLUDED IN THE PERIODIC REPORT FOR THE YEAR ENDED 2024

To the Board Director of Banco Davivienda S.A.

*Limited Assurance report on Bond Framework's selected indicators for the Issuance of a Gender Focused Social Bond included in the Periodic Report for the year ended 2024*

We have carried out limited assurance engagement on the selected indicators included in the Periodic Report for the year 2024 detailed in Annex B (hereinafter the subject matter of the assurance engagement) of Banco Davivienda S.A., for the year ended December 31, 2024. This assurance engagement was conducted by a multidisciplinary team that includes assurance and sustainability professionals.

Our limited assurance engagement was performed only in relation to the selected indicators related to the Gender Bond included in Annex B. Our assurance report does not extend to prior period information or other information included in the Periodic Report for the year ended 2024, or other information related to such report that may contain images, audio or video.

### Criteria

The criteria used by the management of Banco Davivienda S.A. to prepare the information subject to assurance included in the Periodic Report for the year 2024 were established in Banco Davivienda's framework for the issuance of a social bond with a gender perspective considering the concepts, requirements and principles related to the post-issuance of Banco Davivienda's Gender Bond, which are detailed in Annex A attached.

### Management's responsibilities for the information subject to assurance included in the Gender Bond Management Report Davivienda 2024

Management is responsible for the preparation of the selected indicators included in Periodic Report for the year 2024 in accordance with the criteria established in Banco Davivienda's framework for the issuance of a gender sensitive social bond. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of assurance information that is free from material misstatement, whether due to fraud or error.

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### Inherent limitations of the assurance engagement

The selected sustainability information is subject to inherent uncertainty due to the use of non-financial information which is subject to greater inherent limitations than financial information given the nature of the methods used to determine, calculate, sample or estimate such information. In preparing the selected information the entity makes qualitative interpretations about the relevance, materiality and accuracy of the information that are subject to assumptions and judgments.

### Our Independence and Quality Control

We have complied with the ethical and independence requirements of the professional Code of Ethics for Public Accountants issued by the International Ethics Standard Board for Accountants (IESBA), which is based on the principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the International Standard on Quality Management ("ISQM") 1 and, therefore, maintains a comprehensive quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards and applicable law and regulatory requirements.

### Responsibility of independent professionals

Our responsibility is to express a limited assurance conclusion on the sustainability report based on the procedures we have conducted and the evidence we have obtained. We carry out our limited assurance work in accordance with the International Standard for Assurance Engagement, other than audits or reviews of historical financial information ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IASSB). This standard requires planning and conducting work to obtain limited assurance about whether selected Periodic Report for the year ended 2024 information is free from material error.

The procedures we performed were based on our professional judgment and included inquiries, observation of the processes performed, inspection of documents, analytical procedures, assessment of the adequacy of quantification methods and reporting policies, and agreement or reconciliation with underlying records.

Given the circumstances of the engagement, we have carried out the following procedures:

- Obtain an understanding of the requirements set out in the Framework for the issuance of a social bond with a gender perspective.
- Interviewed members of management of the Company responsible for processes, related to evaluation and selection of eligible projects.
- Understand the process of the company to monitor use of proceeds for each eligible project including, review of calculation methodology, supporting documentation and scrutiny of information sources.
- Through inquiries, we obtained an understanding of control environment and relevant information systems of Banco Davivienda S.A., but we did not evaluate the design of specific control activities or obtain evidence on their implementation, nor did we test their operating effectiveness.
- Understanding of the tools used to generate, aggregate and report non-financial information through inquiries with those responsible for related processes.
- Substantive testing on a selective random basis of sustainability information indicated by the company, to determine the standards and indicators subject to limited assurance and corroborate that the data have been measured, recorded, collected and reported appropriately through:





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- i. Inspection of policies and procedures established by the Company.
- ii. Inspection of supporting documents of internal and external origin.
- iii. Recalculations.
- iv. Comparisons of the contents presented by the Administration with those established in the criteria section of this report.

Annex B details the subject matter of the assurance engagement included in the scope of our work.

Our limited assurance engagement was made only with respect to the selected indicators included in Annex A, for the year ended December 31, 2024; and we have not conducted any procedures with respect to prior years, projections and future goals, or any other items included in the Periodic Report for the year ended December 31, 2024, and therefore do not express a conclusion thereon.

Limited assurance work involves assessing the appropriateness, in the circumstances, of the company's use of the criteria as a basis for preparation of the Periodic Report for the year 2024; assess all risks of material errors in reporting information subject to assurance due to fraud or error; responding to assessed risks as necessary in the circumstances; and evaluating the overall presentation of the Periodic Report for the year 2024. The scope of limited assurance engagement is substantially less than that of reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, as well as procedures performed in response to assessed risks. Therefore, we do not express a reasonable assurance conclusion as to whether the company's sustainability information has been prepared in all material respects, in accordance with the provisions of the criteria section of this report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion of limited assurance.

**Conclusion of Limited Assurance**

Based on the work carried out described in this report, the procedures performed, and the evidence obtained, nothing has come to our attention that causes us to believe that the information subject to assurance included in Annex B Periodic Report for the year 2024 of Banco Davivienda S.A., for the year ended December 31, 2024, have not complied in all material aspects, in accordance with the Criteria section of this report.

**Restriction of Use of Report**

Our report is issued solely for the purpose set forth in the first paragraph and should not be used for any other purpose or distributed to other parties on its own. This report refers only to the matters mentioned in the preceding sections and to the sustainability and identified information and does not extend to any other financial and non-financial information included in the Periodic Report for the year 2024 of Banco Davivienda S.A. for the year ended December 31, 2024, nor to its financial statements, taken as a whole.

JUAN DAVID LÓPEZ M.  
Partner

Bogotá, March 19, 2025

**Deloitte.****Inherent limitations of the assurance engagement**

The selected sustainability information is subject to inherent uncertainty due to the use of non-financial information which is subject to greater inherent limitations than financial information given the nature of the methods used to determine, calculate, sample or estimate such information. In preparing the selected information the entity makes qualitative interpretations about the relevance, materiality and accuracy of the information that are subject to assumptions and judgments.

**Our Independence and Quality Control**

We have complied with the ethical and independence requirements of the professional Code of Ethics for Public Accountants issued by the International Ethics Standard Board for Accountants (IESBA), which is based on the principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the International Standard on Quality Management ("ISQM") 1 and, therefore, maintains a comprehensive quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards and applicable law and regulatory requirements.

**Responsibility of independent professionals**

Our responsibility is to express a limited assurance conclusion on the sustainability report based on the procedures we have conducted and the evidence we have obtained. We carry out our limited assurance work in accordance with the International Standard for Assurance Engagement, other than audits or reviews of historical financial information ISAE 3000 (Revised) issued by the International Auditing and Assurance Standards Board (IASSB). This standard requires planning and conducting work to obtain limited assurance about whether selected Periodic Report for the year ended 2024 information is free from material error.

The procedures we performed were based on our professional judgment and included inquiries, observation of the processes performed, inspection of documents, analytical procedures, assessment of the adequacy of quantification methods and reporting policies, and agreement or reconciliation with underlying records.

Given the circumstances of the engagement, we have carried out the following procedures:

- a. Obtain an understanding of the requirements set out in the Framework for the issuance of a social bond with a gender perspective.
- b. Interviewed members of management of the Company responsible for processes, related to evaluation and selection of eligible projects.
- c. Understand the process of the company to monitor use of proceeds for each eligible project including, review of calculation methodology, supporting documentation and scrutiny of information sources.
- d. Through inquiries, we obtained an understanding of control environment and relevant information systems of Banco Davivienda S.A., but we did not evaluate the design of specific control activities or obtain evidence on their implementation, nor did we test their operating effectiveness.
- e. Understanding of the tools used to generate, aggregate and report non-financial information through inquiries with those responsible for related processes.
- f. Substantive testing on a selective random basis of sustainability information indicated by the company, to determine the standards and indicators subject to limited assurance and corroborate that the data have been measured, recorded, collected and reported appropriately through:







#### ANNEX B DATA

The following are the amounts of the Periodic year-end report 2024.

##### Gender Bond 2024 selected indicators

Eligible project categories	Indicator	Unit of measurement	Data
SMEs led by women	Amount of loans outstanding SME Women	Thousands of COP	\$ 958.221.222
	Number of loans outstanding SME Women	#	14.218
	Amount of loans disbursed SME-Women	Thousands of COP	\$ 432.235.623
	Number of loans disbursed SME-Women	#	8.397
	Active SME Women Clients	#	8.870
	Active SME Clients	#	47.742
	Total number of SME Women loans out of total SME portfolio (%)	%	17.9%
	Number of clients with the highest annual sales - SME Woman	#	12
Women-owned VIS (includes leasing VIS)	Amount of outstanding VIS Women's loans	Thousands of COP	\$ 5.416.692.112
	Number of outstanding VIS Women loans	#	102.621
	Amount of disbursed loans VIS Women	Thousands of COP	\$ 1.368.312.198
	Number of disbursed loans VIS Women	#	15.259

##### Gender Bond 2024 use of bond resources

Eligible project categories	Indicator	Data – Thousands of COP
Gender Bonus Use of resources	Use of Resources - SME Women	\$ 9.429.616
	Use of Resources - VIS Women	\$ 356.960.228





## **Appendix 5. Other Aspects**

### **A5.1. Legal Situation / Litigations, Judicial and Administrative Processes / Sanctions for Endangering the Client**

The Bank currently does not have any processes against it that could affect its solvency or stability situation. The most important processes are related in Note 12.25 of the Consolidated Financial Statements.

### **A5.2. Free Circulation of Invoices and payment in fair installments**

The Bank certifies that it complies with the provisions of article 87 of Law 1676 of 2013, since it does not hinder the free circulation of invoices through retention of the same or similar acts. Davivienda Bank does comply with article 87 of Law 1676 of 2013.

Likewise, and in line with our commitment to strengthen relationships with our suppliers and promote responsible business practices, during 2024 we ensured compliance with the 2024 Fair Terms Payment Law. We implemented efficient processes that allowed us to make payments within the established deadlines, ensuring liquidity and stability for our strategic allies and contributing to the sustainable development of the supply chain.







### A5.3. Administrative Situation

As of December 2024, Davivienda Bank had 9,793 indefinite term positions and 1,252 fixed term positions, for a total of 11,045.

