

MANAGEMENT AND SUSTAINABILITY REPORT 2023

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Letter to the Shareholders

Dear Shareholders,

After a landmark year, we are pleased to share with you the annual review of Findeter S.A.'s institutional activities in 2023. This includes our main achievements and the events that have enabled us to contribute to our country's development. We also offer an outlook on the prospects and challenges for 2024. We are grateful for your ongoing trust and support in our daily mission to transform the lives of Colombia's most needy, turning projects and initiatives into developmental milestones for every region of the country.

Under the guidance of our Board of Directors and the dedication of our entire team, Findeter has effectively directed its efforts towards implementing sustainable and innovative solutions. These initiatives enhance financial inclusion and drive regional transformation through the funding and technical assistance of projects critical to the economy.

In 2023, we redefined our strategic approach. Aligned with the National Development Plan 2022-2026 "Colombia, a Global Powerhouse of Life," particularly through its focus on human security, social justice, productive transformation, and regional convergence, we expanded our presence in the country's smallest municipalities, reaching vulnerable populations effectively. Over the year, we provided financing solutions to 368 municipalities in categories 3, 4, 5, and 6, covering 90% of the municipalities served by Findeter. To enhance their income capacity and employment opportunities, we also pioneered direct contracting with organizations in the popular and solidarity economy, marking a significant shift in our economic engagement.

Incorporating active input from various Findeter sectors, we launched our Institutional Strategic Plan 2023-2026 "Transforming Regions." This serves as a roadmap, outlining future-oriented actions aimed at closing socioeconomic gaps in the regions, with a focus on addressing Unmet Basic Needs (UBN) and adapting to climate change.

In line with this strategic focus, we engaged with nearly 200 elected leaders nationwide, including mayors from over 120 municipalities in categories 3 through 6, introducing them to our range of services designed to support sustainable regional growth. This significant national event also featured participation from representatives of the national government, multilateral and commercial banks, and secondary financial institutions.

To achieve our strategic objectives, our institutional offering is committed to a model of responsibility and sustainability—economically, socially, and environmentally. This dual approach not only aims to profit from our various business lines but also fosters conditions conducive to regional development. In this context, we were honored with the 2023 Global Reporting Initiative (GRI) award for our sustainability reporting through the "Competitive Business Program." Additionally, our governance structure is committed to continuous improvement, underpinned by our adoption of information security policies and the Environmental and Social Risk Management System (SARAS), ensuring the continuity of our operations.

Recognizing the importance of our employees' well-being, we have been implementing best practices in workplace environment management. In addition to receiving the 2023 certification as a family-responsible company (efr) from the "Más familia" Foundation in Spain, we have introduced policies on Diversity, Equity, and Inclusion, as well as protocols against sexual and workplace harassment to safeguard the rights of all our colleagues. Our corporate strategy also emphasizes enhancing internal training processes. In 2023, we trained 720¹ employees across 91 training sessions, including specialized leadership skills development for our executive team at the School for Inclusive and Transformative Leaders (LIT).

We are proud to announce that as a result of these significant institutional efforts, Findeter ranks as the 20th best company to work for in Colombia according to the Great Place to Work Institute. Additionally, our workplace environment index places us in the outstanding category with a score of 83.3%.

Beyond fostering a positive work environment, we are committed to maintaining a constructive and fluid dialogue with our partners and stakeholders. For this reason, under the Integrated Management System (IMS), Findeter has implemented a new policy for contracting with popular and solidarity economy organizations. This initiative allows new actors to participate in our calls for developing technical assistance products. Based on this policy, we are building a Project Bank to execute local initiatives where these organizations support territorial development through direct contracting. This pioneering strategy in Colombian public administration led to an inter-administrative agreement with Artesanías de Colombia, allowing people's economy organizations to maintain some of the entity's regional offices.

To improve access to credit, particularly for Social and Priority Housing (VIS and VIP), we have partnered with the cooperative financial sector to explore and implement financing solutions, representing families previously underserved by development banking. In this context, we have expanded the number of financial entities participating in our rediscounting services, enabling a significant number of Savings and Credit Cooperatives. Accordingly, we have advanced in implementing adapted risk models and assigned Maximum Exposure Values (VME).

We believe Findeter's strength lies in its ability to adapt to change and set goals aligned with the needs of entities, organizations, and communities across the territories. This working philosophy allowed us to achieve the most significant technical and operational results in the history of the entity in 2023, underscoring our credibility as a territorial development bank. Our revenue reached COP 4.47 trillion in 2023, up from COP 3.66 trillion in 2022. Operating income was COP 256.475 million (compared to COP 135.660 million in 2022) and net income for the year was a positive COP 165.937 million, representing a growth of 92.53% compared to 2022 (COP 86.190 million). The Return on Equity (ROE) for 2023 was 10.63%, compared to 6.23% in 2022, and EBITDA was COP 267.616 million, showing an increase of 83.59% from the previous year (COP 145.768 million). By the end of the year, the entity's assets reached COP 14.78 trillion.

Rediscount loan financing and direct loan play a fundamental role in our service portfolio. In 2023, we disbursed a historic amount of COP 3.89 trillion. Of these disbursements, 62% were rediscount loans (COP 2.42 trillion), while the remaining 38% were direct loans (COP 1.47 trillion). Notably, 77.3% of the disbursed amount was invested, compared to 57.6% in 2022. The balance in commercial portfolio was COP 12.15 trillion, of which COP 8.81 trillion were rediscount disbursements and COP 3.34 trillion were direct loan disbursements, representing a growth of 10.15% compared to the commercial portfolio balance as of December 31, 2022.

Throughout 2023, we also strengthened our funding sources by joining the China-Latin America Association of Development Financial Institutions Cooperation Agreement, led by the China Development Bank (CDB). This affiliation opens up opportunities for accessing international

¹ Corresponde al total de colaboradores que recibieron capacitación durante el año 2023, teniendo en cuenta la rotación de personal presentada durante la vigencia.

resources under competitive conditions, including non-reimbursable cooperation funds and technical assistance. Additionally, as part of our sustainability strategy, Findeter is committed to financing and supporting green projects for climate change adaptation and mitigation. In this context, we signed the Joint Declaration of the Green Coalition of Development Banks for the economic, socio-environmental, and sustainable growth of the Amazon region. The formal agreement and its operational manual were signed at COP28 on December 1, 2023. We also entered into the Master Accreditation Agreement (AMA) with the Green Climate Fund (GCF), which allows Findeter, as the second entity with direct access in Colombia, to seek resources for credit, international cooperation, and guarantees.

We are also leveraging new resources at competitive rates, ensuring that our issuances are secure and profitable. In 2023, we raised COP 8.41 trillion through Certificate of Deposit issuances (CDs). This amount reaffirms Findeter's strong position in the local debt market, enabling us to meet the funding needs of our partners. Additionally, BRC Ratings – S&P Global reaffirmed the long-term debt rating of AAA for the sustainable bonds worth COP 400 million issued in June 2019. This firm also confirmed Findeter's international rating at 'BB+' with a stable outlook; a long-term national rating at 'AAA', and a short-term national rating at 'BRC1'. This solid financial performance has allowed us to work effectively in the territories, particularly with the smaller ones.

In sectors we supported with credit in 2023, notable areas include energy, drinking water and basic sanitation, and transportation. To boost strategic sectors in the regions, Findeter disbursed approximately COP 205.25 billion to electricity distribution and retail companies under its compensated rate credit lines (Decree 1637 of 2023). In the drinking water and sanitation sector, we financed part of the rehabilitation project for section 3 of the Tibitoc – Casablanca pipeline in Bogota, executed by the Bogota Water and Sewerage Company (ESP), valued at COP 533 billion.

In the transport sector, significant financing included three programs from Invias; firstly, the construction and supervision of the second roadway from La Romelia to El Pollo and the Southwestern variant of Cartago (Valle del Cauca) with an approximate investment of COP 318.7 billion (Vías del Samán program). These road infrastructure works will improve mobility and connectivity between the departments of Risaralda and Valle del Cauca, impacting over 720,000 residents in the area. We also progressed in financing the Vías de la Cigarra program in the department of Santander for COP 93,137 million. As part of the Reactivation 2.0 program, financing (COP 68,213 million) and implementation of the second roadway between Valledupar and La Paz (Cesar) benefited nearly 521,000 inhabitants.

Aiming to improve credit access conditions and as a strategic action tool in the territories, the "Transforming Regions Fund" was launched in November 2023 with a capital of COP 21,295 million from the reallocation of prior occasional reserves. The Fund finances projects for territorial entities, prioritizing departments of categories 2, 3, and 4, and municipalities and districts of categories 3, 4, 5, and 6 (including PDET municipalities). Social organizations and actors from the people's economy also have access to these resources. Thanks to the Fund, in 2023, three projects were approved totaling COP 1.62 billion in the sectors of recreation and sports, education, and urban development. Additionally, 16 projects are in the approval study phase, mobilizing resources amounting to COP 18,492 million. These works will impact 14 departments covering 24 municipalities of categories 3, 4, 5, and 6, with four being PDET municipalities, benefiting about 740,000 people and directly improving the quality of life for children, ethnic communities, people in the reincorporation process, and individuals with disabilities, among others.

Findeter's significant territorial presence also extends to our offerings of non-financial products and services. In terms of technical project assistance, during 2023 we managed the contractual administration, execution, closing, and settlement of 534 projects nationwide with a total investment of COP 3.3 trillion. The sectors that mobilized the most resources were drinking water and basic sanitation, transport, urban development, and housing.

For the water and basic sanitation sector, we managed 78 projects for the design and construction of aqueducts, sewer systems, drinking water treatment plants (DWTP), and wastewater treatment plants (WWTP). This was done in partnership with national and territorial entities such as the Ministry of Housing, City and Territory (MVCT), the Rural Development Agency (ADR), the National Unit for Disaster Risk Management (UNGRD), and the Municipality of Jamundí.

In the transport sector, we oversaw 60 national projects through inter-administrative agreements for the design and construction of primary, secondary, and tertiary roads, bridges, airports, railway infrastructure management, and dredging projects to ensure the navigability of the Magdalena River.

As for the housing and urban development sector, we had 137 active projects for diagnostics, construction, and rehabilitation of housing, designs, and construction of administrative infrastructure, infrastructure for security and justice, and comprehensive neighborhood improvement projects. These projects were executed under contracts and agreements signed with national and territorial entities. In 2023, we successfully executed the most impactful components for the reconstruction of Providencia Island. Among these, the project carried out with the National Unit for Disaster Risk Management (UNGRD) stands out, valued at COP 646,219 million, which included the construction of 1,066 houses and the repair of another 765, totaling 1,831 interventions.

We also worked with national government entities to expand and improve market conditions for entrepreneurs in Colombia. In the same vein, we received the ALIDE Award in the Technology Management and Modernization category for the MinTic's "Vende Digital" program, which was supported by Findeter's technical assistance. This initiative aims to support MSMEs in implementing digital sales channels or virtual stores.

The positive outcomes of our management in 2023 demonstrate our strong positioning and the value we add to regional development in Colombia. However, our focus is not solely on past successes; we are equally committed to addressing future challenges. The economic context of 2024 presents various challenges, pushing us to be more efficient and innovative in order to maintain our position and grow sustainably.

With the commencement of local government terms and the stabilization of major national economic indicators, Findeter, as a public development bank, will have the opportunity in 2024 to reach more territories and organizations with an enhanced array of products and services. Our goal will be to finance and implement resources in physical and social infrastructure that contribute to well-being in the territories with projects that are economically, socially, and environmentally sustainable.

We will continue to develop our sustainability strategy to make our portfolios more attractive and optimize our financial profitability. In this regard, we will advance actions that enhance our social and economic impact while reducing our negative externalities on the environment. By expanding the coverage of the SARAS policy, our credit lines will bear the mark of social responsibility. Democratizing access to credit and increasing disbursements should improve the living conditions of Colombia's most needy, particularly in the territories.

As part of our risk assessment analysis, we will continue to support actors in the popular and solidarity economy by advancing projects derived from our direct contracting policy. We will also implement credit lines so that the most vulnerable can access social/priority housing and have the opportunity to contract with the state.

We are firmly committed to financing and implementing projects and initiatives for the energy transition and climate change mitigation. We are also keen on developing connectivity conditions for communities, financing and constructing physical infrastructure (tertiary roads) and internet infrastructure, aiming to improve educational and employment conditions in the most remote territories.

To enhance the competitiveness and relevance of our Entity, we will continue to promote the “Transforming Regions Fund” by proposing an increase in its capital to the Shareholders’ Meeting. This new capital will be financed with Reserves constituted by the Entity from the 2023 fiscal year. We will seek to leverage our actions through strategic partnerships with public state entities, as well as international organizations. Naturally, we will prioritize the synergies built within Grupo Bicentenario.

Finally, it is our desire to state that, in strict compliance to the current regulatory norms, the information related to the Financial Statements in this document adheres to standards of integrity, rights, obligations, valuation, presentation, and disclosure, duly verified and derived from the financial records of Findeter, processed in accordance with Colombian accounting standards and principles. Furthermore, we certify that this document covers all material aspects of the business. In accordance with item 4 of Article 47 of Act 222 of 1995, as amended by Article 1 of Act 603 of 2000, we inform that Findeter complies with all Colombian legislation regarding intellectual property and copyright laws.

This is also an opportunity to once again thank our shareholders for all the support and trust they have placed in those of us who led Findeter in 2023. Today, more than ever, we commit to continuing our work with the rigor, passion, and dedication that characterizes the entire team of the Entity, to remain that strategic partner of the National Government that creates value and well-being for the regions of Colombia through responsible, sustainable, and innovative solutions.

Sincerely,

Nasly Jennifer Ruiz González
Chairman of the Board

Juan Carlos Muñiz Pacheco
CEO

GRI. (2-6), (2-22), (3-3) Material topics: People’s economy, Capacity transfer to territorial entities, Measurement of environmental, social and economic impacts, Responsible finance, Social infrastructure and Relationship strategy; External Circular 012/2022, Number 7.4.1.2.7. (Sub-paragraphs: (i) Certification issued by the legal representative of the issuer certifying that the information covers all material aspects of the business and (ii) Report on the results of the evaluation of the internal control systems and the procedures for control and disclosure of financial information) and Number 7.4.1.2.2.4. TCFD / Governance; Strategy. SASB / Integration of Environmental, Social, and Governance Factors in Credit Analysis

EXECUTIVE SUMMARY

About This Report

GRI. 2-3, 2-4, 2-12

This report consolidates our management activities in 2023 and highlights the most significant events for our stakeholders and those related to our sustainability, responsibly addressing economic, social, and environmental dimensions. For the ninth consecutive year, it combines the annual report presented to the Board of Directors and the General Shareholders’ Meeting with the Sustainability Report, serving as a tool for accountability and information disclosure to the public, investors, and other stakeholders.

The report was developed following the guidelines of the Ministry of Finance and Public Credit and the Financial Superintendence of Colombia, adhering to the guidelines, best practices, and minimum content standards for disclosing information on social, environmental, and corporate governance (ESG) aspects, as stipulated by entities such as the Global Reporting Initiative (GRI), the Colombian Stock Exchange (BVC), the Secretary of Transparency of the Presidency of the Republic, and the Administrative Department of Public Service (DAFP), among others. Also, in accordance with the requirements of external circulars 031 of 2021 and 012 of 2022 issued by the Financial Superintendence of Colombia, information on social and environmental matters, other than climate-

related issues, is disclosed, applying international standards from the Task Force for Climate-Related Financial Disclosures (TCFD) and the SASB Standards of the Value Reporting Foundation (VRF).

It is noted that no information in this report has been restated.

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- Reporting Period:
January 1 to December 31, 2023

Key Facts and Figures for Findeter 2023

(2-6)

In 2023, we launched the “Transforming Regions” strategy to support the new local authorities of the country during the four-year period 2023-2026, in the planning, financing, and execution of high-impact projects that improve the quality of life in their communities.

In the context of this initiative, in partnership with the national government, multilateral banking, and national and foreign development banks, we sought to advance the transfer of capabilities to territorial entities, leveraging our knowledge and experience as a development bank from which governors and mayors will gain technical skills for the construction of their development plans.

Below, we present the key figures for 2023:

Illustration No. 1: Key Figures. Year 2023





COP 8.41 trillion
Resource mobilization



COP 12.33 trillion
Net portfolio



3 lines of credit created for COP 1.86 trillion



efr
Family-responsible company



BB+
International rating with stable outlook**



AAA
Long-term national rating*



615
Employees***



83,3%
Culture of Happiness Index



ISO 9001:2015
ISO 14001:2015
ISO 27001:2013



Certificate Seal of Good Innovation Practices
Icontec and CCB

The financial information corresponds to the audited Financial Statements by the Independent Auditor.

Source: Findeter, 2023

* Long-term national scale rating.

** International scale issuance rating.

*** 594 permanent employees, 1 at-will appointment and removal, 18 SENA apprentices, and 2 university interns.

Significant Events and Institutional Achievements during 2023

GRI.2-6; GRI.3-3 (Mega - materiality: People's economy); TCFD / Strategy

- ✓ We reached a historic disbursement figure of COP 3.89 trillion, of which COP 2.42 trillion were in rediscounts and COP 1.47 trillion in direct loans. Notably, the Central and Caribbean regional offices accounted for 41% and 25% of the disbursements, respectively.
- ✓ We aligned Findeter's commercial offerings to leverage the National Development Plan 2023-2026 by implementing three credit lines worth a total of COP 1.86 trillion.
- ✓ We made improvements to the Design, Development, and/or Modification of Product procedures, documented in the quality system, adjusting new risk parameters associated with including actors from the people's economy as credit beneficiaries.
- ✓ We achieved greater coverage in financing projects for beneficiaries and/or credit allies of territorial, public, and private entities. We impacted 411 municipalities, of which 368 (90%) were in categories 3, 4, 5, and 6; the latter category had the highest participation at 78%.
- ✓ We signed a total of 30 inter-administrative contracts for the development of non-financial products worth approximately COP 2.3 trillion with national and territorial entities. Of these, 9 were contracts with territorial entities for COP 456,995 million and 21 with national entities for COP 1.87 trillion, generating a remuneration for Findeter of COP 135,466 million.

- ✓ We signed 7 inter-administrative contracts with new strategic partners who had not previously been directly provided non-financial products, including the Ministry of Agriculture and Rural Development, the Colombia in Peace Fund (FondoPaz), the Mayor's Office of Bucaramanga, the District Secretary of Education, the District Institute of the Arts of Bogota, Santa María Educational Institution, and José de la Vega Educational Institution.
- ✓ We raised funds through Certificate of Deposit issuances (CDs) totaling COP 8.41 trillion, reaffirming our position as a recurring issuer of this instrument in the Colombian Securities Market. This success reflects our strong positioning within the local debt market, enabling us to promote sustained investment from our investors and meet the resource needs of our clients.
- ✓ Our commercial portfolio reached COP 12.15 trillion, of which COP 8.81 trillion was from rediscount disbursements and COP 3.34 trillion from direct loan disbursements, showing a growth of 10.15% and an increase of COP 1.12 trillion compared to the portfolio balance as of December 31, 2022.
- ✓ In June 2023, we were selected to finance the rehabilitation project of section 3 of the Tibitoc – Casablanca pipeline in Bogotá. This project, executed by the Bogotá Water and Sewerage Company (ESP), is valued at COP 533 billion. The financing was provided through our own resources, as well as support from the Inter-American Development Bank (IDB) and the German Development Bank KfW, through credit lines signed with Findeter. This project will entail disbursements of COP 333 billion, charged to the IDB loan 3842/OC-CO and the KfW loan 30037.
- ✓ We successfully facilitated 23 projects in 2023 compared to 13 in 2022, representing a 77% increase. Additionally, the average time for project viability was reduced to 135 days, marking an almost 10% improvement in timing. This enhancement allows for faster disbursements and the initiation of construction projects.
- ✓ We achieved approval and signing of direct loan contracts to Trust Funds under the “Anticipating Development” product, enabled by the 2022-2026 National Development Plan “Colombia, a Global Powerhouse of Life” “Colombia, a Global Powerhouse of Life” and authorization from the Financial Superintendence of Colombia to conduct these operations. Below are the projects and approved financing amounts:

Program: Inviás – Vías del Samán

Project: Second Roadway La Romelia – El Pollo

Approved Financing Amount: COP 217,341,813,516

Project: Southwestern Variant of Cartago

Approved Financing Amount: COP 100,000,000,000

Program: INVIAS – Vías de la Cigarra

Project: Dual Carriageway between Puente Tierra and El Cero Sector

Approved Financing Amount: COP 93,137,322,837

- ✓ We made available to direct loan clients various functionalities through “Findeter at a Click,” enabling them to check their credit conditions, payment plans, payment dates, download certificates, among other features.
- ✓ In March 2023, we signed the Master Accreditation Agreement (AMA) with the Green Climate Fund (GCF). With this agreement, our institution completes its accreditation process with the Fund and becomes the second Direct Access entity in Colombia. This will enable us to aspire to credit resources, international cooperation, and guarantees, to support initiatives related to climate change adaptation and mitigation.
- ✓ In August, we signed the Joint Declaration of the Green Development Banks Coalition, aiming to join efforts to promote economic, socio-environmental, and sustainable development of the

Amazon region. On December 1st, within the framework of COP28, the formal agreement of the green coalition and its operational manual were signed.

- ✓ In November, we joined the Cooperation Agreement of the China-Latin America Development Financial Institutions Association led by the China Development Bank (CDB), which aims to provide us with access to international funding resources under competitive conditions, as well as non-reimbursable cooperation resources and technical assistance.
- ✓ We completed the execution of credits with JPMorgan Chase, backed by MIGA and KfW for Energy and Energy Efficiency. These loans were signed for a total amount of USD 222.4 million and aimed at financing credits for climate change adaptation and mitigation (Climate Finance), as well as financing health and education sectors.
- ✓ We signed two agreements for non-reimbursable cooperation totaling USD 855,176 to strengthen our role as a sustainable and innovative Development Bank.
- ✓ We implemented a monthly collection plan for the direct loan portfolio, aiming to manage overdue portfolios more strategically. We also implemented portfolio management policies in compliance with the 2023 Act 2300 on the right to financial consumer privacy concerning debt collection practices.
- ✓ We achieved re-certification of the Colombian securitizer as qualified portfolio managers with AAA rating.
- ✓ We implemented the Integrated Risk Management System (IRMS) in compliance with the provisions of the Financial Superintendence of Colombia in Chapter XXXI of the Basic Accounting and Financial Circular (External Circular 100 of 1995), transitioning from independent risk systems that are phased out from the Basic Accounting and Financial Circular and integrated into a single chapter related to a new system that integrates financial and non-financial risks and creates a Risk Appetite Framework that is constantly monitored by senior management and the Board of Directors of the entity.
- ✓ We integrated the Environmental and Social Risk Analysis System (SARAS) into the Integrated Risk Management System (IRMS), making us the first development bank to have a robust structure that ensures stability in risk management and administration.
- ✓ We analyzed projects that complied with SARAS, covering 48% (COP 1.1 trillion) of the amount disbursed in rediscount transactions.
- ✓ We implemented a new application called Binaps for integrated risk management, allowing all employees to access their respective risks, controls, and information assets, among others.
- ✓ We strengthened the mechanisms for monitoring, controlling, following up, and reviewing information security for third parties and suppliers based on the services contracted and in compliance with the contractual policies, obligations, and information security requirements.
- ✓ We enhanced the Comprehensive Personal Data Protection Program by improving guidelines, measures, controls, and information security procedures to ensure that its management and treatment are carried out based on risk and the guiding principles set forth in the Personal Data Protection Act.
- ✓ We developed and implemented the VME Allocation model for rediscount operations with cooperatives supervised by the Financial Superintendence and the savings and credit cooperatives supervised by the Superintendence of the Solidarity Economy.
- ✓ We developed and implemented the credit granting and rating model for electric power distribution and retail companies.

- ✓ We published calls for technical assistance worth more than COP 1 trillion, a historic milestone in institutional contractual management, demonstrating that we are the national government's premier partner in executing projects that bring development to the regions.
- ✓ We developed and implemented a new policy for contracting with solidarity and people's economy organizations, which is part of our Integrated Management System (IMS), as a decisive response to drive programs and projects in line with the National Development Plan and territorial development plans, under the protection of the Constitution and the law.
- ✓ As part of the implementation of the contracting policy for solidarity economy organizations, we conducted initial contracts with community action boards and indigenous organizations within the pilot project signed with Artesanías de Colombia. This marked a precedent in channeling resources to remote communities, resulting in positive economic impacts for them.
- ✓ In the procurement processes for goods and services for our allies, we achieved budget savings of over COP 496 million.
- ✓ We maintained the confidence of both national and international markets in Findeter's contractual process, as evidenced by the robust participation in the selection processes with more than 1,442 proposals submitted.
- ✓ We achieved a 100% compliance rate with the 2023 purchasing plan, resulting in budget savings of COP 5,579 million from economies in the selection processes and efficiencies in managing the purchasing plan, positively impacting the entity's sustainability based on austerity and meticulous expense control.
- ✓ Through our Derived Contracting team, we managed 552 settlements, exceeding the target of 451 set for the period, achieving a compliance rate of 122%. These settlements relate to contracts for trust funds, goods and services, and third parties (including inter-administrative agreements), becoming increasingly efficient.
- ✓ We filed 317 preliminary studies for contracting various projects worth COP 2,993.9 million.
- ✓ We saved 19% in travel expenses and 12% in ticket costs compared to 2022, thanks to the promotion of virtual meetings and optimization of visits for administrative efficiency.
- ✓ We maintained the efr conciliation model certification under the efr-10001 Ed. 5 standard in the Proactive B+ category.
- ✓ We received a rating of 83.3% in the workplace environment assessment in the outstanding category.
- ✓ We implemented a Diversity, Equality, and Inclusion Policy that impacts all processes of the entity and a protocol for sexual and workplace harassment to ensure the rights of workers.
- ✓ We strengthened leadership competencies in the Entity's Executive Team through training at the LIT Leadership School (Inclusive and Transformative Leaders).
- ✓ We developed new content in the podcast format through "Economía en un 2x3," a space where economic and financial aspects of interest to all Colombians are explained. Among the most notable editions of the year were: How can we approach the people's economy? What will the Colombian economy look like in 2023? And how is Colombia doing in terms of competitiveness?
- ✓ We deepened the analysis of sectoral and regional economics through participation in research projects of the territory, analyzing their status based on three main questions: What is there and what is its condition? What is lacking and what is prioritized in the short term?

Significant Events After the 2023 Fiscal Year

- ✓ On January 3, 2024, we entered the substantive examination phase of the trademark registration process for **Findeter - Territorial Development Bank**. We are currently awaiting a decision from the Superintendence of Industry and Trade (SIC) and the corresponding resolution to secure this trademark registration.
- ✓ We maintained certification in the ISO 9001 and ISO 14001 standards, version 2015, granted by the certification entity SGS, as well as the Seal of Good Practices in Innovation awarded by the Chamber of Commerce of Bogotá and Icontec, as a result of the follow-up external audits conducted in January 2024. This reinforces the integration of processes, demonstrates our commitment and culture of continuous improvement, strengthens organizational credibility and image, and builds trust among our stakeholders, the national government, and regulatory bodies regarding the application of good practices in information security and cybersecurity.
- ✓ We defined and structured the transition plan for migrating to the new version of the Information Security Management System, standard ISO 27001:2022.

Awards, Recognitions, and Certifications

- ✓ We received an award from the Colombian Stock Exchange (BVC), which positions us as issuers with the best levels of adoption of the Integrated Reporting (IR) standard in 2023, marking the ninth consecutive year. In this context, our entity managed to increase its compliance percentage of ESG requirements from 92.9% in 2022 to 96.4% in 2023.
- ✓ We were awarded the ALIDE Award in the category of Management and Technological Modernization for the MinTic Vende Digital program, which benefited from the technical assistance of Findeter. This initiative aims to support MSMEs in implementing digital sales channels or online stores and accessing the world's largest commercial window.
- ✓ We were recognized by the National Directorate of Firefighters of Colombia and the Municipal Mayor's Office of Providencia for our "effort and dedication to face the forest fire emergency at The Peak on the Island of Providencia and Santa Catalina," as part of the Reconstruction of Providencia and Santa Catalina Islands.
- ✓ We received the "Pride of Colombia Man" award, highlighting the distinction of Findeter's CEO, Juan Carlos Muñiz, for his management and commitment to the country's development in line with his continuous efforts for regional development.
- ✓ We were awarded a welcome certificate from the Chamber of Diversity, accrediting us as an entity committed to the diversity, equity, and economic inclusion of minority social groups, contributing to building a more inclusive society free from discrimination.
- ✓ We received recognition from GRI (Latam 2023) for having carried out the Sustainability Report through the Competitive Business Program, contributing to a more sustainable Colombia.
- ✓ We were recognized and certified by the General Archive of the Nation for the implementation of the Document Valuation Tables, which meet the archival requirements for their validation.
- ✓ We successfully renewed for the third consecutive year our Seal of Good Practices in Innovation awarded by the CCB and Icontec, with an Excellent rating of 100 points. We also maintained the ISO 9001 and ISO 14001 version 2015 certification awarded by the certifying entity SGS. This demonstrates the growth and consolidation of our operational systems.
- ✓ We were ratified by the Ministry of Science, Technology, and Innovation as a key player in the country's R&D and innovation ecosystem.

Glossary and Concepts

CE 012/2022 SFC (Section 7.3): Glossary of terms used in the report with their respective definitions according to their specialty.

ESIA: Environmental and Social Impact Assessment. Determines the level of socio-environmental risk of a project, concludes regarding the ESIA favorability of the project, and in some cases, may recommend commitments to mitigate identified risks, applicable according to the scope of SARAS.

Information Asset: Any information or system related to the processing of data that holds high value for Findeter. These can include applications (software), data, physical or electronic documents, people, services, facilities, and technological equipment.

AFD (Agence Française de Développement): The French agency responsible for financing the public sector, NGOs, research, and training in sustainable development.

ALIDE (Latin American Association of Development Financial Institutions): The community of financial institutions that generate banking solutions for the development of Latin America and the Caribbean.

Climate Change Analysis: Determines the level of impact and preparedness against climate change of a project. (This analysis is part of the SARAS analysis).

Gender Analysis: Determines the level of preparedness regarding gender-related themes of a project. (This analysis is part of the SARAS analysis).

ESG (Environmental, Social, and Governance criteria): Refers to environmental, social, and governance factors that are considered when investing in a company.

Asobancaria: The Banking Association and Financial Entities of Colombia.

CABEI (Central American Bank for Economic Integration): A multilateral development financial institution with an international character.

BIA (Business Impact Analysis): Corresponds to the phases of the Business Continuity Planning that clearly identifies each entity's processes and analyzes the level of impact in relation to business management.

IDB (Inter-American Development Bank): The principal source of financing for sustainable, social, economic, and institutional development in Latin America and the Caribbean. Its goal is to reduce poverty, combat social inequalities, and promote sustainable economic development in the region.

BINAPS: (Business Intelligence Applications); Software solutions for strategic management.

BoE: Bank of England.

Water Bonds: Bonds issued by the Ministry of Finance and Public Credit to finance aqueduct and sewerage works in 117 municipalities across the country.

BPM (Business Process Management): A business management discipline focused on systematizing and facilitating complex individual processes within an organization, both internally and externally.

BVC: Colombian Stock Exchange.

CAF: Development Bank of Latin America and the Caribbean.

CAO: Alternate Operations Center.

Carbon Neutrality: Achieving a net-zero balance of greenhouse gas emissions, meaning the amount of greenhouse gases emitted is balanced by the amount absorbed from the atmosphere through various means.

Multipurpose Cadaster: An information system that records up-to-date land data, including both formal and informal properties, facilitating better land management and planning.

Socio-Environmental Risk Categorization: A classification system that indicates the level of risk, which can be High (A), Medium (B), or Low (C).

CCB: Bogota Chamber of Commerce of.

CD (Certificate of Deposit): A financial instrument that allows an individual or entity to invest a fixed sum of money in a financial institution for a specified term, generally earning interest.

CFEN (Net Stable Funding Ratio): A financial ratio designed to ensure financial institutions maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities.

Cyber Threat: The potential or actual appearance of a situation that could lead to a cyberattack, impacting the confidentiality, integrity, or availability of information.

CO₂: Carbon Dioxide.

CODS: Center for Sustainable Development Goals at Universidad de los Andes.

Placements: This term refers to a loan provided by a bank to its client, with the agreement that the client will repay the loan gradually through installment payments or in a lump sum, along with additional interest to compensate the lender for the period the money was not available.

Solidarity Agreements: These involve the collaboration of institutional, community, economic, and social efforts to construct facilities and meet the needs and aspirations of communities.

COP: The currency code for the Colombian peso.

Direct Loan: A lending operation that does not require the involvement of financial intermediaries. According to the National Government's Decree 581 of 2020, Findeter is authorized to provide direct loans to departments, municipalities, and districts to finance investment projects and activities in sectors and subsectors that can be financed by the entity.

CRM (Customer Relationship Management): Refers to the set of practices, business strategies, and technologies focused on customer relationships, aimed at improving customer satisfaction and optimizing business interactions.

Dashboard: A management tool that monitors, analyzes, and visually displays key performance indicators (KPIs), metrics, and essential data to track the status of a business, department, campaign, or specific process.

Personal Data: Any information linked to or that can be associated with one or more specific individuals who are identifiable.

Human Rights: The basic rights and freedoms to which all humans are entitled.

Mismatch: The difference between assets and liabilities in foreign currency.

Standard Deviation: A measure of the variation or dispersion of a set of data points in relation to its mean.

