



GENDER BOND 2022 MANAGEMENT REPORT as of December 31, 2022

In 2020, the Inter-American Development Bank - IDB, fully subscribed the Gender Bonds issued in the second market by Banco Davivienda S.A., totaling COP 362'500,000,000. Net resources of these bonds are intended to strengthen Small and Medium Enterprises (SMEs) led by women, as well as the acquisition of Low Income Housing (VIS) for women. This was the first issuance of a Gender Bond in Colombia providing incentives tied to total or partial financing of loans for women.

Based on the reference framework for the issuance of gender-based social bonds, as outlined in the Social Bond Principles (SBP), all resources from the issuance and subscription of Gender Bonds have been used to fund the bank's social loan portfolio in the following segments: (i) SMEs led by women; and (ii) low-income housing loans (VIS) granted to women.

- **SMEs led by women:** SMEs that (i) are owned by one or more women, provided that they hold at least 51% of the voting rights, and (ii) in which a woman serves as the main legal representative.
- **Low-income housing (VIS) Awarded to Women:** Refers to loan agreements granted to women for the acquisition of low-income housing and secured by mortgages. Pursuant to applicable Colombian regulations, the maximum value of a low-income housing unit (VIS) may not exceed the equivalent of one hundred and fifty (150) legal monthly minimum wages in force.

This report, in line with management and disclosure practices, highlights Davivienda's performance with regard to the use of the funds raised from the issuance of the Gender Bond. The bank has thus strengthened its product offering in recent years to foster the financial inclusion of women in Colombia, promoting entrepreneurship and wealth creation, empowering this key segment of the population.

The following chart depicts the balances of businesses funded with resources raised through the issuance of Gender Bonds between August 2020 and December 2022, and disbursements placed by the Bank on SMEs Led by Women and low-income housing (VIS) granted to women as of December 2022 (See Chart 1).



CHART 1

ELIGIBLE PROJECT CATEGORIES	INDICATOR	OVERALL FIGURE FOR THE BANK ¹	GENDER BOND RESOURCES (IDB)	USE OF GENDER BOND RESOURCES (IDB)	USE OF GENDER BOND RESOURCES (IDB)
			2022	2021	2020
SMEs led by women	Amount of loans outstanding SMEs led by Women	862.224.925.478 COP	4.095.591.376 COP	8.354.645.395 COP	0 COP
	Number of loans outstanding SMEs led by Women	12.097	27	44	0
	Amount of loans disbursed to SMEs led by Women	421.018.086.730 COP	0 COP	9.429.616.297 COP	0 COP
	Number of loans disbursed to SMEs led by Women	6.324	0	59	0
	Active SMEs led by women customers	7.320	25	35	0
	Active SMEs customers	51.158	25	35	0
	Low-income housing (VIS) owned by women (including VIS leasing)	Amount of outstanding loans Low-income housing (VIS) Women	3.515.206.728.571 COP	329.464.368.227 COP	295.849.329.464 COP
Number of loans outstanding Low-income housing (VIS) Women		84.305	5.897	5.431	1.019
Amount of loans disbursed Low-income housing (VIS) for Women		801.067.586.413 COP	49.764.444.570 COP	251.408.797.395 COP	55.786.986.378 COP
Number of loans disbursed Low-income housing (VIS) for Women		12.172	764	4.540	1.019

The following chart shows details of consolidated loan amounts disbursed for both SMEs led by women and low-income housing loans for women (See Chart 2).

¹ Figures as of 2022.



CHART 2

ELIGIBLE PROJECT CATEGORIES	INDICATOR	DEFINITION	CUMULATIVE DISBURSEMENTS 2020 - 2022
SMEs led by women	Amount of loans disbursed to SMEs led by Women	Total amount of loans disbursed by the Financial Institution to small and medium-sized enterprises led by women during the period.	9.429.616.297 COP
Women-owned low-income housing (VIS) (includes VIS leasing)	Amount of loans disbursed to women-owned low-income housing	Total amount of loans disbursed by the Financial Institution for low-income housing owned by women during the period.	356.960.228.343 COP

These results reaffirm Davivienda’s commitment to inclusion and empowerment of women, supporting them to fulfill their dreams. This objective is in line with the United Nations 2030 Agenda for Sustainable Development, aimed at promoting sustainable development (economic, social and environmental) across all economic sectors, focusing specifically on equity and inclusion, contributing to Sustainable Development Goal - SDG number 5, and specifically to target 5.5 to Ensure women’s full and effective participation and equal opportunities for leadership at all decision-making levels in political, economic and public life, by guaranteeing women’s access to financial services.

Finally, the key compliance indicator is listed:

CHART 3

ELIGIBLE PROJECT CATEGORIES	INDICATOR	OVERAL BANK FIGURE
SMEs led by women	Number of customers with the highest annual sales - SMEs led by Woman	349
	Active Customers SMEs led by women	11.410
	Active SME customers	7.320
	Total loans to SMEs led by women as a percentage of the overall SME portfolio (%) (Key Compliance Indicator)	13%

**Davivienda strives to make the world our home.
Let’s make it more prosperous, more inclusive and greener!**

Note: These indicators were externally verified by Deloitte.