### A5.4. Intellectual Property / List of Patents, Trademarks, Licenses, Franchises, and Other Copyrights

Banco Davivienda is a company that respects intellectual property and has a comprehensive structural system in place to manage this area. This system includes the implementation of special policies for managing intellectual property assets, designated officers responsible for overseeing processes and ensuring policy enforcement, ongoing controls, and legal support processes for the launch of new products and services to secure legal protection. Additionally, it features constant monitoring and surveillance systems covering 15 countries.

In 2024, we consolidated the development of a Regional Intellectual Property Policy, with active participation from the legal and marketing teams at both the headquarters and subsidiaries in each country. This initiative ensures effective management of intellectual property portfolios in a coordinated manner, alongside protection strategies that safeguard the Bank's interests.

Furthermore, with the launch of the new Davivienda Super App, strategic intellectual property protection measures were implemented, particularly through the "Graphical User Interface" (GUI) protection. This led to the Bank's first-ever Industrial Design registration, marking

a milestone in safeguarding its digital presence and innovative models.

Another key achievement in 2024 relates to the creation of the "Fuente Davivienda" Typeface Family, designed to counter high third-party licensing costs, which have increased significantly in the digital environment. This initiative, currently undergoing protection processes, gives the Bank full ownership of the typeface, featuring a set of designs aligned with corporate identity, resulting in a reduction of licensing expenses across all countries where the Bank operates, generating savings exceeding USD 1 million.

Davivienda's Colombian intellectual property portfolio includes trademarks (distinctive signs) registered or in process, filed before the Superintendence of Industry and Commerce as the competent National Office in matters of industrial property, of which the Davivienda, DaviPlata, and the Davivienda Red House figure trademarks enjoy recognition as "notorious"; brands, which are materials for the development of the corporate purpose, allowing them to access special protection mechanisms globally, even in countries where it does not have a direct presence.

In terms of patents, Davivienda holds a record of seven patent applications filed in Colombia to date.



Regarding copyrights, Davivienda holds 5 registrations (deposits) related to its material assets at the National Copyright Directorate (DNDA) of Colombia.

Globally, Davivienda holds 1,178 trademark registrations or applications, 435 in Colombia and 743 across other countries (see table).

The Bank’s key brands have been secured in every country where it maintains a direct presence. Additionally, preventive trademark registrations have been filed in strategically relevant markets where Davivienda currently lacks a direct presence, ensuring that future expansion opportunities remain viable.

Davivienda operates a robust trademark surveillance system, enabling the detection of potentially infringing trademarks and the filing of oppositions or defensive administrative actions, covering 15 countries across the Americas.

Finally, it is worth highlighting that the trademarks registered by the headquarters in countries with a direct presence have been duly licensed to each subsidiary, ensuring the legal use and enforcement of rights derived from these intangible assets.

*Table of Distinguishing Signs:*

No. of trademarks registered, in force and applied for as of December 31, 2024	1,178
Colombia	435
United States	13
Panama	84
El Salvador	183
Honduras	203
Costa Rica	169
<b>Other jurisdictions:</b> Argentina, Bolivia, Chile, Dominican Republic, Ecuador, European Union, Guatemala, Mexico, Cayman Islands, Peru, Uruguay, Venezuela.	91

**A5.5. Expenditures to Directors of the Company**

In 2024, payments to key personnel who had authority and responsibility for planning, directing, and controlling the entity’s activities, directly or indirectly, amounted to COP 13.8 billion.





### A5.6. Expenditures on Linked Advisors or Managers

The disbursements to advisors and managers in 2024 correspond to Board of Directors fees of COP 1.342 billion.

### A5.7. Donations and Contributions

During the year 2024, donations amounted to COP 21,217 million and contributions to COP 37,298 million.

(Figures in COP million)

Donations and contributions	2024
Lobby, advocacy or similar:	0
Political campaigns / Organizations / Local, regional, or national candidates:	0
Trade associations or tax-exempt groups (e.g., think tanks):	37,298
Other (e.g., expenses related to electoral measures or referendums):	0
<b>Total contributions and other expenses:</b>	<b>37,298</b>

(Figures in COP million)

Breakdown of major contributions	2024
Financial Superintendence of Colombia	34,144
ASOBANCARIA (Colombian Banking and Financial Institutions Association)	1,692
CAMVC (Colombian Securities Market Self-Regulatory Corporation)	741
ANDI (National Business Association of Colombia)	260
CAMACOL (Colombian Chamber of Construction)	207

### A5.8. Advertising and Public Relations Expenses

Advertising expenses amounted to COP 108.9 billion and public relations expenses to COP 2.6 billion.

### A5.9. Assets Abroad

The money and other assets of the company abroad amounted to COP 22.5 trillion and foreign currency obligations to COP 15.8 trillion.

### A5.10. National and/or Foreign Investments

The detail of the participatory securities investments is revealed in Note 12.3 of the financial statements. These amounted to COP 7.7 trillion.



### **A5.11. Off-Balance Sheet Transactions That May Materially Impact Operations, Financial Position, or Changes in Financial Position**

As of December 31, 2024, no transactions that meet the condition of this statement were identified.

### **A5.12. Foreseeable Evolution of Davivienda Bank**

In 2025, our customers will remain our top priority. For this reason, our efforts will focus on providing reliable, user-friendly, and straightforward solutions through world-class experiences that support them in achieving their financial goals, while maintaining the highest standards of security and corporate responsibility to safeguard their assets, effectively mitigate risks, and maximize operational efficiency.

For the upcoming year, we anticipate a more favorable macroeconomic environment compared to 2024, opening new growth opportunities. As such, we will further strengthen our origination models to expand within our defined risk appetite, ensuring we maintain the quality of our portfolio and uphold leadership in strategic market segments.

Innovation and digital transformation will remain pillars of our management model. Thus, our focus will stay on continuously developing and enhancing our value proposition, evolving alongside our customers' needs to support them at every stage of their journey with relevant, effective solutions.

We are confident that our vision, supported by disciplined execution and a skilled, dedicated team, will enable us to continue generating sustainable value for both our customers and shareholders.





Appendix 6.  
Consolidated  
and  
Individual  
Financial  
Statements

Individual financial  
statements



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(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)  
STATUTORY AUDITOR'S REPORT

To the Shareholders  
Banco Davivienda S.A.

Report on the audit of the separate financial statements

Opinion

I have audited the separate financial statements of Banco Davivienda S.A. (the Bank), which comprise the separate statement of financial position as of December 31, 2024, and the separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended and their respective notes, which include the significant accounting policies and other explanatory notes.

In my opinion, the separate financial statements referred to above, faithfully taken from the books and attached to this report, present fairly, in all material respects, the separate financial position of the Bank as of December 31, 2024, the separate results of its operations and its separate cash flows for the year then ended, in accordance with Accounting and Financial Reporting Standards accepted in Colombia, applied on a consistent basis with the preceding year.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing accepted in Colombia (ISAs). My responsibilities in accordance with those standards are described in the section "Responsibilities of the Statutory Auditor in connection with the audit of the separate financial statements" of my report. I am independent with respect to the Bank, in accordance with the Code of Ethics for Accounting Professionals issued by the International Ethics Standards Board for Accountants (IESBA Code) included in the Information Assurance Standards accepted in Colombia together with the ethical requirements that are relevant to my audit of the separate financial statements established in Colombia and I have complied with my other ethical responsibilities in accordance with these requirements and the IESBA Code mentioned above. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the separate financial statements of the current period. These matters were addressed in the context of my audit of the separate financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Evaluation of the allowance for credit risk of the commercial portfolio according to the Guidelines of the Financial Superintendence of Colombia (see notes 4.6.1.5.5, 5, 12.5.1 and 12.5.14 to the separate financial statements)	
Key Audit Matter	How it was addressed in the audit
<p>The balance of the commercial loan portfolio and its allowance for credit risk as of December 31, 2024, amount to \$49,956,706 and \$2,956,706 million, respectively.</p> <p>The Bank records the provision for the commercial portfolio as required by the Financial Superintendence of Colombia, which establishes the constitution of minimum provisions in accordance with the expected losses, determined according to the credit risk rating methodology defined in the reference model.</p> <p>I considered the methodology for the assignment of the credit risk rating for clients classified in the commercial portfolio as a key audit matter, which incorporates significant judgmental elements in the key analysis assumptions, including the financial and payment behavior variables of the clients, which allow capturing the credit risk associated with the debtors' payment capacity. This assigned risk rating is incorporated as a parameter in the reference model for the calculation of credit risk provisions for the commercial portfolio.</p>	<p>My audit procedures to evaluate the assignment of the credit risk rating and the effect on the provisioning of the commercial portfolio included, among others, the following:</p> <ul style="list-style-type: none"><li>• Involvement of professionals with expertise and knowledge in credit risk assessment and information technology, to evaluate certain internal controls related to the process performed by the Bank for the determination of the provisioning of the commercial portfolio. This included controls associated with (1) validation of the credit risk rating assignment methodology and/or models according to regulatory provisions, (2) the Bank's monitoring of the credit risk rating assignment and the resulting provisioning value, (3) information technology controls over the inputs to the commercial portfolio provisioning models, as well as the provisioning calculations; and (4) the evaluation to identify if there was a significant change in the credit risk of the commercial portfolio.</li><li>• Inspection of a sample of commercial loan portfolio files to verify that the rating granted to customers complies with the guidelines defined by the Superintendency of Finance of Colombia for the allowance system and that it is supported by the financial, qualitative or economic characteristics of the customer and its subsequent incorporation into the reference model for the calculation of allowances.</li></ul>

Evaluation of the fair value estimate of the investment in Banco Davivienda and Seguros Bolívar (Honduras), Grupo del Istmo (Costa Rica) and Inversiones Financieras Davivienda S.A. (El Salvador) for the accounting record of the share contribution transaction in kind for the incorporation of Holding Davivienda Internacional S.A. (See notes 12.3.8.1 to the separate financial statements)



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Key Audit Matter	How it was addressed in the Audit
<p>As indicated in notes 2 and 12.3.8.1 to the separate financial statements, as of December 31, 2024, the Bank made a capital contribution in kind represented in the fair value of the investments it had in the international subsidiaries Banco Davivienda and Seguros Bolívar (Honduras), Grupo del Istmo (Costa Rica) and Inversiones Financieras Davivienda S.A. (El Salvador) for \$1,162,634, 1,162,634 million, \$228,153 million, \$2,111,826 million and \$1,984,585 million, respectively, which at the date of the transaction had a book value of \$971,002 million, 194,339 million, \$1,698,025 million and \$1,677,096 million, respectively. This transaction generated an effect in the statement of income for gain on sale of \$946,736 million.</p> <p>I considered the estimation of the fair value of this transaction as a key audit matter, because it is a material transaction that is not performed on a recurring basis, which involved significant management judgment in the determination thereof, which required significant audit effort to evaluate the related evidence, including the involvement of valuation professionals with specific skills and industry knowledge.</p> <p>The auditor's judgment was required to evaluate the methodology used by the Bank to estimate the fair value of the investment, as well as the relevant unobservable inputs and assumptions of the methodology, which</p>	<p>My audit procedures for assessing the fair value of the investment included, among other things:</p> <ul style="list-style-type: none"><li>• Evaluation of certain internal controls related to the Bank's process for approving material, non-recurring transactions and verifying their proper accounting in compliance with the accounting framework.</li><li>• Involvement of valuation professionals with specific skills and knowledge of the industry who assisted me in: (i) the comparison between the valuation methodology applied by the Bank with the methodologies generally applied in the market for that purpose and with the provisions established in IFRS 13, (ii) the analysis of the main assumptions included in the projections versus historical data and comparison of the macroeconomic assumptions and discount rate with market data, when available, (iii) the recalculation of: the Companies' net income and dividend flow projections, the perpetuity rate, discount rate and net present value, (iv) the financial analysis to verify the variations of the Companies' income, cost and expense lines.</li></ul>



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include the projected results, discount rate and perpetuity.