DRP (Disaster Recovery Plan): A document that describes how an organization can resume work quickly after an unplanned incident. This plan outlines the steps necessary to recover data, secure resources, and continue operations post-disaster.

DTF (Fixed Term Deposit): This is the weighted average of the effective collection rates for 90-day Term Deposit Certificates recognized by the financial system for its clients and serves as a reference indicator related to the cost of money over time.

APR: Annual Percentage Rate.

Ebitda (Earnings Before Interest, Taxes, Depreciation, and Amortization): Indicates the profitability of an entity before deducting expenses associated with debt and taxes, reflecting Findeter's ability to generate profits based solely on its productive activity.

EDR (Endpoint Detection and Response): A tool that provides continuous monitoring and analysis of endpoints and networks with the aim to identify, detect, and prevent advanced threats (APTs) more effectively.

Operational Efficiency: The ratio of an entity's administrative expenses to its productive assets, understood as the balances of liquidity, investment, and portfolio accounts.

efr (Family Responsible Companies): An international movement focused on advancing and providing responses in terms of responsibility and respect for balancing family and work life, aiming to reverse or change the sociolaboral model existing in some countries.

EIA (Environmental Impact Assessment): Required for all cases where an environmental license is needed according to law and regulations, assessing the potential environmental impacts of a project.

ERO (Operational Risk Event): An incident or situation that occurs in a specific place during a defined time interval.

FARAS: Form for Analysis of Environmental and Social Risks.

FED (Federal Reserve): The central banking system of the United States, which controls the country's monetary policy and supervises other banking institutions to maintain stability.

FindeTED: Short knowledge transfer sessions facilitated by Findeter's R&D&I unit and conducted by external experts on various topics of interest.

FIRAS: Form for Identification of Environmental and Social Risks.

Firewall: A network security device that monitors incoming and outgoing network traffic and decides whether to allow or block specific traffic based on a defined set of security rules.

FNG: National Guarantee Fund.

FOMC: Federal Open Market Committee.

FOME: (Emergency Mitigation Fund): The primary tool for managing resources to address emergencies and their effects, consolidating new sources of resources to tackle the health, economic, social, and environmental crisis declared due to the COVID-19 pandemic.

Ashmore Fund: A private equity fund, “senior debt fund for infrastructure in Colombia,” aimed at constructing a portfolio of loans and subsequent credits that generates a market-compliant yield.

National Guarantee Fund: A government entity that is part of the comprehensive strategy for the country’s economic reactivation, facilitating access to credit for independent workers, micro, small, medium, and large enterprises through financial intermediaries.

Forward: Derivative financial contract

Free press: A public relations tactic that involves the dissemination of newsworthy organizational events or information to targeted interest groups through mass media channels.

Furag: Unified Management Progress Form used to evaluate the MIPG.

FATF (Financial Action Task Force): An intergovernmental body whose purpose is the development and promotion of policies to combat money laundering and terrorist financing (ML/TF).

Liquidity Gap: A measure that assesses the liquidity risk of an entity or company over a specified period of time or intervals.

GCF (Green Climate Fund): A fund within the framework of the United Nations Framework Convention on Climate Change.

GCF: Green Climate Fund. El Fondo Verde del Clima es un fondo dentro del marco de la Convención Marco de las Naciones Unidas sobre el Cambio Climático.

GHG (Greenhouse Gases): Gases that accumulate in the Earth’s atmosphere capable of absorbing infrared radiation from the sun, thereby increasing and retaining heat in the atmosphere, contributing to the greenhouse effect.

GMF (Financial Transaction Tax): A national indirect tax applied to financial transactions made by users of the financial system in Colombia.

GRI 3-3: Material Topics of the Global Reporting Initiative.²

GRI.3-3, a): Description of the topic’s importance to the organization.

GRI.3-3, b): Indicate whether the organization is involved in a negative impact through its activities or as a result of its business relationships, and describe those activities or business relationships.

GRI.3-3, c): Describe the organization’s policies or commitments in relation to the material topic.

GRI.3-3, d): Describe the actions taken to manage the topic and associated impacts.

GRI.3-3, e): Present information on monitoring the effectiveness of the measures taken.

GRI.3-3, f): Describe how stakeholder engagement has influenced the measures taken (3-3-d) and how it has informed whether these have been effective (3-3-e).

Carbon Footprint: Defined as the total amount of greenhouse gas emissions (GHG) caused by an individual, organization, service, or product. It represents the total volume of GHGs produced by the economic and daily activities of humans.

R&D&I: Research, Development, and Innovation.

² Standards GRI (Global Reporting Initiative)

IBR (Interbank Benchmark Rate): An indicator developed by the private sector, supported by the Colombian Central Bank and other entities, aimed at reflecting the liquidity of the Colombian money market.

ICA (Industry and Trade Tax): A tax generated by the conduct of industrial, commercial, or service activities, carried out directly or indirectly, permanently or occasionally.

IDI (Institutional Performance Index): An index that evaluates the management of public entities at the national and territorial levels in their planning, execution, monitoring, and decision-making stages within the framework of the Integrated Planning and Management Model (MIPG) and the Standard Model of Internal Control (MECI).

IFC (International Finance Corporation) Performance Standards on Environmental and Social Sustainability: A set of standards and procedures designed to prevent, mitigate, and remedy the negative social and environmental impacts that private investors might cause with their projects.

IGAC: Colombian Institute Agustin Codazzi.

Core Inflation: Inflation that excludes the variation in prices of food and regulated items.

PCE Inflation: Measures changes in the prices of goods and services purchased by consumers for personal use, excluding food and energy.

Inflation: The generalized and sustained increase in the prices of goods and services in a country over a sustained period.

Financial Intermediary: Institutions authorized by the Colombian Financial Superintendence through which Findeter's credit resources are channeled.

Intermediaries: Entities authorized by law to conduct rediscount operations, which obtain a Maximum Exposure Value (VME) in Findeter to carry out rediscount transactions.

Available-for-sale Investments: Securities that are not classified as trading investments or held-to-maturity investments, and for which the investor has a serious intent and the legal, contractual, financial, and operational capacity to hold them for at least one year from the date they were first classified or reclassified as available for sale.

Trading Investments: Those acquired primarily to generate profits from short-term price fluctuations.

Held-to-maturity Investments: Securities for which the investor has a serious intent and the legal, contractual, financial, and operational capacity to hold until the maturity or redemption date.

CPI (Consumer Price Index): A measure of the change in the price of goods and services representative of household consumption in the country, known as the basket.

IRL (Liquidity Risk Indicator): An indicator that reflects the extent to which market-risk-adjusted liquid assets (ALN) and revenues cover projected outflows by the organization.

IR (Investor Relations): A management responsibility that involves communicating with shareholders and potential investors.

Economic Monitoring Indicator (ISE): A synthetic index designed to provide a measure of the short-term real activity of the economy.

ISO (International Organization for Standardization): A non-governmental, non-profit organization

that promotes the development and implementation of international standards for both manufacturing and services.

Isolution: The application in which Findeter's Integrated Quality Management System is documented.

JDBR: Board of Directors of the Colombian Central Bank.

JP Morgan: A global leader in financial services offering solutions to the world's most significant corporations, governments, and institutions.

KFW: Kreditanstalt für Wiederaufbau. The German government development bank.

Guarantee Law: A law that prohibits state entities from entering into direct contracting agreements during the four months prior to a presidential election and until the date the President of the Republic is elected.

Libor (London Interbank Offered Rate): An interest rate determined by the rates that banks in the London market offer to each other for short-term deposits.

Banking Book: Comprises all positions from the rediscount portfolio, investments held to maturity, and generally transactions that are not part of the treasury book.

Treasury Book: Consists of positions held by the entity with the aim of benefiting in the short term from price fluctuations and those investments that are sensitive to market fluctuations, namely trading investments and available-for-sale investments.

MIGA (Multilateral Investment Guarantee Agency): Provides political risk insurance or guarantees against losses caused by non-commercial risks to promote foreign direct investment (FDI) in developing countries.

MIPG (Integrated Planning and Management Model): Led by the Administrative Department of Public Function.

NAMA (Nationally Appropriate Mitigation Actions): Policies, regulations, programs, or other types of actions that reduce GHG emissions or their trend levels and contribute to achieving the sustainable development goals of the implementing countries, primarily developing nations.

NDC (Nationally Determined Contributions): Climate actions determined by individual countries as part of their commitment to the Paris Agreement. These actions collectively determine whether the world meets the long-term goals of the Agreement, including peaking global GHG emissions as soon as possible and achieving a balance between anthropogenic emissions by sources and removals by sinks of GHGs in the second half of this century.

NOx: Nitrogen Oxides.

NTC (Colombian Technical Standards): The national standards body of Colombia.

SDGs (Sustainable Development Goals): A universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity.

Rediscount Operations: Financial resources allocated or channeled to promote economic activities in specific sectors through authorized entities called intermediaries.

Treasury Operations: Include foreign exchange market operations, transactions with fixed or variable income securities and those indexed to a reference rate or index (in pesos or other currencies except for own issuances); money market transactions such as short positions, temporary

transfers of securities, repo or simultaneous operations; operations with derivatives or structured products; and generally any other transaction conducted on behalf of or for the benefit of Findeter or on behalf of third parties.

Solidarity and People's Economy Organizations: Include cooperatives, associations formed by subjects of special constitutional protection, associations of small agricultural producers whose production systems belong to peasant, family, and community agriculture, community action boards, indigenous councils, associations of traditional indigenous authorities, community councils of black communities, grassroots organizations of Afro-Colombian, Raizal, and Palenquero populations, or other organizational forms and expressions defined in Acts 2166 of 2021 and 2160 of 2021.

Community Action Organizations: Civic, social, and community organizations for social management, non-profit, of a solidarity nature, with legal personality and own assets, voluntarily integrated by residents of a place who join efforts and resources to seek comprehensive, sustainable, and sustainable development based on the exercise of participatory democracy.

PAGA (Environmental Guide Adaptation Program): A document that establishes environmental management programs for road projects, taking into account the potential impacts generated.

Pass-through: The transmission effect of one variable on another.

Bp: Basis Points.

PBOT: Basic Plan for Land Use Planning.

PCE: Personal Consumption Expenditures.

PCN (Business Continuity Plan): A comprehensive set of actions that describe procedures, systems, and resources necessary to resume and continue operations in case of an interruption.

PDET: Program for Development with a Territorial Focus.

PETI: Strategic Plan for Information and Communication Technologies.

PGIRS (Regional Integrated Solid Waste Management Plan): A planning tool that aids in waste separation, public space cleaning, selective collection, and the inclusion of recyclers.

GDP: Gross Domestic Product.

Contingency Funding Plan: Compiles policies, procedures, and action plans to respond to severe shocks affecting an entity's ability to fund some or all of its activities timely and at a reasonable cost.

Territorial Planning: A focus area aimed at assisting municipalities in guiding their land use planning processes, designing a roadmap with a vision for the short, medium, and long term.

EMP (Environmental Management Plan): A document that provides guidelines for the execution and operation of a project, work, or activity with adequate prevention and mitigation of adverse environmental and social impacts.

PND: National Development Plan.

Restrictive Monetary Policy: A type of monetary policy aimed at reducing the money supply in a country or territory. It seeks to decrease the amount of money circulating in the economy.

DRP (Disaster Recovery Plan): A document that describes how an organization can quickly resume work after an unplanned incident.

Prepayment: The early repayment of a loan, involving paying off all or part of a financing agreement ahead of the agreed-upon schedule.

Prosperity Fund (FP): United Kingdom Prosperity Fund for Colombia.

DWTP: Drinking Water Treatment Plant.

Rediscount: A financial operation whereby resources are provided to a credit institution or an entity legally authorized to intermediate, with the purpose of financing credit operations in exchange for the transfer of sufficient guarantees.

REPO: The intervention rate or minimum interest rate that the Colombian Central Bank charges financial institutions for loans, usually on an overnight basis, and also serves as a reference to establish the maximum interest rate paid for excess funds held by these institutions.

GDPR (General Data Protection Regulation): The European regulation concerning the protection of natural persons with regard to the processing of their personal data and on the free movement of such data.

RNBD (National Database Registry): The public directory of databases subject to processing that operate in the country, managed by the Superintendence of Industry and Commerce and freely accessible to citizens.

ROE (Return on Equity): Measures the net profits earned from an investment relative to the equity required to generate those profits. It is calculated by dividing a company's net income by its equity.

ROS (Report of Suspicious Operations): A report whose information is provided by reporting entities that may be related to money laundering and terrorist financing operations.

CSR:Corporate Social Responsibility.

SARAS: System for Environmental and Social Risk Management.

SASB (Sustainability Accounting Standards Board): A standard-setting organization that develops sector-specific standards for the disclosure of sustainability risks and opportunities. These standards guide the disclosure of financially significant sustainability information by companies to their investors.

SETP: Strategic Public Transport System.

IMS (Integrated Management System): A unified system designed to manage multiple aspects of an organization's operations in accordance with various standards, such as those related to quality, environmental, and occupational health and safety management.

ISMS (Information Security and Cybersecurity Management System): A system that establishes, implements, maintains, and continually improves information security management.

SharePoint: A productivity tool designed for document management and teamwork, enhancing efficiency by allowing the creation of custom web pages and accelerating process automation through workflows.

IRMS (Integrated Risk Management System): A system that integrates methodologies and policy frameworks for managing credit, market, operational, liquidity, and country risks into a single approach. It is currently under implementation.

SIRECI: Electronic Accountability System of the Comptroller General of the Republic.

Sisclima (National Climate Change System): Comprised of state, private, and non-profit entities, this system coordinates policies, norms, processes, resources, plans, strategies, and instruments to articulate actions and measures for reducing GHG emissions and adapting to climate change.

SITP (Integrated Public Transport System): A comprehensive public transport system designed to improve mobility and connectivity within urban areas.

SMMLV (Current Legal Monthly Minimum Wage): The minimum wage that every worker is entitled to receive to meet their and their family's normal needs in material, moral, and cultural terms.

SOFR (Secured Overnight Financing Rate): An interest rate that measures the cost of borrowing dollars overnight, calculated based on secured credit transactions.

STP: Public Transport System.

Intervention Rate: The minimum interest rate charged by the Colombian Central Bank to financial institutions for loans it provides. It is also known as the reference rate or Monetary Policy Rate (MPR).

TER: Increasing Profitability Energy Securities.

TerritorioINN: A program from Findeter's R&D&I unit aimed at strengthening employees' skills in methodologies that help rethink their daily tasks and drive internal transformations within the entity. This program is designed to meet the needs of actors in the people's economy.

TES (Treasury Securities): Public debt securities issued by the National Treasury (in Colombian pesos, Real Value Units (UVR) - Constant - or pesos linked to the dollar exchange rate) auctioned by the Colombian Central Bank.

Treasury: Within the context of the Risk Management System, this refers to areas responsible for negotiation, client relations, and commercial aspects of trading; identification, measurement, and control of risk management; compliance, and recording of treasury operations.

TOD NAMA: A Nationally Appropriate Mitigation Action for Transit-Oriented Development (TOD) aimed at transforming the urban structure and mobility model in cities.

Innovation Tour: Interactive sessions with companies and innovation experts, directed at entity employees facilitated by Findeter's R&D&I unit, aimed at learning best practices from national leaders in R&D&I.

MPR: Monetary Policy Rate.

TRM (Representative Market Rate): The exchange rate between the Colombian peso and the US dollar.

UIAF (Financial Information and Analysis Unit): An economic and financial intelligence unit that centralizes and analyzes information provided by reporting entities to prevent and detect potential money laundering and terrorist financing operations.

UK PACT (Partnering for Accelerated Climate Transitions): A flagship program within the International Climate Finance (ICF) portfolio aimed at accelerating climate change transitions.

URO: Operational Risk Unit. A group designated by the legal representative of the entity to coordinate the implementation and monitoring of the Operational Risk Management System (SARO).

UVR (Real Value Unit): A unit of account that reflects the purchasing power of the currency daily based on the variation in the consumer price index (CPI).

VaR (Value at Risk): A measure used to estimate the potential loss in a market over a set period and at a certain confidence level.

VIS (Social Interest Housing): Housing projects targeted at lower-income families, offering affordable home ownership options.

VME (Maximum Exposure Value): The total amount allocated to each intermediary to carry out rediscount operations across active lines.

Vulnerability: A weakness in an asset or control that can be exploited by a threat, considering all those threats that arise from the interaction of systems in cyberspace. It identifies where a resource is susceptible to attack.

1. FINDETER'S PROFILE

GRI. 2-1

Basic Identification of Findeter as Issuer in the RNVE (National Registry of Securities and Issuers)

CE 012/2022 SFC (Section 7.1 Cover; Sub-clauses (i) Title, (ii) Basic identification of the issuer, (iii) Description of current securities issuances (Sub-items: a) Type of security; b) Trading system; c) Stock exchange where securities are listed; d) Issue amount; e) Amount placed; and f) Remaining balance to be placed).

- **Corporate Name**

Financiera de Desarrollo Territorial S.A. – Findeter
Tax Identification Number (NIT): 800.096.329-1

Findeter was established by Act 57 of 1989, linked to the Ministry of Finance and Public Credit, and transformed by Decree 4167 of 2011 into a mixed economy company of the national order of the anonymous type, organized as a credit institution and subject to the supervision of the Colombian Financial Superintendence.

By Decree Law 2111 of 2019, Grupo Bicentenario S.A.S. was incorporated as the parent company of the entities that make up the Executive Branch of the National Order and that are also subject to the supervision of the Colombian Financial Superintendence and perform activities related to public financial service, among which Findeter is included. On September 24, 2020, the Nation - Ministry of Finance and Public Credit, in compliance with Legislative Decree 492 of 2020, carried out the transfer by endorsement, in favor of Grupo Bicentenario S.A.S., of the shares it owned in Findeter. Following the provisions, the Financial institution proceeded to register in the book of shareholders the Grupo Bicentenario S.A.S as the holder of the shares that were transferred.

- **City and address of the principal place of business**

Bogota, D.C. - Colombia
Calle 103 No. 19 - 20 Bogota, Colombia
Postal Code 110111

- **Current Securities Issuances of Findeter**

As of December 31, 2023, Findeter has current securities issuances as follows

Table No. 1: Current Bond Issuances

Characteristics	International Bonds	Subordinated Bond	Sustainable Bond A5	Sustainable Bond A7
Amount (millions)	946,175	203.680	132,827	267,173
Type	Sr. Unsecured	Subordinated	Ordinary	Ordinary
Issue Date	12/08/2014	26/04/2017	18/06/2019	18/06/2019
Maturity Date	12/08/2024	26/04/2024	18/06/2024	18/06/2024
Term	10 years	7 years	5 years	7 years
Rate	7.875%	CPI+3.57%	CPI+2.54%	CPI +2.90%
Interest Payment	Annual	Quarterly	Quarterly	Quarterly

Characteristics	International Bonds	Subordinated Bond	Sustainable Bond A5	Sustainable Bond A7
Format/Jurisdiction	144 A/REG S	Colombian	Colombian	Colombian
Principal Repayment	Bullet at maturity	Bullet at maturity	Bullet at maturity	Bullet at maturity
Currency	COP; payable USD	COP	COP	COP

Table No. 2: Outstanding issues of Certificates of Deposit (CDs)

Indicator	2022 (Million COP)	% interest	2023 (Million COP)	% interest	Var%
DTF	0	0%	-	0%	0%
Fixed Rate	798,602	12%	3,971,916	47%	397%
IBR	4,739,959	69%	4,095,119	48%	-14%
CPI	1,377,530	20%	440,730	5%	-68%
Total	6,916,091	100%	8,507,765	100%	23%

Source: Findeter

Findeter's CD issuances are made in the Colombian primary market through platforms authorized by the Colombian Stock Exchange, and they are tradable in the secondary market through these same systems.

1.1. Organizational Structure

GRI.2-9

In March 2023, we modified our organizational structure, aiming to strengthen technical assistance. This adjustment did not involve the creation of new positions or an increase in staff numbers and was implemented at no additional cost, with approval from the Board of Directors. Below, we present the most significant aspects of the adjustment:

- Organizational Chart Visualization: Updated to a vertical format for clearer readability.
- The Communications, Marketing, and Social Responsibility Management, which was under the Commercial VP, has been renamed to Communications and Social Responsibility Management (excluding the Marketing Leadership) and now reports directly to the CEO of Findeter.
- The Marketing Leadership now reports directly to the Commercial VP. This adjustment aims to enhance cross-functional support to the mission-critical areas. However, this leadership will collaborate with the Communications Management as needed.
- The Budget and Profitability Leadership, formerly the Budget Leadership and directly reporting to the Planning VP, has been moved under the Financial Planning Directorate. This shift aims to maximize the results of this area and implement profitability measurements that are currently not being conducted for both financial and non-financial products.
- Within the Financial VP office, the Sustainability Directorate was established to address compliance requirements regarding green finance and responsible banking. Our multilateral

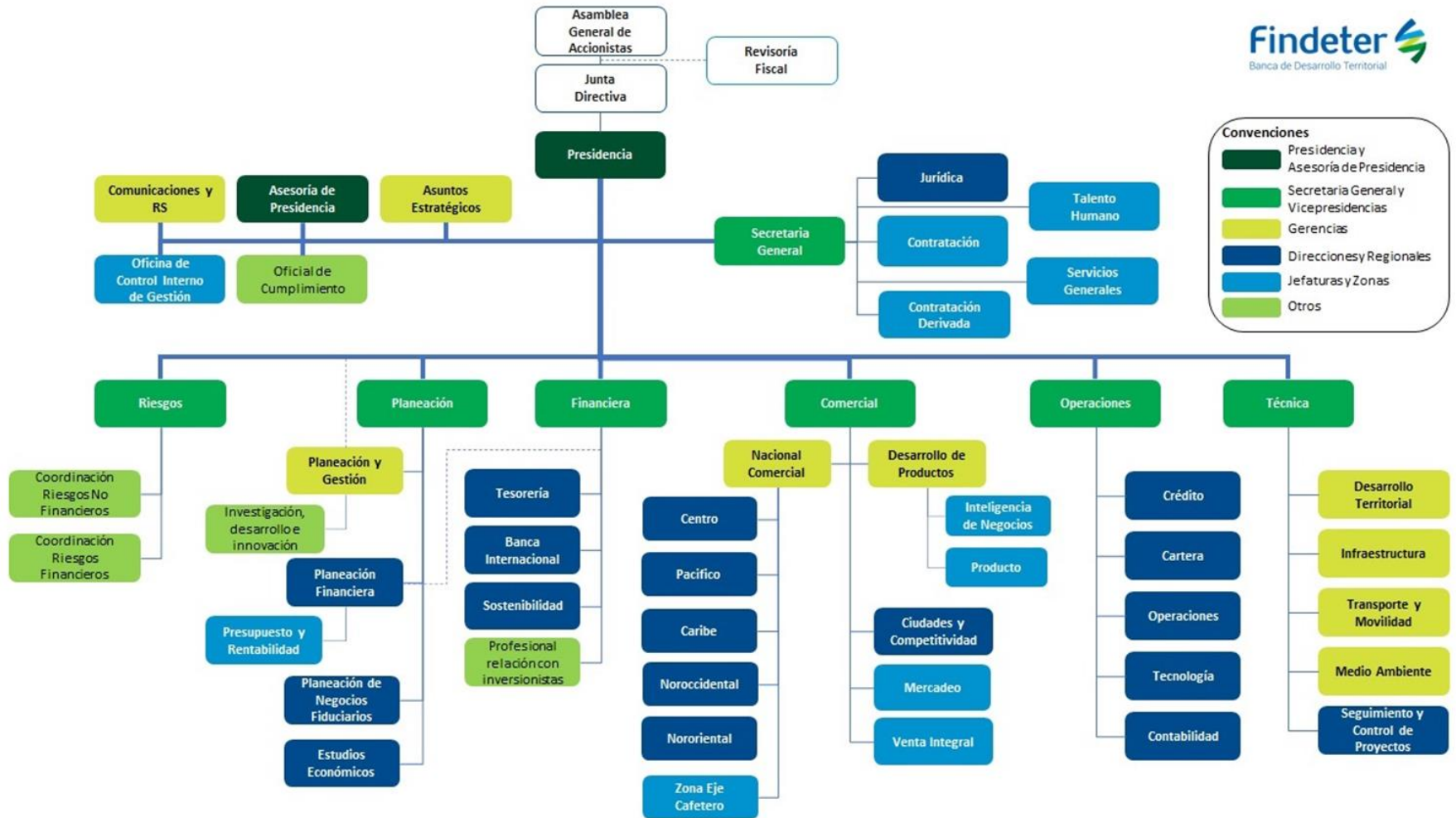
banking relationships require that their resources be allocated to projects that include components meeting the Sustainable Development Goals (SDGs) and adhere to responsible banking principles.

- The Cities and Competitiveness Directorate has been moved to the Commercial VP, to which it now reports directly. This change facilitates coordination with other areas in the development of sectoral and regional studies, establishes the information, and enhances the data needed for territorial development and decision-making. Additionally, two leadership roles within this VP office that were not visible in the organizational chart are now highlighted. The Integrated Sales Leadership now directly reports to the Commercial VP, while the Product Leadership reports to the Product Development Management.
- The most significant structural change occurred in the Technical VP office, where the Housing Management was renamed to Territorial Development Management. Similarly, the Water and Basic Sanitation Management became the Environmental Management, and the Investment Banking Management, previously under the Financial VP, is now part of the Technical VP under the name of Transportation and Mobility Management. This area handles key partners such as Invías and is expected to serve institutions involved in rail, maritime, and other forms of transport.

These changes aim to expand the capabilities and reach of these managements to access new sectors and stakeholders, supporting national government strategies. They also seek to strengthen technical assistance to more effectively support municipalities and clients in structuring and executing their projects. Consequently, the managements within the Technical VP office are now responsible for the structuring line.

Finally, the Institutional Projects Directorate, which was under the Investment Banking Management, has moved to the Technical VP as the Project Monitoring and Control Directorate to oversee various project stages within this VP office. Additionally, this directorate now manages the Project Bank, tasked with designing mechanisms for its creation and administration.

Illustration No. 2: Organizational Structure 2023



Convenções

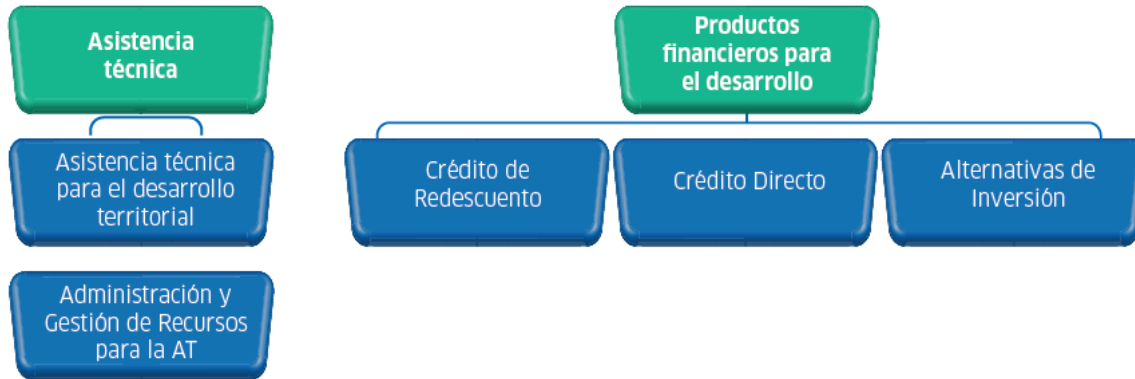
- Presidencia y Asesoría de Presidencia
- Secretaría General y Vicepresidencias
- Gerencias
- Direcciones y Regionales
- Jefaturas y Zonas
- Otros

Source: Findeter 2023

1.2. Product and Service Portfolio

GRI. 2-6 (Supply Chain); GRI.3-3 (Capacity Transfer to Territorial Entities; Environmental, Social, and Economic Impact Measurement; Responsible Finance; Social Infrastructure; Relationship Strategy)

Illustration No. 3: Product and Service Portfolio. Year 2023



Source: Findeter 2023

For more detailed information, please visit <https://www.findeter.gov.co/> to explore the range of products and services available to territorial entities and businesses.

1.3. Value Chain (Processes and IMS)

(GRI. 2-6)

The value chain begins with the understanding and identification of user and stakeholder needs and requirements. With this foundation, during 2023, we revised three processes using the Business Process Management (BPM) methodology to add value and optimize process components (documentation, indicators, risks, and controls). This ensures our entity has sufficient and appropriate information for implementation.

Additionally, we have developed a new process to coordinate cross-functional activities that comply with internal and external policies, as well as activities related to the implementation and improvement of best practices in corporate governance. This ensures institutional relationships are maintained, making our management more effective and efficient. This process will be activated in 2024.

In March and August 2023, modifications to the Organizational Structure and the new Strategic Plan “Transformando Regiones 2023-2026” were approved, respectively. One of the initial changes affecting the Process Map was the suspension of the Project Structuring and Evaluation process and the integration of its main activities into the existing Management and Supervision of Services for Third Parties process, which has the necessary resources and components to continue the described activities.

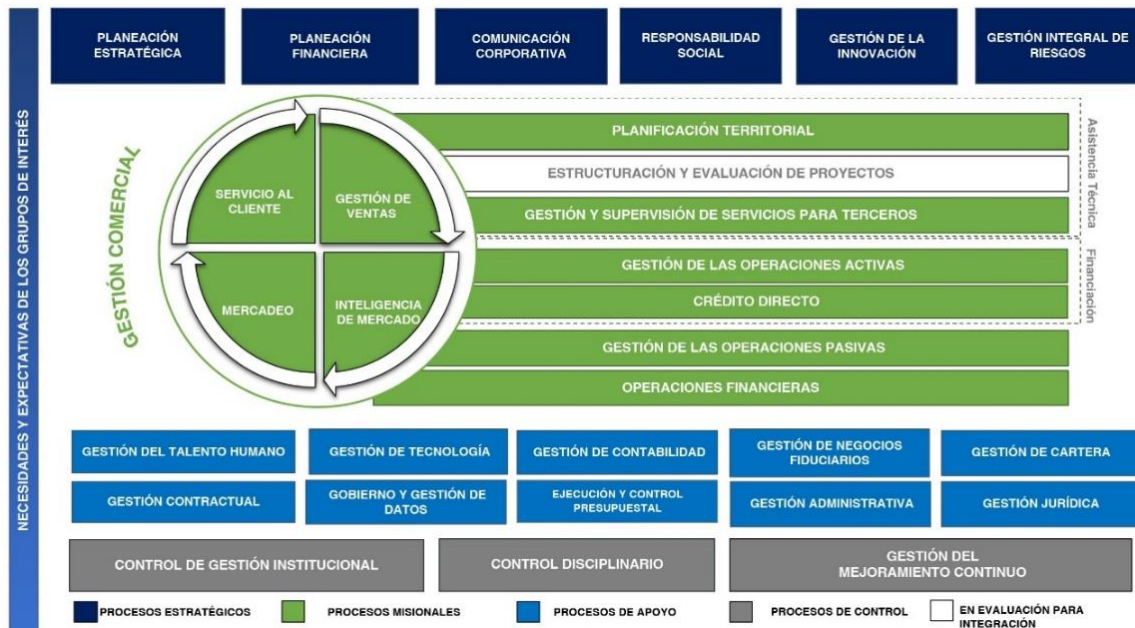
Our Integrated Management System (IMS) consists of 29 processes divided into: 6 strategic, 10 mission-oriented, 10 support, and 3 control processes.

The documents that make up the IMS processes are grouped into the following categories or types:

- **Characterization:** Specifies the unique characteristics defining each process, such as objectives, leader, inputs and outputs, suppliers and customers, resources, indicators, general activities within the PDCA cycle, and interaction with other processes.
- **Manual:** Contains explicit, orderly, and systematic information about objectives, policies, guidelines, or directions adopted by Findeter that facilitate decision-making regarding a particular topic.
- **Procedure:** Describes the operation or consistent and coherent activities required to carry out a process.
- **Instruction:** Provides detailed instructions that an individual must follow to execute an operation or activity outlined in a procedure. Due to its complexity, it requires detailed explanation to aid understanding. It may also serve as a technical document offering assistance to workers using a system or tool, supported by graphics and images that help understand and identify controls associated with the tool or software being described.
- **Form:** Used to record data that evidences the execution of activities established in procedures and/or instructions, which require a record. It can be printed or digital.
- **Associated Documents:** Includes support documents needed for proper process development. This category can include matrices, methodologies, plans, programs, regulations, etc., and must be named accordingly.

As of December 31, 2023, we have 1,016 documents organized by process and according to the document type. Below is the Process Map with its processes grouped by type:

Illustration No. 4: Value Chain – Process Map



Source: Findeter 2023

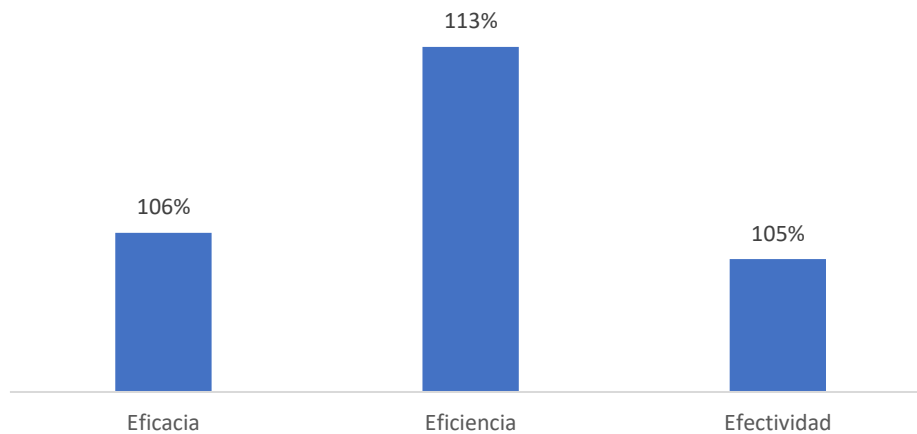
Integrated Management System (GRI. 403-2)

The Integrated Management System continued to serve as the fundamental resource for maintaining continuous improvement in the entity's management, internal control, and handling of institutional risks. It comprises the Quality Management System (QMS), the Environmental Management System (EMS), the Information Security Management System (ISMS), the Internal Control System (ICS), the Operational Risk Management System, and the efr management model, among others.

