



The world
is our
home

*Let's make it more prosperous,
inclusive and green*

Banco Davivienda S.A.

 **Year-end
Report** **2023**

> Our Commitment To The Sustainable Development Goals (SDGs)



We are committed to the call of the United Nations (UN) to transform our world by integrating the 2030 Agenda and the Sustainable Development Goals (SDGs) into our sustainable strategy. Therefore, from our statement “The world is our home, let’s make it more prosperous, inclusive and green”, we understand our role in the generation of economic, social and environmental value, and we take as a starting point the updating of material issues, with the objective of aligning our contribution to the SDGs with the strategic issues identified and valued by Senior Management and our stakeholders.

In 2023 we followed the prioritization methodology of CODS (Center for Sustainable Development Goals in Latin America and the Caribbean), based on the Corporate Ecosystem Services Review (ESR), which provides the tools to have a better



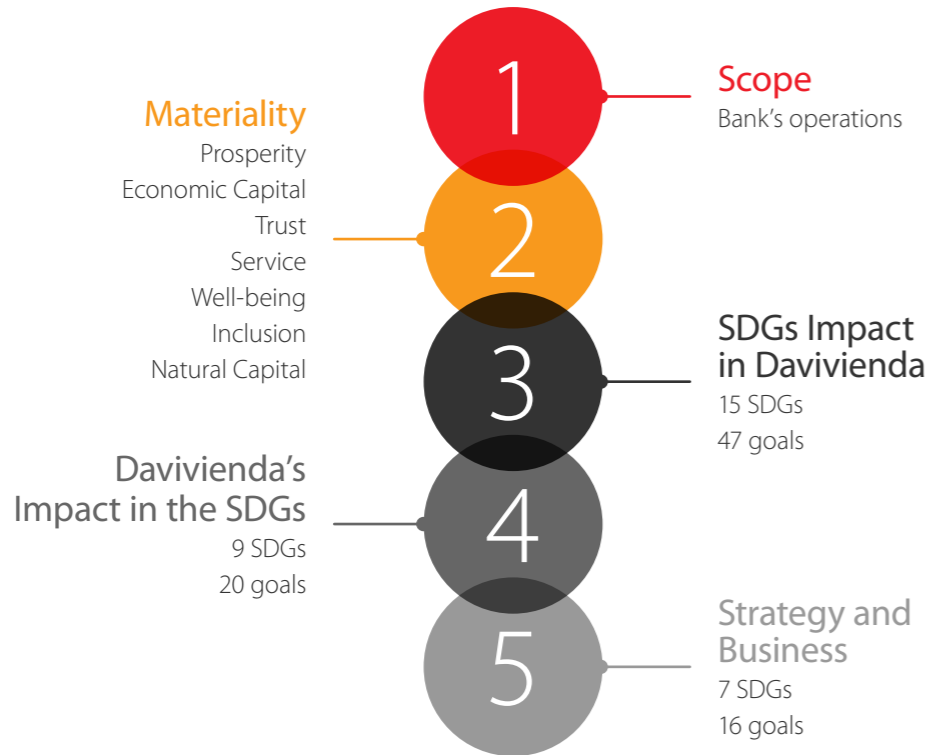
understanding of the SDGs from the business environment to align the contribution to the 2030 Agenda with strategic activities, allowing us to manage risks and opportunities related to our impact and dependence on ecosystem services.

We first defined the scope of this analysis as the total operation, in order to size scalable contributions to the SDGs with our impacts. Next, we connect the goals and targets to our materiality, which allows us to identify priority issues for our stakeholders on which we manage risks and opportunities. Third, we identify the impact that each objective may have on our operation and the trends in these

priority services, and then we identify our ability to contribute to the resolution of the problems associated with the objectives, the role we play as a company, and the business opportunities that may arise. Finally, based on the connection between the business and the objectives, projects and strategies for contribution were defined. These steps allow us to connect, from the internal, how our mission, purpose and resources should respond to the external, that is, to the trends and challenges in the sustainability frontier that are aligned with our materiality and strategy, and that take into account the values and capabilities of the company.