Other matters

The separate financial statements as of and for the year ended December 31, 2023, are presented solely for comparative purposes, were audited by me and in my report dated February 26, 2024, I expressed an unqualified opinion thereon.

Responsibility of the Bank's management and those charged with corporate governance for the separate financial statements

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes: designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing separate financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting unless management intends to liquidate the Bank, cease operations, or there is no more realistic alternative than to proceed in one of these ways.

Those charged with corporate governance are responsible for overseeing the Bank's financial reporting process.

Responsibilities of the Statutory Auditor in connection with the audit of the separate financial statements

My objectives are to obtain reasonable assurance about whether the separate financial statements taken are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my opinion. Reasonable assurance means a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these separate financial statements.

As part of an audit conducted in accordance with ISAs, I exercise professional judgment and maintain professional skepticism during the audit. I also:





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- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is greater than that arising from error, because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override or override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- I conclude on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may indicate significant doubt about the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I should draw attention in my report to the disclosure describing this situation in the separate financial statements or, if such disclosure is inadequate, I should modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Bank to cease to operate as a going concern.
- Evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the separate financial statements present the underlying transactions and events so as to achieve a fair presentation.
- I obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial statements. I am responsible for the direction, supervision, and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate to those charged with governance of the Bank, among other matters, the planned scope and timing of the audit, as well as significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with confirmation that I have complied with relevant ethical independence requirements and that I have disclosed to them all relationships and other matters that might reasonably be considered to bear on my independence and, where applicable, related safeguards.



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From the matters communicated with those charged with governance, I determine the matters that were of most significance in the audit of the current period's separate financial statements and, therefore, are the key audit matters. I describe these matters in my Auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely exceptional circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably outweigh the benefits to the public interest of such communication.

**Report on other legal and regulatory requirements**

1. Based on the results of my tests, in my opinion, during 2024:
  - a) The Bank's accounting have been kept in accordance with legal regulations and accounting techniques.
  - b) The operations recorded in the books are in conformity with the bylaws and the decisions of the General Shareholders' Assembly.
  - c) The correspondence, account vouchers, minute books and share registry books are duly kept and maintained.
  - d) The Bank has complied with the regulations and instructions of the Financial Superintendence Finance of Colombia related to the adequate management and provisioning of assets received in payment and the implementation and impact on the statement of financial position and the statement of income and other comprehensive income of the applicable risk management systems.
  - e) The provisions of Law 2195 of 2022 have been complied with in relation to the Transparency and Business Ethics Program, through instructions from the Financial Superintendence of Colombia related to the Asset Laundering and Terrorism Financing Risk Management System - SARLAFT or the applicable Internal Control System, according to Concept 2022033680-002-000 of April 7, 2022 issued by this control entity.
  - f) There is concordance between the accompanying financial statements and the management report prepared by the directors, which includes the management's acknowledgment of the free circulation of invoices issued by vendors or suppliers
  - g) The information contained in the self-assessment statements of contributions to the integral social security system, particularly that related to members and their contribution base income, has been taken from the accounting records and supports. The Bank is not in arrears for contributions to the integral social security system.



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- h) The instructions set forth in Chapter XXXI of the Basic Accounting and Financial Circular (External Circular 100 of 1995) regarding the Comprehensive Risk Management System (SIAR for its Spanish acronym) have been complied with.
- i) The Bank has complied with the provisions of Chapter XXXI of the Basic Accounting and Financial Circular (External Circular 100 of 1995) in relation to the Liquidity Risk Management and Model.

In order to comply with the requirements of Articles 1.2.1.2. and 1.2.1.5. of the Sole Regulatory Decree 2420 of 2015, in development of the responsibilities of the Statutory Auditor contained in numerals 1) and 3) of Article 209 of the Code of Commerce, related to the evaluation of whether the acts of the Company's administrators are in accordance with the bylaws and the orders or instructions of the Shareholders' Meeting and whether there are and are adequate measures of internal control, conservation and custody of the Company's assets or those of third parties in its possession, I issued a separate report dated February 26, 2025.

- 2. I followed up on the responses to the letters of recommendation addressed to the Bank's management and there are no matters of material importance outstanding that would affect my opinion.

(Original signed in Spanish)  
Gustavo Adolfo Roa Camargo  
Statutory Audit of Banco Davivienda S.A.  
Registration No. 90879 - T  
Member of KPMG S.A.S.

February 26, 2025



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(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)  
STATUTORY AUDITOR'S INDEPENDENT REPORT ON THE COMPLIANCE WITH PARAGRAPHS 1  
AND 3 OF ARTICLE 209 OF THE COMMERCIAL CODE

To the Shareholders  
Banco Davivienda S.A.:

Description of the Main Subject Matter

As part of my duties as Statutory Auditor and in compliance with Articles 1.2.1.2 and 1.2.1.5 of Single Regulatory Decree 2420 of 2015, amended by Articles 4 and 5 of Decree 2496 of 2015, respectively, I must report on compliance with paragraphs 1 and 3 of Article 209 of the Code of Commerce, detailed as follows, by Banco Davivienda S.A, hereinafter "the Society", as of December 31, 2024, as a conclusion of independent reasonable assurance, that the management performance has complied with the statutory and the General Shareholders' Assembly provisions and that there are adequate internal control measures, in all material aspects, in accordance with the criteria indicated in the paragraph called Criteria of this report:

- 1) Whether the Society's management performance conforms with the bylaws and the guidelines or decisions of the General Shareholders' Assembly, and
- 3) Whether there are and are adequate measures of internal control, preservation, and custody of the Society's assets or those of third parties in its possession.

Responsibility of Management

The Society's management is responsible for the compliance with the bylaws, the General Shareholders' Assembly decisions; the design, implementation, and maintain appropriate internal control measures, which include the Integrated Risk Management System (SIAR), the Money Laundering and Terrorism Financing Risk Management System (SARLAFT), and the Financial Consumer Assistance System (SAC), and the preservation and custody measures of the Society's assets and those of third parties in its possession in accordance with the requirements of Part 1, Title 1, Chapter IV and Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.

Statutory Auditor's Responsibility

My responsibility is to examine whether the Society's management performance conforms to the bylaws and the General Shareholders' Assembly's decisions or guidelines and whether there are and are adequate measures of internal control, preservation, and custody of the Society's assets or those of third parties in its possession, and to report thereon expressing an independent reasonable security conclusion based on the evidence obtained. I performed my procedures by the International Standard on Assurance Engagements 3000 (Review) accepted in Colombia (issued by the International Auditing and Assurance Standards Board= IAASB and translated into Spanish in 2018). Such Standard requires that I plan and perform the procedures necessary to obtain reasonable assurance about compliance with the bylaws and the General

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Shareholders' Assembly decisions and whether there are and are adequate the internal control measures, which include the implemented risk management systems (SARLAFT, SIAR, and SAC), and the maintenance and custody measures of the Society's assets and those of third parties in its possession, in accordance with the requirements of Part 1, Title 1, Chapter IV and in Part III, Title V, Chapter I, in all material aspects.

The Accountants Firm to which I belong and who appointed me as the Society's statutory auditor, applies the International Quality Control Standard No. 1 and, consequently, maintains a complete quality control system that includes policies and procedures documented in compliance with ethical requirements, applicable legal and regulatory professional standards.

I have complied with the independence and ethics requirements of the Code of Ethics for Professionals Accounting issued by the International Ethics Standards Board for Accountants - IESBA, which is based on fundamental principles of integrity, objectivity, professional competence, and due care, confidentiality, and professional behavior.

The procedures selected depend on my professional judgment, including the risk assessment that the management performance does not conform to the bylaws and decisions of the General Shareholders' Assembly, and that the internal control measures, which include the implemented risk management systems (SARLAFT, SIAR, and SAC), and the maintenance and custody measures of the Society's assets and those of third parties in its possession are not properly designed nor implemented, in accordance with the requirements of Part 1, Title 1, Chapter IV and in Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.

This reasonable assurance engagement includes obtaining evidence for the year ending December 31, 2024. Procedures include:

- To obtain a written representation from Management as to whether the management performance conforms to the bylaws and the General Shareholders' Assembly's decisions and whether there are and are adequate the internal control measures, which include the implemented risk management systems (SARLAFT, SIAR, and SAC), and the preservation and custody measures of the Society's assets and those of third parties in its possession, in accordance with the requirements of Part 1, Title 1, Chapter IV and Part III, Title V, Chapter I.
- To read and verify compliance with the Society's bylaws.
- To obtain a management certification on the meetings of the General Shareholders' Assembly, documented in the minutes.
- To read the General Shareholders' Assembly's minutes and the bylaws and verify whether the management performance conforms to them.
- To inquire with Management about changes or modification projects to the Society's bylaws during the period covered and validate its implementation.