We continued to maintain certification for the Quality Management Systems NTC ISO 9001:2015, ISO 14001:2015, and NTC ISO 27001:2013 through SGS Colombia S.A., following a compliance audit. This allowed us to demonstrate to the certifying body the fulfillment of the standards' requirements. This reinforcement of process integration sustains the culture of continuous improvement, strengthens the credibility and image of the organization through our products and services, builds trust among users, the government, regulatory bodies, and the community at large, and provides support in the financial market.

With results in terms of efficacy, efficiency, and effectiveness, we ensured the fulfillment of the Integrated Management System's objectives aligned with the corporate strategy. For 2023, these objectives showed positive performance with an efficacy compliance level of 106%, efficiency of 113%, and effectiveness of 105%.

Graph No. 1: Integrated Management System Compliance



Source: Findeter 2023

Regarding efficacy, the outstanding compliance is attributed to high results in indicators associated with the management of direct loan operations, contract settlements, among others. In terms of efficiency, this result is due, among other factors, to the reduction in paper, water, and energy consumption; the value of portfolio risk and foreign currency risk. As for the effectiveness of the system, there is notable performance in the management of direct loan operations for territorial entities, credit portfolio quality, procedural success rate, our engagement on social media, and innovation success rate, among others.

For 2023, we have identified Non-conforming Outputs in accordance with the requirements of NTC ISO 9001:2015 for mission-critical processes: Management and Supervision of Services for Third Parties (GES), Active Operations Management (GOA), Passive Operations Management (GOP), Project Structuring and Evaluation (EEP), and Territorial Planning (PT), all with favorable results in their control and monitoring. A general compliance rate of 96% was reported.

Table No. 3: Compliance with Non-conforming Outputs 2023

Process	Non-conforming outputs	Total operations or process outputs	Compliance %	Target
Territorial planning	0	19	100%	100%
Project structuring and evaluation	6	29	80%	
Active operations management	4	691	99%	
Direct loans	1	49	98%	
Passive operations management	4	985	99%	
Financial operations	7	8956	99%	
Management and supervision of services for third parties	111	3192	96%	
Average compliance			96%	

Source: Findeter 2023

Regarding the continuous improvement of our Integrated Management System, during 2023 we formulated 218 actions distributed as follows: 142 improvement actions (65.1%) and 76 corrective actions (34.9%), which represents a 16% increase in improvement actions compared to 2022.

67% of the actions originated from the processes of Management and Supervision of Services for Third Parties, Integrated Risk Management, Technology Management, Administrative Management, and Commercial Management; the remaining 33% came from the other processes (18 in total) with 46 actions pending execution, including 35 improvement actions and 11 corrective actions.

The actions derived from both internal management audits and from regulatory and control agencies were the most significant sources, accounting for 60% of the total actions managed by the system. These were followed by findings from audits of our Integrated Management System at 17%, and from the internal client survey at 11%; other sources represent 12%.

1.4. Integrated Management Model

In partnership with regional territories and the national government, we identify the main strengths and opportunities of the regions so that, together, we can build a roadmap of strategic projects for the short, medium, and long term through our integrated management model. This involves offering technical assistance services in the execution of projects that are priorities for the sustainable development of the regions, thus seeking an efficient and relevant allocation of economic and technical resources across the national territory.

In 2023, we continued to implement and manage the strategy for selling non-financial products with a focus on customer service. This coordinated effort resulted in a significant achievement, with the successful signing of 30 new contracts.

We will continue the process of consolidating ourselves as the strategic ally and the execution vehicle for national government policies in prioritized sectors to promote social development.

GRI. 3-3. MATERIAL Topic: Capacity transfer to territories

Illustration No. 5: Integrated Management Model

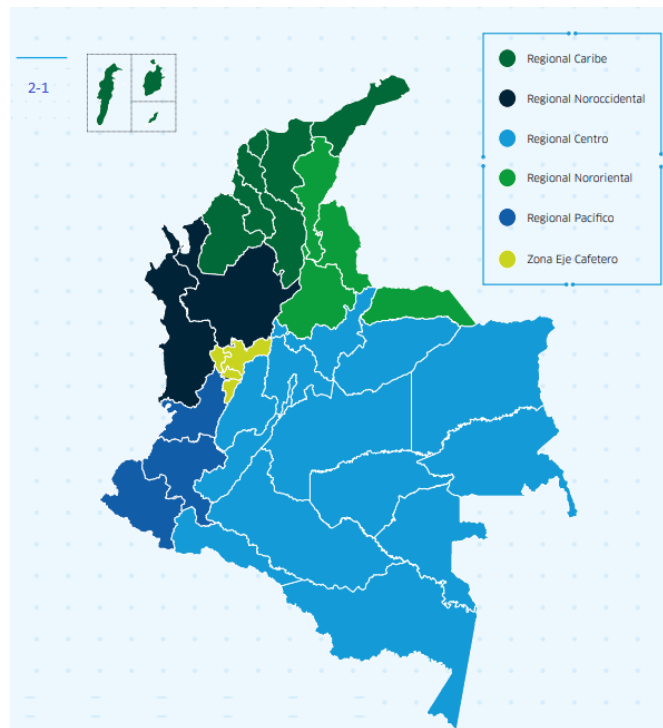


Source: Findeter 2023

1.5. Our Offices

(GRI. 2-1)

Illustration No. 6: Our Offices. Year 2023



Source: Findeter 2023

For more detailed information about our office locations, please scan the following QR code:



1.6. Patents, Trademarks, Licenses, Franchises, and Other Intellectual Property Rights of Findeter

Circular 012 of 2022, Annex 1, Item 4.4.1.1.1, sub-item 5. “List of patents, trademarks, licenses, franchises, and other intellectual property rights...”

In August 2023, we initiated the trademark registration process for Findeter - Banca de Desarrollo Territorial, which involves three stages of registrability (initial or formal stage, publication stage, and substantive stage).

From a technological perspective, as inputs for the development of our economic activities, we hold licenses for the following office and specialized software to fulfill our mission:

Office 365, Windows, Power BI pro, Project, Visio, Trend Micro, ArcGIS, Autocad, Creative Cloud, Eview, Forestcaout, Mister.Horse, Sketchup, Adobe, Autodesk, Financianet, ALFYN, Microsoft dynamics AX (ERP), Qlik Sense, Microsoft dynamics CRM, CORVUS, UiPath (RPA), iBPM4US, Documenta, Isolucion, FINAC, Proactivanet and SQL Enterprise.

Table No. 4: Office and Software Licenses Used at Findeter

Office 365	Windows	Power BI pro	Project	Visio
Trend	Micro	ArcGIS	Autocad	Creative Cloud
Eview	Forestcaout	Mister.Horse	Sketchup	Adobe
Autodesk	Financianet	ALFYN	Microsoft Dynamics	AX (ERP)
Qlik Sense	CRM	CORVUS	UiPath (RPA)	IBPM4US
Documenta	Isolución	FINANC	Proactivanet	SQL Enterprise

Source: Findeter

2. CORPORATE GOVERNANCE

2.1. Governing Bodies, Administration, and Management

2.1.1. Composition and Governing Bodies

GRI. 2-1,3-1,3-2,2-10

In accordance with Article 6 of Decree Law 4167 of 2011, the legal regime of Financiera de Desarrollo Territorial S.A., Findeter, is of private law. However, it adheres to the specific regime applicable to mixed economy companies, not assimilated to that of state-owned industrial and commercial enterprises, regardless of the public capital participation in its assets.

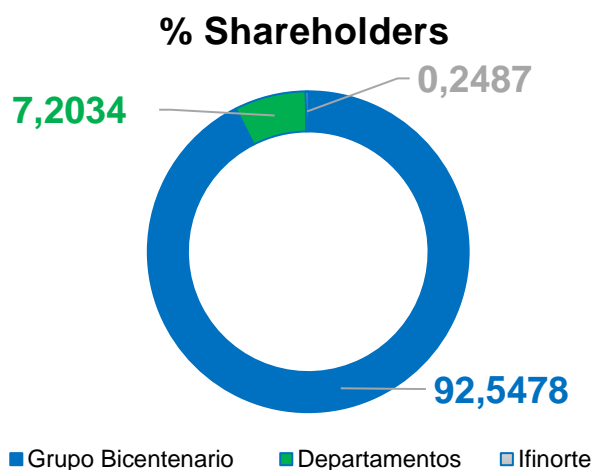
Below, we describe the various governing bodies of Findeter and their composition:

2.1.2. General Shareholders' Meeting

GRI.2-10; External Circular 012 Item 7.4.1.2.2.2. Information on the issuer's equity interest and other material matters relating to its capital ownership structure.

The shareholding structure of the entity, as of December 31, 2023, is as follows:

Graph No. 2: Shareholding Structure



Source: Findeter 2023

2.1.3. Board of Directors

(2-11;2-10;2-12;2-19); Circular 012 de 2022 - Sustainability and Responsible Investment Practices of the Issuer (Section 7.4.1.3.1. Corporate Governance Analysis; Subsection 7.4.1.3.1.1. Description of the Issuer's Management Structure, Items (i) Remuneration and Incentive Schemes for Board Members, (ii) Composition and Functioning of the Board of Directors, and (vi) Quorum and Attendance at Board Meetings. TCFD / Governance.

Our Board of Directors, as established in Decree 4167 of 2011, Corporate Bylaws, and its Corporate Governance Code, consists of 5 principal members and 5 alternates, who are to be elected by the

Shareholders' Meeting for a two-year term. At least three of them must qualify as independent members; according to the second paragraph of Article 34 of the Corporate Bylaws, appointments to the Board of Directors can be made either personally or to a specific position.

Circular 012 of 2022 - Section 7.4.1.3.1., Subsection 7.4.1.3.1.1., Item (ii).

As of December 31, 2023, the composition of the Board of Directors, chaired by the General Secretary of the Ministry of Finance and Public Credit, was as follows:

Table No. 5: Board of Directors Composition

Board of Directors	
Principal	Alternate
Nasly Jennifer Ruiz González General Secretary Ministry of Finance and Public Credit	Néstor Mario Urrea Duque General Director of Fiscal Support Ministry of Finance and Public Credit
Carmen Astrid Romero Baquero Independent Member	Luis Fernando Velasco Chaves Independent Member
Elsa Margarita Noguera de la Espriella Governor of Atlántico	Jhon Alexander Rojas Cabrera Governor of Nariño
Jorge Armando Rodríguez Alarcón Independent Member	Arturo José García Durán Independent Member
Mauricio Olivera González Independent Member	Martha Catalina Velasco Campuzano Minister of Housing, City and Territory

Source: Findeter as of December 31, 2023

In December 2022, during an extraordinary meeting, Mr. Jhon Alexander Rojas, the Governor of Nariño, was appointed as the third alternate member of the board, replacing the Governor of Amazonas, Jesús Galdino Cedeño.

On January 27, 2023, in another extraordinary meeting, Mr. Carmen Astrid Romero Baquero was appointed as the second principal member of the Board of Directors, replacing Dr. Olga Lucia Acosta Navarro, an independent member.

In July 2023, Mr. Juan Manuel Russy Escobar, the General Secretary of the Ministry of Finance and Public Credit and the first principal member of Findeter's Board of Directors, resigned from his position in the ministry. His resignation was accepted by Decree 1259 of 2023, and he was replaced by Mr. Nasly Jennifer Ruiz González.

The authorization for the assumption of roles as members of Findeter's Board of Directors occurred on the following dates:

- ✓ Nasly Jennifer Ruiz González, General Secretary of the Ministry of Finance and Public Credit, first principal line, officially assumed her role on August 31, 2023.
- ✓ Jhon Alexander Rojas Cabrera, Governor of Nariño, third alternate line, officially assumed his role on February 23, 2023.
- ✓ Carmen Astrid Romero Baquero, second principal line and independent member, officially assumed her role on March 3, 2023.

Additionally, during the fiscal period under review, four conflicts of interest were reported among the members of the Board of Directors. However, a conflict of interest involving a board member from October 2022 was resolved during the March 2023 session.

Board members' involvement in other boards during their tenure at Findeter includes:

- ✓ Juan Manuel Russy Escobar: Served as a board member, appointed as a delegate of the Ministry of Finance and Public Credit, at the National Savings Fund (FNA), Banco Agrario, and Grupo Bicentenario until his resignation as the Secretary General of the Ministry of Finance and Public Credit.
- ✓ Néstor Mario Urrea Duque: Serves as a board member, in his capacity as a delegate of the Ministry of Finance and Public Credit, at Positiva Compañía de Seguros S.A.
- ✓ Arturo José García Alarcón: Participates as a board member at Econometría Consultores and Ismocol S.A.
- ✓ Mauricio Olivera González: Is a member of the board of directors for Colpensiones and Nueva EPS.
- ✓ Martha Catalina Velasco Campuzano: Serves on the board of the National Savings Fund (FNA).

In 2023, there were 12 regular sessions and 2 extraordinary sessions of the Board of Directors.

Circular 012 of 2022 (Section 7.4.1.3.1., Subsection 7.4.1.3.1.1., Item (vi)).

Table No. 6: Board Meeting Attendance 2023

Principal Members	Regular	Extraordinary
Juan Manuel Russy Escobar General Secretary Ministry of Finance and Public Credit	7	2
Olga Lucia Acosta Navarro Independent Member	0	0

Source: Findeter 2023

Table No. 7: Board Meeting Attendance after October 2023

Principal Members	Regular	Extraordinary
Nasly Jennifer Ruiz González General Secretary Ministry of Finance and Public Credit	5	0
Carmen Astrid Romero Baquero Independent Member	10	2
Elsa Margarita Noguera de la Espriella Governor of Atlántico	11	2
Jorge Armando Rodríguez Alarcón Independent Member	12	2
Mauricio Olivera González Independent Member	11	2
Alternate Members		
Néstor Mario Urrea Duque General Director of Fiscal Support Ministry of Finance and Public Credit	12	2
Luis Fernando Velasco Chaves Independent Member	12	2
Jhon Alexander Rojas Cabrera Governor of Amazonas	11	2

Arturo José García Durán Independent Member	11	2
Martha Catalina Velasco Campuzano Minister of Housing, City and Territory	12	2

Source: Findeter 2023

Sustainability Practices and Responsible Investment of the Issuer

Circular 012 of 2022 (Section 7.4.1.3.1.; Subsection 7.4.1.3.1.1., Items (i), (ii), (iv), and (vi))

- **Remuneration Schemes and Incentives for Board Members and Senior Management, Along with the Governance Structure That Determines Them**

GRI. (2-19)

The remuneration for the members of the Board of Directors is established in Resolution No. 0443 of February 17, 2022, issued by the Ministry of Finance and Public Credit and amounts to 112,6024 Tax Value Units (UVT) per Board of Directors session and support committees of this collegiate body.

The senior management of Findeter is hired under the comprehensive salary scheme, and their remuneration is set according to the salary scale determined by each position. They are beneficiaries of a Strategic Variable Bonus, provided that the management results and strategic objectives are achieved according to a methodology approved for this purpose.

- **Composition and Functioning of the Board of Directors and its Support Bodies. Independence Status of Each Board Member, Along with Their Term of Office. Additionally: a) Description of the Main Functions Performed by the Board of Directors, and b) The Website Where the Updated Version of the Internal Regulations of the Board of Directors is Available.**

(2-12)

a) Main Functions Performed by the Board of Directors

TCFD, Governance

To fulfill its duties, the Board of Directors relies on the advice and support of the following committees: Audit Committee, Asset and Liability Management Committee (ALCO), Corporate Governance Committee, and the Credit Committee which support the Board. These committees serve as filters and reinforce the objective analysis of the decisions corresponding to this body; they provide periodic reports to the Board on the progress of their activities.

In addition to the responsibilities outlined in Article 41 of the Bylaws, the Board of Directors is tasked with the following duties:

- Endeavor to ensure the proper development of the corporate purpose.
- Ensure strict compliance with legal and statutory provisions.
- Develop the entity's general policy, the administrative development plan, and the plans and programs that, according to the Organic Law of the National Development Plan and, if applicable, the Organic Law of the Budget, should be proposed for incorporation into sectoral plans and, through these, into the National Development Plan.
- Ensure the proper performance of the duties assigned to the Independent Auditors.
- Maintain and protect the entity's commercial and industrial confidentiality.
- Refrain from misusing privileged information.

- g) Treat all shareholders equitably and respect their rights to inspection.
- h) Refrain from engaging directly or indirectly in personal interest or in activities that compete with the company, or in acts where a conflict of interest exists.
- i) Strictly comply with the formal requirements and regulations governing the General Shareholders' Meeting and shareholder participation, aiming to foster excellent relations with them.
- j) Approve the annual budget submitted for consideration by the CEO of Findeter.
- k) Implement and ensure compliance with the decisions of the General Shareholders' Meeting.
- l) Set the amounts within which the CEO has the authority to enter into contracts.
- m) Convene ordinary meetings of the General Shareholders' Meeting when not timely done by the legal representative, and extraordinary meetings when deemed necessary.
- n) Review the results of the Board's self-assessment and the evaluation of the CEO.
- o) Conduct specialized audits on specific topics as deemed necessary.
- p) Present a report on the Audit Committee's activities to the General Shareholders' Meeting or members at the end of the fiscal year.
- q) Review the Annual Corporate Governance Report prepared by the Corporate Governance Committee.
- r) Approve and define the Transaction Policy with Related Parties.
- s) Approve and define the Disclosure Policy.
- t) Review reports periodically submitted by members of the Board of Directors, legal representatives, senior management, and other company administrators about their direct or indirect relationships with each other, or with other entities, suppliers, clients, or any other interest group that could potentially lead to conflict of interest situations or influence their opinion or vote, thereby creating a map of related parties of the administrators.
- u) Annually evaluate the effectiveness of its functioning as a collegiate body and that of its committees, as well as the appropriateness of its internal regulations, proposing any necessary modifications to its organization and operations.
- v) Perform other inherent duties not assigned to another corporate body and those stipulated by law, given the legal nature of Findeter.

TCFD / G

Regarding the functions related to the Internal Control System (ICS), the following are established:

- a) Actively participate in the strategic planning of the entity and its monitoring, determining the needs for strategic redirection when required.
- b) Define and approve the general strategies and policies related to the ICS, based on the recommendations of the Audit Committee.

- c) Establish formal evaluation mechanisms for the management of administrators and, if considered necessary, establish remuneration and indemnity systems tied to the achievement of long-term objectives and risk levels.
- d) Define clear lines of responsibility and accountability throughout the organization.
- e) Analyze the existing risk management process and adopt the necessary measures to strengthen it where needed, which includes establishing crisis protocols that include contingency plans.
- f) Take the necessary measures to ensure the independence of the internal auditor and monitor compliance.
- g) Review relevant reports on the ICS presented by different control or supervisory bodies and issue the necessary orders to adopt the recommendations and corrections as appropriate.
- h) Request and study, with due anticipation, all relevant information required to have sufficient understanding to responsibly make decisions, and seek expert advice when necessary.
- i) Request clarifications and raise objections considered pertinent regarding the matters under consideration.
- j) Approve sufficient resources for the ICS to achieve its objectives.
- k) Perform monitoring in regular meetings through periodic reports presented by the Audit Committee on risk management in the entity and the measures taken for the control or mitigation of the most relevant risks, at least every six (6) months, or more frequently if appropriate. TCFD / G.
- l) Evaluate relevant recommendations on the ICS made by the Audit Committee and other internal and external control bodies, adopt appropriate measures, and monitor compliance.
- m) Evaluate the financial statements, including their notes, before they are presented to the Shareholders' Meeting, taking into account the reports and recommendations presented by the Audit Committee.
- n) Present, at the end of each fiscal year, to the General Shareholders' Meeting, a report on the evaluation results of the ICS and its actions in this regard.
- o) Regarding the Market Risk Management System (MRMS), which allows Findeter to identify, measure, manage, and effectively control such risks, it is the responsibility of the Board of Directors to determine the set of policies, procedures, measurement methodologies, and special internal monitoring and control mechanisms, which must allow for timely decision-making for the appropriate mitigation of market risk. Additionally, when applicable, the MRMS must determine the adequate amount of capital corresponding to the levels of risk assumed.
- p) The procedures adopted should consider that it is the responsibility of the Board of Directors to make the following decisions related to the adequate management of market risks.
- q) Approve the entity's policies on market risk management, which should reflect the general level of tolerance or exposure to such risks. Such policy must be consistent with its corporate strategy and strategic objectives, and coherent with its financial and operational structure. These policies must be documented in writing.

- r) Approve the procedures designed by the entity's management for market risk management.
- s) Designate, within the organizational structure of the Entity, the position and area responsible for market risk management, specifying the responsibilities and attributions assigned to them.
- t) Ensure the allocation of physical, human, and technological resources for the proper development of the MRMS.
- u) Demand periodic reports from the administration on the levels of exposure to market risks, their implications, and the activities relevant to their mitigation and/or proper management.
- v) Adopt special procedures for the control of the MRMS.

b) Website where the updated version of the Board of Directors' internal regulations is available:

The Board of Directors has its regulations, which are part of Annex 2 of the Corporate Governance Code, available on the entity's website at the following link:

[Corporate Governance Code](#)

- **Professional profiles and experience of the directors and senior management of the issuer.**

Board of Directors Profiles

➤ **Nasly Jennifer Ruiz González, Secretary General of the Ministry of Finance and Public Credit (First Principal Rank)**

Profession: She holds a degree in Business Administration from Universidad Nacional de Colombia, with a specialization in Human Resources Management and a Master's in Business Administration from Universidad Externado de Colombia. She is currently pursuing a Master's in Public Management.

Experience: She serves as the General Secretary of the Ministry of Finance and Public Credit and has extensive experience in the public sector, having served as General Secretary of the National Planning Department (DNP), Deputy Secretary of Management of the District Education Secretariat, Corporate Deputy Secretary of the District Mobility Secretariat, Treasurer of the District Directorate of the Treasury of the Bogota Finance Secretariat, Treasurer of Empresa De Transporte Milenio, National Staff Director of Universidad Nacional de Colombia, General Secretary and Deputy Director of the Center for Development Research (CID) at Universidad Nacional de Colombia.

➤ **Carmen Astrid Romero Baquero, Independent Member (Second Principal Rank)**

Profession: She holds a degree Economics and a Master's in Economics from Universidad Nacional de Colombia, as well as a degree in Public Administration from Escuela Superior de Administración Pública (ESAP). She holds an M.A. in Applied Economics from the Pompeu Fabra University, Barcelona (Spain) and a PhD from the Autonomous University of Barcelona (Spain), Department of Economics and Economic History.

Experience: Economist with extensive experience in applied macroeconomics with a regional perspective. Throughout her career, she has served as a United Nations consultant since 2019; consultant and economist at the Colombian Central Bank; occasional researcher at Columbia

University; consultant in Macroeconomics in Latin America - United Nations; consultant at the Economic Commission for Latin America and the Caribbean (ECLAC); advisor to the DNP; economist at Finagro; economist at the Corporation for Livestock and Agricultural Studies (CEGA); researcher at the Foundation for Economic and Social Research Studies in Colombia (Fines). She has experience as a professor at various universities such as Sergio Arboleda, Rosario, Santo Tomás, Javeriana, Colombian School of Engineering, School of Business Administration (EAN), and the University of Barcelona (Spain).

➤ **Elsa Margarita Noguera De La Espriella, Governor of Atlántico (Third Principal Rank Member)**

Profession: Economist from the Pontificia Universidad Javeriana, with a Master's in Business Administration and a specialization in Finance, both from the Universidad del Norte.

Experience: Governor of Atlántico for the period 2020-2023. Throughout her career, she has been Minister of Housing, City, and Territory (2016-2017); Mayor of Barranquilla for the period 2012-2015; advisor to the Mayor's Office of Barranquilla (2010); Secretary of Finance of the Barranquilla Mayor's Office (2008-2010); Deputy Secretary of the Office of the Secretary of Finance of the Atlántico Department (2006-2007); Director of the Barranquilla Office – Fiduprevisora 2007, among others. Previously, she was a member of the Board of Directors of the National Savings Fund and the Military and Police Housing Promotion Fund.

➤ **Jorge Armando Rodríguez Alarcón, Independent Member (Fourth Principal Rank)**

Profession: Economist from Universidad Nacional de Colombia with Master's degrees in Economics from the same university and the University of Cambridge; Ph.D. in Public Policy from the University of Pittsburgh.

Experience: He has served as the dean of the School of Economic Sciences at Universidad Nacional de Colombia, as well as director of the Research Center for Development (CID) and director of the Master's program in Economic Sciences at the same university. He works there as an associate professor. He has also served as the director of the General Directorate of Fiscal Support at the Ministry of Finance and Public Credit and head of the Office of Fiscal Studies at the Directorate of National Taxes and Customs (DIAN). He was a researcher at Fedesarrollo and a university professional of the Comptroller General of the Republic.

➤ **Mauricio Olivera González, Independent Member (Fifth Principal Rank)**

Profession: Economist from Universidad de los Andes with Master's degrees in Economics from George Washington University and the University of Maryland, and a Ph.D. candidate at George Washington University.

Experience: He has served as the Vice President for administrative and financial affairs at Universidad de los Andes, CEP of Colpensiones, general manager of Econometría Consultores, general manager of Famisanar, Deputy Minister of Employment and Pensions at the Ministry of Labor, researcher at Fedesarrollo, advisor to the Inter-American Development Bank (IDB), and head of the Division at the National Planning Department (DNP).

➤ **Néstor Mario Urrea Duque, General Director of Fiscal Support at the Ministry of Finance and Public Credit (First Alternate Rank)**

Profession: Economist from Universidad Nacional de Colombia and holds a Master's degree in Economic Sciences from the same university.

Experience: He has been a specialized professional in the Financial Analysis Directorate of the Comptroller General of the Republic, advisor in the Directorate of Macroeconomic Policy, head of the Division of Territorial Finance at the DNP, and deputy director of Support for Territorial Fiscal

Sanitation at the Ministry of Finance and Public Credit. He is a member of the Board of Directors as a delegate of the Ministry of Finance and Public Credit at Positiva Compañía de Seguros S.A.

➤ **Luis Fernando Velasco Chaves, Independent Member (Second Alternate Rank)**

Profession: Lawyer from Universidad del Cauca with a Master's degree in Government and Public Administration from the International University of Menéndez Pelayo.

Experience: He is the presidential advisor for the Regions at the Administrative Department of the Presidency of the Republic; was elected senator by national constituency for the constitutional periods 2006-2010, 2010-2014, 2014-2018, and 2018-2022, and representative to the House for the electoral constituency of Cauca for the constitutional periods 1998-2002 and 2002-2006. He has also served as manager of the Corporation for the Development of Microenterprises, national technical director for Disaster Management at the Ministry of the Interior and Justice, mayor of Popayán during the period 1992-1994, and departmental government secretary of Cauca.

➤ **Jhon Alexander Rojas Cabrera, Governor of Nariño (Third Alternate Rank)**

Profession: Lawyer from Universidad Libre de Colombia.

Experience: Throughout his career, he has served as the Ombudsman's delegate for Health, Social Security, and Disability; Administrative Director of the Family Compensation Fund of Nariño; Regional Director for Nariño at Salud Vida EPS; Municipal Agent of Buesaco's City Hall, and a professional at the Social Security Institute.

➤ **Arturo José García Durán, Independent Member (Fourth Alternate Rank)**

Profession: Economist from Universidad de los Andes with a Master's degree in Economics from the same university and a Master of Science in Economics from the London School of Economics

Experience: He has worked as a Project Director at Econometría Consultores, Professor at Universidad de los Andes, Executive Director of the Paz Foundation, Advisor to the Magdalena Medio Development and Peace Program, Deputy Director and Head of the Business Unit, and Deputy Director at the DNP. He has also been the Deputy Director of Planning at SENA and a professional at the Urban Development Financial Fund of Banco Central Hipotecario. He is a board member of Econometría Consultores and Ismocol S.A.

➤ **Martha Catalina Velasco Campuzano, Minister of Housing, City and Territory (Second Alternate Rank)**

Profession: Economist from Universidad de Los Andes, specialist in Urban Law from Pontificia Universidad Javeriana and in Public Policy and Urban Management; holds a Master's in Public Policy from the University of Michigan and a PhD in Political Studies from Universidad Externado de Colombia.

Experience: She is currently the Minister of Housing, City and Territory. She has a broad background in public service, having worked as the Deputy Secretary of Education for Bogotá, Director of the District Planning Administrative Department, District Secretary of Habitat, and as Vice President of Public Services and Regulation at the company Energía de Bogotá, ESP; additionally, she has been a consultant in urban management and public policies. She is a member of the Board of Directors of the National Savings Fund.

2.1.4. Training for Board Members

New Board members underwent individual and group training sessions led by the executives on key topics related to our organization on the following dates: April 12 and 14; May 19; September 14, 15, 20, and 27; and October 3, 2023.

2.1.5. Support Committees for the Board of Directors

TCFD / Governance

To fulfill the functions of the Board of Directors, this corporate body, in accordance with the Corporate Governance Code, is supported and advised by the following committees:

Audit Committee

Established to set general guidelines for the supervision, monitoring, and improvement of the Internal Control System (ICS), as stipulated in Circular External 029 of 2014 issued by the Financial Superintendence of Colombia. Comprised of three Board members, the committee meets at least bi-monthly or more frequently as required by the results of the ICS evaluations or when deficiencies are detected that require urgent evaluation and correction, or when significant changes in the entity's policies or in the regulations governing its operations occur.

Functions of the Audit Committee:

The functions of the audit committee can be found in the Corporate Governance Code, section (2.3.1.2 Functions, Pages 21 to 24).

Throughout 2023, remote (or hybrid) meetings were conducted. The committee met on five occasions during the year: February 24, April 18, June 20, September 19, and November 21. These meetings were chaired by Dr. Jorge Armando Rodríguez as an independent member, and minutes were recorded for each session.

Table No. 8: Attendance at Audit Committee Sessions 2023

Principal	Regular Sessions	Extraordinary Sessions
Elsa Margarita Noguera de la Espriella Governor of Atlántico	3	0
Juan Manuel Russy Escobar General Secretary Ministry of Finance and Public Credit	3	0
Jorge Armando Rodríguez Alarcón Independent Member	2	0

Source: Findeter 2023

Table No. 9: Attendance at Audit Committee Sessions after September 2023

Principal	Regular Sessions	Extraordinary Sessions
Jorge Armando Rodríguez Alarcón Independent member	2	0
Nasly Jennifer Ruiz González Independent Member	2	0
Elsa Margarita Noguera de la Espriella Governor of Atlántico	1	0

Source: Findeter 2023

The Audit Committee's management was carried out through continuous and active supervision of its functions, aimed at establishing proper independence over the activities it audits. This ensured the approved audit plan for the fiscal year was adhered to.

During the committee sessions, the following topics were discussed:

- **Management of the Internal Control Office:** Compliance with the Annual Audit Plan, modifications to the Annual Plan, and results of the evaluations conducted.
- **Progress of the ICS (Internal Control System):** Monitoring of action plans that strengthen the elements of the ICS.
- **Reports from the Comptroller General of the Republic:** Improvement plans that were filed with the entity by the control body (e.g., Immaculate, Financial Audit 2022, Compliance Audit).
- **Independent Auditor Reports:** Progress on the work plan, results of evaluations.
- **Financial Management Information:** Financial statements, opinion of the Statutory Auditor.
- **Compliance Officer Report:** Changes to the Sarlaft manual, reports on the management of the system.
- **Follow-ups on the Improvement Plan of the Comptroller General of the Republic:** Information reported to Sireci as a result of the semi-annual monitoring.
- **Risk Evaluation Report and Implemented Improvement Actions:** Semiannual report by the Risk VP regarding the integrated risk management of the financial entity.

Additionally, the Committee was informed of the observations and opportunities for improvement communicated to process owners and senior management, as well as the action plans implemented or in the process of implementation resulting from the evaluations conducted.

Furthermore, the committee reviewed the validation of the Integrated Risk Management System, Internal Control System, and Accounting Internal Control System, ultimately providing recommendations for their sustainability and improvement.

Corporate Governance Committee

This committee serves as a support mechanism for the management concerning good governance of our entity. Its purpose is to recommend to the Board of Directors systems for the adoption, monitoring, and enhancement of best practices within the organization.

It consists of four Board members and is required to meet three times a year and additionally as needed.

The functions of the Corporate Governance Committee can be found in the Corporate Governance Code, section (2.3.2.2 Functions, Pages 25 to 26).

In an extraordinary session on October 18, 2022 (Minutes No. 405), the Board of Directors appointed Drs. Martha Catalina Velasco, Arturo García, and Mauricio Olivera as members of the Audit Committee.

The committee held both mixed and virtual meetings; it met six times—three regular and three extraordinary sessions—on the following dates: February 20, March 27, April 24, May 17, August 23, and December 4, 2023.