Following this methodology, along with other CODS recommendations, allowed us to frame our contribution in the context of Latin America and the Caribbean and give this prioritization a long-term vision. This is how we prioritized 7 SDGs and 16 goals, on which we have a significant contribution in our operation, aligned with the material issues for our stakeholders

and with the strategic business focuses, as well as with our values and mission. With our goal of making 30% of our portfolio sustainable by 2030, we are committed to a transformation leveraged on innovation, sustainable finance and financial education, responding to the demands framed in the global agenda and the needs of our stakeholders.





Davivienda Contribution

We promote the economic development and empowerment of women, from our employees (through our commitments to Diversity, Equity and Inclusion and memberships such as the Financial Alliance For Women - FAFW), to our clients and the general community by offering financial and non-financial services with a gender focus, such as our social lines VIS Mujer and Pyme Mujer, and programs such as Cultivarte Familia and Financial education.

Target to 2030

5.5. Ensure women's full and effective participation and equal opportunities for leadership at all decision-making levels in political, economic and public life.

Contribution indicator

- ▶ Access to financial services through the Gender Social Bond
- ▶ Female SME balance: COP 1 trillion.
- ▶ Female VIS balance: COP 4.5 billion.
- ▶ Cut-off as of December 2023.

Davivienda Contribution

We want to become the first ally of micro-businesses and SMEs, since we recognize their key role in the economic growth of countries and in the generation of employment. We develop actions that allow us to accompany our clients with solutions that encourage them to believe, grow and consolidate their activity. We also accompany them in the transformation and adoption of more sustainable practices through the specialized offer of green and social lines.



Target to 2030

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

8.4. To progressively improve the efficient production and consumption of the world's resources, and strive to decouple economic growth from environmental degradation, in accordance with the Ten-Year Framework of Programs on Sustainable Consumption and Production Patterns, starting with the developed countries.

8.5. Achieve full and productive employment and decent work for all women and men, including youth and persons with disabilities, and equal pay for work of equal value.

8.10. Strengthen the capacity of national financial institutions to promote and expand access to banking, financial and insurance services for all.

Contribution indicator

Financing for SMEs and small businesses

- ▶ SME balance: COP 7.9 trillion.
- ▶ Small business balance for individuals: COP 44 billion.
- ▶ Cut-off as of December 2023.

Green financing for SMEs

- ▶ Green portfolio balance: COP 60 billion.
- ▶ Renewable energies: 48%
- ▶ Agrosustainable: 31

Commitments to pay equity

- ▶ More than 18 thousand employees in Colombia and subsidiaries.
- ▶ Talent retention and promotion.
- ▶ (See Human Resources section)

Access to financial services

We reached 21.7 million customers, with a share of close to 56% of adults in Colombia.

Davivienda Contribution

We have positioned ourselves as a key bank in the financing of high-impact infrastructure projects for the development of Colombia, supporting road, port, energy generation and transmission, and real estate projects, among others, that contribute to the competitiveness and progress of the regions. Additionally, through the Constructor, Corporate and Business banks, we contribute to the transformation and adoption of more sustainable practices in the different economic sectors we finance.



Target to 2030

- ▶ **9.1.** Develop reliable, sustainable, resilient and quality infrastructure, including regional and cross-border infrastructure, to support economic development and well-being, with particular emphasis on affordable and equitable access for all.
- ▶ **9.2.** Promote inclusive and sustainable industrialization and significantly increase the contribution of industry to employment and gross domestic product, in accordance with national circumstances, and double that contribution in the least developed countries.
- ▶ **9.3.** Increase the access of small industries and other businesses, particularly in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.
- ▶ **9.4.** To modernize infrastructure and convert industries to make them sustainable, using resources more efficiently and promoting the adoption of clean and sustainable industrial processes and technologies, ensuring that all countries take action in accordance with their capabilities.