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- To evaluate whether there are and are adequate the internal control measures, which include the implemented risk management systems (SARLAFT, SIAR, SAC), and the preservation and custody measures of the Society's assets and those of third parties in its possession, in accordance with the requirements of Part 1, Title 1, Chapter IV and in Part III, Title V, Chapter I, which include:
  - Design, implementation, and effectiveness tests on the relevant controls of the internal control components over the financial report, which includes the requirements in External Circular 012 of 2022, contained in Chapter I, Title V of Part III of the Basic Legal Circular of the Financial Superintendency of Colombia and the elements established by the Society, such as: control environment, risk assessment process by the entity, information systems, control activities, and monitoring of controls.
  - Evaluation of the design, implementation, and effectiveness of relevant, manual, and automatic controls of the key business processes related to the significant accounts of the financial statements.
  - Verification of the appropriate compliance with the standards and instructions of the XXXXX
  - Issuance of letters to management with my recommendations on deficiencies in internal control considered non-significant.
  - Follow-up on the matters included in the letters of recommendation I issued in relation to the deficiencies in internal control, considered non-significant.

#### Inherent limitations

Due to the inherent limitations to any internal control structure, there may be effective controls in place as of the date of my examination that will change that condition in future periods because my report is based on selective tests and because the evaluation of internal control is at risk of becoming inadequate due to changes in the conditions or because the degree of compliance with the policies and procedures may deteriorate. Moreover, the inherent limitations of internal control include human error, failures due to the collusion of two or more people, or inappropriate oversight of controls by the administration.

#### Criteria

The criteria considered for the evaluation of the matters mentioned in the paragraph Main Matter Description include: a) the bylaws and the minutes of the General Shareholders' Assembly and b) the internal control components implemented by the Society, such as the control environment,



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the risk assessment procedures, its information and communications systems, and the monitoring of controls by the administration and those in charge of corporate governance, which are based on the provisions of Part 1, Title 1, Chapter IV and Part III, Title V, Chapter I.

Conclusion

My conclusion is based on the evidence obtained on the matters described and is subject to the inherent limitations outlined in this report. I believe that the audit evidence I have obtained provides a reasonable assurance basis for my conclusion expressed below:

In my opinion, the acts of the directors are in accordance with the bylaws and the decisions of the Shareholders' Meeting and the internal control measures are adequate, which include the Money Laundering and Terrorism Financing Risk Management System (SARLAFT), and the measures for conservation and custody of the Company's assets or those of third parties in its possession, in all material aspects, in accordance with the requirements of Part 1, Title 1, Chapter IV and Part III, Title V, Chapter I of the Basic Legal Circular of the Financial Superintendency of Colombia.

(Original signed in Spanish)  
Gustavo Adolfo Roa Camargo  
Statutory Auditor of Banco Davivienda S.A.  
Registration No. 90879 - T  
Member of KPMG S.A.S.

February 26, 2025

Banco Davivienda S.A.  
Separate Statement of Financial Position  
(Millions of Colombian pesos (COP))

	Note	December 31, 2024	December 31, 2023
<b>ASSETS</b>			
Cash	12.1.	8,852,801	8,763,578
Interbank and Overnight Funds	12.2.	1,205,185	2,250,883
Financial Investment Instruments, Net	12.3.	10,923,024	9,134,440
Derivatives	12.4.	797,348	1,579,378
Loan Portfolio and Financial Leases Operations, net	12.5.	99,370,304	96,203,504
Accounts Receivable, Net	12.6.	3,035,345	3,523,819
Taxes Receivable		2,289,756	1,357,814
Assets Held for Sale, Net	12.7.	121,032	189,421
Investments Measured at Amortized Cost, Net	12.3.	3,790,168	3,750,375
Investments in Subsidiaries and Associates	12.3.	8,575,927	6,726,980
Property and Equipment, Net	12.8.	1,122,666	1,178,571
Investment Properties, Net	12.9.	252,768	237,766
Goodwill	12.11.	1,080,775	1,080,775
Intangibles	12.12.	326,017	278,890
Deferred Tax, Net	13.5	1,722,603	1,217,822
Other Assets, Net	12.13.	862,618	1,197,278
<b>Total Assets</b>		<b>144,328,337</b>	<b>138,671,294</b>
<b>LIABILITIES</b>			
Deposits	12.14.	101,564,117	95,788,020
Savings Accounts and Electronic Deposits		39,491,419	39,202,647
Checking Accounts		8,476,393	8,373,497
Term Deposits		52,457,405	47,018,840
Other Deposits		1,138,900	1,193,036
Interbank and Overnight Funds	12.15.	3,193,443	1,605,049
Derivatives	12.4.	768,875	1,972,114
Credits From Banks and Other Obligations	12.16.	11,480,220	12,393,167
Debt Instruments Issued	12.17.	8,400,296	9,345,191
Accounts Payable	12.18.	2,115,933	2,836,360
Employee Benefits	12.19.	224,888	210,193
Current Tax Liabilities		724,919	63,402
Other Non-Financial Liabilities and Estimated Liabilities	12.20.	1,211,616	1,420,479
<b>Total Liabilities</b>		<b>129,684,307</b>	<b>125,633,975</b>
<b>EQUITY</b>			
Capital	12.21.	87,781	81,301
Share Premium		5,530,807	4,817,287
Reserves		7,083,165	6,977,226
Adjustments in First-Time Adoption		278,818	281,145
Other Comprehensive Income		759,321	627,896
Retained Earnings from Previous Years		51,413	146,525
Profit for the Year		852,725	105,939
<b>Total Equity</b>		<b>14,644,030</b>	<b>13,037,319</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>144,328,337</b>	<b>138,671,294</b>

See the notes attached to the separate financial statements.

JUAN CARLOS HERNÁNDEZ NÚÑEZ  
Legal Representative

TATIANA SALDARRIAGA JIMENEZ  
Accountant  
Professional License No. 136928-T

GUSTAVO ADOLFO ROA CAMARGO  
Banco Davivienda S.A. Fiscal Auditor  
Professional License No. 90879-T  
Member of KPMG S.A.S.  
(See my report dated february 26, 2025)



**Banco Davivienda S.A.**  
Separate Statement of Income  
(Millions of Colombian Pesos (COP))

Years ended December 31:	Note	2024	2023
Interest Income and Investment Results		15,311,945	17,623,264
Loan Portfolio		14,059,009	16,212,907
Investments and Valuations, Net	13.1.	1,244,374	1,483,951
Money Market Operations		8,562	(73,594)
Interest Expenses		9,269,294	11,084,693
Deposits		7,343,720	8,501,597
Checking Accounts		148,839	115,537
Savings Accounts		1,564,231	2,406,770
Term Deposits		5,630,650	5,979,290
Credits From Banks and Other Obligations		995,570	1,336,446
Debts Instruments Issued		819,023	1,141,482
Other Interest		110,981	105,168
<b>Gross Financial Margin</b>		<b>6,042,651</b>	<b>6,538,571</b>
Impairment of Financial Assets, Net		4,901,600	5,455,101
Impairment of Financial Assets		7,637,509	9,966,805
Recovery of Financial Assets		(2,735,909)	(4,511,704)
<b>Net Financial Margin</b>		<b>1,141,051</b>	<b>1,083,470</b>
Commissions and Service Income, Net	13.2.	1,328,139	1,274,821
Results from Investments in Subsidiaries and Associates		376,451	324,614
Operating Expenses	13.3.	4,533,611	4,307,158
Personnel Expenses		1,717,270	1,560,248
Administrative and Operating Expenses		2,511,445	2,492,568
Amortizations and Depreciation		304,896	254,342
Profit on Exchange, net		424,510	1,225,338
Derivatives, Net		267,073	(1,311,223)
Dividends Received		26,346	29,773
Other Income and Expenses, Net	13.4.	1,046,708	758,192
<b>Result before income tax</b>		<b>76,667</b>	<b>(922,173)</b>
Income Tax		(776,058)	(1,028,112)
Current income tax	13.5.	(247,490)	(3,305)
Deferred Income Tax	13.5.	(528,568)	(1,024,807)
<b>Net Result for the Year</b>		<b>852,725</b>	<b>105,939</b>
Profit per share for the year in COP <sup>(*)</sup>		1,774	235

(\*) Calculated as: Profit for the year / weighted average of shares outstanding.

See the notes attached to the separate financial statement

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**Banco Davivienda S.A.**  
Separate Statement of Other Comprehensive Income  
(Millions of Colombian Pesos)

Years ended December 31:	Note	2024	2023
<b>Net Profit for the Year</b>		<b>852,725</b>	<b>105,939</b>

**Components of Other Comprehensive Income that will not be  
Reclassified to the Income of the Period, Net of Taxes**

Long-term Employee Benefits	1,740	(6,987)
<b>Total of Other Comprehensive Income that will not be Reclassified to the Income of the Period, Net of Taxes</b>	<b>1,740</b>	<b>(6,987)</b>

**Components of Other Comprehensive Income that will be  
Reclassified to the Income for the Period, Net of Taxes**

Valuation of Financial Instruments	(19,704)	155,219
Realization to Retained Earnings from Non-Controlling Interest in Equity Securities	-	11,703
Investments valued using the equity method	(61,316)	61,666
Realization to Retained Earnings from Equity Securities of Subsidiaries	101,813	(28,485)
Exchange Rate Difference on Investment in Foreign Subsidiaries	849,160	(889,758)
Realization of Exchange Rate Difference on Translation of Foreign Subsidiaries	12.3.8.1 (1,227,403)	(394,897)
Realization of Foreign Exchange Difference on Hedging Bonds	735,125	-
Taxes on Foreign Exchange Difference on Hedging Bonds.	(277,553)	-
Cash Flow Hedging with Derivatives	29,563	-
<b>Total Other Comprehensive Income that will be Reclassified to the Profit for the Period, Net of Taxes</b>	<b>129,685</b>	<b>(1,084,552)</b>
<b>Total Other Comprehensive Income, Net of Taxes</b>	<b>131,425</b>	<b>(1,091,539)</b>
<b>Total Comprehensive Income</b>	<b>984,150</b>	<b>(985,600)</b>

See the notes attached to the Separate Financial Statements.