Table No. 10: Attendance at the Corporate Governance Committee sessions in 2023

Principal	Regular Sessions	Extraordinary Sessions
Mauricio Olivera González Independent Member	3	3
Arturo José García Durán Independent Member	1	3
Martha Catalina Velasco Campuzano Independent Member	3	3

Source: Findeter 2023

The main topics addressed by this committee were as follows:

Table No. 11: Topics Discussed by the Corporate Governance Committee in 2023

Session	Topic
February 20	<ul style="list-style-type: none"> ➤ Approval of the Ownership Code. ➤ Amendment of the Corporate Governance Code. ➤ Proposal for amendment of Article 7, authorized capital, of the Bylaws. ➤ Review of the annual Corporate Governance and Investor Relations report to be included in the 2022 Management and Sustainability Report. ➤ Informing on the Strategic Variable Premium (PVE).
March 27	<ul style="list-style-type: none"> ➤ Proposal for reorganization and strengthening. ➤ Progress on the Strategic Plan.
April 24	<ul style="list-style-type: none"> ➤ Modification and update of the Employee Loan Regulations.
May 17	<ul style="list-style-type: none"> ➤ Strategic Plan 2023 – 2026. ➤ Inclusion of the value of transparency in the Corporate Governance Code and Code of Ethics and Integrity. ➤ Strategic Variable Premium Model - Senior Management Matrix.
August 23	<ul style="list-style-type: none"> ➤ Strategic Plan 2023-2026. ➤ Inclusion of the value of transparency in the Corporate Governance Code of Ethics and Integrity and adjustment in the definition of stakeholder groups in the first of these. ➤ Strategic Variable Premium Model – Senior Management Matrix.
December 4	<ul style="list-style-type: none"> ➤ Progress and modification of the Strategic Plan goals 2023-2026. ➤ Self-assessment of the Board of Directors and CEO. ➤ Proposal for ordinary meetings 2024. ➤ Results of FURAG 2022.

Source: Findeter 2023

Asset and Liability Management Committee (ALCO)

The ALCO is responsible for approving and monitoring the investment strategy of the proprietary investment portfolio, as well as reviewing the asset and liability structure based on policies established by the Board of Directors. The committee consists of five members of the Board of Directors and meets regularly once a month and as needed for extraordinary sessions.

The functions of the Asset and Liability Committee can be found in the Corporate Governance Code, section (2.3.3.2 Functions, Pages 27 to 28).

Table No. 12: Attendance at the ALCO in 2023

Principal	Regular Sessions	Extraordinary Sessions
Nasly Jennifer Ruiz González General Secretary Ministry of Finance and Public Credit	3	0
Mauricio Olivera Independent Member	11	0
Néstor Urrea General Director of Fiscal Support Ministry of Finance and Public Credit	11	0
Arturo García Independent Member	10	0
Juan Manuel Russy General Secretary Ministry of Finance and Public Credit	7	0
Luis Fernando Velasco Independent Member	0	0

Source: Findeter 2023

* In an extraordinary session held on October 18, 2022 (Record 405), the Board of Directors appointed Juan Manuel Russy, Mauricio Olivera, Néstor Urrea, Arturo García, and Luis Fernando Velasco as members of the ALCO.

*Following the resignation of Dr. Juan Manuel Russy, General Secretary of the Ministry of Finance and Public Credit in July 2023, Dr. Nasly Jennifer Ruiz González, the new General Secretary of the ministry, took his place.

Throughout 2023, the committee met monthly, conducting 11 regular sessions without the need for extraordinary sessions. Dr. Mauricio Olivera chaired the sessions from January to November, during which the following topics were discussed:

Table No. 13: Topics Discussed by the ALCO in 2023

Session	Topic
January 25	➤ Approval of Record 67 ALCO: Economic Report and Market Analysis; Risk Controls and Monitoring; Portfolio Results; Reference Portfolio for February 2023; Approval of Private Debt Participation Limit for the Own Portfolio; Asset and Liability Management; Proposal for Committee Schedule 2023.
February 22	➤ Approval of Minutes 68 ALCO: Economic Report and Market Analysis; Portfolio Results; Reference Portfolio for March 2023; Asset and Liability Management; Risk Controls and Monitoring.
March 24	➤ Approval of Minutes 69 ALCO: Economic Report and Market Analysis; Portfolio Results; Reference Portfolio for April 2023; Asset and Liability Management; Risk Controls and Monitoring.
April 20	➤ Approval of Minutes 70 ALCO: Economic Report and Market Analysis; Portfolio Results; Reference Portfolio for May 2023; Asset and Liability Management; Risk Controls and Monitoring.

Session	Topic
May 24	➤ Approval of Minutes 71 ALCO: Economic Report and Market Analysis; Request to Modify Global Credit Line 2142 with CABEL; Request for Extension to the Framework Agreement Supporting the Creation of the Multisectoral Conditional Credit Line (CCLIP), signed between the IDB and Findeter; Portfolio Results; Reference Portfolio for June 2023; Asset and Liability Management; Risk Controls and Monitoring; Proposals and Miscellaneous.
June 21	➤ Approval of Minutes 72 ALCO: Economic Report and Market Analysis; Portfolio Results; Reference Portfolio for July 2023; Asset and Liability Management; Risk Controls and Monitoring.
July 18	➤ Approval of Minutes 73 ALCO: Economic Report and Market Analysis; Recommendation: “VME - Maximum Exposure Value for Cooperative Entities.” Portfolio Results; Reference Portfolio for August 2023; Asset and Liability Management; Risk Controls and Monitoring.
August 23	➤ Approval of Minutes 74 ALCO: Economic Report and Market Analysis; Recommendation: “Modifications to the Approved Budget for Fiscal Year 2023.” Portfolio Results; Reference Portfolio for September 2023; Asset and Liability Management; Risk Controls and Monitoring.
September 22	➤ Approval of Minutes 75 ALCO: Economic Report and Market Analysis; Recommendation: Expansion of the 2023 CD Issuance Limit; Portfolio Results; Reference Portfolio for October 2023; Asset and Liability Management; Risk Controls and Monitoring.
October 25	➤ Approval of Minutes 76 ALCO; Economic Report and Market Analysis; Portfolio Results; Reference Portfolio for November 2023; Asset and Liability Management; Risk Controls and Monitoring.
November 22	➤ Approval of Minutes 77 ALCO; Economic Report and Market Analysis; Approval of the 2024 Revenue Budget for the Own Portfolio. Recommendation: VME and Counterparty Limits. Recommendation: Extension of the 2023 CD Issuance Limit; Portfolio Results; Reference Portfolio for December 2023; Liquidity and Funding; Risk Controls and Monitoring.

Source: Findeter 2023

Credit Committee in support of the Board of Directors

The Credit Committee is tasked with monitoring and recommending the general guidelines and conditions for credit lines to the Board of Directors. It consists of five members from the board.

The functions of the credit committee are outlined in the Corporate Governance Code (2.3.4.2 Functions, Page 29).

In an extraordinary session held on October 18, 2022 (Minutes 405), the Board of Directors appointed Juan Manuel Russy Escobar, Martha Catalina Velasco, Jorge Armando Rodríguez Alarcón, Néstor Urrea Duque, and Luis Fernando Velasco Chaves as members of the Credit Committee, replacing César Negret Mosquera, Ana María Palau Alvargonzález, and Víctor Muñoz Rodríguez. Following the resignation of Juan Manuel Russy, General Secretary of the Ministry of Finance and Public Credit,

In July 2023, Nasly Jennifer Ruiz González, the new General Secretary of the Ministry, was appointed in his place.

In 2023, the committee met three times in both in-person and virtual sessions (regular sessions), chaired by Néstor Urrea Duque.

Table No. 14: Topics Discussed by the Credit Committee in support of the Board of Directors for the year 2023

Session	Topic
May 17	<ul style="list-style-type: none"> ➤ Incorporation of the methodology for granting direct loan to Autonomous Heritage entities established by Findeter for the development of infrastructure investment projects and others within their eligible sectors. ➤ Update of the rediscount policy regulations for operations previously disbursed. ➤ Update of Maximum Exposure Values and counterparty limits.
August 23	<ul style="list-style-type: none"> ➤ Incorporation of the methodology for granting direct loan to electric power marketing and distribution companies that have opted into the regulatory tariff option established by the Energy and Gas Regulation Commission (CREG). ➤ Update of policies for the recovery of direct loan portfolio.
September 21	<ul style="list-style-type: none"> ➤ Update of the methodology for granting direct loan to Autonomous Heritage entities established by Findeter for the development of infrastructure investment projects and others within their eligible sectors, in accordance with recommendations from the Financial Superintendence of Colombia. ➤ Change in the rediscount regulation from the Cultural, Creative Industries, and Orange Economy sector to another specified sector.

Source: Findeter

Table No. 15: Attendance at the Credit Committee in 2023

Principal or Alternate	Regular Sessions	Extraordinary Sessions
Juan Manuel Russy Escobar General Secretary Ministry of Finance and Public Credit	1	
Martha Catalina Velasco Campuzano Minister of Housing, City and Territory	2	
Néstor Mario Urrea Duque General Director of Fiscal Support Ministry of Finance and Public Credit	2	
Jorge Armando Rodríguez Alarcón Independent Member	2	

Source: Findeter 2023

Table No. 16: Attendance at the Credit Committee after September 2023

Principal or Alternate	Regular Sessions	Extraordinary Sessions
Nasly Jennifer Ruíz González General Secretary Ministry of Finance and Public Credit	1	
Martha Catalina Velasco Campuzano Minister of Housing, City and Territory	1	
Néstor Mario Urrea Duque General Director of Fiscal Support Ministry of Finance and Public Credit	1	
Jorge Armando Rodríguez Alarcón Independent Member	1	

Source: Findeter 2023

2.1.6. Management Team

(2-10;2-11); **Circular 012 of 2022 - Issuer's sustainability and responsible investment practices Section 7.4.1.1.3.1. Analysis of Corporate Governance; Sub-number 7.4.1.1.3.1.1. Description of the structure of the issuer's management, Items (iii) Composition and functioning of the issuer's senior management, (iv) Professional profiles and experience of the issuer's directors and senior management and (v) Independence criteria adopted by the issuer for the appointment of directors and members of the support committees. TCFD/ Governance**

- **Composition of senior management**

Table No. 17: Management Team as of December 31, 2023

Juan Carlos Muñiz Pacheco CEO	
Liliana María Zapata Bustamante General Secretary	Laura Mercedes Peña Rodríguez Planning VP
Richard Orlando Martínez Hurtado Financial VP	Leonardo Fabio Ramos Lozada Risk VP
María Amparo Arango Valencia Commercial VP	Ingrid Catalina Giraldo Cardona Operations VP
Martha Patricia Martínez Barragán Technical VP	

Source: Findeter 2023

- **Operation of the Senior Management**

In our organization, the senior management is headed by the CEO, who acts as the legal representative of the entity before third parties and various administrative or judicial authorities, ensuring results through the development of annual strategies aimed at fulfilling the mission and vision.

TCFD / G

The CEO oversees the General Secretary, responsible for leading the strategies for administrative

management, human resource management, legal management, and contractual management. Additionally, the CEO is in charge of six VPs: Commercial, Financial, Risk, Operations, Planning, and Technical. These VPs are responsible for steering the planning, execution, evaluation, control, and monitoring of the programs under their jurisdiction.

Juan Carlos Muñiz Pacheco, CEO

Responsibilities:

1. Present an annual corporate governance report to the Board of Directors, detailing the strategic planning of the company and the plans and programs for its fulfillment, as well as monitoring their execution.
2. Implement the strategies and policies approved by the Board of Directors related to internal control, corporate governance, and risk management, and ensure their compliance.
3. Execute the decisions of the General Shareholders' Meeting and the Board of Directors.
4. Appoint and dismiss employees of the organization and generally manage and control the entity's personnel, in accordance with current regulations.
5. Order and direct Findeter's contracting processes, select and sign contracts and acts necessary for the fulfillment of the company's objectives or related to its existence and operation.

For more information on the functions of the CEO and other members of Findeter's senior management, please refer to the "Manual of Responsibilities, Requirements, and Competencies." This information can be found according to the following table:

Table No. 18: Location of Functions for Members of the Senior Management in the Corporate Governance Code

Other members of the management team	Manual of Responsibilities, Requirements, and Competencies (Sections)	Pages
Juan Carlos Muñiz Pacheco CEO	1	6 to 7
Liliana María Zapata Bustamante, General Secretary	3	16 to 18
Laura Mercedes Peña Rodríguez Planning VP	4	26 to 27
María Amparo Arango Valencia Commercial VP	5	35 to 36
Leonardo Fabio Ramos Lozada Risk VP (*)	6	48 to 50
Ingrid Catalina Giraldo Cardona Operations VP	7	51 to 53
Richard Orlando Martínez Hurtado Financial VP	8	61 to 63
Martha Patricia Martínez Barragán Technical VP	9	67

(*) TCFD / G: See functions Section 6, Functions 11 and 12,
Source: Findeter Corporate Governance Code

Profiles of Senior Management Members

➤ Juan Carlos Muñiz Pacheco, CEO:

Business Administrator from the Universidad Autónoma del Caribe, specializing in Finance with an emphasis on project evaluation from the Universidad Externado de Colombia and Columbia University in New York. He holds a master's degree in Management and Business Administration

from ISEAD and the Centro Universitario Villanueva, affiliated with the Complutense University of Madrid.

He has served as the Deputy Secretary of the Revenue Subsecretariat at the Finance Secretariat of Atlántico and as the Finance Secretary of the same department. Additionally, he has worked at Telefónica and Fiduagraria, and was a lecturer at Universidad Simón Bolívar and Politécnico Costa Atlántica.

➤ **Liliana María Zapata Bustamante, General Secretary:**

Lawyer from the Universidad Autónoma Latinoamericana de Medellín, with a specialization in Tax Management and a master's degree in Intellectual Property and Law of New Technologies. She is an expert in legal matters, public contracting, and has experience in roles such as Manager of the FIA Consortium; Deputy Minister of Preschool, Elementary and Secondary Education at the Ministry of Education; General Secretary of the Ministry of Education, at the Administrative Department of Science, Technology and Innovation; at the National Civil Service Commission; District Delegate for Contracting in the Capital District, and as an anti-corruption prosecutor, among others.

Her expertise in legal matters related to public administration has enabled her to support significant modernization processes in various entities. She brings over 29 years of professional experience to her role.

Participation in Administrative or Control Bodies:

- FIA Consortium - Manager
- National Ministry of Education - General Secretary and Deputy Minister
- Colciencias - General Secretary and Acting Sub-Director
- National Civil Service Commission - General Secretary
- District Oversight - District Delegate Overseer
- Attorney General's Office - Delegated Anti-Corruption Prosecutor
- Board Member of the National Savings Fund (FNA)
- Board Member of the Educational Infrastructure Fund (FFIE)
- Board Member of the Colegio Mayor de Cundinamarca
- Board Member of Universidad ITSA
- Board Member of Universidad del Atlántico
- Board Member of the National Guarantee Fund (FNG)

➤ **Ingrid Catalina Giraldo Cardona, Operations VP:**

Professional in Government and International Relations, specialist in Financial Administration and Management. She also holds an MBA and an International Master's in Leadership.

She has extensive experience in private entities such as Washington Mutual (now JP Morgan Chase) in the United States and public entities including the Office of the Comptroller General of the Republic, Civil Aviation, and the Office of the Auditor General of the Republic, serving as Director of Fiscal Control. She brings 19 years of professional experience.

➤ **Leonardo Fabio Ramos Lozada, Risk VP:**

Economist and business administrator with specializations in Strategic Management, Risks, Finances, and an international MBA. He holds the highest certification from the Self-Regulator of the Securities Market (AMV) as an executive. He possesses analytical skills, critical thinking, and research expertise in financial and non-financial risks with extensive experience and knowledge in creating and developing strategies and action plans to prevent and mitigate the materialization of risks in the financial sector, as well as liaising with rating agencies and control entities.

He has led Risk and Operations departments in financial sector entities such as the Colombian Stock Exchange (BVC), Banco Agrario de Colombia, Citibank, Banco de Occidente, Fiduagraria, Crear valores SCB, Proyectar Valores SCB, and Casa de Bolsa SCB, managing various risk management systems rigorously and effectively as established by the Financial Superintendence of Colombia. He brings over 25 years of specific professional experience in the financial system.

➤ **Richard Orlando Martínez Hurtado, Financial VP:**

A Financial and Business Administrator with an MBA in Administration, Richard has extensive experience in developing investment strategies in both the real and financial sectors.

His roles at companies such as Corredores Asociados and the Porvenir Pension and Severance Fund have equipped him with expertise in market analysis, financial risk analysis, and effective investment portfolio management. He brings 22 years of professional experience to the table.

Administrative or Control Body Participation:

- Corredores Asociados S.A.- Director
- CI HOSA LTDA - Operations Manager

➤ **María Amparo Arango Valencia, Commercial VP:**

An Industrial Engineer with an MBA in Administration, María Amparo has extensive knowledge in commercial strategies, which she has successfully led in companies in the real sector.

Her professional journey at Fiduciaria de Occidente, Fiduprevisora, Pedro Gómez y Cía, and Porvenir has enabled her to lead commercial teams focused on achieving results and excellence in commercial advisory services. She has 22 years of professional experience.

Administrative or Control Body Participation:

- Fiduciaria de Occidente - Commercial VP
- Fiduprevisora - Commercial VP
- Pedro Gómez y CIA - Commercial VP
- Porvenir - National Manager of Voluntary Pensions

➤ **Laura Mercedes Peña Rodríguez. Planning VP:**

A Business Administrator specialized in Financial Management with an MBA, currently pursuing a master's degree in Banking and Finance. Laura has experience in designing and executing strategic plans for institutional strengthening, development, and innovation.

Her roles at Fiduprevisora and Tampa Cargo, coupled with her expertise in financial management, have enabled her to design action plans for various areas of a company and define strategies focused

of achieving results. She brings 16 years of professional experience.

Administrative or Control Body Participation:

- Fiduprevisora- Planning Manager
- Board Member of the National Guarantee Fund (FNG)

➤ **Martha Patricia Martínez Barragán, Technical VP:**

A Business Administrator specialized in the management of territorial entities and with a master's degree in public health.

Martha has extensive experience in project management and has worked with organizations such as Consorcio Domun, Consorcio MG in, MG Group, and Universidad Nacional. She brings 30 years of professional experience to her role.

• **Criteria for Independence Adopted by the Issuer for Appointing Directors and Members of Support Committees:**

Members of the Board of Directors who are classified as independent must make a dual declaration of independence when accepting their membership. This declaration is made towards the entity, its shareholders, and the senior management, a practice detailed in our Corporate Governance Code.

2.2. Good Governance Practices, Ethics, Integrity, and Transparency.

GRI. (2-15;2-23,205-2)

Circular 012 of 2022 - Sustainability and responsible investment practices of the issuer (Section 7.4.1.3.1. Analysis of Corporate Governance; Subsection 7.4.1.3.1.1. Description of the administration structure of the issuer, Items (viii) Mechanisms implemented by the issuer for the management, identification, and administration of conflicts of interest and (xii) Governance structure adopted by the issuer to ensure equitable treatment of investors and promote their participation. SASB / Business Ethics.

In line with the aspects defined in the Corporate Governance Code and the Code of Ethics and Integrity of the Entity, we implemented the 2023 training plan with the aim of updating and reinforcing knowledge in various fields, allowing us a wide range of possibilities to develop the capacities of our personnel.

Throughout 2023, we emphasized to all staff the importance of understanding and applying the Code of Ethics and Integrity and the Corporate Governance Code. This was facilitated through strategic alignment corporate events such as Findeter Account, where emphasis was placed on the adoption and celebration of the culture and integrity of good governance at Findeter. During this strategic alignment event, we recognized employees who represented institutional values in their departments and were selected by their peers. This event had the physical participation of employees from both the Bogotá headquarters and regional offices.

In the second half of the year, we conducted training on ethics and values through an innovative strategy that sought to deepen the experience of corporate values through an experiential methodology. This allowed us to approach these important concepts in a different way.

It's important to note that this initiative was part of the TTRIVIC campaign (Transparency, Teamwork, Respect, Integrity, Service Vocation, Innovation, and Commitment), where employees pledged to become ambassadors of each value and to be part of a fraternity that champions these values and

enhances their adoption. This activity impacted an average of 500 people from all regions, including the Bogotá headquarters.

Our employees' experience centers not only on their technical and operational skills but also on a deep understanding and consistent application of the values and ethics that should govern all their actions both internally and externally. This understanding is crucial in fostering a work environment where transparency, integrity, and mutual respect are the norm.

We continuously make significant efforts to keep staff updated on this topic using various methodologies, not only to comply with regulations that mandate it, but because we believe in the importance of living these values as part of our organizational culture.

We conduct induction sessions for new personnel to introduce them to the Code of Ethics and Integrity. During these sessions, adherence to the code is signed, reinforcing their commitment to both achieving the organization's objectives and strengthening the pillars of good governance and corporate responsibility.

The Code of Ethics and Integrity and Transparency and the Corporate Governance Code represent the heart of our organizational culture. This document is more than a set of rules; it is a living commitment to ethics, integrity, and transparency, infused into every aspect of the entity's operations, from strategic decisions to daily interactions, involving all stakeholders and promoting a positive community impact.

Continuing education of our staff is another pillar of our strategy, aimed at ensuring consistency with ethical principles. The goal is for our employees to become information multipliers through regular training that strengthens their knowledge and skills. All staff must actively participate in training sessions without exception, supported by the budget and executable purchasing plan with the Annual Training Plan.

These actions not only protect the integrity of our entity but also contribute to building a strong reputation based on trust, credibility, and respect. Ultimately, the Code of Ethics and Integrity becomes more than a document; it is a manifestation of our commitment to the highest standards of ethical conduct, resonating in every aspect of its operations and relationships.

- **Mechanisms for Managing, Identifying, and Administering Conflicts of Interest**

GRI. (2-15)

We maintain a Code of Ethics and Integrity that contains the principles, values, and minimum ethical guidelines mandatory for all our directors and employees in relation to various stakeholders and the country at large. This document is published on our website at: <https://www.findeter.gov.co/relacion-con-inversionistas>

It is the responsibility of the administrators, directors, and employees to determine whether a conflict of interest exists in matters handled in the course of their duties. The Code of Ethics and Integrity includes a special section that elaborates on this issue, including its classification, and the mechanisms for its study and resolution.

The regulation of conflicts of interest occurs when, in the performance of their duties, administrators, directors, and staff must make decisions where they must choose between the interest of Findeter and their personal interest or that of a third party. To address this, we have implemented training to internalize concepts related to conflict of interest, reinforcing both the understanding of such conflicts and the competent areas for resolving them. These components are developed in the code and are reported to Findeter's Corporate Governance Committee.

- **Governance Structure for Fair Treatment of Investors and Promotion of Their Participation**

Through compliance with IR standards, we have managed to create, manage, and maintain optimal communication channels with investors, providing relevant, timely, and complete information that facilitates financial market behavior and decision-making.

Among the actions we have taken to meet the IR requirements of the Colombia Stock Exchange, we highlight our quarterly investor results presentations where we inform the market about our financial, commercial, and technical quarterly results, and address any questions investors may have about our management.

In 2023, online events were conducted in English via a live web platform (Zoom), allowing stakeholders interested in connecting to do so freely. These meetings took place on the following dates: July 10, September 29, and December 14. Each presentation was attended by investors and other interested stakeholder groups eager to learn about our management.

We also provide an email and a telephone extension dedicated exclusively for investors to communicate any questions or concerns they might have about our entity, their investments, or any other relevant matter. To respond promptly to information needs, we have a bilingual Investor Relations Officer in place, who is committed to responding timely, clearly, and transparently to any inquiries and information needs.

- **Anti-Fraud and Anti-Corruption Policy**

GRI. 205-2; SASB / ÉE (FN-CB-510a.1, Section 1; FN-CB-510a.2, Section 1)

We have established an Anti-Fraud and Anti-Corruption Policy aimed at creating a comprehensive system to manage the risks associated with fraud and corruption. This fosters a culture of prevention, detection, and timely response to fraudulent activities and risks, ensuring protection of the entity's interests and its accountability to employees, suppliers, customers, and other stakeholders.

The policy is developed within the framework of the following regulations:

- Anti-Corruption Statute – Act 1474 of 2011.
- The guide for developing the Anti-Corruption and Citizen Attention Plan issued by the Administrative Department of Public Service (DAFP).
- Act 2195 of January 18, 2022, which adopts measures regarding transparency, prevention, and the fight against corruption.

The policy establishes zero tolerance towards fraud and corruption and includes a whistleblower mechanism through which any third party can report potential fraudulent conduct by employees, as well as a procedure outlining the response to incidents of fraud and corruption. In 2023, the Anti-Fraud and Anti-Corruption Policy was revised, particularly the risk map, which is published on our website. As part of the monitoring process, we conducted a risk profile assessment, which resulted in a consolidated residual risk profile at a moderate level.

Additionally, we maintain a Code of Ethics and Integrity that outlines the principles and commitments governing the behavior of directors and employees towards various stakeholders. Other policies guiding employee conduct include conflict of interest management, handling of gifts and invitations, and a prohibition on participating in political campaigns, among others.

Throughout the year, as part of our awareness program, we published various articles on our intranet, including topics like Risks Associated with Social Engineering, United Against Fraud, and others. We also evaluated the components of the policy, achieving an outcome deemed optimal.

Through methodologies for identifying, measuring, and controlling risks, we established the risk profile by assessing the likelihood and impact of risks materializing, as well as the appropriate controls to mitigate these risks and impacts. The importance of the Anti-Fraud and Anti-Corruption Policy lies in the transparency and trust it fosters among stakeholders and the general population regarding the actions of our employees, which preserves the image and reputation of our organization.

SASB / EE (FN-CB-510a.1, Section 1)

Importantly, no events or alleged events of fraud or corruption involving senior management or employees were identified.

- **Unfair Competition**

SASB / EE (FN-CB-510a.1, Section 1)

In the course of fulfilling our corporate purpose, we adhere to competition rules as specified in Section 2 of Article 98 of Decree Law 663 of 1993 (Financial System's Organic Statute).

As an entity supervised by the Financial Superintendence of Colombia, we ensure that we do not engage in acts that could constitute unfair competition and conduct our lending activities in accordance with the rules and practices of good commercial faith. This includes obligations such as publishing rates charged for services and products.

Regarding our financing operations, it is important to note that in the rediscount modality, intermediaries are credit institutions; therefore, acts of unfair competition do not occur, especially since access to rediscount lines is equitably available.

For direct loan operations, which are exceptionally conducted, these are directed towards territorial entities under special credit conditions, aimed at financing investment projects. This expands the market options available to recipients, allowing them to access resources under conditions comparable to those offered by private banks.

Additionally, when analyzing this aspect in relation to other financial activity participants that operate under a special regime like Findeter, we find that practices of unfair competition are not applicable, as each entity operates according to its corporate purpose within a distinct segment approved by law, such as Finagro and Bancóldex, among others, and thus are not considered competitors.

Based on the above, our entity, in carrying out its authorized activities, has not engaged in acts that could constitute unfair competition, such as client poaching, acts of disorganization, confusion, deception, discredit, comparison, imitation, exploitation of another's reputation, breach of secrets, inducement to breach contracts, or violation of norms.

2.2.1. Self-Assessment of the Board of Directors' Management

GRI. (2-23, 2-11, 2-18); SDG16; Circular 012 of 2022 - sustainable and Responsible Investment Practices (Section 7.4.1.3.1. Analysis of Corporate Governance; Subsection 7.4.1.3.1.1. Structure of the issuer's administration, Item (vii) Evaluation processes of the board of directors, its support organs, and senior management.

As part of good Corporate Governance practices, the Board of Directors conducted a self-assessment of its management during 2023. The evaluation was rated on a scale from 1 (never) to 5 (always) and involved the participation of 5 board members who were eligible. The Corporate Governance Committee reviewed and approved the self-assessment scheme and the questionnaire, which consisted of 14 individual questions, 22 group questions, and 28 for support committees (7 for each).

The average result was 4.86, an improvement over the previous year's score of 4.71. Notably, there was enhanced performance particularly in governance roles and dynamics and functioning, along with improvements in the structure component. The financial information processes, internal audit, and controls showed results very similar to the previous year.

The results are displayed in the following table:

Table No. 19: Self-Assessment Results of the Board of Directors' Management for 2023

Component	Results 2022	Results 2023
Dynamics and operation	4.71	4.87
Structure	4.77	4.88
Financial reporting processes, auditing and internal controls	4.94	4.93
Role in Governance	4.66	4.85
Total	4.71	4.87

Source: Findeter calculations

• Board of Directors, Support Bodies, and Senior Management Evaluation Processes

The evaluation of the Board of Directors was conducted following the best practices of Deloitte for corporate governance, in addition to incorporating inputs from the 2016 Manual for board members issued by the Ministry of Finance and Public Credit.

This process serves two fundamental purposes:

- ✓ To formalize a self-assessment process of the Board of Directors' performance, the committees, and the evaluation of the management by Findeter's CEO.
- ✓ To gather information, both individually and collectively, regarding the contributions of the Board of Directors and Findeter's CEO towards sustainability and value creation.

For the evaluation of support bodies, four components are assessed: dynamics and functioning, structure, governance role, and processes of financial information, auditing, and internal controls.

Regarding senior management, a 360-degree performance evaluation is conducted, which is used to measure organizational competencies and leadership qualities of our team members. This evaluation includes assessments by peers, superiors, subordinates, and self-assessment. This exercise is carried out annually, and the results for 2023 will be delivered by mid-February 2024.

2.2.2. Evaluation of the CEO' Management

GRI. (2-23, 2-11)

Similarly, as a corporate governance practice, the Board of Directors conducted an evaluation of the management of Findeter's CEO during 2023. This evaluation included an 11-question survey and a dashboard of strategic indicators aligned with the Strategic Plan Transforming Regions, with each component contributing 50%.

The questionnaire used was the same one that has been in effect and approved since 2019 due to its relevance and acceptance.

In 2023, three individuals led our entity as CEO. The first was Mr. Ricardo Bonilla, the current Minister of Finance, who served from January to April. Between May and July, Ms. Liliana Zapata, the General

Secretary, served as the acting CEO. Since the end of July, Mr. Juan Carlos Muñiz has been the CEO of Findeter.

The overall questionnaire results yielded an average rating of 4.85 across the three administrations, an improvement from 2022's score of 4.61. Notable factors include appropriate frequency of presenting results, the CEO's involvement in promoting the mission, vision, and values of the entity, and the implementation of policies and strategies approved by the board. The overall result shows a compliance rate of 147.51%.

Below, the consolidated result with each component is displayed:

Table No. 20: CEO's Management Evaluation Results for 2023

Item	Maximum score	Score obtained	Weighted percentage
11-Question Set	2.50 (50%)	2.43	97%
Scoreboard	2.50 (50%)	4.95	198.03%
Rating	Over 5	7.38	147.51%

Source: Findeter calculations

This exemplary general result can mainly be explained by the performance dashboard, where the goals established for 2023 were significantly exceeded in all its indicators, achieving 128.7% compliance for disbursements, financing for municipalities and districts in categories 3, 4, 5, and 6 at 319.4%, projects impacting municipalities in categories 3, 4, 5, and 6 at 257.2%, and ROE before taxes at 101.6%.

2.2.3 Procedure for potential amendments to the bylaws

According to the Corporate Governance Code, the Corporate Governance Committee is tasked with reviewing proposals for amendments to the Bylaws and to the Corporate Governance Code submitted by management that relate to the good governance of the corporation and to present modifications, updates, and repeals of provisions related to corporate governance. Once these reforms are analyzed by this committee, they are presented to the Board of Directors for approval and subsequently to the General Shareholders' Meeting.

2.3. Related-Party Transactions (RPTs)

GRI 2-29; Circular 012 of 2022 - Sustainable and Responsible Investment Practices of the Issuer (Item 7.4.1.3.1. Analysis of Corporate Governance; Sub-Item 7.4.1.3.1.1. Description of the Issuer's Administration Structure, Item (ix); Item 7.4.1.2.6. Transactions with Related Parties of the Issuer)

Due to the activities of the Board of Directors, fees were paid to its members for attendance at Board and support committee meetings, amounting to COP 1,098.3 million as of December 31, 2023. No additional RPTs were reported.

During 2023, within the framework of our welfare policies and the EFR model, we provided employees with loans at affordable rates for housing, vehicles, education, general investment, and domestic calamity, with the primary goal of enhancing the well-being of our employees' families. In the mentioned year, loans were granted totaling COP 30,949 million with home loans being the most significant, accounting for 89% of the total approved amount, benefiting a total of 61 families, which provides security to the employees and translates into happiness and productivity, creating a high standard of work quality.

For vehicle loans, 22 families were benefited, equivalent to 7% of the total approved value. In the lines of general investment, education, and calamity, a total of 31 families were benefited, corresponding to 3.8%.

Table No. 21: Loans Granted to Employees of the Entity in 2023 as Related Parties

Line	Value	No. of approvals
Home	27,487	61
Vehicle	2,275	22
Unrestricted	1,132	28
Calamity	40	1
Student	15	2
Total	30,949	114

Source: Findeter – Figures in millions of pesos.

Circular 012 of 2022 - (Item 7.4.1.3.1. Analysis of Corporate Governance; Sub Item 7.4.1.3.1.1. Item (ix).

• Description of the mechanisms implemented by the issuer for conducting related-party transactions

As part of our governance policies, which are included in the Corporate Governance Code, we have a Related-Party Transactions (RPT) Policy, where the term is defined as follows: “a person or entity that is linked to Findeter and who may exercise control, significant influence, or be part of Findeter’s key management personnel.” In this regard, shareholders individually holding more than 10% of the shares, board members, the CEO, the general secretary, the VPs, and their relatives up to the second degree of consanguinity, second degree of affinity, and civil kinship, are included under this policy.