LIMITED ASSURANCE ABOUT SELECTED INDICATORS INCLUDED IN THE GENDER BOND MANAGEMENT REPORT 2022

To the Board Director of Banco Davivienda S.A.

Limited Assurance about selected indicators included in the Gender Bond Management Report 2022

We have carried out limited assurance work on the Gender Bond selected indicators detailed in Annex B (hereinafter the subject matter of the assurance engagement), included in the Gender Bond Management Report 2022 of Banco Davivienda S.A., for the year ended December 31, 2022. 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 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 Gender Bond Management Report 2022, 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 Gender Bond Management Report 2022 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 2022

Management is responsible for the preparation of the selected indicators included in Gender Bond Management Report 2022 in accordance with the criteria established in Banco Davivienda's framework for the issuance of a social bond with a gender perspective. 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.

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 Gender Bond Management Report 2022 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:
 - 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 B, for the year ended December 31, 2022; and we have not conducted any procedures with respect to prior years, projections and future goals, or any other items included in the Gender Bond Management Report 2022 for the year ended December 31, 2022 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 Gender Bond Management Report 2022; 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 Gender Bond Management Report 2022. 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 Gender Bond Management Report 2022 of Banco Davivienda S.A., for the year ended December 31, 2022, 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 Gender Bond Management Report 2022 of Banco Davivienda S.A. for the year ended December 31, 2022, nor to its financial statements, taken as a whole.


SANDRA MILENA VILLABONA L.
Partner

Bogotá, July 27, 2023



ANNEX A CRITERIA

The following are the criteria of the Gender Bond defined by the Management of Banco Davivienda S.A. as established in Banco Davivienda's Bond framework

Eligible project categories	Indicator	Criteria
SMEs led by women	Amount of loans outstanding SME Women	Total value of the Financial Institution's outstanding portfolio of loans to women-led small and medium-sized enterprises at the end of the period.
	Number of loans outstanding SME Women	Total number of outstanding loans to women-led small and medium-sized enterprises in the Financial Institution's portfolio at the end of the period.
	Amount of loans disbursed SME-Women	Total value of loans disbursed by the Financial Institution to small and medium-sized enterprises led by women during the period.
	Number of loans disbursed SME-Women	Total number of loans disbursed by the Financial Institution to women-led small and medium-size enterprises during the period
	Active SME Women Clients	Number of female-headed small and medium enterprise clients with active loans at the end of the reporting period.
	Active SME Clients	Number of small and medium enterprise clients with active loans at the end of the reporting period.
	Total number of SME Women loans out of total SME portfolio (%)	Number of outstanding loans to the Financial Institution's women-led small and medium-sized enterprises, as a percentage of the total number of outstanding loans to the Financial Institution's small and medium-sized enterprises, at the end of the reporting period.
	Number of clients with the highest annual sales - SME Woman	Number of women-led small and medium-sized enterprise clients in the financial institution's portfolio, beneficiaries of at least one loan, who increased their annual sales from the beginning to the end of 2022. For this purpose, annual sales were collected for the reporting year 2022 and the previous year 2021.
Women-owned VIS (includes leasing VIS)	Amount of outstanding VIS Women's loans	Total value of the Financial Institution's outstanding portfolio of loans for low-income housing owned by women at the end of the period.
	Number of outstanding VIS Women loans	Total number of outstanding loans for low-income housing owned by women in the Financial Institution's portfolio at the end of the period.
	Amount of disbursed loans VIS Women	Total value of loans disbursed by the Financial Institution for low-income housing owned by women during the period.
	Number of disbursed loans VIS Women	Total number of loans disbursed by the Financial Institution for low-income housing owned by women during the period.



ANNEX B DATA

The following are the selected indicators subject to assurance included in the Gender Bond Management Report 2022.

Gender Bond 2022 selected indicators

Eligible project categories	Indicator	Unit of measurement	Amounts
SMEs led by women	Amount of loans outstanding SME Women	COP	\$ 862.224.925.478
	Number of loans outstanding SME Women	#	12.097
	Amount of loans disbursed SME-Women	COP	\$ 421.018.086.730
	Number of loans disbursed SME-Women	#	6.324
	Active SME Women Clients	#	7.320
	Active SME Clients	#	51.158
	Total number of SME Women loans out of total SME portfolio (%)	%	13,3%
	Number of clients with the highest annual sales - SME Woman	#	349
	Women-owned VIS (includes leasing VIS)	Amount of outstanding VIS Women's loans	COP
Number of outstanding VIS Women loans		#	84.305
Amount of disbursed loans VIS Women		COP	\$ 801.067.586.413
Number of disbursed loans VIS Women		#	12.172

Gender Bond 2022 use of bond resources

Eligible project categories	Indicator	Amounts
Gender Bonus	Use of Resources - SME Women	\$ 9.429.616.297
Use of resources	Use of Resources - VIS Women	\$ 356.960.228.343