JUAN CARLOS HERNÁNDEZ NÚÑEZ  
Legal Representative

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Banco Davivienda S.A. Separate Statement of Changes in Equity (Millions of Colombian Pesos (COP))												
Years Ended December 31, 2024, and 2023:	Capital	Share Premium	Reserves	First-Time IFRS Adoption	Equity-Method Investments	OTHER COMPREHENSIVE INCOME				ACCUMULATED EARNINGS		
						Exchange Difference on Translation - Foreign Subsidiaries	Valuation of Financial Instruments	Hedging with Derivatives	Long-Term Employee Benefits	Retained Earnings	Net Profit (Loss) for the Year	Total Shareholders' Equity
Balance as of December 31, 2022	81,301	4,817,287	6,292,981	283,892	(98,587)	1,681,303	134,869	-	1,850	126,996	1,140,432	14,462,324
Transfer of Retained Earnings										1,140,432	(1,140,432)	-
Dividend Distribution Dividends declared in cash at a rate of COP 1,010 per share on 451,670,413 subscribed and paid shares. Payment dates: April 12 and September 13, 2023.										(456,187)		(456,187)
Reserve Movements Occasional Reserve			684,245							(684,245)		-
Realization of First-Time IFRS Adoption Adjustments				(2,747)						2,747		-
Other Comprehensive Income, Net of Income Tax					33,181	(1,284,655)	166,922		(6,987)	16,782		(1,074,757)
Withholding Tax on Stock Dividends												-
Net Profit (Loss) for the Year											105,939	105,939
Balance as of December 31, 2023	81,301	4,817,287	6,977,226	281,145	(65,406)	396,648	301,791	-	(5,137)	146,525	105,939	13,037,319
Balance as of December 31, 2023	81,301	4,817,287	6,977,226	281,145	(65,406)	396,648	301,791	-	(5,137)	146,525	105,939	13,037,319
Issuance of Shares: Capital increase through the issuance of 27,392,472 ordinary shares and 8,607,528 preferred shares.	6,480	713,520										720,000
Transfer of Retained Earnings										105,939	(105,939)	-
Movements in Reserves: Occasional Reserve			105,939							(105,939)		-
Realization of First-Time IFRS Adoption Adjustments				(2,327)						2,327		-
Other Comprehensive Income, Net of Income Tax				-	40,497	79,329	(19,704)	29,563	1,740	(97,439)		33,986
Profit (Loss) for the Year											852,725	852,725
Balance as of December 31, 2024	87,781	5,530,807	7,083,165	278,818	(24,909)	475,977	282,087	29,563	(3,397)	51,413	852,725	14,644,030
See the Notes attached to the Separate Financial Statements.												

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**Banco Davivienda S.A.**  
Separate Statement of Cash Flows  
(Millions of Colombian Pesos)

Years ended December 31:	Note	2024	2023
<b>Cash flow from Operating Activities:</b>			
Net Profit for the Year		852,725	105,939
<b>Reconciliation of Profit for the Period and Net Cash Provided (Used) in Operating Activities</b>			
Provision (Recoveries) for Financial Instrument Investments, Net	12.3.7.	87,930	(84,546)
Provision for Loans and Leases, Net	12.5.14.	4,924,237	5,744,457
Provision for Accounts Receivable, Net	12.6.	333,530	520,771
Provisions for Assets Held for Sale, Net	12.7.4.	50,361	40,318
Provision for Property, Plant, and Equipment and Investment Property, Net	12.8.3./12.9.3.	59,538	49,707
Recoveries of other Assets, Net	12.13.	(25,776)	(30,781)
Provision for Severance Payments		73,513	67,655
Provision (Recoveries) of Estimated Liabilities, Net	12.20.	144	(11,810)
Interest Income, Net		(4,772,526)	(5,206,123)
Depreciation	13.3.2.	255,342	214,616
Amortizations	13.3.2.	49,554	39,726
Net Foreign Exchange Gain (Loss)		500,337	(599,139)
Realization of Exchange Differences on Equity Securities of Subsidiaries	12.3.8.1.	(492,278)	(394,897)
Profit (Loss) on Sale of Loan Portfolio, Net		(7,677)	-
Profit on Equity Method, Net		(376,451)	(324,614)
Valuation of Investments, Net		(1,234,837)	(1,467,337)
Profit (Loss) on Sale of Trading Investments, Net		(6,814)	(9,861)
Profit (Loss) on Sale of Investments Available for Sale, Net		(2,723)	(6,752)
Profit (Loss) on Sale of Investments in Equity Securities, Net	12.3.8.1.	(946,736)	(451,806)
Valuation of Derivatives and Spot Operations, Net		(264,269)	1,311,223
Profit (Loss) on Sale of Assets Held for Sale, Net	12.7.3.	(5,632)	(5,245)
Profit (Loss) on Sale of Property, Equipment, and Leasing Assets, Net	12.8.2.	2,489	1,283
Profit (Loss) on Sale of Investment Property, Net	12.9.4.	(60)	(2,403)
Profit (Loss) on Sale of Other Assets		(31,659)	(2,534)
Changes in Income Tax and Deferred Taxes	13.5.	(776,058)	(1,028,112)
<b>Changes in Operating Assets and Liabilities:</b>			
Money Market Lending and Overnight Operations		160	-
Financial Investment Instruments, Net		(365,594)	(390,672)
Loan Portfolio and Financial Lease Operations		(8,515,913)	(3,055,181)
Accounts Receivable		273,599	(853,206)
Other Assets		(937,817)	(1,002,369)
Deposits and Term Deposits		5,233,717	6,018,951
Money Market Borrowing and Overnight Operations		1,588,394	1,274,681
Derivatives		(292,758)	(1,079,424)
Accounts Payable		(59,936)	(155,436)
Employee Benefits		8,926	(27,968)
Other and Estimated Liabilities		1,271,921	1,843,547
Proceeds of the Sale of Loans	12.5.11.	698,925	353,164
Proceeds of the Sale of Assets Held for Sale	12.7.2.-4.	76,849	44,507
Proceeds of the Sale of Other Assets		111,798	84,789
Severance Payments		(65,148)	(60,941)
Income Tax Paid		(903,228)	(975,961)
Interest Paid		(9,016,506)	(10,107,209)
Interest Received		14,481,491	16,171,918
<b>Net Cash Provided by Operating Activities</b>		<b>1,835,084</b>	<b>6,552,925</b>

**Banco Davivienda S.A.**  
Separate Statement of Cash Flows - Continued  
(Millions of Colombian Pesos COP)

Years ended December 31:	Note	2024	2023
<b>Cash Flow from Investing Activities</b>			
Dividends Received		182,161	117,486
Acquisition of Available-for-Sale Investments		(3,183,057)	(3,983,557)
Acquisition of Held-to-Maturity Investments		(3,125,595)	(3,157,970)
Acquisition of Equity Securities		(953,833)	(1,782,668)
Acquisition of Property and Equipment	12.8.1.	(137,505)	(114,164)
Proceeds from the Sale of Investments		6,899,370	8,888,425
Proceeds from the Sale of Property and Equipment	12.8.2.	3,539	4,363
Proceeds from the Sale of Investment Property	12.9.1./12.9.4.	17,500	10,178
Acquisition of Intangible Assets, Net		(97,339)	(123,560)
<b>Net Cash Used in Investing Activities</b>		<b>(394,759)</b>	<b>(141,467)</b>
<b>Cash Flow from Financing Activities:</b>			
Share Issuance	2.	720,000	-
Debt Issue Redemptions	12.17.	(1,245,213)	(839,711)
New Financial Obligations	12.16.	3,775,062	3,663,479
Repayments of Financial Obligations for the Period	12.16.	(6,108,480)	(4,862,700)
Lease Liability Payments		(147,557)	(128,958)
Payment of Cash Dividends		(134)	(455,924)
<b>Net Cash Used in Financing Activities</b>		<b>(3,006,322)</b>	<b>(2,623,814)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>		<b>(1,565,997)</b>	<b>3,787,644</b>
<b>Effect of Exchange Rate Differences on Cash and Cash Equivalents</b>		<b>609,522</b>	<b>(887,881)</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>		<b>11,014,461</b>	<b>8,114,698</b>
<b>Cash and Cash Equivalents and the End of the Year (*)</b>		<b>10,057,986</b>	<b>11,014,461</b>

(\*) Includes cash equivalents at under 90 days in money market and similar lending operations for \$1,205,185 on December 31, 2024 and \$2,250,883 on December 31, 2023.

See the notes attached the Separate Financial Statements.

JUAN CARLOS HERNÁNDEZ NÚÑEZ  
Legal Representative

TATIANA SALDARRIAGA JIMENEZ  
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Consolidated  
financial  
statements



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(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)  
STATUTORY AUDITOR'S REPORT

To the Shareholders  
Davivienda S.A.:

Opinion

I have audited the consolidated financial statements of Banco Davivienda S.A. and its Subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2024 and the consolidated statements of income and comprehensive income, changes in equity and cash flows for the year then ended and their respective notes that include the summary of significant accounting policies and other informative explanation.

In my opinion, the accompanying consolidated financial statements, mentioned above, present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Accounting and Financial Reporting Standards accepted in Colombia, applied on a basis consistent with that of the preceding year.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing accepted in Colombia (ISAs). My responsibilities in accordance with those standards are described in the section "Statutory Auditor's Responsibilities for the Audit of the consolidated Financial Statements" of my report. I am independent with respect to the Group, in accordance with the Code of Ethics for Accounting Professionals issued by the International Ethics Standards Board for Accountants (IESBA Code) included in the Information Assurance Standards accepted in Colombia together with the ethical requirements that are relevant to my audit of the consolidated financial statements established in Colombia and I have complied with my other ethical responsibilities in accordance with these requirements and the IESBA Code mentioned above. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



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Assessment of Impairment of Loan Portfolio under IFRS 9  
(See notes 6, 10.3.1.4, 12.5.1 and 12.5.4 to the consolidated financial statements)

Key Audit Matter	How it was addressed in the audit
<p>The Group periodically reviews the credit risk exposure of its loan portfolio. Such determination is one of the most significant and complex estimates in the preparation of the accompanying consolidated financial statements, due to the high degree of judgment involved in the development of models to determine impairment based on an expected loss approach required by IFRS 9. The value of the loan portfolio and its respective impairment as of December 31, 2024 is \$145,458,267 and \$5,528,154 million, respectively.</p> <p>I considered the assessment of loan portfolio impairment as a key audit matter because it involves significant measurement complexity that required judgment, knowledge and experience in the industry particularly in relation to (1) the evaluation of the methodologies used, including the methodology for estimating loss given default; (2) the probability of loss given default and its key factors and assumptions; (3) the loan grading and qualitative factors that are incorporated within the internal model variables established by the Group; and (4) the estimated credit risk impairment calculations for the entire loan portfolio.</p>	<p>My audit procedures for assessing the adequacy of credit risk impairment included, among others, the following:</p> <ul style="list-style-type: none"><li>Engagement of professionals with experience and expertise in credit risk assessment and information technology to evaluate certain internal controls related to the Group's process for determining loan portfolio impairment. This included controls related to (1) validation of the models that determine the probability of loss, severity (LGD) and exposure at default, (2) the Group's monitoring of the determination of portfolio impairment (3) information technology controls over the input data to the models that determine credit impairment, as well as related calculations; (4) the assessment to identify whether there was a significant change in credit risk; (5) the evaluation of macroeconomic variables and weighted scenarios used in the models for the determination of credit portfolio impairment; and (6) the verification of controls related to the evaluation of individually analyzed trade receivables and write-offs.</li><li>Professionals with expertise in credit risk assessment and information technology assisted me in (1) evaluating the methodologies and key data used to determine the probability of loss, loss severity and exposure at default and the parameters produced by the models; (2) evaluating the macroeconomic variables and weighted probability scenarios used in the internal models including consideration</li></ul>





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	of alternative data for certain variables; (3) recalculating the expected loss model and its related data; and (4) evaluating the qualitative adjustments applied to the model.
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Other Matters

The consolidated financial statements as of and for the year ended December 31, 2023 are presented solely for comparative purposes, were audited by me and in my report dated February 26, 2024, I expressed an unqualified opinion thereon.