Additionally, our entity discloses these transactions in quarterly and annual reports, and in the notes accompanying the financial statements.

2.4. Investor Relations

GRI. 2-29; Circular 012 of 2022 - (Section 7.4.1.3.1. Analysis of Corporate Governance; Subsection 7.4.1.3.1.1. Description of the issuer’s management structure, Item (ix); Section 7.4.1.2.6. Transactions with related parties to the issuer)

In November 2023, the Colombian Stock Exchange (BVC) awarded us the Investor Relations (IR) Certificate for the ninth consecutive year, recognizing our adherence to and implementation of the highest standards set forth in the Stock Exchange’s Single Circular, concerning corporate governance, information disclosure, and investor relations.

It is noteworthy that only 32 of the approximately 175 issuers in the public securities market possess this seal. The IR Certificate positions us as one of the issuers with the best corporate practices in the market, placing us among the most transparent securities issuers, thereby increasing the confidence of both local and international investors in us.

In addition to the certificate, we were ranked in the “Top 5 issuers” for the best levels of disclosure standard adoption in 2023, according to the IR securities issuer ranking published by the BVC, thanks to a diagnosis conducted in partnership with CESA. This underscores our commitment to

continuously improve and promote the best practices of information disclosure to all our stakeholders.

By adhering to the IR standards, we have successfully created, managed, and maintained optimal communication channels with investors, providing relevant, timely, and comprehensive information that facilitates the functioning of the financial market and decision-making therein. Among the activities undertaken to meet the IR requirements of the Colombian Stock Exchange, our quarterly investor results presentations stand out, in which we report our quarterly results from financial, commercial, and technical viewpoints and address any questions investors may have regarding our management.

Another significant action undertaken in 2023 was the consolidation by the BVC of an information center called MERO, where all the information required by the IR program was migrated. This platform is used by CESA to evaluate the disclosure content of the companies participating in the IR program, including Environmental, Social, and Governance (ESG) standards.

Through our website's Investor Relations section, available in both Spanish and English, we explicitly disclose and report on the entity's ESG factors, identifying each of these elements required by the BVC's IR program, demonstrating our relevance and commitment to meeting the highest standards in these areas.

Throughout the year, we also managed and updated our website (in Spanish and English) in a timely manner, facilitating access to financial and corporate information for our local and international investors, thus achieving higher traffic on these portals. The consultation link is <https://www.findeter.gov.co/relación-con-inversionistas>.

2.5. Accountability

Considering that our mission is focused on generating well-being for Colombians by promoting sustainable projects that transform territories, accountability is conceived as a scenario of continuous dialogue with citizens, civil society organizations, private and public associations, and other stakeholders, with the purpose of fostering national construction through consensus and citizen participation.

In the context of accountability, we believe in dialogue as a dynamic exercise of exchanging ideas, where citizens not only assume the role of demanding proper resource management but also transcend to a proactive attitude and teamwork, where their aspirations are reflected in concrete projects aimed at meeting community needs. In other words, they also participate in achieving the set goals.

To this end, in line with the Digital Government Strategy of the Ministry of Information and Communication Technologies, we have various channels of communication and participation available, through which it is possible to express expectations about our management.

Our accountability strategy is aimed at reporting management in a transparent and participatory manner, to meet the needs of interest groups and society at large, through the creation of dialogue spaces and the materialization of the principles of good governance.

- **Quality Information**

The Management and Sustainability Report is an essential tool for accountability, as it consolidates the management carried out and highlights the most relevant facts for interest groups and those linked to our sustainability, in its responsible action, from economic, social, and environmental dimensions. The 2022 version and other historical reports remain published on our website for the

consultation of interest groups and the general public through the link Management and Sustainability Reports Findeter.

- **Two-way dialogue with citizens and their organizations**

Within this component, we organize and execute a variety of events, such as forums, seminars, workshops, and discussions, in which we socialize our management with some interest groups, investment proposals, and completed projects that have contributed to improving the quality of life of the inhabitants.

Dialogue with interest groups, citizens, and their organizations, as a mechanism of accountability, is a permanent exercise that is part of the management developed in both internal and external spheres.

For the 2023 period, the event held with the newly elected mayors and governors for the 2024-2027 period, called Transforming Regions, stands out.

What is Transforming Regions?

Transforming Regions is a program designed by our bank to provide comprehensive support to governors and mayors from various regions of Colombia throughout their terms of office.

Through this initiative, we develop tools and strategies that enable these officials to manage their resources effectively and implement sustainable, high-impact projects.

By 2026, we aim to have contributed to enhancing decentralization, peace, and security as drivers of development; promoting economic growth and social inclusion; and increasing the technical, administrative, financial, and fiscal governance capacities of all regions in the country.

Event outcomes:

Around 200 newly elected mayors and governors from across the country gathered in Cartagena for the Transforming Regions event. This initiative aims to strengthen the capabilities of new officials in territorial planning, finance, technical assistance in project structuring and management—skills that will enable them to meet the challenges they will face in their roles.

Through this program, local authorities will be able to:

- Access the necessary tools to develop better management standards and assertiveness in their roles.
- Identify partners to bring to life projects that trigger development.

Therefore, this academic and practical event provided new leaders with concepts and tools on how to approach the challenges they will face in their roles.

Additionally, top representatives from the national government, multilateral banks, first-tier banks, and Grupo Bicentenario, among others, joined the event to share their perspectives on regional development.

3. STRATEGIC MANAGEMENT

3.1. Business Strategy - Strategic Management

(GRI. 2-6; 2-23)

Our strategic plan, named **Transforming Regions 2023-2026**, focuses on collaborating closely with the national government and territorial entities to finance and execute sustainable projects that bring about significant transformations in the territories, leveraging our experience and integrated service portfolio.

The purpose of this plan is to position our entity, over the next four years, as the Development Bank that significantly contributes to territorial strengthening and sustainable financial inclusion through the offering of comprehensive services that mainly generate positive impacts in territorial entities categories 3, 4, 5, and 6. All this under an efficient and profitable structure that generates value for its various stakeholders.

Transforming Regions emerged from the application of a participatory methodology at the end of 2022, where, through meetings, surveys, and other consultation methods, information and needs of our interest groups were gathered, as well as the priorities of the national government to identify work focuses and guidelines aimed at sustainability and closing territorial gaps.

This exercise resulted in the creation of a roadmap, developed hand in hand with the Board of Directors, which established a higher purpose, a mission, vision, 4 perspectives, 9 strategic objectives, and 24 indicators, of which 11 are new and represent the necessary changes and challenges proposed in our National Development Plan 2022-2026.

Approved on August 29, 2023, by the Board of Directors, the Transforming Regions plan is now illustrated using the renowned Balanced Scorecard methodology as a tool that facilitates its understanding, monitoring, and deployment. Below, we will recognize the major strategic drivers and the objectives set for this four-year period, grouped into perspectives:

- **Strategic Management 2023 – 2026**

Table No. 22: Strategic Management

Strategic Management	
Higher Purpose: Improve the quality of life of the neediest Colombians.	
Vision: By 2026, we will be the Development Bank recognized for contributing to territorial strengthening and financial inclusion through sustainable and innovative solutions.	Mission: We are the strategic partner of the National Government and territorial entities for the planning, structuring, financing, and execution of sustainable projects that transform territories.
Focus Areas:	
F1: Socioeconomic gaps and regional inequalities	F2: Adaptation to climate change and energy transition
F3: Social responsibility and financial balance	F4: Human talent and organizational culture

Source: Findeter

- **Strategic Map**

We have defined a strategic map with four perspectives: communities, competitiveness, sustainability, and knowledge and learning, which outline our strategy and group the 9 strategic objectives.

Each objective has a definition that facilitates its understanding within the organization, as well as a series of indicators that allow us to monitor its performance.

Illustration No. 7: Corporate Strategic Map – Transforming Regions 2023 – 2026



Source: Findeter

Senior management, committed to projecting our entity, consistently created spaces to evaluate results and define actions that allowed for the proper management of the strategy, in line with the established vision. For this purpose, during various Board of Directors sessions, the focus dashboard of the strategy was presented through which the main indicators of the corporate strategic map are monitored and decisions are made to improve results.

Illustration No. 8: Strategy Focus Dashboard



Source: Findeter

Below, each of the 9 objectives is detailed:

1. Generar impactos en el territorio que promuevan el crecimiento económico y social de todas las regiones del país promoviendo una **financiación sostenible e incluyente.**

Sponsor:
Presidencia
VP Comercial

The first objective of the Transforming Regions plan focuses on generating sustainable impact and strengthening the administrative and management capacities in municipalities and districts of categories 3, 4, 5, and 6, through project financing. This objective aligns with Focus Area No.1 and seeks among other things:

- To provide communities with access to opportunities and the provision of public goods and services in an equitable and differentiated manner, reducing the territorial and socioeconomic gaps that fragment social fabric.
- To generate partnerships with local actors, developing sustainable projects and programs, and promoting participation in the people's economy.
- To impact the largest number of people with our service offerings, moving towards regional convergence that will strengthen the ties between territories, the state, and the communities.
- To manage, as applicable, contracting with associations that are part of the popular and community economy.

2. Fortalecer la asistencia técnica y la transferencia de capacidades a los territorios

Sponsor:
Vp. Técnica

As a strategic partner of the national government and the territories, we seek to strengthen the management of projects and Technical Assistance resources efficiently and effectively, as well as generate mechanisms that allow for the transfer of these capabilities to the territories. This approach is aligned with Focus Area No.1, for this we will adjust the necessary processes and structure to:

- Ensure that the formulation, planning, design, and management of the projects meet the mission purposes and simultaneously generate a financial balance for the growth and sustainability of our entity.
- Develop community appropriation strategies in project execution that guarantee their sustainability and sense of belonging over time.
- Being recognized as the strategic ally of the national government and the territories materializes with the efficiency and effectiveness with which Findeter manages and executes resources, hence this objective seeks to maintain a high level of compliance in the agreed commitments.
- The search and generation of projects through the mechanisms enabled with the policy of contracting the solidarity economy.

3. Gestionar integralmente los riesgos para continuar fortaleciendo el ambiente de control y la toma de decisiones, alineados con las **políticas del gobierno nacional**

Sponsor:
Vp. Riesgos

This objective establishes a framework of work, monitoring, and control that strengthens the current risk culture and focuses on maintaining high compliance levels of current regulations and enhances the adoption of good practices in the integral risk management and administration as understood by:

- Conducting an integral risk management in accordance with the prioritized appetite framework and standards.
- Developing risk models and methodologies according to the easing of entry barriers for new actors and sectors.
- Strengthening mechanisms to monitor the entity's risk level against new product lines or new actors.
- Incorporating international standards that support and strengthen the Business Continuity Plan (BCP).
- Enhancing and improving our entity's capabilities and functionality in terms of information security, cybersecurity, personal data protection, and corporate resilience.

For this, we define a framework of work that allows monitoring the level of risk exposure and generating preventive alerts, thus enabling decisions to be made or adjustments to the strategy.

4. Rediseñar y mejorar nuestros productos, procesos y servicios **mediante la innovación** para promover la inclusión de nuevos actores y sectores.

Sponsor:
VP Comercial

We aim for innovation to be part of the culture and conduct of our company under Focus Areas No. 1 and No. 4. This involves agility and the use of new methodologies for redesigning and improving products, processes, and services, making us more competitive and assertive in:

- Seeking new ways to positively impact territories through continuous innovation processes, based on new methodologies and technologies, to create value for new actors and sectors.
- Creating a conducive environment that enables experimentation and enhancement of our products, processes, and services.
- Implementing agile solutions that respond to the needs of our stakeholders.
- Maintaining, designing, and redesigning necessary processes to remain competitive and meet the requirements of our stakeholder groups.

5. Incorporar y fortalecer las mejores prácticas para la rentabilidad económica, social y ambiental.

Sponsor:
Vp Financiera

This objective refers to the adoption of administrative and operational practices aimed at ensuring the sustainable and responsible growth of our bank while promoting the generation of economic, social, and environmental impact for the benefit of communities and the sustainable transformation of Colombian lives. Aligned with Focus Area No. 2, the following action lines are established:

- By adopting best practices in sustainability, we will ensure Findeter's growth is constant, balanced, and responsible.
- Achieve financing and analysis of projects under the Saras framework, establishing sustainability conditions that reduce or mitigate environmental and social risks.
- Promote the financing of projects that contribute to climate change mitigation.

- Strengthen the implementation of sustainable aspects in our operations and product portfolio.
- Promote the generation of economic, social, and environmental impact from our management.
- Identify within our entity and in projects/programs, good sustainability practices in its three dimensions.
- Define a long-term roadmap for our institution, recognizing the principles of banking responsible to the environment and society.

6. Gestionar eficientemente nuestra imagen, reputación, la relación y comunicación con nuestros grupos de interés.

Sponsor: Gerencia de Comunicaciones

This objective aims to generate actions to ensure that the entity's image and reputation are perceived positively by its various interest groups. To achieve this, effective communication channels are established to interact with them, recognize their characteristics and information needs, and design strategies that integrate best practices. Aligned with Focus Area No. 1, the following lines of action are established:

- Maintain high ratings for the effectiveness of our communications both internally and externally.
- Responsibly and timely convey management and relevant information to our allies, the community, suppliers, regulatory bodies, and other stakeholders.
- Manage the image of our entity, always aiming to maintain a high degree of brand positioning.
- Improve understanding of the perceptions of our stakeholders and enable senior management to make decisions aimed at enhancing and maintaining these perceptions.

7. Optimizar la rentabilidad que garantice el crecimiento de nuestra operación.

Sponsor: VP Planeación

With this objective, we seek to maximize the benefits of our entity efficiently and sustainably, ensuring its long-term growth and fulfilling our mission mandate, which aligns with Focus Area No. 3. For this, the following lines are established:

- Access to financing sources with favorable interest rates and adequate terms, strengthening our product portfolio and reducing financial costs.
- Find the right balance that allows for long-term growth and sustainability of the entity.
- Manage our financial resources to achieve the sustainability of our entity.
- Design innovative mechanisms for managing our own and third-party financial resources.

8. Fortalecer el talento humano con competencias de alto nivel, alineado con la cultura organizacional y con calidad de vida.

Sponsor: Secretaría General

The foundation of strategic planning is based on people, which is why, from the perspective of knowledge and learning, strategies are established to ensure that we have the best human talent, creating the best working conditions in pursuit of a culture aligned with the vision of our entity. This approach aligns with Focus Area No. 4 and seeks to:

- Reaffirm and maintain a balance between family, personal, and work life for employees in an appropriate and healthy work environment.
- Focus the training plan on the strategy's focus areas and the democratization of training, equipped with sufficient elements to achieve the company's purposes in financial, equity, sustainability, technical, digital, Findeter processes, leadership, among others.
- Strengthen the culture model under the dimensions of strategic focus; articulation and conscious transformation.
- Maintain an inclusive and transformative leadership style that enables the mobilization of work teams.

9. Gestionar la información y la transformación digital de nuestra
 Entidad.

Sponsor:
 Vp. Operaciones

The last objective of the strategic plan, aligned with Focus Area No. 3, aims to promote the use of technology to improve efficiency and effectiveness. In line with national policies and global trends, we seek to adopt and have the technology, processes, and tools necessary to enable digital transformation and become increasingly efficient and effective in fulfilling our mission. For this, within the framework of this objective, we intend to:

- Strengthen the integration and interoperability of our organization through information and communication technologies that allow us to be more efficient and effective.
- Leverage strategies that allow the development of projects aimed at fulfilling objectives that promote economic and social growth and the mobilization of resources in the national territory.
- Manage information and enhance the technical knowledge of the business and territories to contribute to achieving the proposed goals effectively.
- Obtain timeliness in information generation and data governance.

For our bank, it is important to disclose the results achieved in the development of the strategy, for which we have various communication and participation channels through which we seek to make known the progress and gaps in fulfilling our **Transforming Regions** plan.

Thus, through social networks, web pages, internal channels, among others, we publicize the components of the new strategic plan, which can be consulted by scanning the following QR code:



Within the entity, through communication strategies such as *Café en línea* and *Findeter Cuenta*, senior management informed employees about the strategies, processes, projects, and their progress. These spaces also allowed for gathering inquiries, observations, and suggestions for better management.

3.1.1. Brand Strategy

At Findeter, our brand is an asset—it represents the values, quality, and promise that the company offers to its various stakeholders. A strong brand not only differentiates the company from its competitors but also positions its identity in the minds of its partners over the long term.

Findeter is committed to developing and maintaining its brand through constant, centralized, and cross-functional management:

1. A corporate reputation study is conducted to better understand the opinions, thoughts, feelings, and expectations of various stakeholder groups, not just customers. This helps to determine if the image they perceive aligns with the one established by the company's senior management through its mission, vision, values, and other strategic components.
2. This approach is in line with the entity's corporate communication policy, which states that *"Findeter will undertake strategies it deems necessary to build, strengthen, and manage its corporate brand among different stakeholder groups, with the aim of supporting effective and impactful communication."*
3. Graphically, the development bank has a corporate identity manual that encapsulates the brand's philosophy, positioning, values, personality, architecture, and various uses and applications.
4. Findeter has a specialized area that assists other parts of the Entity in the conceptualization and production of promotional and communication pieces.

3.2. Performance Monitoring

3.2.1. Strategic Plan Progress

(GRI. 3-3 Material Topics: Capacity Transfer to Territorial Entities; Measurement of Environmental, Social, and Economic Impacts; Responsible Finance; Social Infrastructure; Relationship Strategy and Mega Materiality: People's Economy) (SDGs 8, 10 and 11); External Circular 012/2022 SFC, Section 7.4.1.1.1. Description of the issuer's business purpose, Subsection (i) The evolution of the business plan in the short, medium, and long term.

Here we present the main results of the Strategic Map, by perspectives:

The **community perspective** aims to generate impacts across the national territory, mobilizing resources and strengthening technical assistance to promote the transfer of capacities, mainly to municipalities and districts in categories 3, 4, 5, and 6, decentralized entities, and actors in the people's economy contributing to closing gaps.

In 2023, we **disbursed** COP3.89 trillion, resources that have been directed to financing projects that contribute to closing socioeconomic gaps and inequalities in regions, positively impacting the basic unmet needs of Colombians and advancing the achievement of Sustainable Development Goals (SDGs).

During this period, we financed 670 projects, of which 293 were aimed at municipalities in categories 3, 4, 5, and 6, representing 44% of the total financed projects, exceeding the target of 17%. These initiatives impact the people's economy and also include VIS projects.

In the context of **financing municipalities in categories 3, 4, 5, and 6**, we have granted new loans to a total of 254 municipalities. Of these, 214 are territorial entities (TEs) that are part of the specific categories highlighted by this indicator. The greatest benefit has been obtained through direct loan operations, allowing territories to obtain competitive resources for their social investment and infrastructure projects. This is how capacities are generated in the most remote and lagging regions of the country, jobs are created, and the economy is invigorated.

Regarding **social profitability**, this calculation exercise aims to evaluate the economic, social, and environmental impacts of the resources mobilized by our entity, in response to the need to strengthen its business lines, consolidate its reputation as a socially responsible company, and contribute to the well-being of communities in the territory.

This pioneering initiative in Colombia allows planning, financing, and executing projects considering externalities and impacts on the environment, public health, improving basic needs, and boosting local economic growth. Accordingly, once the fiscal year ends and the information on the executed projects is consolidated, the measurement for the first quarter of 2024 is expected.

We are working on **structuring two lines that will allow the financing of projects in the people's economy**: Energy Efficiency and Social Interest Housing; the formalization of these two lines will take place in February 2024.

As a strategic ally of the national government and territories, we seek to strengthen the management of projects and **Technical Assistance** resources efficiently and effectively, as well as generate mechanisms that allow the transfer of these capabilities to the regions.

With the goal of improving **efficiency in the execution of resources**, the distribution of funds allocated to national government programs and territorial entities in their respective territories is analyzed. For 2023, a baseline was established that will serve as a reference, initially with a target of 80% execution. The execution of resources in the territories reaches COP 663 billion, a figure that exceeds the planned target of 80% (COP 480 billion). This achievement reflects the outstanding operational capacity of the Entity, consolidating it as a strategic ally of the National Government.

In the **Index of projects without alerts**, Findeter has a total of 195 contractual projects, i.e., in execution. Of the total projects, 157 projects are without alerts. For a result of 81% and compliance at the indicator level of 101% concerning the target which corresponds to 80%.

Within the framework of the **Policy for the Contracting of Solidarity Economy and People's Economy Organizations of the Project Bank**, approved on May 24, 2023, and as a tool to carry out development plans, both at the National Government and territorial entities levels, working on specific projects that go hand in hand with policy guidelines of various sectors in which public investment is made. In this context, during the year 2023, Findeter signed an inter-administrative contract with Artesanías de Colombia, providing technical assistance and resource management services for the execution of maintenance and renovation projects in properties owned by Artesanías de Colombia S.A. – BIC nationwide, with an emphasis on locations in Bogotá, Ráquira, and San Jacinto. Solidarity agreements have been formalized with three Community Action Boards, which to date have successfully carried out such maintenance and renovation projects.

Within the framework of the **Policy for Contracting Solidarity and People's Economy Organizations of the Project Bank**, approved on May 24, 2023, a tool was established for carrying out development plans at both the National Government and territorial entity levels, focusing on specific projects that align with policy guidelines across various sectors where public investment occurs. In this context, during 2023, Findeter signed an inter-administrative contract with Artesanías de Colombia, providing technical assistance and resource management services for the execution of maintenance and renovation projects on properties owned by Artesanías de Colombia S.A. – BIC nationwide, with an emphasis on facilities located in Bogotá, Ráquira, and San Jacinto. Solidarity agreements have been formalized with three Community Action Boards, which to date have successfully carried out such maintenance and renovation projects.

Furthermore, in the context of inter-administrative contract No. 1205 of 2023, signed between Findeter and the Ministry of Housing, City, and Territory (MVCT), four solidarity agreements have been signed with Indigenous Associations to support, in the department of La Guajira, the performance of diagnostics to determine infrastructure interventions related to the use of water resources.

Illustration No. 9: Community Perspective



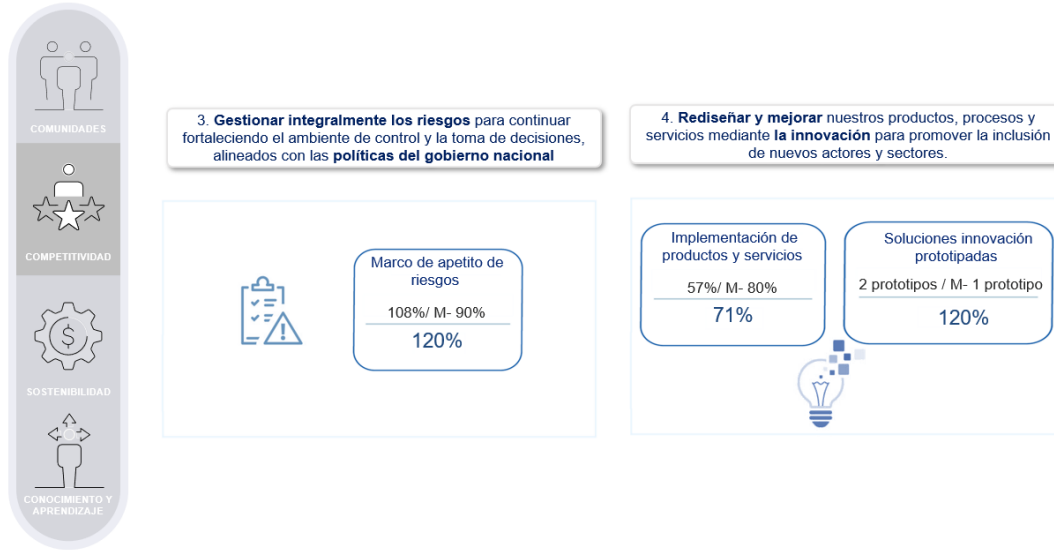
The **Competitiveness perspective** consolidates the objectives that allow us to align the array of processes and projects with the overall strategy of the entity. We aim to become the strategic ally of the National Government, being perceived by our partners as a key player in addressing and solving their needs.

In **risk management**, a framework of work, monitoring, and control is established that strengthens the current risk culture and focuses on maintaining high levels of compliance with current regulations and enhances the adoption of best practices in integrated risk management and administration.

Regarding the evaluated period, we achieved outstanding performance in the **Risk Appetite Framework (MAR)**, which indicates that the measured levels are within the defined limits of appetite, tolerance, and capacity.

In **prototyped innovation solutions**, in 2023, we launched **TerritorioINN**, a distinctive innovation program. As a result of this exercise, we designed two prototypes of new high-value solutions for Findeter and its stakeholders, namely Juntanza Turística and Tejiendo hilos verdes.

Illustration No. 10: Competitiveness Perspective



In the **Sustainability perspective**, we ensure that the actions taken by the entity maintain financial solidity and ensure responsible management of available resources, while also working to maintain a positive image with stakeholders.

The **sustainability strategy project** aims to develop a sustainability strategy in line with the Sustainable Development Goals, the Paris Agreement, and current guidelines in Colombia. This strategy will integrate Findeter’s advancements in sustainable finance and align with the corporate vision and international guidelines.

Additionally, by aligning with international sustainability and climate change requirements, this project will enable the entity to access specialized, lower-cost multilateral resources. The first phase of this project met all the milestones set.

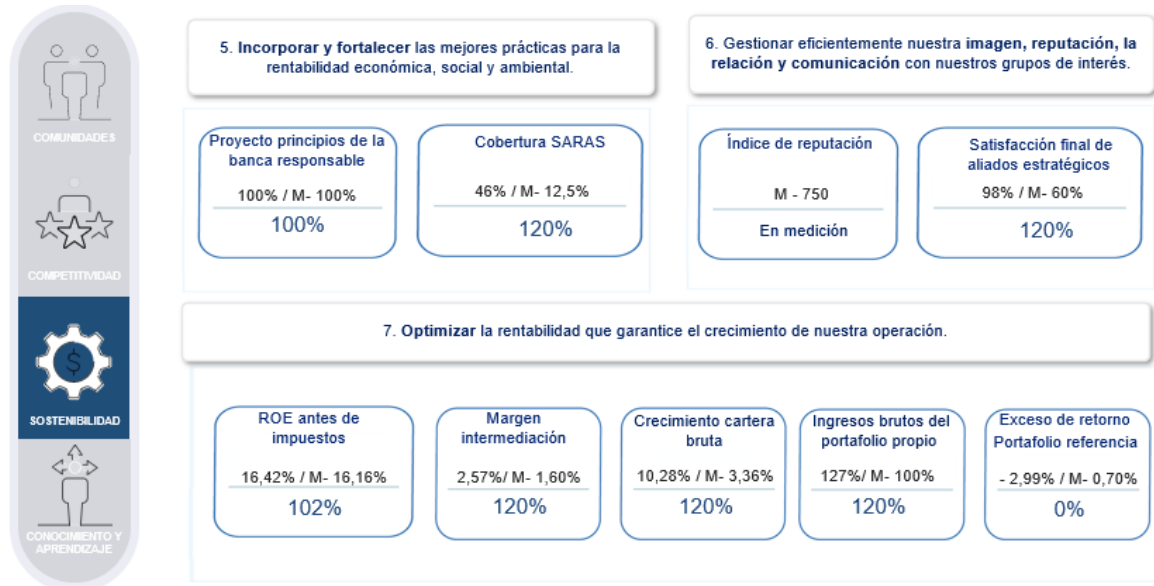
Regarding **SARAS coverage** during 2023, disbursements totaling COP 2.42 trillion were made through rediscounting, of which COP 1.153 trillion were subjected to SARAS analysis in relation to the projects to be developed with these resources.

This figure represents 47.6% of the total rediscount placement in 2023, showing considerably higher coverage than expected compared to SARAS. It is noteworthy that this proactive approach to analyzing the environmental and social impacts of financed projects significantly contributes to mitigating reputational risks for Findeter.

Another indicator contributing to this perspective is the **strategic partner satisfaction survey** results. In December 2023, we conducted the measurement corresponding to the management during that year, achieving a 98% satisfaction rate, thus exceeding the established target.

In this perspective, we aim to *optimize profitability to ensure the growth of our operations*. Overall, 2023 was a year where results benefited from the financial margin, where the behavior of base rates led to higher income according to the composition of assets and debt instruments agreed at fixed rates and in dollars, allowing for cost-efficient funding. This contributed to exceeding the year’s intermediation margin target. Additionally, revenues also benefited from a volume of placements higher than estimates, causing the portfolio to grow beyond expectations and benefiting pre-tax ROE from the operational result. In terms of gross income from our own portfolio, the set target was met; however, excess return was below expectations due to a more conservative positioning of our portfolio relative to the benchmark.

Illustration No. 11: Sustainability Perspective

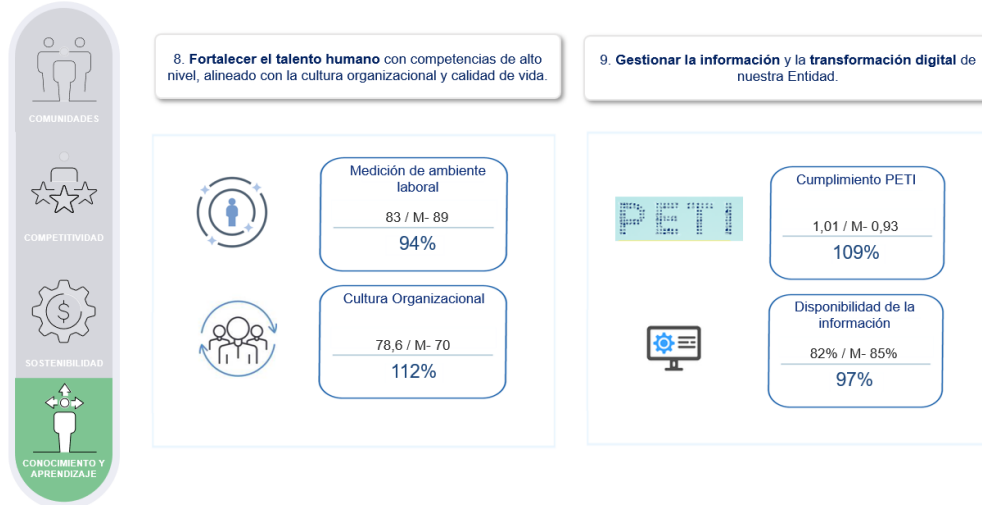


Nota: El porcentaje de cumplimiento se acota al 120% para no distorsionar los resultados compilados.

The foundation of the 2023-2026 Strategic Plan is centered on people, which is why, from the **Knowledge and Learning** perspective, strategies are established to ensure that the organization has the best human talent, creating optimal working conditions aimed at fostering a culture aligned with the Entity's vision.

Findeter conducted a **work environment assessment** using a new methodology and applied the Happiness DNA Management Model®, known as adn:f®, a measurement and management system that reveals people's perceptions of factors associated with organizational climate. This allows for the establishment of action plans toward a coherent work environment where the satisfaction and well-being of individuals and teams are reflected in the Organization's results. In 2023, we achieved a score of 83.3%, maintaining an outstanding rating with a stable trend across most of the variables involved.

Illustration No. 12: Knowledge and Learning Perspective



3.2.2. Institutional Performance

3.2.2.1. Unified Management Progress Form (Furag)

At Findeter, we are committed to implementing and strengthening the Integrated Planning and Management Model (MIPG), which serves as a reference framework for managing public entities. This framework aims to direct, plan, execute, monitor, evaluate, and control institutional management in terms of quality and service integrity, ensuring results that address and solve the needs and issues of value groups.

The implementation level of MIPG is measured annually through the Unified Management Progress Form (FURAG), conducted by the Administrative Department of Public Service (DAFP). This results in the Institutional Performance Index (IDI), which assesses public entities' and organizations' ability to guide their institutional management processes towards better production of goods and service delivery. These are measured against quality standards, addressing citizens' needs within a framework of legality, efficiency, and transparency. The IDI also reflects the state and progress of the Integrated Planning and Management Model (MIPG), which entities use to manage, plan, execute, monitor, evaluate, and control their activities, aiming to meet the needs of their stakeholders with integrity and quality service.

The IDI is obtained from an annual exercise by the DAFP for all public entities at the national and territorial levels, for which the FURAG is completed as specified in Decree 2482 of 2012.

For the 2022 fiscal year, evaluated in 2023, Findeter achieved a score of 85.7 points in the latest measurement conducted by the DAFP through FURAG.