Contribution indicator

Financing of social infrastructure

More than COP 1.4 trillion in portfolio balances for fourth generation road projects, hospitals, ports and infrastructure with social and environmental impact.

Financing for the transition of economic sectors

In the construction, hotel and tourism and business services sectors, 22% (COP 2 trillion) of total financing went to green lines.

Access to financial services for small industries

Sustained growth of the SME and Construction portfolio, reaching portfolio balances of COP 7.8 and COP 6.8 trillion, respectively.

Green financing in the Corporate, Business and Construction lines

Increased in 38%.



Davivienda Contribution

We support everyone's life projects, fostering diversity and promoting equity, facilitating access to financial products and services, and prioritizing historically vulnerable populations within our business strategy.

Target to 2030

- ▶ **10.2.** To enhance and promote social, economic and political inclusion of all people regardless of age, gender, disability, race, ethnicity, origin, religion, economic status or any other condition.

Contribution indicator

Focused Financing

- ▶ Financing to women for COP 29 billion, corresponding to 42% of the balance of assets.
- ▶ Financing to young people for COP 3.8 billion, corresponding to 13% of our portfolio.



Davivienda Contribution

We continue to consolidate our leadership in housing finance in Colombia, accompanying low-income people, women and young people to fulfill their dream of acquiring housing on favorable terms. We also mobilized resources to finance hybrid and electric vehicles, thereby reducing emissions.

Target to 2030

- ▶ **11.1.** Ensure access for all people to adequate, safe, and affordable housing and basic services, and improve slums.
- ▶ **11.2.** Provide access to safe, affordable, and sustainable transportation systems for all and improve road safety, in particular by expanding public transportation, paying special attention to the needs of people in vulnerable situations, women, children, people with disabilities, and the elderly.
- ▶ **11.3.** To increase inclusive and sustainable urbanization and the capacity for participatory, integrated and sustainable planning and management of human settlements in the countries where we operate.

Contribution indicator

Affordable and sustainable housing finance

More than 220 thousand loans in force for low-income housing (VIS) and more than 4 thousand for sustainable housing, with a total balance of COP 11 trillion.

Financing for sustainable mobility

Nearly 3 thousand loans in force for the purchase of hybrid and electric vehicles for more than COP 257 billion.

Sustainable construction financing

Portfolio balance of more than COP 1.6 trillion, with more than 76 certified projects and 19 thousand tons of CO2 avoided.



Davivienda Contribution

We work permanently on the proper management of resources and waste from our operations, recognizing that the optimal development of our strategy must be aligned with technological innovation and the articulation of alliances with our suppliers and other key players in the value chain.

Target to 2030

- ▶ **12.2.** To achieve sustainable management and efficient use of natural resources.
- ▶ **12.5.** Significantly reduce waste generation through prevention, reduction, recycling and reuse activities.

Contribution indicator

Resource management

44% reduction in water and 22% reduction in energy compared to our baseline.

Waste management

We reduced waste generation with respect to 2022 by 29% and we recycled 74% of this waste.



Davivienda Contribution

We enrich the lives of people and the planet with integrity through the transformative power of our sustainable business models. We design a portfolio of products and services with innovative solutions that favor inclusion, that promote the development of eco-efficient practices and with a smaller ecological footprint among our customers, that express our interest in creating long-term value in a responsible manner with our stakeholders and with full awareness of the environment.

Target to 2030

- ▶ **13.2.** To incorporate climate change measures into national policies, strategies and plans.

Contribution indicator

Commitments and adhesions

- ▶ Reporting commitments: CDP, TCFD, PCAF
- ▶ International commitments: UNEP-FI, NZBA, GFANZ, SBTi, PRI.
- ▶ National commitments: Green Protocol.



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