Other Information

Management is responsible for the other information. The other information comprises the contents of the annual report, related to: "Message from the president, Our Strategy and Sustainable Management, but does not include the consolidated financial statements and my audit report thereon, nor the management report on which I express an opinion in the Other legal and regulatory requirements section, in accordance with the provisions of Article 38 of Law 222 of 1995.

My opinion on the consolidated financial statements does not address the other information, and I do not express any form of assurance conclusion on this information.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information and, in doing so, consider whether there is a material inconsistency between that information and the consolidated financial statements, or my knowledge obtained in the audit, or otherwise appears to be a material misstatement.

If, based on the work I have performed, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibility of the Group's Management and those Charged with Corporate Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes: designing, implementing and maintaining such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error;



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selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the consolidated financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern and for using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations or has no realistic alternative but to do so.

Those charged with corporate governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements taken are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes my opinion. Reasonable assurance means a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these consolidated financial statements.

As part of an audit conducted in accordance with ISAs, I exercise professional judgment and maintain professional skepticism during the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one arising from error, because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may indicate significant doubt about the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I should draw attention in my report to the disclosure that describes this situation in the consolidated financial statements or, if this disclosure is inadequate, I have to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions



may cause the Group to cease to operate as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events so as to achieve a fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision, and performance of the Group's audit. I remain solely responsible for my audit opinion.

I communicate to those charged with governance of the Group, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with confirmation that I have complied with relevant ethical independence requirements and that I have disclosed to them all relationships and other matters that might reasonably be thought to bear on my independence and, where appropriate, related safeguards.

From the matters communicated with those charged with governance, I determine the matters that were of most significance in the audit of the consolidated financial statements of the current period and, accordingly, are the key audit matters. I describe these matters in my Auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely exceptional circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably outweigh the benefits to the public interest of such communication.

(Original signed in Spanish)  
Gustavo Adolfo Roa Camargo  
Statutory Auditor of Banco Davivienda S.A.  
Registration No. 90879 – T  
Member of KPMG S.A.S

February 26, 2025

**Banco Davivienda S. A. and Subsidiaries**  
Consolidated Statement of Financial Position  
(Millions of Colombian Pesos (COP))

	Note	December 31, 2024	December 31, 2023
<b>Assets</b>			
Cash	12.1.	16,297,182	15,003,097
Interbank and overnight funds	12.2.	1,656,071	2,935,926
Investments measured at fair value	12.3.	16,032,483	13,343,570
Derivatives	12.4.	798,584	1,580,630
Loan portfolio and financial leases operations, net	12.5.	139,930,113	129,899,052
Accounts receivable, net	12.6.	2,549,228	2,590,566
Current tax assets		2,414,847	1,468,930
Assets held for sale, net	12.7.	183,145	233,836
Investments measured at amortized cost, net	12.3.	4,797,417	5,131,412
Investments in associates and joint arrangements	12.8.	217,266	221,976
Investments in other companies	12.9.	659,433	637,102
Property and equipment, net	12.11.	1,678,883	1,669,796
Investment properties, net	12.12.	505,593	399,589
Goodwill	12.14.	1,600,356	1,551,888
Intangibles, net	12.15.	485,779	410,525
Other assets, net	12.16.	1,520,906	1,140,547
<b>Total Assets</b>		<b>191,327,286</b>	<b>178,218,442</b>
<b>Liabilities</b>			
Deposits	12.18.	137,583,697	124,736,738
Savings accounts and electronic deposits		49,312,183	47,308,308
Checking accounts		16,200,215	15,936,584
Time deposits		70,796,890	60,180,191
Other deposits		1,274,409	1,311,655
Interbank and overnight operations	12.19.	3,744,564	1,926,320
Derivatives	12.4.	772,893	1,975,177
Credits with banks and other obligations	12.20.	16,028,005	16,320,457
Debt instruments issued	12.21.	11,399,140	12,836,332
Accounts payable	12.22.	2,473,614	3,112,142
Employee benefits	12.23.	404,690	361,407
Current tax liabilities		776,940	109,811
Deferred tax liabilities, net		50,015	103,838
Technical reserves	12.24.	419,622	324,366
Other non-financial and estimated liabilities	12.25.	1,513,288	1,659,078
<b>Total Liabilities</b>		<b>175,166,468</b>	<b>163,465,666</b>
<b>Equity</b>			
Capital		87,781	81,301
Share Premium		5,530,807	4,817,287
Reserves		5,644,286	6,546,635
First-time adoption adjustments		104,696	107,023
Other comprehensive income		4,686,716	3,409,360
Results attributable to owners of the controlling company		(115,975)	(395,700)
<b>Total equity of owners of the controlling company</b>		<b>15,938,311</b>	<b>14,565,906</b>
<b>Non-controlling interests</b>		<b>222,507</b>	<b>186,870</b>
<b>Total Equity</b>		<b>16,160,818</b>	<b>14,752,776</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>191,327,286</b>	<b>178,218,442</b>

See the notes attached to the Consolidated Financial Statements.

JUAN CARLOS HERNÁNDEZ NÚÑEZ  
Legal Representative

TATIANA SALDARRIAGA JIMENEZ  
Accountant  
Professional License No. 136928-T

GUSTAVO ADOLFO ROA CAMARGO  
Banco Davivienda S.A. Fiscal Auditor  
Professional License No. 90879-T  
Member of KPMG S.A.S.  
(See my report dated february 26, 2025)





Banco Davivienda S. A. and Subsidiaries  
Consolidated Statement of Income  
(Millions of Colombian Pesos (COP))

Years ended December 31:	Note	2024	2023
Interest and investment income		20,089,899	22,331,028
Interest income on loan portfolio		17,811,631	19,782,270
Investments and valuation, net	13.1.	1,758,272	2,065,273
Interbank and overnight funds, repos, simultaneous transactions		519,996	483,485
Interest expense		11,414,506	13,039,471
Deposits		8,654,799	9,534,573
Checking accounts		71,752	115,537
Savings accounts		1,980,891	2,720,457
Time deposits		6,602,156	6,698,579
Borrowings from banks and other financial obligations		1,248,398	1,660,842
Debt instruments issued		1,053,535	1,421,222
Other interest		457,774	422,834
Gross Financial Margin		8,675,393	9,291,557
Impairment of financial assets, net		5,195,503	5,917,197
Impairment of financial assets		7,613,464	9,893,631
Recovery of financial assets		(2,417,961)	(3,976,434)
Net Financial Margin		3,479,890	3,374,360
Insurance transactions income, net	13.2.	193,441	195,457
Fees and service income, net	13.2.	1,975,776	1,893,571
Result of investments in associates and joint operations, net		(50,459)	(139,063)
Operating expenses	13.3.	6,216,998	5,940,304
Personnel expenses		2,496,776	2,312,497
Overhead		3,272,836	3,250,485
Amortizations and depreciation		447,386	377,322
Profit (Loss) on exchanges		(16,235)	733,432
Derivatives, net		265,505	(1,345,986)
Dividends received		27,702	30,800
Other income and expenses, net	13.4.	277,858	203,930
Results Before Income Tax		(63,520)	(993,803)
Income tax	13.5.	26,135	(621,471)
Current income tax		188,505	217,734
Deferred income tax		(162,370)	(839,205)
Net Result for the Year		(89,655)	(372,332)
Results attributable to the owners of the controlling company		(115,975)	(395,700)
Results attributable to non-controlling interest		26,320	23,368
Earnings per share in COP <sup>(1)</sup>		(241)	(876)

(1) Calculated as: Net income attributable to owners of the parent company / Weighted average number of shares outstanding.

See the notes attached to the Consolidated Financial Statements.

JUAN CARLOS HERNÁNDEZ NÚÑEZ  
Legal Representative

TATIANA SALDARRIAGA JIMENEZ  
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Banco Davivienda S. A. and Subsidiaries  
Consolidated Statements of Other Comprehensive Income  
(Millions of Colombian Pesos (COP))

Years ended December 31:	2024	2023
Result attributable to the owners of the controlling interest	(115,975)	(395,700)
Result attributable to non-controlling interest	26,320	23,368
Net Income for the year	(89,655)	(372,332)

Components of other comprehensive income that will not be reclassified to profit or loss, net of taxes

Valuation of financial instruments	(45,074)	236,533
Realization to retained earnings from non-controlling equity instruments	-	11,703
Long-term employee benefits	1,881	(7,636)
Loan portfolio impairment for consolidated financial statements <sup>(1)</sup>	487,891	584,621
Total other comprehensive income that will not be reclassified to profit or loss, net of taxes	444,698	825,221

Components of other comprehensive income that will be reclassified to profit or loss, net of taxes:

Share of profit (loss) of investments accounted for using the equity method	(2,917)	(4,050)
Foreign exchange differences from foreign subsidiaries (note 2)	829,366	(952,920)
Cash flow hedge with derivatives	29,563	-
Total other comprehensive income that will be reclassified to profit or loss, net of taxes	856,012	(956,970)

Total other comprehensive income, net of taxes	1,300,710	(131,749)
Total comprehensive income for the year	1,211,055	(504,081)

Comprehensive income attributable to owners of the parent company	1,161,381	(495,019)
Comprehensive income attributable to non-controlling interests	49,674	(9,062)
Total comprehensive income for the year	1,211,055	(504,081)

(1) Required by the Colombian Financial Superintendency.

See the notes attached to the Consolidated Financial Statements.