- The average national IDI for the Executive Branch was 81.4
- **The average IDI for Findeter was 85.7**
- The average IDI for the Finance Sector was 82.69

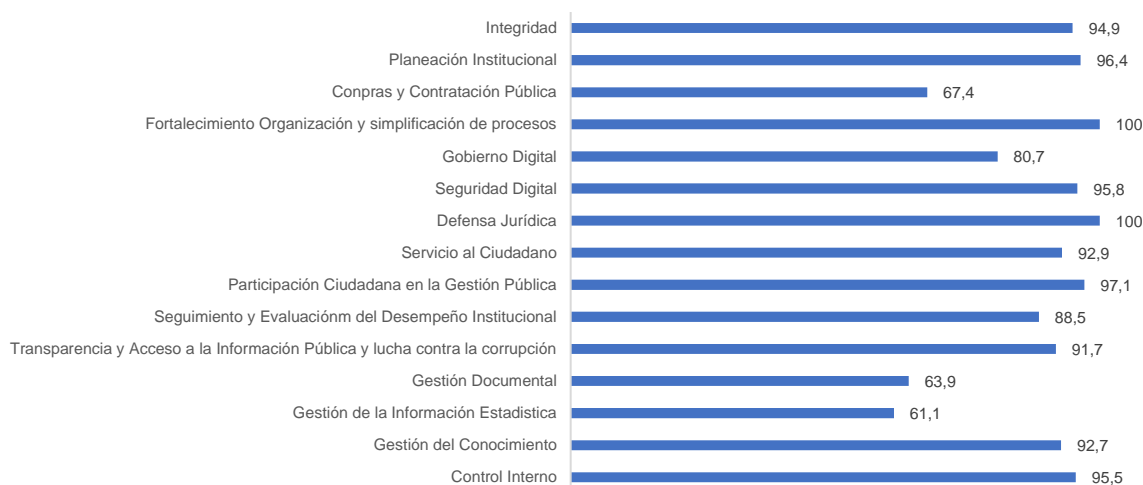
Findeter's IDI score was 4.3 points higher than the national average and 3.01 points higher than the finance sector average. Findeter is ranked in quintile 5, indicating it is among the entities with the highest scores.

The 2022 FURAG measurement is not comparable to the 2021 measurement due to significant updates made to the policy themes and directives by policy leaders.

With a score of 85.7 points, Findeter ranked ninth among the 26 entities in the finance sector. In comparison with other development banks, Findeter achieved the highest IDI score of 85.7 points, which is 4.1 points higher than Finagro's 81.6 points and 8.7 points higher than Bancoldex's 77 points.

Below are the ratings obtained by Findeter in fifteen (15) out of a total of nineteen (19) policies that are part of the MIPG Model.

Graph No. 3: Findeter Score by Policy



Source: Findeter

The policies that were not evaluated due to their inapplicability to Findeter were: Human Talent; Budget Management and Public Expenditure Efficiency; Normative Improvement; and Procedure Rationalization.

The ratings obtained in the FURAG highlight:

- The high degree of commitment the Entity has towards its stakeholders and the general public;
- The transparency and integrity reflected by its employees and public servants;
- A mission-driven management that exceeds efficiency standards, effectively meeting the needs of its clients and value groups, and its role as a strategic ally of the National Government, territories, and both the public and private sectors in promoting the growth of the people's economy in the regions.
- A skilled human team, with technical knowledge and a strong organizational culture that maintains high efficiency standards.

Another outcome from the 2022 FURAG measurement is the Internal Control Index, which for Findeter was 95.5 points, exceeding the average of 88.7 for all evaluated entities.

Additionally, the independent evaluation of Findeter's Internal Control System for the evaluated period received a score of 99.3 points.

3.2.2.2. Transparency and Access to Information Index – ITA³

³ ITA: Transparency and Access to Information Index

In compliance with Act 1712, or the Transparency and Public Information Access Act, the Inspector General's Office assumed responsibility for monitoring the implementation of this regulation in public entities. Accordingly, this regulatory body implemented a self-assessment matrix that must be completed by all "Traditional Obligated Entities."⁴ This self-assessment is audited by the Attorney General's Office, which issues a final opinion on the state of compliance with the law, informs the entities of the aspects that must be adjusted, and assigns a score out of 100 points.

In August 2023, we fulfilled this report by completing the form enabled by the Inspector General's Office for the 2023 fiscal year and recorded a score of 100/100 in compliance with the Transparency Law and the Right to Public Information.

3.2.2.3. Monitoring of 2023 Institutional Plans⁵

Throughout 2023, in terms of management and institutional performance, Findeter has been complying with the implementation of the MIPG aligned with strategic objectives, developing initiatives within the dimensions of this model related to strengthening institutional capacities, results-based management, fulfillment of its mission, as well as those aimed at transparency, fighting corruption, and citizen participation.

Below, we present the execution of the institutional plans, derived from Decree 612 of 2018 as of December 31, 2023:

Table No. 23: Final Execution of Findeter's 2023 Institutional Plans

Item	Plan	Scheduled Year 2023	Executed Year 2023	Compliance % Year 2023
1	Integrated Planning and Management Model Plan	97.53%	97.07%	99.53%
2	Pinar	100.00%	100.00%	100.00%
3	Information Technology Strategic Plan	75.00%	72.50%	96.67%
4	Acquisition Plan	100.00%	100.00%	100.00%
5	Occupational Health and Safety Plan	100.00%	100.00%	100.00%
6	PIC	75.24%	75.24%	100.00%
7	Annual Action Plan	71.67%	70.24%	98.01%
8	Institutional Strategic Public Security Plan	100.00%	98.08%	98.08%
9	PTRSPI	100.00%	100.00%	100.00%
11	Administrative Efficiency Plan	100.00%	100.00%	100.00%
12	Conflict of Interest Management Plan	100.00%	100.00%	100.00%
13	Statistical Information Management Plan	75.00%	75.00%	100.00%
14	Transparency and Business Ethics Program	100.00%	99.07%	99.07%
TOTAL		91.88%	91.32%	99.39%

Source: Findeter

Los 14 Planes Institucionales de Findeter, tenían una ejecución programada para el año 2023 del 91,88% y realmente se ejecutó el 91,32%, es decir un cumplimiento del 99,39%.

3.3. Institutional Management Control

3.3.1. Internal Control Practice

CE 012/2022 SFC (Section 7.4.1.2.7 Description and evaluation of the controls and procedures used by the issuer; Item (ii) Report on the results of the evaluation of internal control systems and financial information control and disclosure procedures, in compliance with Article 47 of Act 964 of 2005, and considering the exceptions provided in Article 48 of the said law.) (Section 7.4.1.3.1 Corporate

⁴ **Traditional Obligated Entities:** All public entities, including those belonging to all branches of government, at all levels of the state structure, central or decentralized by services or territorially, at the national, departmental, municipal and district levels.

⁵ Decree 612/2018

Governance Analysis; Subsection 7.4.1.3.1.1 Description of the issuer's administrative structure, Items (x) and (xi)

- **Operation of the issuer's internal control system, mechanisms, and committees that manage internal audit processes.**

Our internal control system is designed and organized in such a way that its implementation is intrinsic to the performance of all roles within the Entity, especially those assigned to executive positions. Besides, there are three bodies that assist in implementing, developing, and monitoring internal controls:

- Internal Control Management Office.
- Internal Control System Coordination Committee.
- Board of Directors' Audit Committee.
- Independent Auditor.

To support the Board of Directors, the Internal Control Office advances the following committees:

- **Board of Directors' Audit Committee**

For establishing general guidelines for the supervision, monitoring, and improvement of the Internal Control System (ICS), in accordance with Circular External 029 of 2014 issued by the Financial Superintendence of Colombia, this committee consists of four Board members and meets at least every two months, or more frequently as needed based on the results of the ICS evaluations, when deficiencies are detected that require urgent evaluation and correction, or when there are significant changes in the Entity's policies or in the regulations governing its operations. The head of the Internal Control Management Office acts as the technical secretary of the committee.

The Audit Committee met five times: in February, April, June, September, and November of 2023. These sessions included follow-ups on the compliance with the annual audit plan of the Internal Control Office and the schedule of evaluations by the Statutory Auditor, as well as updates on manuals and procedures required by regulations that support the value chain processes.

- **Internal Control System Coordination Committee**

The Findeter Internal Control System Coordination Committee, as a collegial body supporting the administration, and in accordance with applicable regulations, is responsible for ordering the actions necessary to ensure the articulated, efficient, and effective functioning of the Internal Control System and the Integrated Management System (IMS).

The Internal Control Management Office performs the secretariat duties for this Committee, responsible for preparing, compiling, and keeping the respective minutes. In the sessions held by the Committee, the Internal Control Management Office presented the results of the internal management audits and the follow-up on the action plans generated from identified improvement opportunities and observations, the follow-up on the improvement plan of the Comptroller General of the Republic, and overall aspects for strengthening the Internal Control System.

During 2023, we highlight the following achievements in the management of internal control at Findeter:

- ✓ As a result of conducting internal management audits, situations were identified that allowed the Financial Institution to continue strengthening its Internal Control System across all processes defined in the current value chain.
- ✓ Development of evaluations presented as added value and specific requests made by the Senior Management of the Financial Institution, including i. Diagnostic of the Cyber Resilience Program, ii. Ethical hacking, iii. Direct Loan to Trust Funds.

- ✓ Ongoing support and monitoring of different areas of the Financial Institution to timely close action plans derived from observations and opportunities for improvement identified by the Internal Control Management Office, achieving the target implementation dates and justifying any extensions.
- ✓ In line with international auditing standards and aiming to add value to the organization, early warning reports have been generated using tools like Power BI regarding exposure limits and provisioning for the rediscount, direct loan, employees, and former employees portfolios, to mitigate risks in the aforementioned activities and ensure compliance with defined controls.
- ✓ Monitoring compliance with requirements set by the Financial Superintendence of Colombia through the issuance of External Circular 008 of 2023, which updates instructions related to the Internal Control System of supervised entities.
- ✓ From the review of the Integrated Risk Management System – IRMS, situations were identified for risk integration and the construction of a schedule that will comply with External Circular 025 of 2022 regarding the management of interest rate risk of the banking book (RTILB).
- ✓ Strengthening of the Internal Control System in various control elements, with recommendations focused on preventing fraud and corruption risks, strengthening the control environment, awareness of fraud event recording, and improvement in risk management, among others.
- ✓ The Internal Control Office timely notified regulatory changes with potential impacts on the entity, allowing continuous improvement and strengthening of the Internal Control System in accordance with the requirements set by the Colombian Financial Superintendence and other control bodies.

Circular 012 of 2022 - Section 7.4.1.3.1., Subsection 7.4.1.3.1.1. Items (x) and (xi).

- **Fees agreed with the independent auditor or external auditor**

The fees for the Independent Audit by “Mazars Colombia S.A.S.” for the period from May 15, 2023, to May 15, 2025, were approved by the general meeting and amount to up to COP 1,034,461,450 including VAT.

3.3.1.1. Internal Control Management Approach

Management internal audits were conducted with a structured and comprehensive work approach, risk-based, leveraging a methodology that allowed the evaluation of the internal control elements in each process, based on Circular 029 of 2014 and the Integrated Strategic Planning Model (MIPG).

The evaluation considers criteria that are part of the Internal Control System, including policies and procedures, regulatory compliance, risks and controls, risk and fraud events, accounting records, application controls, and information assets, among others.

Accordingly, the results enable us to identify opportunities for improvement that contribute to the continuous enhancement of the System and incorporate a focus on prevention.

3.3.1.2. Internal Control System (ICS)

CE 012/2022 SFC (Section 7.4.1.2.7; Item (ii))

Our Internal Control System aims for sustainability and strengthening in leading practices, applying the guidelines set out in the current regulations related to the review and adjustment of the system, which has allowed us to have management systems designed to leverage the achievement of our business model-based objectives.

The evaluation of the Internal Control System was conducted according to:

- Integrated Planning and Management Model (MIPG) and FURAG.
- The elements defined in Part I, Title I, Chapter IV of Circular 029 of 2014 issued by the Colombian Financial Superintendence, including Technology Management and Accounting Management.
- A risk-based evaluation approach.

Our Internal Control Office performs its assurance function by evaluating 100% of the processes in the Entity's defined value chain, the regional offices, the Integrated Risk Management System, and any special audits requested by management and the Audit Committee of the Board of Directors, aiming to proactively identify improvement opportunities to strengthen the Integrated Management System (IMS).

As a result of the evaluation exercise, we have achieved a compliance rate of 99% during the first semester of 2023 for the evaluated elements of the Internal Control System. We have managed to obtain a comprehensive view of the system, a flexible organizational structure adaptable to changes where management and responsibility levels are clearly defined.

We have a methodology for the identification, measurement, control, and monitoring of documented risks, led by the Risk VP, with defined procedures for recording and reporting risk events.

Senior management promotes the importance of integrity and corporate values, which guide the optimization and quality of processes. The human resources area conducts various training and education campaigns for employees. We have a duly documented compensation and performance evaluation system. The risk area maintains control and monitoring of all identified risk events, and continuous monitoring is conducted to keep the risk and control matrix updated for each of the financial institution's processes.

The compliance level of the Internal Control System for the first semester of 2023 will be published on the website www.Findeter.gov.co in January 2024.

3.3.1.3. Audits

As of December 31, 2023, the evaluations generated 91 observations and opportunities for improvement. We established action plans aimed at strengthening Findeter's compliance with objectives and various control elements defined in Part I, Title I, Chapter IV of Circular 029 issued by the Colombian Financial Superintendence - SFC.

The execution of internal management audits identified conditions that allowed the Entity to continue strengthening its Internal Control System across all defined processes in the current value chain, observing the behavior of the observations and the opportunities for improvement generated by the control elements.

Graph No. 4: Control Elements



Source: Findeter

The recommendations from the evaluations were communicated to Management in various audit reports.

According to the chart above, recommendations were made for each of these control elements, which were included in the reports presented to each process, in order to strengthen the design and effectiveness of the controls, as follows:

- Control Environment:** We strengthened this element through the definition and documentation of procedures and policies applicable to new entity processes and the updating of existing process manuals.
- Risk Management:** The systems for managing operational risks, anti-money laundering and counter-terrorism financing, credit, market, and liquidity risks are established, documented, and operational. We made recommendations at different stages and elements of these systems, as well as recommendations for strengthening the Entity's fraud and corruption policy.
- Control Activities:** As a result of audit recommendations, the creation of updated, classified personal databases registered as information assets in BINAPS was observed, as well as the definition of strategies by Account Managers aimed at achieving the goals set in the regional offices.
- Information and Communication:** We identified opportunities for improvement in the documentation of lessons learned reports from workshops conducted with areas involved in the Providence and Santa Catalina Reconstruction project. Also, for strengthening the management and control of personal data published on the entity's website.
- Monitoring:** We generated recommendations on updating management indicators in areas that allow for measuring performance and management of their activities. Additionally, Findeter conducted training campaigns across various areas to guide the definition, formulation, and monitoring of management indicators.
- Internal Control Standards for Technology Management:** Recommendations were made on defining a schedule for testing contingency and continuity plans, which includes tests, types, and participants. We strengthened cybersecurity attack simulation exercises through reports on the activities performed and the expansion of topics used for business continuity induction training. Moreover, opportunities for improvement were identified regarding the

management of users of the Web PQRSD application and the installation and uninstallation of unauthorized software on the entity's computers.

Finally, process owners developed action plans aimed at strengthening and improving the Internal Control System based on recommendations from internal audits through reports which are applied by areas to enhance processes, contributing to the continuous improvement of the Integrated Management System.

3.3.1.4. Integrated Management System Audits

The Internal Control Management Office coordinated the Internal Audit Cycle of the Integrated Management System (IMS) from August 14 to September 1, 2023, utilizing our internal audit team. The audit cycle concluded that Findeter's Integrated Management System is satisfactory in compliance with regulatory standards. A total of 4 non-conformities and 33 opportunities for improvement were identified.

3.3.1.5. Audits of the Accounting Internal Control System

The 2023 audit of the Accounting Internal Control System is scheduled for January 2024. However, the control environment for the process is well-documented and grounded in procedures and controls that manage financial and accounting information. The Financial Institution adheres to the International Financial Reporting Standards (IFRS) accepted in Colombia, approved by the Board of Directors, and accounting principles for institutions supervised by the Superintendence of Finance of Colombia.

3.3.1.6. Monitoring and Implementation of Action Plans

The Internal Control Management Office (ICMO) conducted monthly monitoring of the action plans implemented by process owners following audit recommendations. This was verified using the Entity's designated tool (ISOLUCIÓN), ensuring timely compliance of activities through appropriate documentation.

From the monitoring conducted by the ICMO on the eighty-eight (88) observations and opportunities for improvement identified for 2023, 56 were resolved, 25 were scheduled for correction within 2023, and 7 did not define an action plan as management actions were already in progress for their resolution. Additionally, 35 pending action plans from 2022 were concluded during the current year.

The Office suggested considerations for the implementation of plans to ensure they achieve the intended goals by addressing the root cause of the observation generated from audits and are completed within the planned timeline.

3.3.1.7. Internal and External Management Control Reports

In its role of "Interaction with External Entities" and as a dynamic component of the Internal Control System, the Internal Control Management Office in 2023 produced several reports and requirements for Control Entities, including the Internal Control Accounting Report, Improvement Plan Report for the Comptroller General of the Republic (CGR), Certifications for Monitoring the State's Single Litigation Information System Ekogui, Integrated Planning and Management Model, Monitoring of the Anti-Corruption and Citizen Attention Plan, Detailed Report on the State of Internal Control - Act 1474 of 2011, Monitoring of Petitions Rights, and the Austerity in Spending Report. The production of these

reports is regulated by existing norms and their periodicity varies: monthly, bimonthly, quarterly, four-monthly, and semi-annual.

3.3.1.8. Improvement Plan of the Comptroller General of the Republic

Regarding the biannual reviews, Findeter is reporting progress in the follow-up reports to the improvement plans as of July 31, 2023:

- Expansion of the Charrasquero I and II Water Network and distribution lines via Nariño in the municipality of Girardot.
- 2018 Financial Audit
- Compliance Audit of the Sustainable Development Support Program for the Archipelago of San Andrés, Providencia
- Special Fiscal Inspection Action/Resources in Water Projects.
- 2019 Financial Audit
- Compliance Audit of infrastructure projects.
- 2020 Financial Audit
- Special Fiscal Inspection Report/Proper fiscal management of the resources invested by Findeter.
- Special Fiscal Inspection Action/Lebrija, San Andrés, and Providencia.
- Special Fiscal Inspection Action/Córdoba.
- Intersectoral Special Fiscal Inspection Report.
- 2021 Financial Audit
- 2022 Compliance Audit
- Audit of La Inmaculada
- 2022 Financial Audit.

Additionally, the Comptroller General of the Republic, in its “Independent Audit Report CGR-CDSCDR No.001 of June 2023,” indicated the following:

Opinion on Budget Execution: In the opinion of the CGR and as stated above, the opinion on the budget execution of the Financial Institution for Territorial Development - Findeter for the 2022 fiscal year, is Reasonable.

Conclusion of the Account: According to the findings that support the Qualified Opinion on the Financial Statements and the Reasonable concept regarding budget execution, the FINDETER account for the 2022 fiscal year IS CONCLUDED.

In compliance with the provisions of Circular No. 015 of September 30, 2020, from the Comptroller General of the Republic, the Internal Control Office verified the improvement actions that determined that the causes of the finding have disappeared or modified the assumptions of fact or law as of December 31, 2023, in the following manner:

- Monthly, the Internal Control Office monitors and reviews the closing of activities in the Isolucion application; as of December 31, 2023, there were 4 activities in open state in the application with a maximum expiration date in 2024.
- To monitor the improvement plans issued by the CGR, the Internal Control Office evaluates the effectiveness of the activities proposed by Findeter and transmits them in SIRECI on a biannual basis, conducting audit tests on the findings that are in “Closed” status in the Isolucion application, generating the following results:

- In the effectiveness tests carried out by the Internal Control Office as of May 31, 2023, 22 findings were declared effective, as the situations identified by the CGR were corrected by the entity.
- Of the 103 findings pending verification as of December 31, 2023, 98 findings will be evaluated in the assessment planned during January 2024, which have a compliance date no later than November 30, 2023. The remaining 5 findings have a compliance date beyond the scope of the audit, and therefore should be verified within the framework of the 2024-2025 audit plan.

3.4. Risk Management

CE 012/2022 SFC Section 7.4.1.1.3 (Description of the relevant risks the issuer is exposed to and the mechanisms implemented to mitigate them), Item (i) a description of the nature of these risks, Item (ii) procedures to assess and measure their degree of exposure, and Item (iii) mechanisms implemented by senior management for their management, monitoring, and mitigation, as well as quantitative estimates of the probable impact to allow investors to evaluate the magnitude and effects these could have on the entity. Section 7.4.1.2.5. Quantitative and qualitative analysis of the market risk exposed to the issuer as a result of its investments and activities sensitive to market variations, SubSection 7.4.1.2.5.2. Qualitative analysis of market risk, Item (i) the degree of the issuer's exposure to market risk, Item (ii) Brief description of how the issuer manages its exposure to market risk. This description must also include the objectives, strategies, and instruments to manage this exposure, if applicable.

3.4.1. Financial Risks

(GRI. 2-6); (GRI. 2-23); CE 012/2022 SFC Section 7.4.1.1.3.; SASB / Generation of Inclusion and Financial Capabilities; Incorporation of Environmental, Social, and Credit Analysis Factors

We manage financial risks such as Credit, Market, and Liquidity risks exposed to our Entity by constantly working on identifying, measuring, monitoring, controlling, and overseeing these risks.

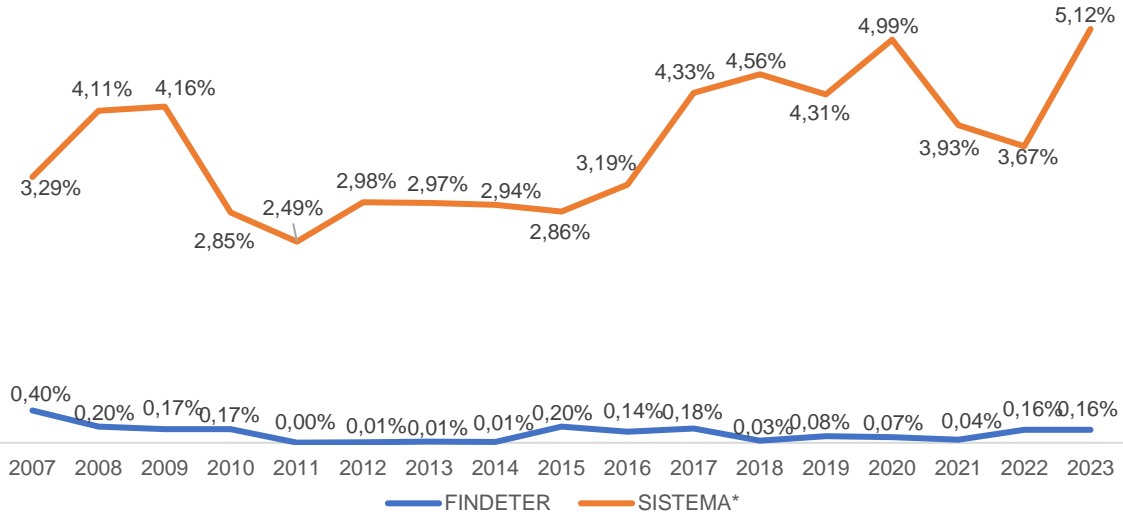
- **Credit Risk Management**

SASB / GI and CF: FN-CB-240a.1; FN-CB-240a.2; SASB / IFAS and AC: FN-CB-410a.1

Through our Credit Risk Management, we implement methodologies to evaluate, rate, and periodically control the credit risk associated with all customers of the Rediscuento Credit (intermediaries) and Direct Loan (authorized potential customers) portfolios. These methodologies are based on quantitative analysis, qualitative aspects, among others, and are complemented for rediscuento with on-site audits and audits of disbursed operations.

Thus, we reviewed and evaluated monthly the various credit risks to which the Entity is exposed and the correct constitution of the provisions and reserves associated with these risks. Additionally, different concentrations, exposures, and their potential deteriorations are evaluated to take appropriate measures when necessary. In 2023, we maintained credit risk indicators at levels that place us among the best entities in the financial system, as shown in the following chart:

Graph No. 5: Portfolio quality history: overdue portfolio / gross portfolio



* Data from the system as of October 2023

Source: SFC. 2023. Prepared by Findeter

By December 2023, the Portfolio Quality Indicator stood at a level of 0.16%, close to what was observed in 2022, yet it shows that the Entity maintains good delinquency levels lower than those seen in the financial system. By December 2023, the Coverage Indicator was at levels of 470.63%.

The main credit product of the Entity is the rediscuento portfolio, which as of December 2023 accounts for 71.9% of the total portfolio of the Financial Institution. Regarding the rediscuento portfolio, it is important to clarify that Development and Territorial Promotion Financial Institutions - INFIS not supervised or with a rating other than AAA, banks with a rating lower than, finance companies and financial cooperatives without long-term rating, family compensation funds, and employee funds are not authorized to conduct new operations with Findeter, this portfolio is in recovery.

The distribution by credit rating is as follows:

SASB / GI and CF: FN-CB-240a.2

Table No. 24: Portfolio distribution by risk rating

Category	Portfolio balance	% Share
Category A "Normal Risk"	12,190,471	99.55%
Category B "Acceptable Risk"	37,533	0.31%
Category C "Appreciable Risk"	4,393	0.04%
Category D "Significant Risk"	10,275	0.08%
E "Unrecoverable Risk"	3,156	0.03%
Total Gross Portfolio	12,245,828	100.00%

Source: Findeter 2023, Values in COP Millions

The distribution of the portfolio by sector is as follows:

Table No. 25: Portfolio distribution by sector

Sector	Balance	Share
--------	---------	-------

Transport Infrastructure	2,627,660	21.46%
Educational Infrastructure	1,847,981	15.09%
Urban Development, Construction, and Housing Infrastructure	1,788,323	14.60%
Energy Development Infrastructure	1,787,927	14.60%
Healthcare Infrastructure	1,585,494	12.95%
Drinking Water and Basic Sanitation Infrastructure	1,508,402	12.32%
Sports, Recreation, and Culture Infrastructure	709,607	5.79%
Territorial Fiscal Sanitation	119,800	0.98%
Consumer and Home Loans*	97,048	0.79%
Tourism Infrastructure	84,411	0.69%
ICT Infrastructure	52,385	0.43%
Environmental Infrastructure	30,244	0.25%
Cultural, Creative Industry and Orange Economy Infrastructure	6,546	0.05%
Total	12,245,828	100.00%

Source: Findeter 2023, Values in COP Millions

The distribution of the portfolio by type of loan is as follows:

Table No. 26: Portfolio distribution by type of portfolio.

Type of Portfolio	Balance	Share
Commercial	12,148,780	99.21%
Consumer and Home Loans *	97,048.00	0.79%
Total	12,245,828	100.00%

Source: Findeter 2023, Values in COP Millions

* Corresponds to loans granted to employees and former employees due to the employment relationship.

• Credit Risk

CE 012/2022 SFC Section 7.4.1.1.3.

We are primarily exposed to the risk of non-payment in our credit portfolio, which accounted for 82.55% of the entity's total assets as of December 2023. The total value of the credit portfolio as of December 2023 was COP 12,245,828 million, with the two main portfolios within this being the Rediscount Credit portfolio, accounting for 71.91%, and the Direct Loan portfolio, accounting for 27.30%. The remaining 0.80% includes portfolios for employees, former employees, and first-floor portfolios, the latter arising when an intermediary is liquidated.

The Rediscount portfolio consists of credit placed through various intermediaries; hence, they bear the direct risk for us, as they are obligated to pay Findeter, even if the final beneficiary fails to make their payments.

Key characteristics of this portfolio as of December 2023 include:

- 99.99% of the Rediscount portfolio was placed through intermediaries supervised by the Financial Superintendence of Colombia.
- 92.25% of the Rediscount portfolio is placed in AAA-rated intermediaries, with 5.89% in AA+ rated intermediaries.

On the other hand, the direct loan portfolio originated in 2020 when we were authorized to issue direct loans to territorial entities (ET) and public utility service providers (PPSPD), with the latter

authorization being temporary until December 2020. In 2023, we were authorized to generate new credit operations for electric energy distribution and commercialization companies (DCEE). As of December 31, the portfolio with PPSPD other than DCEE is a recovery portfolio. The distribution of the direct loan portfolio as of December 31, 2023, between ET and PPSPD is as follows:

Table No. 27: Direct Loan Portfolio Distribution

Type	Share (%)
Territorial Entities (ET)	91.48%
PUBLIC UTILITY SERVICE PROVIDERS (PPSPD)	8.52%
Total	100.00%

Source: Findeter 2023

The distribution of credit ratings is as follows:

Table No. 28: Distribution by credit rating.

Rating (External)	Share %
AAA	32.36%
AA+	4.19%
AA	15.16%
AA-	3.09%
A+	7.07%
A	4.38%
A-	1.20%
Other or not rated	32.55%

Source: Findeter 2023

To measure exposure to the following risks at FINDETER, we use the standard model of the Financial Superintendence of Colombia, as follows:

Interest Rate Risk: This is the possibility that the entity incurs losses due to changes in interest rates. Financial institutions are exposed to interest rate risk whenever there is a mismatch between the average term of assets and liabilities. This risk can occur in the local currency, foreign currency, and Real Value Units (UVR).

Foreign Exchange Risk: This is the possibility that the entity incurs losses due to variations in exchange rates of the different currencies with which the entity operates or has invested resources.

Equity Risk: Arises from maintaining open positions (buy or sell) in stocks, indices, or instruments based on stocks. This creates exposure to changes in the market price of the stocks linked to the indices or instruments based on them. Findeter is exposed to this risk by holding a stake in the National Guarantee Fund.

Collective Investment Funds Risk: Arises from holding positions in private equity funds, mutual funds, securities funds, and investment funds. Under this scheme, there is exposure to changes in the valuation of the participation units in these instruments.

- **Market Risk Management**

CE 012/2022 SFC Section 7.4.1.1.3. and Section 7.4.1.2.5., Subsection 7.4.1.2.5.2.

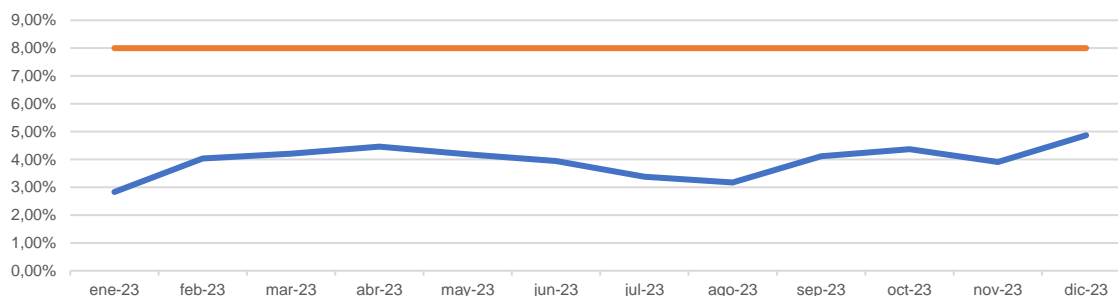
During 2023, we carried out risk management activities in accordance with our Integrated Risk Management System (IRMS) manual. These activities included monitoring the valuation of investments, compliance with limits set by the Board of Directors, and calculating the market risk of our positions in the treasury book and derivatives.

In line with the activation of our own investment portfolio, we implemented established controls that allow us to effectively manage compliance with internal policies, current regulations, and best practices set by the Colombian Securities Market Self-Regulator (AMV).

The Value at Risk (VaR) result as of the end of December 2023 was COP 65.326 billion, representing 4.9% of Findeter's technical equity value (COP 1.34 trillion as of November), which is below the 8% limit set by the Board of Directors.

The following graph shows the behavior of the VaR:

Graph No. 6: Value at Risk (VaR)



Source: Findeter, 2023

Market risk is the potential loss due to changes in market risk factors that affect the valuation or expected outcomes of active operations, passive operations, or contingent liabilities, such as interest rates, exchange rates, price indices, among others.

Market risk arises from adverse fluctuations in relevant financial market variables. Therefore, the main market risks to which FINDETER is exposed can be generically classified by the exposure of its portfolios to variations in different risk factors.

Market Risk Management (MRM) aims to identify, measure, control, and monitor the market risk to which the entity is exposed in the course of its authorized operations, including treasury operations, considering its structure and size.

Regarding the risk associated with variations in the exchange rate of the peso against other currencies to which FINDETER may be exposed, the Board of Directors adopted a policy to keep the global foreign exchange position covered at a percentage higher than 95%. Additionally, the foreign currency VaR is obtained from the positions in these currencies in the standard model VaR calculation, and this VaR should not exceed 2% of FINDETER's foreign currency passive positions.

Market Risk Measurement and Control Procedures

CE 012/2022 SFC (Section 7.4.1.1.3., Item (ii) and Section 7.4.1.2.5.

Value at Risk (VaR)

The VaR calculation is performed using the standard model, and according to the instructions of the Colombian Financial Superintendence in the Basic Accounting and Financial Circular, it is reported

daily. This means that the values used to estimate market risk are prior to the accounting close, which can result in discrepancies with the figures shown on the balance sheet.

Below, we present the investments exposed to market risk according to the model of the Colombian Financial Superintendence:

Table No. 29: Investments classified as marketable

Issuer	Present Value
Banco de Bogotá	16,873.5
Banco de Occidente	1,007.9
Banco Popular	14,723.2
Bancolombia	20,859.8
Bbva Bco Bilbao Vizcaya Argentaria	17,164.0
Corficolombiana	7,285.5
Davivienda S.A. Red Bancafé	13,310.6
Ministry of Finance	119,982.7
Banco Santander	10,151.1

Source: Findeter 2023, Values in COP Millions

Table No. 30: Investments classified as available for sale

Issuer	Present Value
Ministry of Finance	75.850,7

Source: Findeter 2023, Values in COP Millions

The following table shows the value at risk by module according to the model of the Colombian Financial Superintendence:

Table No. 31: Value at Risk by Module

Issuer	2023	2022
Interest rate	45,360	12,428
Exchange rate	6,803	4,658
Stock price	5,864	5,173
Mutual funds	7,299	9,128
Value at risk	65,326	31,387
Technical equity	1,341,929	1,145,341
Global VaR	4.87%	2.74%

Fuente: Findeter; cifras en millones de pesos

Interest rate risk stands out as the most significant for the close of 2023, presenting a higher value due to increases in the position and duration of foreign currency hedges, in line with Findeter's strategies.