JUAN CARLOS HERNÁNDEZ NÚÑEZ  
Legal Representative

TATIANA SALDARRIAGA JIMENEZ  
Accountant  
Professional License No. 136928-T

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(See my report dated february 26, 2025)



Banco Davivienda S.A. and its Subsidiaries Consolidated Statement of Changes in Equity (Millions of Colombian Pesos (COP))															
Years Ended December 31, 2024, and 2023	OTHER COMPREHENSIVE INCOME									RETAINED EARNINGS					
	Capital	Share Premium	Reserves	First-Time IFRS Adoption	Valuation of Financial Instruments	Long-Term Employee Benefits	Equity Interest in Investments Accounted for Using the Equity Method	Impairment of Loan Portfolio for Consolidated Financial Statements	Exchange Difference on Translation - Foreign Subsidiaries	Hedges with Derivatives	Retained Earnings from Prior Years	Net Profit (Loss) for the Year	Total Equity Attributable to Owners of the Parent Company	Non-Controlling Interest	Total Equity
Balance as of December 31, 2022	81.301	4.817.287	5.979.513	109.767	77.914	(1.850)	(12.872)	1.566.313	1.879.174	-	-	1.593.142	16.089.689	203.689	16.293.378
Transfer of Retained Earnings											1.593.142	(1.593.142)	-	(15.852)	(15.852)
Dividend Distribution Dividends declared in cash, at a rate of \$1.010 per share on 451.670.413 subscribed and paid shares. Payment dates: April 12 and September 13, 2023. (Note 2)											(456.187)		(456.187)	(9)	(456.196)
Movement in Reserves:															
Occasional Reserve			551.733								(551.733)		-	7.722	7.722
Statutory Reserve			15.389								(15.389)		-	404	404
Realization of First-Time IFRS Adoption				(2.744)							2.744		-	(22)	(22)
Other Comprehensive Income, Net of Income Tax					246.694	(7.636)	(4.074)	584.621	(918.924)		(572.577)		(671.896)	(32.430)	(704.326)
Net Profit (Loss) for the Year												(395.700)	(395.700)	23.368	(372.332)
Balance as of December 31, 2023	81.301	4.817.287	6.546.635	107.023	324.608	(9.486)	(16.946)	2.150.934	960.250	-	-	(395.700)	14.565.906	186.870	14.752.776
Issuance of Shares:															
Increase in capital issued through the issuance of 27,392,472 common shares and 8,607,528 preferred shares.	6.480	713.520											720.000		720.000
Transfer of Retained Earnings											(395.700)	395.700	-	(24.373)	(24.373)
Movement in Reserves:															
Occasional Reserve			(902.739)								902.739		-	9.842	9.842
Statutory Reserve			390								(390)		-	570	570
Realization of First-Time IFRS Adoption				(2.327)							2.327		-	(76)	(76)
Other Comprehensive Income, Net of Income Tax					(44.175)	1.873	(1.888)	487.891	804.092	29.563	(508.976)		768.380	23.354	791.734
Net Profit (Loss) for the Year												(115.975)	(115.975)	26.320	(89.655)
Balance as of December 31, 2024	87.781	5.530.807	5.644.286	104.696	280.433	(7.613)	(18.834)	2.638.825	1.764.342	29.563	-	(115.975)	15.938.311	222.507	16.160.818

See the Notes attached to the Consolidated Financial Statements.

JUAN CARLOS HERNÁNDEZ NÚÑEZ  
Representante Legal

TATIANA SALDARRIAGA JIMÉNEZ  
Contador  
TP. No. 136928-T

GUSTAVO ADOLFO ROA CAMARGO  
Revisor Fiscal de Banco Davivienda S.A.  
TP. No. 90879-T  
Miembro de KPMG S.A.S.  
(Véase mi informe del 26 de febrero de 2025)



**Banco Davivienda S. A. and Subsidiaries**  
Consolidated Statements of Cash Flows  
(Millions of Colombian Pesos (COP))

Years ended December 31:	Note	2024	2023
<b>Cash flows from operating activities:</b>			
Net income for the year		(89,655)	(372,332)
<b>Reconciliation of net income to net cash provided by operating activities:</b>			
Impairment of investments, net	12.3.6.	14,483	(4,802)
Impairment of loan portfolio and financial leasing, net	12.5.4.	5,868,524	6,551,420
(Recoveries of) impairment of other assets, net		(108,745)	67,033
Impairment (recovery) of intangible assets		121	-
Provision for severance payments		81,677	75,935
Provision for other non-financial liabilities and estimated liabilities, net	12.25.	100,056	51,593
Net interest income		(6,916,824)	(7,224,217)
Depreciation and amortization	13.3.	447,386	377,322
Foreign exchange difference, net		(1,094,365)	(1,519,717)
Profit (loss) on sale of investments, net		(50,285)	(86,597)
Loss from equity method investments, net		50,459	139,063
Net result from investments		(1,708,284)	(1,980,743)
Fair value adjustments on derivatives and spot transactions, net		(430,807)	1,346,009
Profit (loss) on sale of loan portfolio and leasing assets, net		(7,677)	-
Profit (loss) on sale of property and equipment, net	12.11.2.	(1,770)	954
Loss on sale of assets held for sale	12.7.	20,908	(4,560)
Profit on sale of investment properties	12.11.3.	(60)	(2,402)
Income tax	13.5.	26,135	(621,471)
<b>Changes in operating assets and liabilities:</b>			
Money market assets and related transactions		23,102	59,771
Derivative financial instruments		38,868	(1,109,635)
Investments recorded at fair value through profit or loss		745,978	381,714
Loan portfolio and financial leasing operations	(14,872,753)	(1,609,474)	
Accounts receivable		(801,381)	(1,003,058)
Other assets		(208,321)	(11,560)
Deposits and demand liabilities		11,964,017	4,978,135
Money market liabilities and related transactions		1,818,243	803,871
Accounts payable		955,931	406,200
Employee benefits		51,254	(35,158)
Technical reserves		95,256	(60,205)
Estimated liabilities		(35,881)	(38,815)
Other liabilities		(167,905)	(182,441)
Proceeds from sale of loan portfolio		699,883	353,871
Proceeds from sale of assets held for sale		64,686	50,142
Proceeds from sale of other assets		62,377	5,924
Income tax paid	(1,126,680)	(530,843)	
Interest received	19,138,033	19,579,239	
Interest paid	(10,660,802)	(11,807,304)	
Severance payments	(86,712)	(77,004)	
<b>Net cash provided by operating activities</b>		<b>3,098,390</b>	<b>7,025,066</b>

**Banco Davivienda S. A. and Subsidiaries**  
Consolidated Statements of Cash Flows (continued)  
(Millions of Colombian Pesos (COP))

Years ended December 31:	Note	2024	2023
<b>Cash flows from investing activities:</b>			
Dividends received		27,702	30,800
Acquisition of investments recorded at amortized cost		(3,400,737)	(3,587,913)
Acquisition of investments recorded at fair value through Other Comprehensive Income (OCI)		(11,000,554)	(11,069,036)
Increase in investments in associates and other companies		23,599	(35,715)
Increase in non-controlling interest		9,316	(40,187)
Additions to property and equipment		(194,633)	(175,232)
Proceeds from sale of investments		14,196,165	14,471,527
Proceeds from sale of property and equipment		10,734	5,182
Proceeds from sale of investment properties		17,499	11,221
Increase in intangible assets, net		(218,229)	(105,762)
<b>Net cash used in investing activities</b>		<b>(529,138)</b>	<b>(495,115)</b>
<b>Cash flows from financing activities:</b>			
Issuance of shares		720,000	-
Proceeds from new borrowings of financial obligations	12.20.	6,221,751	5,652,736
Repayments of financial obligations	12.20.	(8,557,257)	(7,895,786)
Issuance of debt instruments	12.21.	255,628	694,891
Redemptions of issued debt instruments	12.21.	(2,504,220)	(1,047,947)
Lease liability payments		(172,581)	(150,823)
Cash dividend payments		(134)	(456,464)
<b>Net cash used in financing activities</b>		<b>(4,116,813)</b>	<b>(4,003,393)</b>
Net (decrease) increase in cash and cash equivalents		(747,561)	2,527,350
Effect of foreign exchange differences on cash and cash equivalents		761,791	(870,555)
Cash and cash equivalents at the beginning of the year		17,939,023	16,282,220
<b>Cash and cash equivalents at the end of the year (*)</b>		<b>17,953,253</b>	<b>17,939,023</b>

(\*) Includes cash equivalents with maturities of less than 90 days from money market placements and related transactions amounting to \$1,050,071 as of December 2024 and \$2,935,626 as of December 2023.

See the notes attached to the Consolidated Financial Statements.

JUAN CARLOS HERNÁNDEZ NÚÑEZ  
Legal Representative

TATIANA Saldarriaga Jimenez  
Accountant  
Professional License No. 136928-T

GUSTAVO ADOLFO ROA CAMARGO  
Banco Davivienda S.A. Fiscal Auditor  
Professional License No. 90879-T  
Member of KPMG S.A.S.  
(See my report dated February 26, 2025)



## Appendix 7. Certification and accountability of financial information



### CERTIFICATION OF THE SEPARATE FINANCIAL STATEMENTS

#### RESPONSIBILITY FOR FINANCIAL INFORMATION

The undersigned, the Legal Representative and Chief Accountant of Banco Davivienda S.A., in compliance with the provisions set forth in Articles 46 and 47 of Law 964 of 2005 and in accordance with the Accounting and Financial Reporting Standards accepted in Colombia, hereby:

Certify that the Separate Financial Statements for the period from January 1 to December 31, 2024, do not contain any misstatements, inaccuracies, or errors that would prevent a true and fair view of the financial position or the operations of Banco Davivienda S.A., in accordance with Article 46 of Law 964 of 2005.

In compliance with the provisions of the Accounting and Financial Reporting Standards accepted in Colombia and considering the Conceptual Framework, the information and assertions presented in the Separate Financial Statements have been duly verified and obtained from the accounting records, prepared in accordance with the aforementioned regulatory framework.

Banco Davivienda S.A. maintains adequate disclosure and financial information control systems, supported by specifically designed procedures to ensure that such information is properly presented. The operation of these systems is verified by the Audit Department and the Accounting Directorate.

Furthermore, we confirm that there have been no significant deficiencies in the design and operation of internal controls that would have prevented the Bank from properly recording, processing, summarizing, or presenting its financial information. Management has conducted control activities to prevent fraud risks in processes affecting the quality of financial information and to monitor changes in the evaluation methodology.

The Separate Financial Statements reflect the existing assets, liabilities, and equity as of the reporting date, which represent probable future rights and obligations, respectively. The transactions recorded during the period, related to the Bank, have been recognized for the appropriate amounts, properly classified, described, and

disclosed, in accordance with the Conceptual Framework and in compliance with the Accounting and Financial Reporting Standards accepted in Colombia.

The assertions contained in the Financial Statements have been previously verified to ensure compliance with regulatory provisions and that they have been faithfully derived from the accounting books, in accordance with Article 37 of Law 222 of 1995. The Bank has adequate procedures for the control and disclosure of financial information, and their operation has been verified in accordance with the provisions of Article 46 of Law 964 of 2005.

Bogota, February 26, 2025

**Juan Carlos Hernández Núñez**  
Legal Representative

**Tatiana Saldarriaga Jiménez**  
CPA 136928 -T





## CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

### RESPONSIBILITY FOR FINANCIAL INFORMATION

The undersigned, the Legal Representative and Chief Accountant of Banco Davivienda S.A., in compliance with the provisions set forth in Articles 46 and 47 of Law 964 of 2005 and in accordance with the Accounting and Financial Reporting Standards accepted in Colombia, hereby:

Certify that the Consolidated Financial Statements for the period from January 1 to December 31, 2024, do not contain any misstatements, inaccuracies, or errors that would prevent a true and fair view of the financial position or the operations of Banco Davivienda S.A. and its subsidiaries, in accordance with Article 46 of Law 964 of 2005.

In compliance with the provisions of the Accounting and Financial Reporting Standards accepted in Colombia and considering the Conceptual Framework, the information and assertions presented in the Consolidated Financial Statements have been duly verified and obtained from the accounting records, prepared in accordance with the aforementioned regulatory framework.

Banco Davivienda S.A. and its subsidiaries maintain adequate disclosure and financial information control systems, supported by specifically designed procedures to ensure that such information is properly presented. The operation of these systems is verified by the Audit Department and the Accounting Directorate.

Furthermore, we confirm that there have been no significant deficiencies in the design and operation of internal controls that would have prevented the Bank and its subsidiaries from properly recording, processing, summarizing, or presenting their consolidated financial information. Management has conducted control activities to prevent fraud risks in processes affecting the quality of consolidated financial information and to monitor changes in the evaluation methodology.

The Consolidated Financial Statements reflect the existing assets, liabilities, and equity as of the reporting date, which represent probable future rights and obligations, respectively. The transactions recorded during the period, related to the Bank and its subsidiaries, have been recognized for the appropriate amounts, properly classified, described, and disclosed, in accordance with the Conceptual

Framework and in compliance with the Accounting and Financial Reporting Standards accepted in Colombia.

The assertions contained in the Financial Statements have been previously verified to ensure compliance with regulatory provisions and that they have been faithfully derived from the accounting books, in accordance with Article 37 of Law 222 of 1995. The Bank and its subsidiaries have adequate procedures for the control and disclosure of financial information, and their operation has been verified in accordance with the provisions of Article 46 of Law 964 of 2005.

Bogota, February 26, 2025

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**Juan Carlos Hernández Núñez**  
Legal Representative

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**Tatiana Saldarriaga Jiménez**  
CPA 136928 -T



## Appendix 8. Certifications on controls and procedures used for reporting to the national registry of securities and issuers

Report subscribed by the legal representative of the issuer on the results of the assessment of internal control systems and control procedures and disclosure of financial information.

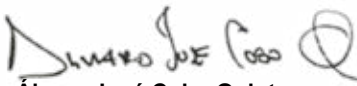
- Certification issued by the legal representative of the issuer in which they certify that the information includes all material aspects of the business.

**DAVIVIENDA**

Bogotá, February 24th, 2025

**CERTIFICATION REGARDING MATERIAL ASPECTS OF THE BUSINESS**

In compliance with item (i) of Article 7.4.1.2.7. of Annex 1 of Chapter I, Title V, Part III of the Basic Legal Circular (Artículo 7.4.1.2.7 del Anexo 1 del Capítulo I, Título V, Parte III de la Circular Básica Jurídica), I hereby certify that the information contained in the Year-End Report contains all the material aspects of the business that occurred during the year 2024.

  
**Álvaro José Cobo Quintero**  
Legal Representative

DAVIVIENDA S.A.

VILLAGE INFORMATION MANAGEMENT





Report signed by the issuer's legal representative on the results of the evaluation of the internal control systems and the procedures for the control and disclosure of financial information.

Certification issued by the statutory auditor confirming the effectiveness of controls over financial reporting.

This certification is made through the ISAE 3000 report issued by the statutory auditor KPMG dated December 31, 2024, which is an integral part of its opinion and therefore is also part of the Separate and Consolidated Financial Report package.



#### REPORT ON THE RESULTS OF THE EVALUATION CONDUCTED ON INTERNAL CONTROL SYSTEMS AND PROCEDURES FOR CONTROL AND DISCLOSURE OF FINANCIAL INFORMATION

December 2024

Banco Davivienda S.A. relies on policies and procedures required to operate its Internal Control System (ICS) in accordance with the current regulations.

Currently, control standards are applied to the Bank's operations, which are executed and monitored in each organizational process. These standards are periodically evaluated by the Vice Presidency of Internal Audit and other control bodies.

Banco Davivienda S.A.'s ICS features the following characteristics:

- To encourage and maintain an adequate control environment built upon organizational culture, raising employee awareness.
- To continuously strengthen the established risk management systems, which serve as the foundation for operations by establishing objectives, identifying incidents, assessing them, and responding to risks.
- Define and implement control activities and procedures required to manage risks; periodically assess how such activities and procedures are performed and formulate mitigation plans accordingly to the evaluated risks.
- Take appropriate actions aimed at protecting, storing, accessing, preserving, safeguarding, and disclosing information, ensuring data reliability, integrity and availability; effectively communicating key information to the necessary levels and stakeholders.
- Set and enforce policies and procedures to ensure continuous monitoring and supervision by management and senior leadership.

To verify the effectiveness of the ICS, the Bank is supported by the Audit Vice-presidency, the Statutory Auditor's Office, and the Risk Management areas who, according to the three lines of defense model, carry out evaluation and monitoring; likewise, they identify the areas that execute internal control from the First Line. The above, in the following way:

First Line: Composed of the owners of the processes responsible for: the identification of risks associated with the processes under their responsibility, including those of financial reporting from the origin of transactions to the corresponding preparation, consolidation and disclosure; the design, execution and supervision of controls that mitigate their risks, reporting of risk events and the formulation and implementation of action plans when required.

These processes are formally documented and there are well-defined and effective execution and oversight controls in place to provide reasonable assurance in terms of financial reporting risk mitigation.

Second Line: The risk areas monitor the Bank's controls, question or advise on the formulation of controls for mitigation, among which are the key financial reporting controls, understood as those that take care of how financial information is recorded, processed and disclosed.

Various methodologies are used to monitor these controls, such as:

- Evaluation of controls in conjunction with those responsible for processes (first line).
- Focused and prioritized monitoring to measure the reasonableness and effectiveness of controls.

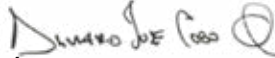
Based on these results, identified opportunities for improvement are conveyed to those in charge of processes, improvement actions are defined, and control ratings are updated if required.

Third Line: The Bank's Audit Vice-presidency assesses the Internal Control System to determine if it is reasonable to ensure that it is effective, encompassing financial reporting matters (Accounting Management).

The Internal Audit Vice-presidency independently and objectively assesses risk management, internal control, and corporate governance. Based on its findings, it shares recommendations to improve processes and operations. Key financial reporting controls are embedded in these evaluations. The assessments in 2024 were conducted under the approved planning, following a risk-level prioritization exercise for the various processes within the Bank, guided by the process map, strategic objectives, and regulatory and legal obligations. No material deficiencies were identified upon revision of financial reporting-related processes.

Internal Audit followed up on the action plans defined by those responsible for processes, who followed the recommendations made and continue to do so; similarly, the Audit Committee and additional Corporate Governance bodies monitored the status of implementation and effectiveness of such plans, thereby contributing towards achieving our mission to present and disclose financial information properly.

As a result of the activities conducted by the three defined lines, no significant deficiencies were detected that would have prevented the recognition, measurement, and disclosure of the financial information.

  
Alvaro José Cobo Quintero  
Legal Representative



## BANCO DAVIVIENDA S.A.

### EXECUTIVE VICE PRESIDENCY OF RISK

**Álvaro José Cobo Quintero** / Executive Vice-President of Risk

**Juan Carlos Hernández Núñez** / Accounting and Tax Vice-Presidency

**Tatiana Saldarriaga Jiménez** / Accounting Management

**Sandra Liliana Bejarano** / Generación y Análisis Estados Financieros

**Miriam Leiva** / Generation and Analysis of Financial Statements

**Faiver Castro** / Generation and Analysis of Financial Statements

**Paula Lorena Botía Cella** / Investor Relations

**Andrés Camilo Chacón Briceño** / Investor Relations

**Sebastián Rodríguez Rico** / Investor Relations

**Isabel Pineda Jaramillo** / Investor Relations

**Julián David Camacho** / Investor Relations

### SUSTAINABILITY MANAGEMENT

**Alejandra Díaz** / Sustainability Management

**Maria Camila Vasquez Noriega** / Science, Performance and ESG Culture - Knowledge Center

**Angélica López López** / Sustainable Knowledge Center

**Sara Daniela Ramírez Serrano** / Sustainable Knowledge Center

**Andrés Sebastián Burgos Arévalo** / Sustainable Knowledge Center

### EXECUTIVE VICE PRESIDENCY OF PERSONAL BANKING AND MARKETING

**Maritza Pérez Bermúdez** / Executive Vice President of Personal Banking and Marketing

**Carlos Eduardo Torres Prieto** / Marketing and Advertising Department

**Claudia Maria Granada** / Public Relations Management

**Carlos Javier Larrota Rangel** / Branding & Advertising

**Angelica Sanchez Bohórquez** / Reputation Sustainability Marketing and Sustainability

### DESIGN AND PRODUCTION

**Design Concept** / Babel Group

**Editorial design, photo retouching, positioning and cover design** / Todo Comunica

**Production management and content editing** / José F. Machado y Aura Bohorquez

**Photography** / Archivo Davivienda, archivo Todo Comunica, Envato, Freepick



### FOR FURTHER INFORMATION

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