Value at Risk vs. Global Limit:

The global value at risk for the banking and treasury book as of December 31, 2023, was at 4.87%, below the 8% threshold set by the Board of Directors, compared to 2.74% at the end of 2022. This increase was driven by the interest rate and exchange rate components.

Foreign Currency Value at Risk vs. Limit:

Within its market risk monitoring policies, Findeter calculates foreign currency VaR as the sum of calculations from the standard model modules of the Colombian Financial Superintendence: interest rates for dollar positions and exchange rates. This value, divided by the amount of foreign currency liabilities, should not exceed a 2% limit.

The foreign currency VaR as of December 31, 2023, was 0.81%, staying below the 2% limit set by the Board of Directors, compared to 0.29% at the end of 2022, showing a slight increase due to the mismatch between active and passive positions exposed to this risk.

Exposure to Exchange Rate Risk:

In accordance with External Regulatory Circular DODM 285 from the Banco de la República, which mandates covering the entity's exchange exposure, and External Circular 041 from the Colombian Financial Superintendence concerning the transmission of the Global Exchange Position, Findeter has been covering the exchange exposure of its foreign currency liabilities.

As part of its strategy to reduce its exchange rate risk, Findeter engaged in transactions with derivative financial instruments and made disbursements in dollars as a natural hedge for its foreign currency liabilities. As of December 31, 2023, this amounted to USD 574,162,085 and EUR 14,964,931 in forward contracts. Additionally, Findeter monitors its foreign currency positions through the tracking of foreign currency value at risk, which has remained within acceptable levels relative to the limit defined by the Board of Directors.

The following table shows the value of the forwards set up by the entity and their participation as of the end of the year 2023:

Table No. 32: Forwards Established by Entity in 2023

Entity	Transactions per entity USD	Share
Banco BBVA	71,080,000	12.00%
Bancolombia	21,400,000	4.00%
Banco de Bogotá	44,150,000	7.00%
Banco de Occidente	106,207,104	18.00%
Itaú CorpBanca Colombia	26,201,000	4.00%
Corficolombiana	10,000,000	2.00%
Scotiabank Colpatria	99,093,321	17.00%
Davivienda S.A. Red Bancafé	162,195,590	28.00%
Banco Popular	48,800,000	8.00%
	589,127,015	

Source: Findeter 2023

- **Liquidity Risk Management**

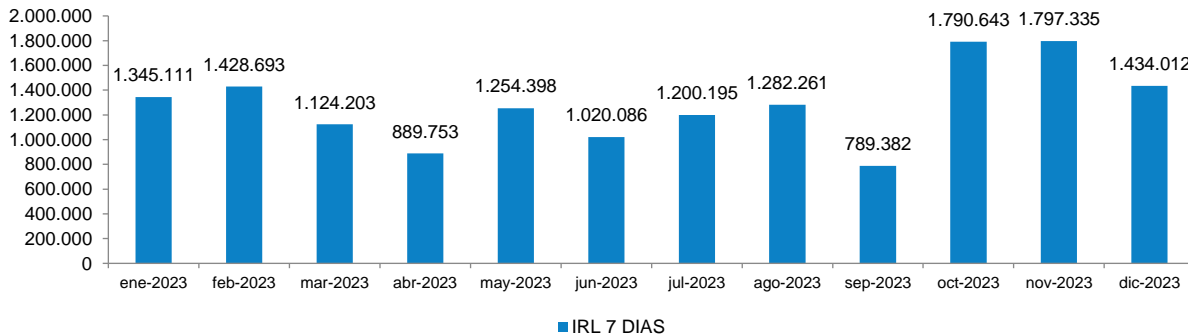
CE 012/2022 SFC Section 7.4.1.2.5., Subsections 7.4.1.2.5.1. and 7.4.1.2.5.2.

The main indicator we use for monitoring in this system is the Liquidity Risk Index (IRL), as defined by the External Circular 042 of 2009 from the SFC.

Throughout 2023, we continued with weekly monitoring activities for liquidity management, as well as safeguarding the liquidity indicator IRL for up to 90 days, which is calculated weekly. This is to anticipate changes in the indicator and understand the impact of the daily dynamics of disbursements or funding on the entity's liquidity.

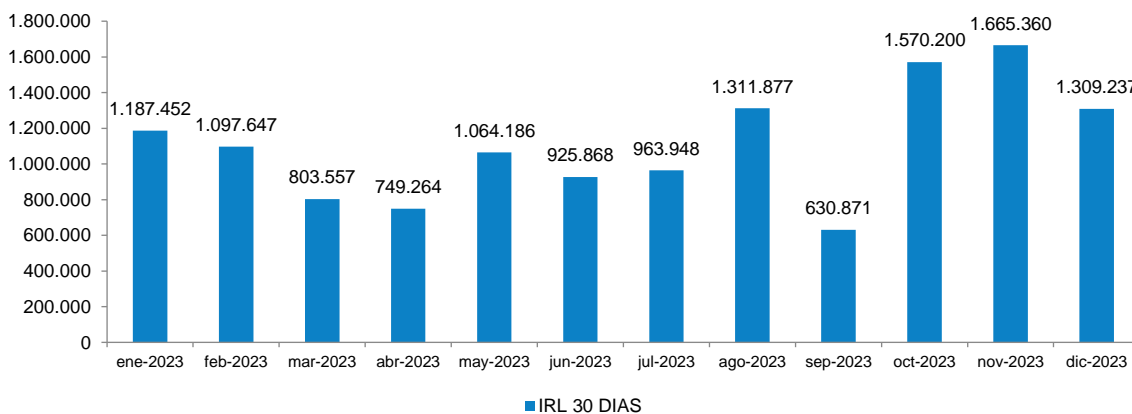
Below, we observe the liquidity levels according to the IRL for monthly cutoffs, for the 7-day and 30-day bands, showing positive results:

Graph No. 7: IRL 7 days



Source: Findeter 2023

Graph No. 8: IRL 30 days



Source: Findeter 2023

At the close of December 2023, the IRL was COP 1.434.011 million for the 1 to 7 days band and COP 1.309.236 million for the 1 to 30 days band, reflecting that we maintain an adequate level of resources to meet our obligations and activities.

Thus, in coordination with the Financial VP, we can properly schedule the mobilization of necessary resources for the payment of contractual obligations.

Moreover, the Net Stable Funding Ratio at the end of December stood at 88.30%, positioned above the minimum requirement set by the SFC.

CE 012/2022 SFC Section 7.4.1.1.3 and Section 7.4.1.2.5.

Liquidity risk is the contingency that Findeter might face if it incurs excessive losses, leading it to sell part or all of its assets and undertake other operations to achieve the necessary liquidity to meet its obligations.

Liquidity risk arises from adverse variations in relevant market financial variables. The main liquidity risks faced by the entity can be categorized according to the different risk factors to which its portfolios are exposed. These include:

- Improper asset and liability management, which refers to poor management of resources, either due to the quality or composition of the asset, or the way in which its activities are leveraged.
- Mismatch of terms and rates, which is the risk that arises when the terms or interest rates of the assets do not match those of the liabilities.
- Volatility of raised funds, which is the variability in the stability of the term mobilized resources. Estimating this volatility allows for the construction of different liquidity scenarios, evaluating the mobilization rates against the market, and defining tolerance limits.
- Concentration of mobilizations, which materializes into a liquidity risk when the concentration of mobilizations is accompanied by a concentration of maturities.

External variables that can lead to a systemic crisis include:

- Adverse variation in interest rates.
- Deterioration of the economic sectors served.
- Rumors (financial panic).

The Liquidity Risk Management (LRM) should enable the entity to measure and quantify the minimum level of liquid assets, in legal currency and foreign currency, that it must maintain to prevent the materialization of liquidity risk, i.e., to have the capacity to pay its obligations timely and fully both under normal circumstances and in a crisis scenario. To measure its exposure to liquidity risk, Findeter uses the standard methodology suggested by the Financial Superintendence of Colombia.

Procedures associated with the measurement and control of liquidity risk

CE 012/2022 SFC Section 7.4.1.1.3. Item (ii)

Policies

Regarding liquidity risk, Findeter has established policies regarding the concentration of its obligations and the measurement and monitoring of its indicators:

Liquidity Risk Index:

The entity's liquidity risk indicators for the 7 and 30-day calendar horizons must always be equal to or greater than zero.

Concentration policies:

The Board of Directors establishes the concentration limits that the entity must maintain regarding:

- **Loan disbursements:** if disbursements made during the month reach the value budgeted in the financial plan, additional disbursements must be approved by the Risk and GAP Committee.
- **The Risk and ALCO** will establish the concentration limit of maturities for resource mobilization operations.
- **Liquidity Contingency Plan:** it is considered that the entity may be showing significant exposure to liquidity risk when in a particular weekly report the IRL at 7 or 30 days is negative. To prevent and act in face of such an event, the Liquidity Contingency Plan is established.

The Liquidity Risk Index

IRL = ALM - RLN where:

ALM: Market liquidity-adjusted liquid assets, exchange risk, and required reserve.

RLN: Estimated Net Liquidity Requirement for the time band.

The composition of ALM and RLN is carried out in accordance with the provisions of Chapter VI, Annex 1 of the Basic Accounting and Financial Circular of the Financial Superintendence.

The degree of exposure to liquidity risk, for positions with contractual maturities on pre-established dates, is estimated by analyzing the mismatch of cash flows from their assets, liabilities, and off-balance sheet positions.

3.4.2. Non-Financial Risk Management

GRI. (2-25); (205-3); **CE 012/2022 SFC Section 7.4.1.1.3. Relevant risks faced by the issuer and mechanisms implemented to mitigate them, and Annex 2, Section 5.1.2. Information related to climate issues; SASB / Inclusion and Financial Capacity Generation; Data Security; Incorporation of Environmental, Social, and Governance Factors in Credit Analysis; TCFD / Strategy / Risk Management.**

The management of non-financial risks is a fundamental part of the Integrated Risk Management System (IRMS) implemented at our entity. It consolidates policies, stages, elements, processes, and methodologies for our integrated management in fulfilling our social and strategic objectives. Non-financial risk integrates methodology and framework policies to operational risks, SARLAFT (Money Laundering and Terrorist Financing Risk Management System), ISMS (Information Security Management System), cybersecurity, personal data protection, business continuity, environmental and social risks, supplier risks, and fraud and corruption prevention.

During 2023, we worked on integrating non-financial risks into the IRMS with the goal of building an integrated system that allows the entity to holistically manage risks.

- **Risks faced by Findeter and mechanisms for their mitigation**

The relevant risks to which we are exposed as an entity, which are managed and addressed through the Integrated Non-Financial Risk Management System (SARINF), include:

SASB / SD: FN-CB-230a.1, FN-CB-230a.2

- **Impact on Financial Statements Due to Operational Risk Materialization.** To manage this risk, we establish risk management policies related to processes and define controls, which are periodically evaluated to ensure their mitigating action against the risk. We also monitor the risk profile, alerting senior management and the Board of Directors when a risk exceeds acceptable levels, and in such cases, we establish the necessary action plans for mitigation.

Interruptions of the operation due to internal or external causes that may affect the fulfillment of these, compromising the continuity of the business. In order to manage this risk, Findeter has a business continuity plan, a technological disaster recovery plan and an emergency plan, which are permanently tested in the Alternate Operations Center - CAO.

SASB / SD: FN-CB-230a.1, FN-CB-230a.2

• **Information Security and Cybersecurity Risks.** These are generated by internal or external threats that jeopardize the availability, integrity, and confidentiality of the information assets and/or institutional information that support the operation and continuity of the business. Cyber risks arise from cyber threats to the security of technological infrastructure and the web services and portals that the entity exposes to cyberspace, used both by employees for internal services and by clients for operating credit products. To manage these risks, the financial institution implements the following security measures:

- An Information Security Management System certified under ISO 27001, which includes establishing policies, procedures, controls, measures, limits, roles, responsibilities, and controls for the proper management of the entity's information security.
- A Security Operation Center (SOC) provided by a security vendor, where remote security functions are managed to support the entity in proper management (detection, monitoring, analysis, and treatment) of threats, events, incidents, and vulnerabilities that compromise information security and cybersecurity.
- Technological tools for the detection, alerting, and containment of cyber threats and protection of the services exposed to cyberspace.
- Regular vulnerability and penetration tests to establish the level of protection and security of the entity's technological infrastructure.
- Social engineering tests to assess employees' awareness and knowledge of information security and cybersecurity.

SASB / SD: FN-CB-230a.1, FN-CB-230a.2

• **Risks Associated with Data Protection:** These threaten the security and privacy of the personal data that Findeter accesses and/or manages. To handle this risk, the entity has a comprehensive data protection program that includes roles, responsibilities, policies, procedures, controls, training and awareness plans, performance indicators, and reporting for the proper management of personal data.

• **Supplier-Related Risks: These arise from contractual relationships** with suppliers who provide services essential for ensuring the operation and continuity of the business and/or the information security and cybersecurity of the entity. To manage this risk, the entity establishes respective risk matrices and security requirements in the contractual processes and conducts audits and/or security reviews during the execution of the contract to ensure compliance.

• **Environmental and Social Risks for Credit Operations:** There is the possibility that a borrower from Findeter could negatively impact the environment or society as a result of executing the credit. We consider factors related to occupational safety, community health and safety, land acquisition and involuntary resettlement management, biodiversity conservation, sustainable management of renewable natural resources, climate change, gender, indigenous peoples, cultural heritage, and human rights.

To manage these, we have implemented our SARAS since 2015, aiming to identify, assess, and control such environmental and social impacts generated by the projects and/or investments financed.

To manage them, we employ the following steps:

- **Collection of Primary and Secondary Information:** This includes the use of an environmental and social risk identification form (Firas), field visits, interviews, and review of socio-environmental documentation.
- **Information Analysis:** Utilizing the environmental and social risk analysis form (Faras), we categorize risks and include action plans to prevent environmental and social risks associated with the project being financed, linked to the credit cycle.
- **Control and Monitoring:** We conduct verification and monitoring of the compliance with action plans, including follow-up field visits.

At Findeter, for the management and monitoring of risks, we have the SARAS chapter in the IRMS Manual, directly approved by the Board of Directors. This chapter establishes the policies, instruments, and methodologies for managing environmental, social, gender-related, and climate change risks of the projects or investments we finance. We base our practices on applicable national environmental, social, and labor regulations and on international standards including:

- IFC Performance Standards on Environmental and Social Sustainability (2012)
- Environmental and Social Policy Framework (ESPF) - IDB 2021
- Practical Manual for Implementing SARAS in Financial Institutions - eco.business Fund (2021)
- Accreditation Request Form - Green Climate Fund (2015)
- Environmental and Social Handbook - European Investment Bank (2013)
- Gender Policy - Green Climate Fund (GCF) (2019)
- Guide for Performance Standard 9 - IDB: Gender Equality (2021)
- Guide on Climate-related Risk Management for Credit Institutions - Financial Superintendence of Colombia (2022)
- Recommendations of the Task Force on Climate-related Financial Disclosures - TCFD (2017)
- General Guide for the Implementation of Environmental and Social Risks (ESR) - 2021: guide for the financial sector issued by Asobancaria in 2021.

Matters related to the SARAS system are escalated to senior management through the Presidency Committee, the Risk Committee, and the Administrative Credit Committee. We also present management reports to control bodies and attend to both internal and external audits.

• **Operational Risk Management**

As a component of Non-Financial Risks and IRMS, Operational Risk establishes methodologies, policies, and general guidelines for risk management, consolidating the risk profile of the Organization.

- We continue to monitor Findeter's risk profile semi-annually and report to the corresponding Corporate Governance bodies, including the Audit Committee and the Board of Directors.
- We continue to train employees in integrated risk management in compliance with the guidelines established by the Superintendence of Finance of Colombia.
- We also evaluate semi-annually the design, effectiveness, and appropriation of controls for processes managing non-financial risk, with assessments indicating that the effectiveness of the controls was 89.7% Very Good; 9.0% Good; 1.2% Average.

• **Information Security Management - ISMS**

SASB / SD (FN-CB-230a.1, FN-CB-230a.2)

Findeter has an Information Security Management System (ISMS) certified under ISO 27001:2013 for the processes of rediscount loans and direct lending. This management, based on a model of continuous improvement, allows us to protect, maintain, and enhance institutional security, ensuring

proper financial, administrative, and operational management of the organization and positioning us as a company with high standards of security and quality.

We have also established a Risk Management for Information Security and Cybersecurity integrated into the Integrated Risk Management System. The primary goal is to ensure that risks threatening the Availability, Integrity, and Confidentiality of Findeter's information assets are known, managed, and addressed in a timely, systematic, documented, structured, repeatable, and efficient manner.

Through the ISMS, we manage and administer threats, events, incidents, vulnerabilities, and risk situations that jeopardize information security, digital security, and cybersecurity, considering the needs and requirements of the business and our stakeholders. This is in compliance with regulatory provisions, guidelines, and recommendations issued by the Financial Superintendence of Colombia (SFC) and the national government.

We have Information Security and Cybersecurity Policies and Risk Management Policies approved by the Board of Directors, which establish measures, limits, roles, responsibilities, and controls for the proper management of information security and cybersecurity at Findeter. These are essential for ensuring the operation, continuous improvement, sustainability, and continuity of our Information Security Management System.

The main risks managed include:

- Risks affecting the Availability, Integrity, and Confidentiality of information.
- Risks to the security of infrastructure and technological services.
- Cybersecurity risks.
- Digital security risks.
- Risks associated with remote work, hybrid work, and remote access.
- Supplier risks.
- Cloud service risks.
- Risks affecting the protection and privacy of personal data.

Integrated Personal Data Protection Management Program

SASB / SD (FN-CB-230a.1, FN-CB-230a.2)

We have established a project to strengthen the comprehensive personal data management program at Findeter. This program includes activities involving the definition and updating of roles, responsibilities, policies, procedures, controls, training and awareness plans, performance measurement, and reporting. These are all aimed at ensuring the efficient and clear management of personal data to which Findeter has access or for which it is responsible, supported by guidelines and procedures that guarantee proper management and treatment in compliance with applicable regulations and business requirements.

Data Security Indicator

SASB / SD

- **FN-CB-230a.1. (1) Number of data breaches:**
 - No data breach incidents were reported in the second half of 2023.
- **FN-CB-230a.2. Description of the approach to identify and address data security risks:**

The entity has an integrated risk management methodology that includes risks associated with information security, cybersecurity, and personal data protection. This methodology defines the policies and guidelines for risk management, in compliance with regulatory requirements set by the SFC and the national government.

In general terms the following is the approach to identifying and addressing risks:

Risk Identification Methodology

Under the principle that risk management should be a tool contributing to the achievement of the entity's objectives, risk identification is supported by the strategic context defined by the Senior Management and the Board of Directors. Once the strategic objectives are established, it is identified which process objectives align with them, thereby establishing which part of the operation leverages which strategic purpose. After this analysis, risk identification for each process contained in the process map of the Integrated Management System (IMS) begins.

The identification is performed by the process leader or responsible person or their designee, with the support of the Risk Units, who provide the methodology to properly carry out this identification and documentation of inherent risks. Accordingly, the management of the Integrated Risk Management System, which includes Information Security (SI) and Cybersecurity (CB), is based on identifying risks from the processes, understanding that the processes align with institutional objectives, meaning the operation is organized to fulfill the strategy.

For risk identification, different sources of information are taken into account, such as:

- Applicable regulations
- Expert judgment: based on the expertise of the process implementers
- Records of Operational Risk Events and/or security incidents
- Findings from regulatory bodies
- Requests made to the technology area
- Security and cybersecurity event monitoring from the following activities: (i) monitoring, analysis, and correlation of events generated by the entity's devices, (ii) ongoing monitoring of internal and external threats and from cyberspace that could affect the entity's information security, and (iii) monitoring of various information sources such as websites, blogs, and social networks to identify potential cyber-attacks against the entity.
- Technological vulnerabilities identified in the entity's technology infrastructure.
- Results from security tests (vulnerabilities, intrusion, and social engineering)
- Other information sources such as: customer complaints and requests (PQR's), behavior of process indicators, databases, and statistics associated with the process managed by different areas, results of environmental aspect analysis, results of the organization's context analysis, internal audits of the Integrated Management System (IMS), and other relevant information.

Risk Measurement Methodology

Risk measurement is carried out through two variables:

- Probability of occurrence, which refers to the likelihood of an event occurring during the operation of the financial entity that affects its performance.
- Impact, which seeks to determine the consequences that the materialization of a risk could have in various areas.

The combination of these two variables allows for the construction of the inherent risk profile, which is expressed through the risk map.

It has been established that a risk can have economic, legal, reputational, information security, operational, contagion, and environmental consequences, depending on the type of risk. The impact of information security and operational risks is associated with loss in information security (availability,

integrity, and confidentiality of information), operational overload due to reprocessing, and helps to determine the activation of the Business Continuity Plan.

Control Methodology

Controls are established to mitigate the likelihood or impact of one or several risks. Specific actions through which the risk will be managed are defined. Controls must be documented, preferably within the entity's procedures, to ensure necessary traceability of their application and enforceability by those responsible for their execution.

Control documentation includes aspects such as: type of control (preventive, corrective, or detective), frequency, responsible party, etc.

For control evaluation criteria, aspects such as nature, documentation, training, evidence, execution, and level of reduction are established.

Risk Treatment

Once controls are applied, residual risk is determined. For risk management, the following options are established:

- **Accept:** Risks are accepted if they are at unusually low levels.
- **Mitigate:** Measures should be implemented to reduce the probability or impact.
- **Transfer:** Risks can be transferred to a third party, considering the cost-benefit for the entity.
- **Avoid:** Risks should not be taken unless the impacts of their materialization are lower than the costs incurred in their management.

- **Anti-Money Laundering and Terrorism Financing Risk Management System (SARLAFT)**
GRI. 205-1, 205-3, GRI.3-3 (People's Economy); SASB FN-CB-240a.4

As an entity supervised by the Financial Superintendence of Colombia and in compliance with applicable regulatory frameworks, Findeter has implemented SARLAFT 4.0, which includes organizational infrastructure, policies, methodologies, procedures, and the adoption of controls that mitigate the risks associated with money laundering and terrorism financing (ML/TF).

Throughout 2023, through our risk identification, analysis, and control methodologies, we monitored factors that contribute to ML/TF risk: clients, products, distribution channels, and jurisdictions. We also assessed the impacts associated with their materialization—reputational, legal, operational, and contagion—finding that the consolidated residual risk of the financial institution remained at a moderate level due to the criticality level of our clients concerning ML/TF risk.

Following the guidelines of the Financial Superintendence of Colombia regarding the updating of the SARLAFT manual, it has been adjusted to reflect changes in the applicable legal framework, customer knowledge policies, and segmentation methodologies.

We also evaluated the components of the system, achieving an optimal result, thus adequately protecting the entity against this risk.

We have diligently filed reports to the Financial Information and Analysis Unit (UIAF) and satisfactorily addressed the requirements of regulatory bodies.

Additionally, we have conducted training for new employees during their induction period, as well as annual training for all employees of the entity.

Moreover, the Decree 1637 of October 9, 2023, authorized Findeter to create a compensated interest rate direct loan line for electric energy distribution and commercialization companies, and Act 2294 of May 19, 2023, authorized direct loan to autonomously managed assets. Consequently, in compliance with Circular External 027 of 2020 from the Financial Superintendence of Colombia concerning the “Identification” stage, we analyzed these types of clients in terms of their exposure to ML/TF risks, which were assessed at a Medium level.

Aligned with the vision of the Development Plan 2023 – 2026, Findeter’s involvement in direct loan aimed at the people’s economy through community action organizations generates a positive impact on the financial inclusion of population segments that do not have easy access to these services. However, it also presents a challenge in managing ML/TF risks, given the nature of these social, non-profit organizations that are vulnerable to such risks (Recommendation 8 of the Financial Action Task Force – FATF).

To venture into the people’s economy through direct loan, Findeter characterizes the potential client by assessing their vulnerability level to ML/TF risks and how these expose Findeter to the potential materialization of these risks. Consequently, we identify the risks of this client segment by evaluating the probability of occurrence and their impact level, followed by the established control mechanisms for mitigating the aforementioned probability and impact.

Thus, through proper management of SARLAFT, Findeter aims to provide transparency in its actions and build trust among stakeholders and the general population, while preserving its image and reputation.

- **Environmental and Social Risk Management System - SARAS**

GRI. 3-3: Material Topic: Responsible Finance; CE 012/2022 SFC Section 7.4.1.3.2. Practices, policies, processes, and indicators related to environmental and social criteria implemented by the issuer; Annex 2, Section 5.1.2. Information on climate-related issues and Section 5.1.3. Information related to social and environmental issues, other than climate. TCFD Risk Management; SASB / IFAS and GAC (FN-C-B-410a.2)

At Findeter, we operate the SARAS system, which aims to identify, evaluate, and control the environmental and social impacts, including gender and climate change aspects, generated by the projects or investments we finance.

Our analysis adheres to the current Colombian environmental and labor laws and international standards such as those of the International Finance Corporation (IFC) and safeguards of the Inter-American Development Bank (IDB). In addition to environmental impacts, we consider issues related to workplace safety, community health and safety, land acquisition and involuntary resettlement, biodiversity conservation and sustainable management of renewable natural resources, climate change, gender, indigenous peoples, cultural heritage, and human rights, including but not limited to discrimination, gender equality, forced labor, fair labor compensation, freedom of association, complaint mechanisms for workers, child labor, occupational safety and health, and affiliations with health, pension, and labor risk insurance schemes.

- **How do we manage it?**

We have a SARAS chapter in the IRMS Manual, directly approved by the Board of Directors, which sets out the policies, objectives, scope, guidelines, responsibilities, and other management measures associated. The environmental and social risk analysis, including climate change and gender, is conducted on financed projects or investments that correspond to the use, investment, and/or debt substitution of the sectors defined in the credit regulations when at least one (1) of the following criteria is met:

- Redescount operations for projects or investments totaling COP 15,000,000,000 or more.
 - Redescount operations for projects or investments that require an Environmental License.
 - All projects financed with resources from international banks or cooperation agencies.
- **Main risks managed:**
 - Environmental and social risks: A negative environmental impact of a financed project that is not avoided, mitigated, or compensated represents a materialized risk.
 - Reputational risk: Financing a project with a materialized risk can generate negative publicity and damage Findeter's image.
- **Why is it important?**

The implementation of SARAS is crucial for Findeter because it allows us to:

1. Contribute to the development of sustainable territories, addressing environmental, social, climate change, and gender challenges in the regions.
 2. Add value for financial intermediaries and beneficiaries by defining actions to avoid and/or mitigate the environmental and social risks of financed projects.
 3. Make informed decisions by identifying environmental, social, gender, and climate risks associated with credit operations and their potential consequences for the entity.
 4. Access funding sources from international banks and cooperation agencies.
 5. Position ourselves as a leading entity in financing sustainable projects that comply with national and international environmental and/or social standards.
- **How do we evaluate and monitor it?**

Through SARAS, we establish improvement actions to prevent or mitigate potential impacts, and we conduct monthly monitoring and control, including field audits to ensure compliance with established commitments within set deadlines.

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

SASB / IFAS Y AC: FN-CB-410a.2.

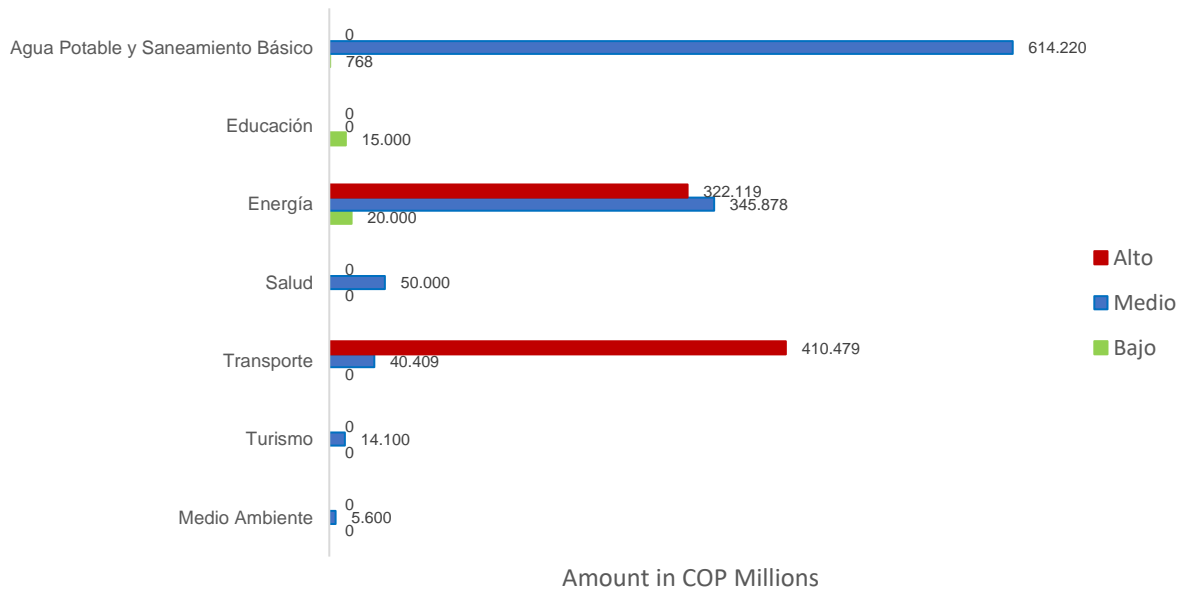
At Findeter, we incorporate Environmental, Social, and Governance (ESG) factors through our sustainability policy and various initiatives managing environmental and social aspects, such as the SARAS system. SARAS aims to identify, evaluate, and control the environmental and social impacts, including gender and climate change aspects, generated by the projects or investments we finance.

In 2023, we undertook the following activities related to the SARAS environmental and social risk management:

- i) Risk analysis and evaluation of environmental and social factors, issuing the respective technical opinion according to the policies and guidelines established in the SARAS tools for 25 projects, totaling COP 1,838,574 million.

- ii) Total disbursed with SARAS analysis: COP 1,152,646.2 million, representing 48% of the value disbursed in rediscount operations.
- iii) Provided 63 hours of support to the International Banking Department and the Risk VP by the external evaluation team.
- iv) Monitoring compliance with commitments established for 289 evaluated projects.
- v) Conducted 7 field audits on evaluated projects.

Graph No. 9: Projects evaluated with SARAS in 2023 grouped by amount, sector, and risk category



Source: Findeter, 2023

- **Processes for identifying and assessing climate-related risks**

TCFD / GR

At Findeter, we use the Environmental and Social Risk Identification Form (FIRAS), which includes climate-related aspects, to understand how clients identify and manage their climate risks, carbon and water footprints, and whether their actions to mitigate these risks are appropriate for their activities.

Additionally, we conduct field visits to deepen the analysis of climate risk management of borrowers from Findeter.

Through the Environmental and Social Risk Analysis Form (FARAS), we analyze identified risks, categorize them, and agree on action plans to strengthen the management of environmental and social risks of the project to be financed, linked to the credit cycle. This process also verifies compliance with national regulations.

Moreover, our risk management includes international standards that address climate risks:

- Resource use efficiency and pollution prevention: more sustainable resource use and reduction of Greenhouse Gas emissions associated with the financed project.
- Conservation of biodiversity and resource management - natural habitats and forests.
- Management of other climate-related risk factors: vulnerability to disasters and natural threats.

- **Tools for Management:**

1. Checking the client against environmental offenders and sanctions databases: Ventanilla Vital, Single Registry of Environmental Offenders (RUJA).
2. Utilization of geographic viewers and climate scenarios like NASA, IDEAM, TREMARCTOS COLOMBIA, GOOGLE EARTH, SI-GOT, SINAP, EJATLAS.
3. Use of climate vulnerability maps, areas in Colombia with high, medium, and low susceptibility to flooding, erosion zones, among others.
4. Analysis of information (FIRAS, FARAS, field format).
5. Requesting associated documentation.
6. Interviews and external reports.
7. Review of public information about the client and/or project.
8. Inclusion of commitments linked to disbursements.
9. Verification and monitoring of the fulfillment of agreed commitments.
10. Field visits for monitoring and georeferencing.

- **How are the processes for identifying, assessing and managing climate-related risks integrated into Findeter's overall risk management?**

TCFD / GR

The process for managing environmental and social risks in loan operations is part of the Integrated Risk Management System Manual (IRMS), which is directly approved by the Board of Directors of Findeter.

Illustration No. 13: SARAS Visit - Portón del Sol Solar Park, La Dorada



Source: Findeter 2023

3.4.3. Foreign exchange risk

As part of our strategy to mitigate foreign exchange risk, we engage in transactions with derivative financial instruments to hedge our foreign currency liabilities, in accordance with regulations from the Banco de la República and the SFC. As of December 31, 2023, our derivative transactions amounted to USD 574,162,085 and EUR 14,964,931. Consequently, we monitor our foreign currency positions through the tracking of foreign exchange value at risk, which has remained above the limit set by the Board of Directors at 95%.

By the end of the reporting period, the hedging program for the entity's liabilities showed a foreign exchange coverage of 99.94%.

3.4.4. Risk Ratings

Standard & Poor's

On July 27, 2023, the rating agency S&P reviewed and confirmed Findeter's credit rating at "BB+" with a stable outlook. The report highlights our crucial role as a supporter of the national government in the development of sustainable urban infrastructure, aiming to promote regional and urban progress in Colombia.

Our rating is closely tied to the nation's rating. Consequently, any statements of stability in Colombia's rating directly affect the financial institution.

On March 29, 2023, BRC Standard & Poor's reaffirmed the following ratings:

- Long-Term National Rating affirmed at 'AAA'
- Short-Term National Rating affirmed at 'BRC1+'

Fitch Ratings

On October 3, 2023, the rating agency Fitch Ratings affirmed Findeter's rating at "BB+" with a stable outlook. According to the agency, Findeter's rating aligns with the sovereign rating, reflecting the Colombian government's willingness and ability to support the financier if necessary.

Furthermore, Fitch considers Findeter to be a significant state player in financing part of the National Development Plan, particularly in terms of regional and urban infrastructure.

Based on this, on March 29, 2023, Fitch Ratings confirmed the following ratings:

- International Rating affirmed at 'BB+' with a stable outlook
- Long-Term National Rating affirmed at 'AAA'
- Short-Term National Rating affirmed at 'F1+'

Multi-asset securitization risk rating

On December 7, 2023, Fitch Ratings noted that Tranche A had been fully paid off and affirmed the rating at A- for Tranche B, which comprises the credit-linked securities issued by the TER CPI R-1 for COP 233.900 million.

This affirmation by Fitch was based on the quality of the securitized portfolio, credit enhancement mechanisms, coverage, operational capability, FINDETER's management, and the legal-financial structure of the transaction.

Subordinated Bonds Rating

Fitch Ratings assigned a long-term rating of "AA (col)" to the issue of subordinated bonds by Findeter. This rating was lower than that of the entity, reflecting their subordinate nature and the potential for lower recovery relative to senior liabilities in the event of a default or liquidation of Findeter.

Sustainable Bonds Rating

In March 2023, the technical committee of Standard & Poor's confirmed a long-term rating of "AAA" for the issuance of sustainable bonds. This rating is supported by factors such as the competitive position of the business, high levels of solvency, profitability, asset quality reflected in lower risk exposure, and positive developments in terms of diversification of funding sources.

4. CORPORATE SUSTAINABILITY

4.1. Commitment to sustainability

GRI. 2-22; External Circular 012/2022 SFC Section 7.4.1.3.2. Practices, policies, processes, and indicators related to environmental and social criteria implemented by the issuer.

Sustainability at Findeter is defined as the way we manage resources to meet current needs without compromising the ability of future generations to meet their own. In line with this understanding, we have directed our efforts towards strengthening sustainability from social, economic, and environmental perspectives to mitigate any potential impacts on the surrounding environment and stakeholders.

This is why we continuously work on identifying best practices in sustainability, staying ahead of trends and, as a result, ensuring that we operate as a socially responsible organization.

Based on the concept of corporate social responsibility and the implementation of social responsibility actions, we have developed various tools that help position us as a leading territorial bank in line with sustainability trends.

It is crucial to highlight that our work in sustainability “Mobilizes and provides tools to Findeter’s stakeholders to identify and implement good sustainability practices in their daily activities, thus fostering a culture oriented towards Responsible Action” (Responsible Action Policy, 2020). In other words, the development of the components and activities outlined in our sustainability guidelines form the foundation for meeting the standards that positively impact our sector profile and enhance our reputational factor.

In 2023, we transformed the Responsible Action Model into Social Responsibility. This transition allows us to integrate the identification, execution, and comprehensive monitoring of good sustainability practices across our organization’s business lines. From the project’s inception, we have committed to respecting human rights and developing voluntary actions that support social development, create diverse and inclusive workplaces, invest in communities, promote public policies, and engage stakeholders in collaborative efforts.

Achievements in this area include:

- Identification of materiality.
- Implementation of social and environmental volunteer programs.
- Contributions to non-profit foundations.
- Establishment of the Transforming Regions Fund.
- Social support for over 615 projects across Colombia.
- Contributions to the recreation and well-being of over 63,000 children.
- Strengthening of social management guidelines.
- Enhancement of social responsibility components in internal contracting.

4.2. Materiality

GRI: 2-29, 3-1, 3-2; (SDGs 3, 4, 6, 7, 9, 11, 13 and 17); Circular 012 of 2022 – Annex 2 (Section 5.1. Disclosure of information by Group A Issuers, Subsection 5.1.1. Procedures implemented for the identification of material

information (Guidelines and minimum parameters of information on social and environmental issues, dedicated to practices, policies, processes, and indicators), according to Article 5.2.4.2.2 of Decree 2555 of 2010).

The materiality process involves identifying sustainability issues that are deemed significant by the company and its stakeholders and that have “a direct or indirect impact on an organization’s ability to create, sustain, or distribute economic, environmental, and social value.”⁶

This exercise was conducted collaboratively under the framework of the new Strategic Plan 2023-2026. By leveraging our organization’s internal capabilities, we engaged in defining, assessing, and prioritizing our material issues, involving all stakeholder groups.

Why do we do it?

- Compliance with Circulars 012 and 031 from the SFC
- Alignment with the new National Development Plan (PND) 2023-2026
- Strategic planning for Findeter 2023-2026, focusing on sustainable and innovative banking.
- Engagement and communication with stakeholders
- Responsible Action Policy

As a foundation for this exercise, we referred to the **GRI 3: Material Topics 2021** guide, which outlines a series of universal standards and guidance on material topics for organizations, effective from January 1, 2023. Additionally, we referenced the double materiality exercise conducted by Asobancaria at the end of 2022.

How did we develop the process?

- We identified and prioritized the entity’s stakeholder groups and defined our relationship with each.
- We identified applicable material topics through a workshop with the entity’s executive team.
- We assessed and prioritized each of the material topics with the entity’s stakeholders.
- We constructed our prioritization matrix for materialities, where we prioritized those applicable for the period 2023-2026.
- We applied the concept of double materiality (See following illustration):

⁶ Global Reporting Initiative (GRI)

Illustration No. 14: Double Materiality



Our assessment of materialities was made with the entity’s stakeholders, on a scale of 1 to 5, according to the following criteria:

Financial materiality criteria:

- **Economic Impact:** How significant is this issue to our financial performance?
- **Reputational Impact:** How significant is this issue in terms of our public image?
- **Operational Impact:** How crucial is this issue for the continuity of our products and services?

Impact Materiality Criteria:

- **Severity:** What is the magnitude of potential impact if this issue materializes?
- **Frequency/Probability:** How likely and frequent is it that we will have this impact on the environment and society?

As a result of our assessment, we identified **13 material topics** applicable to our entity, each rated by our stakeholder groups. These issues span various sustainability focuses—social, environmental, economic, and governance. After pinpointing the entity’s material topics, we conducted a double materiality assessment with each of our 11 stakeholder groups, incorporating 5 questions from two perspectives:

- Financial Materiality: Outside-in perspective
- Impact Materiality: Inside-out perspective

Illustration No. 15: Sustainability Focuses

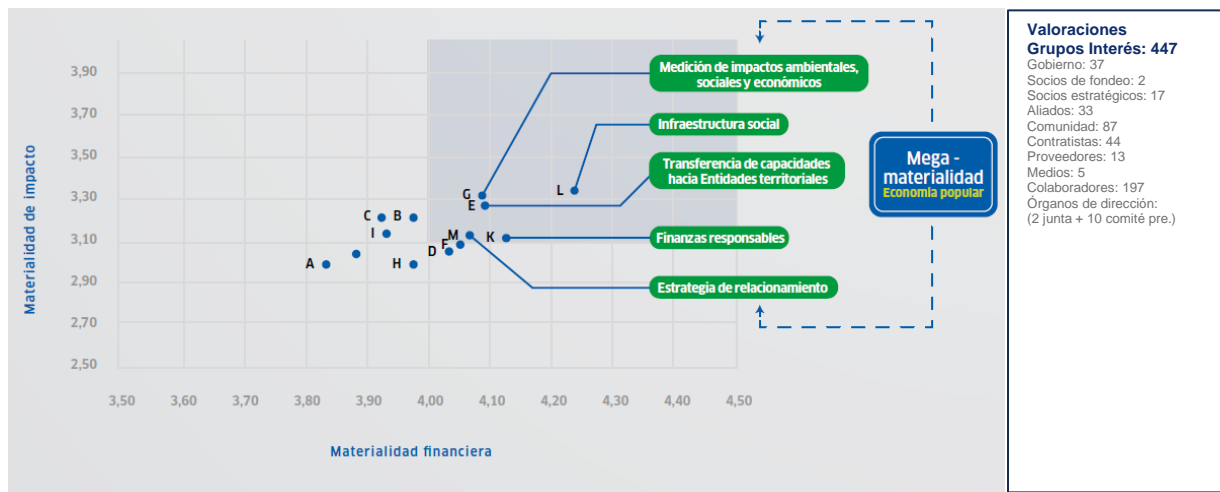
		Social	Ambiental	Económico	Gobernanza
Mega-materialidad Economía popular	A	Voluntariado social y/o ambiental	✓	✓	
	B	Gestión de riesgos de acciones de cambio climático			✓
	C	Promoción de derechos humanos	✓		✓
	D	Cultura organizacional (innovación e integridad)			✓
	E	Transferencia de capacidades hacia Entidades territoriales	✓		
	F	Gestión de la información para todos			✓
	G	Medición de impactos ambientales, sociales y económicos	✓	✓	✓
	H	Inclusión y educación financiera	✓		
	I	Cadena de suministro responsable	✓		✓
	J	Economía circular		✓	
	K	Finanzas responsables			✓
	L	Infraestructura social	✓		
	M	Estrategia de relacionamiento			

Source: Findeter

Rating and Prioritization of Materialities

To ensure effective bidirectional communication, representatives from each identified stakeholder group assessed the defined materialities from two perspectives: financial materiality (outside-in) and impact materiality (inside-out). After consolidating these assessments, we constructed the following materiality matrix:







Illustration No. 16: Assessment of Identified Materialities



Source: Findeter

After the involvement of approximately 447 individuals from our stakeholder groups, and in alignment with the vision set forth in the new National Development Plan 2022-2026, we identified “**People’s Economy**” as a Mega-materiality, which encompasses the following five (5) materialities:

Table No. 33: Prioritized materialities

Prioritized materialities		Description
	Mega-materiality: People's Economy	We align our corporate sustainability strategy with the vision of the new National Development Plan 2022-2026.
	1. Transfer of capacities to territorial entities.	We leverage our knowledge and experience seeking to design programs that guarantee their management and transfer to the stakeholders we impact. All this through a strategy of education in technical skills.
	2. Measurement of environmental, social and economic impacts.	We strengthen the current measurement model, seeking to quantify the social, environmental and economic impact of our operation.
	3. Responsible finance.	We build investment alternatives that guarantee a capital flow through a sustainable economy, aligned with ESG principles.
	4. Social infrastructure.	We accompany the development of projects that improve the quality of life of the country's territories through our daily management.
	5. Engagement strategy.	We create spaces with our stakeholders to learn about their needs and jointly build new programs, products or strategies that strengthen the Colombian territories.

Source: Findeter

It is important to highlight that each of the materialities we identified and prioritized are directly related to the SDGs, impacting the following 7 goals from this strategy:

Illustration No. 17: SDGs related to prioritized material topics.



As a result, by consolidating this exercise on materiality, we worked on implementing our new sustainability strategy, where we continuously strive to promote a balance between social, environmental, and economic factors in everything we do.

For more detailed information on how we manage material topics in accordance with GRI standards, please see the Annex: “Management of Material Topics.”

4.3. Stakeholder Groups

GRI: 2-29, 3-1, 3-3 (Stakeholder Engagement Strategy) In 2023, within the framework of the new Strategic Planning 2023-2026 defined for the entity, we undertook the exercise to identify, validate, and prioritize our stakeholder groups.

This exercise resulted in: i) a redefinition of the concept used for stakeholder groups; ii) the inclusion of a new stakeholder group; iii) the identification of a cross-cutting group; and iv) the definition of how we engage with each of them, with the following elements:

- **New definition of stakeholder groups:** “All those groups that are directly or indirectly impacted by the development of our activities and, therefore, also have the capacity to impact us directly or indirectly.”
- As a result, based on the prioritization methodology used, we observed that **the entity focuses its stakeholder groups into two categories:** influential and strategic.
- For the year 2023, these were the **stakeholder groups defined:**

Illustration No. 18: Findeter’s Stakeholder Groups



Source: Stakeholders Document, Findeter, 2023

From a broad perspective, we have established **five cross-cutting premises to enhance our engagement with stakeholder groups**, aiming to strengthen our position and reinforce the concept

of Development Banking, as well as to continually improve our reputational image over the next four years. The engagement premises are as follows:

Illustration No. 19: Cross-cutting Premises Enhancing Engagement

- Generate relationships of trust and efficiency
- 2. Sharing public and transparent information
- 3. Promote growth and development
- 4. We contribute to sustainable development and the transformation of territories
- 5. We work to ensure a balance between increasing the positive and decreasing the negative impacts of our operation.

Source: Stakeholders Document, Findeter, 2023

Table No. 34: Findeter’s Stakeholder Groups

Nº	STAKEHOLDER GROUP	COMMITMENT AND ENGAGEMENT STRATEGY
1	<p>Supervisory, oversight and control entities. These are the internal and external control agencies responsible for overseeing, monitoring, and regulating the operations, obligations, and activities of Findeter.</p> <p>Who are they?</p> <p>Financial Superintendence, Inspector General's Office, Comptroller General's Office, Accounting Office, and AMV.</p>	<p>We ensure timely compliance with our legal obligations. We work to keep the authorities informed about our actions and performance. We maintain a fluid and cooperative relationship We respond to all recommendations and instructions in a diligent and timely manner.</p>
2	<p>Government The authority responsible for providing guidelines for the management and performance of Findeter, also defines labor protection norms and social assistance procedures.</p> <p>Who are they?</p> <p>Presidency of the Republic, ministries, and social security entities.</p>	<p>We support the management of the national government and the implementation of public policies. We attend in an efficient and timely manner to the established requirements and guidelines. We work in the good performance of the management recommended by the sector. We contribute to the construction of an environment that promotes transparency. We guarantee the coverage of social benefits.</p>

Nº	STAKEHOLDER GROUP	COMMITMENT AND ENGAGEMENT STRATEGY
3	<p>Funding Partners Creditors, investors, multilateral and bilateral banks, cooperation agencies, and any entity that provides funds to Findeter.</p> <p>Who are they?</p> <p>Investors who purchase credits, time certificates of deposit, or other credit-related securities issued by Findeter, and individuals who acquire shares of this entity following the issuance of Decree 4167 of 2011.</p>	<p>We manage resources efficiently We ensure fair treatment for our investors. We implement risk management models We work together to generate value for our territories.</p>
4	<p>Strategic Partners All those entities that work strategically and jointly with Findeter in the development of new products/services.</p> <p>Who are they?</p> <p>Development banks, commercial banks, financial institutions, trade associations, or entities that promote regulatory standards or certifications that must be adopted by Findeter (Market Self-Regulator, rating agencies).</p>	<p>We offer fair and mutually beneficial relationships that enable us to achieve our objectives. We work together to grow and make our allies grow We build joint opportunities to establish projects We identify and adapt the best practices of the environment. We work to generate greater positive impacts in the territory.</p>
5	<p>Allies All those public (national and territorial) legal entities, financial intermediaries, and private entities with which Findeter interacts through its business lines for the country's development.</p> <p>Who are they?</p> <p>Public allies: Governments, city halls, administrative departments, decentralized agencies, ministries, DNP (National Planning Department), CAR (Autonomous Regional Corporations), ESE (State Social Enterprises), ESP (Public Services Companies), EPS (Health Promotion Entities).</p> <p>Private allies: Commercial banks, commercial finance companies, financial entities, small, medium, and large companies in the financeable sectors.</p>	<p>We offer a portfolio of financial and non-financial products/services that respond to your needs. We guarantee quality and timeliness in the delivery of our products/services. We deliver on our promise of value, working to build long-term relationships of trust.</p>
6	<p>Community The beneficiaries, social groups and organizations, social leaders, and others identified in the territories where we operate.</p>	<p>We seek to understand the needs of the territories through dialogue and collaboration. We act with integrity, generating trust. We respect and watch over their rights and the socioeconomic context in which they find themselves. We contribute to the sustainable development and transformation of the territories.</p>
7	<p>Contractors Individuals or legal entities contracted by Findeter to carry out planning, structuring, and execution services in the territory.</p> <p>Who are they?</p> <p>Trust companies, consultants.</p>	<p>We establish relationships of trust and teamwork We offer spaces for the development of development for mutual benefit We promote environmental, social and governance aspects. We work as a team to achieve projects</p>

Nº	STAKEHOLDER GROUP	COMMITMENT AND ENGAGEMENT STRATEGY
8	Suppliers Individuals or legal entities from whom Findeter contracts services or purchases products.	We generate relationships of trust and efficiency We demonstrate compliance with contractual commitments. We promote good contracting practices We achieve the attainment of relational objectives between the entity and the supplier We promote environmental, social and governance aspects.
9	Media Journalists, columnists, and influential public opinion figures for whom we are a source of information.	We share valuable information Activate conversations of general interest with experts Participate in public policy sessions Generate two-way communication
10	Employees All individuals employed by the entity who are our main resource. Who are they? Individuals involved in the processes and activities to ensure Findeter's operations – unions.	We generate work environments of equity and inclusion We have a family-responsible business model - efr We promote professional growth and development We enable free association We promote health and safety at work.
11	Management and Governance Bodies The internal bodies that establish the norms, principles, and ethical procedures under which Findeter must operate. Who are they? Board of Directors, shareholders (partners and owners of the company according to their share participation), administration, executives. The Ministry of Finance and Public Credit is the majority shareholder to which the entity is linked, and therefore, the directives that pertain to it must be followed. This includes the Bicentenario Group in shareholders.	We facilitate strategic decision making We generate public and transparent information We seek financial balance and profitability in our operations. We have a policy of ethics and good governance.

Source: Corporate Governance Code, Findeter, 2023.

In accordance with our Corporate Governance Code, we have established a stakeholder engagement policy that acknowledges the legitimacy of each stakeholder group and mandates treating them *“with kindness, dignity, respect, and in accordance with their respective roles.”*

4.4. Responsible Action

GRI 2-23, 3-3 (Engagement Strategy) SDGs (3, 4, 5, 6, 7, 8, 10 and 11); Circular 012 of 2022 SFC Section 7.4.1.3.2. Practices, policies, processes, and indicators related to environmental and social criteria implemented by the issuer; Annex 2 (Subsection 5.1.1. Brief description of the procedures implemented for the identification of material information, as per Article 5.2.4.2.2 of Decree 2555 of 2010 - Guidelines and minimum parameters of information on social and environmental issues, dedicated to practices, policies, processes, and indicators).

We have been developing comprehensive interventions and positioning ourselves as a Development Bank through a model of Social Responsibility, where the expectations of our stakeholders are at the core of our organizational strategy and integrated into the strategic plan.

The model we implement defines our actions in that, through dialogue and collaboration, we understand the needs of the territories. Hence, we consistently work on: i) offering relevant, differentiated, and impactful projects; ii) implementing current international and national human rights legislation to enhance the perception of investors, partners, and donors about Findeter as an innovative and sustainable bank. In this way, we aim to make social responsibility a fundamental part of our business focus, policies, organizational culture, strategies, and operations.

In this regard, we have implemented affirmative actions that enhance the social impact of our projects, thus contributing to the sustainable development of the country through three lines of action:

- **Social Management:** Involves support actions for projects within the framework of social technical assistance, aimed at strengthening social fabric through informative and participative strategies. This seeks both the appropriation and sustainability of the projects by the communities, and the maximization of the benefits while minimizing impacts caused by the projects.

In this context, we oversee the projects we assist technically at the planning, structuring, and execution levels, including all actors integrally and transversally from a social and reputational perspective. As a result, in 2023, we implemented social management and support for 615 ongoing projects.

- **Flagship Program:** For 2023, we defined as an intervention line contributing to the realization of the right to recreation and sports for children and adolescents from categories 4, 5, and 6 territories. Our strategy was created as part of our commitment to the country's development, delivering recreational parks and sports equipment to effectively utilize the infrastructure and equipment projects executed by Findeter, benefiting approximately 63,000 children and adolescents across about 30 municipalities.
- **Sustainability Node:** Within this internal working space, we carry out activities aimed at generating an impact on the social, environmental, and economic dimensions, both internally and externally. Internally, we updated materialities and prioritized stakeholder groups, which will strategically guide the entity over the next four years. Externally, we advance social and environmental volunteer actions aimed at strengthening the entity and mitigating impacts with stakeholder groups.

4.5. Human Rights in the Organization

GRI. 406-1, (SDGs 5, 8, 11 and 16)

We recognize and take responsibility for respecting and promoting human rights, ensuring they are protected and enforced, and establishing measures to prevent infringements and address adverse impacts that may arise in relation to our products and services.

We have a Human Rights policy that seeks to forge a relationship between business operations and respect for human rights as a priority for the entity. To achieve our objectives, we have set parameters for promotion and respect through the implementation of actions that allow us to mitigate potential impacts resulting from business operations in line with national and international guidelines.

This policy is integrated across the entire entity and other financial policies, covering all our employees, regardless of their work location, as well as stakeholder groups that have any relationship or business with the company. This policy is part of our efr management model.

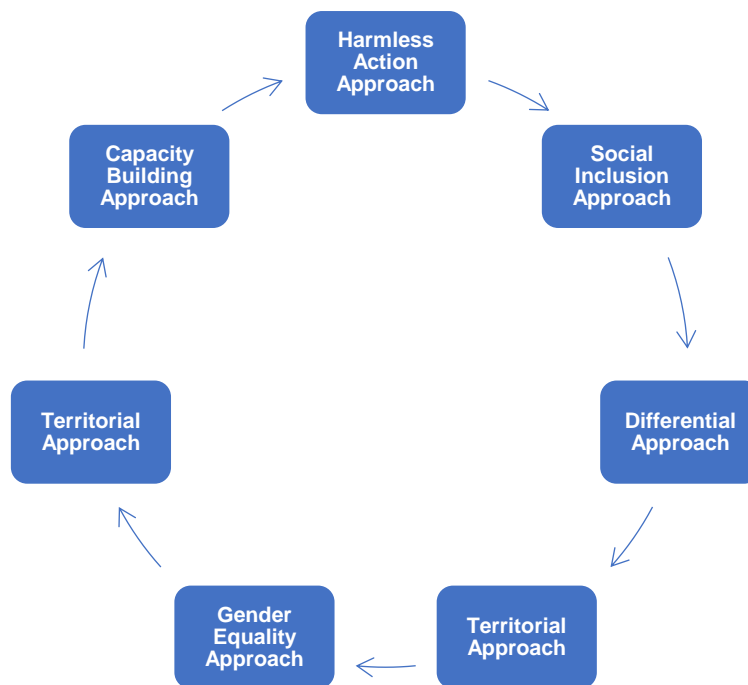
Furthermore, Findeter has a gender equity and social inclusion policy, through which we recognize that women play a fundamental role in achieving solid economic growth and the sustainable development of our country. We are committed to fostering and developing a culture of gender equity and women’s empowerment among our stakeholder groups to positively impact the social and environmental settings where we are present.

Consequently, with the aforementioned considerations and considering human rights as a cross-cutting theme in the development of our actions as a development bank, we have been identifying different ways to recognize and understand work keys with communities. In fact, communities are one of our main interest groups, and in this regard, we approach the particular contexts of the communities appropriately and recognize the importance of working with each one to build sustainable territories.

Internally, we have been strengthening the pre-contractual process for both the acquisition of goods and services and the contracting of third parties (technical assistance), by including clauses on the protection of human rights, prohibition of child labor, promotion of decent work conditions, and compliance with our internal policies on social responsibility, environmental management, sustainable purchasing, and contributions to the SDGs, among others.

Additionally, we strengthened our guidelines for social and reputational management within the framework of technical assistance provided to our partners. In this respect, we have been guiding the actions of our consultants, contractors, and supervisory bodies from different approaches that allow the realization of human rights; among the approaches to be implemented, the following are highlighted:

Illustration No. 20: Human Rights Approaches at Findeter



Source: Findeter Social Management and Reputation Guidelines, 2023. Prepared by Findeter

Through comprehensive interventions that utilize these approaches in social management, we enhance the living conditions of vulnerable individuals and help bridge social gaps. By integrating human rights issues across all areas, we are addressing both the outcomes and the means to achieve them. In other words, we are fostering empowerment and agency in people through awareness, information, education, and meaningful participation to ensure the sustainability of these processes.

In line with the above, throughout 2023, we have progressed in implementing significant actions that advance human rights in the most needy areas, consistent with our social mission of promoting regional and urban development through funding and advising on the design, execution, and management of investment projects or programs.

Additionally, in 2023, we established the “Transforming Regions” Fund aimed at co-financing projects that enhance the quality of life for Colombians, particularly those aligned with the National Development Plan, the Sustainable Development Goals, local development plans, and sectorial or population-based public policies, thereby effectively upholding the human rights of communities in these territories.

In this regard, we have tailored the fund to support projects developed in partnership with territorial entities of categories 3, 4, 5, 6, and PDET territories. We also expanded our network by including community action boards, grassroots social organizations, and actors from the people’s economy, contributing to the sustainable and equitable development of the country.

Recently, we celebrated the first inter-administrative agreement with the municipal administration of Maicao (La Guajira) to build a recreational-sportive field that will benefit approximately 20,000 children, adolescents, and the broader community.

Given the importance of this issue, internally and in line with the guidelines defined in our human rights policy and declaration, we remained committed throughout 2023 to activities that underscore its significance:

- ✓ We continued to set guidelines for respecting human rights in all our operations, procedures, and activities, engaging with our stakeholders and the broader society.
- ✓ In this line of action, we implemented the Diversity, Equity, and Inclusion Policy GH-DA-045. This policy aims to establish guiding principles to ensure that our organizational culture is inclusive, diverse, equitable, and respectful, valuing differences and fostering collaborative environments with equal opportunities for everyone regardless of their functional diversity, race, ethnicity, gender, age, religion, sexual orientation, nationality, educational level, personality, skills, experience, and knowledge.
- ✓ This policy is based on the provisions set by the National Government and is complemented by the Corporate Governance Code, the Code of Ethics and Integrity, and the Responsible Action and Human Rights Policy, which are currently in force.
- ✓ From June 26 to June 30, 2023, the Diversity Week was held. Continuing with the motto “Diversity unites us, respect inspires us, and inclusion makes it possible,” activities were carried out that also served to reinforce our values. We identified the main perceived barriers to diversity, equity, and inclusion, which provided input to recognize and generate agreements of understanding in this regard. Likewise, employees made proposals for strategies or commitments on the issue, directly involving them in it.
- ✓ We used methodologies such as staged performances, online coffee sessions, and contests, which helped bring people closer to the concepts. Each day, floor activation strategies were implemented to ensure greater participation in the sessions. For the regional offices, virtual activities were developed with the goal of strengthening their sense of belonging and inclusion at the headquarters.

- ✓ We received recognition from the Chamber of Diversity accrediting us as an active member of this organization and as one of the companies with an inclusive work environment.
- ✓ We implemented the policy and protocol for the prevention and response to gender-based violence and/or discrimination and a guide to good practices in the workplace at Findeter GH-DA-043. As a socially responsible company, we do not tolerate any act of violence, discrimination, or any form of violence against workers, with a special emphasis on situations that may involve workplace and sexual harassment.

Ultimately, in alignment with our mission, we contribute to the country's sustainable development through activities, projects, and programs that offer a comprehensive range of products focused on economic growth, social well-being of the territories, and respect for human rights and the environment. Internally, we committed to this guiding principle of respecting human rights, ensuring objective recruitment processes free from discrimination, based on knowledge and experience relevant to the job.

In 2024, by embracing the policies mentioned, we look forward to further evolving our internal processes, both in managing human talent and in our engagement with stakeholders.

Labor Conditions and Decent Work:

- In alignment with our mission to be the strategic partner of the national government and territorial entities for planning, structuring, financing, and executing sustainable projects that transform territories, we continue to strengthen our approach to human resource management, constantly aiming for continuous improvement of the efr model. In 2023, this commitment was recognized when we were awarded a distinction by the Más Familia Foundation of Spain under standard 10001 Ed 5, confirming our certification in this standard.
- This recognition reflects the commitment and empowerment of our senior management in the development of the model, investing resources and promoting a balance between family, personal, and work life with 61 measures that contribute to the happiness, competitiveness, and productivity of everyone involved.
- Being an efr-certified company is a mark that distinguishes us in various settings as a company consistent with the services it offers, respecting differences and not discriminating on any grounds, governed by a higher purpose that guides our goals and objectives, with a dedicated team that generates positive outcomes for the most needy Colombians.
- The efr management model meets the expectations and internal needs of our employees by enabling them to balance different aspects of their lives—professional, personal, and family—without losing sight of productivity, results, and competitiveness, allowing us to identify appropriate reconciliation measures in a timely and assertive manner.
- The approach to reconciliation and its management points to a new work culture from the “win-win” model within the entity, where employees, employers, and society benefit from new ways of working with equal opportunities, without discrimination based on gender, race, social status, religion, region, or any other nature. This model is developed across five dimensions: quality of employment, temporal and spatial flexibility, support for families, professional development and competence, and equality of opportunities. These dimensions encompass 61 measures available to all employees through the efr measure catalog.

Diversity and Equal Opportunities:

GRI. 405-1

We are committed to sustainability, the projects we finance, and the communities we reach. This commitment extends to our employees, as we promote human rights, diversity, equity, health and safety, fair working conditions, professional development, and respect for the environment, among other factors. Through our management model as a family-friendly responsible company, we articulate and promote good labor practices.

For us, diversity and equal opportunities are cornerstones of sustainability and social responsibility. These principles enable us to represent our diverse workforce and ensure that everyone has equal opportunities to contribute to and influence every process they are involved in. Additionally, this approach helps us improve the work environment (focused on respect and flexibility), aiming to create teams that are more creative, innovative, and diverse in decision-making.

In terms of human resources, we have objective, non-discriminatory selection processes based on the knowledge and experience required for each position, ensuring equal opportunities for all.

Similarly, for promotions and/or advancements, we conduct internal postings through an inclusive participation process and language, ensuring equal opportunities. This makes employees feel involved in the processes and motivates them towards professional development, thereby strengthening the internal culture of the entity.

At Findeter, the attraction, selection, and retention of personnel are focused on supporting and promoting integration and equal opportunities across gender and diverse groups. The entity has established roles and responsibilities for each employee, allowing us to continually monitor and maintain equity in practice.

All of these efforts, combined with our vision to focus on territorial strengthening and financial inclusion through sustainable and innovative solutions, enable us to retain key personnel essential for achieving institutional goals.

Our human resource management policy aims to support the strategic objectives of the entity through timely, effective, and secure management of human capital, enhancing their skills in a suitable work environment. This is reflected in the balance of personal, work, and family life for all employees. This policy is periodically reviewed to adjust aspects that enhance diversity, equity, inclusion, and equal opportunities.

The selection process is designed to evaluate candidates equitably, as detailed in the efr Management Model: Equality of Opportunities Dimension. Through this process, we identify staffing needs and explore employee interests through wellness activities. These aspects are measured and monitored frequently through workplace environment surveys, surveys of internal and external customer satisfaction, usage and adoption of efr measures, and other metrics that provide valuable information to keep employees engaged and committed to Findeter's policies.

4.6. Responsible Action/Sustainability Policy

GRI. 2-23, 2-22, 3-3 (People's Economy; Measurement of impacts, social, environmental and economic; Social Infrastructure; and Relationship Strategy); SASB / Incorporation of environmental, social and management factors in the credit analysis (FN-CB-410a.2); SDGs (3, 4, 5, 6, 7, 8, 10 and 11); External Circular 012/2022 SFC Section 7.4.1.3.2. Practices, policies, processes and indicators in relation to environmental and social criteria implemented by the issuer.

At Findeter, our commitment to sustainable development is rooted in executing activities, projects, and programs that deliver a comprehensive range of products designed for relevance and positive impact, with a focus on economic growth, social well-being, and environmental respect. Thus, we have embraced corporate social responsibility measures, environmental management, human rights respect, gender equity, social inclusion, and sustainable procurement, engaging with our stakeholders transparently, timely, inclusively, and respectfully.

Our commitment to the country's sustainable development aims to leverage social responsibility as a key value-generating approach, where stakeholder expectations are central to our organizational strategy and integrated into our strategic plan.

For 2023, we began updating this policy to orient it towards social responsibility themes, with approval expected in 2024.

- **Sustainability and Climate Change Management Policies**

In terms of management policies related to sustainability and climate change, Findeter currently includes the following in its Corporate Governance Code:

- **Social Responsibility Policy**

We develop socially responsible strategies to manage, adopt, and promote best practice management, raising awareness, co-responsibility, and positive impacts among our stakeholders, acting committedly and transparently within our spheres of influence.

- **Environmental Management Policy**

We manage environmental best practices to raise awareness and promote efficient resource use in our activities, ensuring compliance with legal requirements, environmental preservation, and sustainable development.

- **Stakeholder Engagement Policy**

We interact with a broad range of actors across eleven groups: regulatory entities, government, funding partners, strategic partners, allies, communities, contractors, suppliers, media, employees, and governing bodies. Recognizing the legitimacy of our stakeholders, we treat each with kindness, dignity, respect, and in accordance with their specific needs.

- **Human Rights Policy**

We recognize our responsibility to respect, protect, and fulfill human rights. This means committing to avoid infringing on them or causing adverse impacts on our stakeholders or third parties through our activities.

Our policy spans the entire organization, covering all our employees, regardless of their workplace, as well as all stakeholders who have any relationship or business dealings with the company.

This policy will be part of the efr management model, Empresa Familiarmente Responsable (Family-Friendly Responsible Company), which aims to reconcile and balance the work, personal, and family lives of our employees.

- **Gender Equality and Social Inclusion Policy**

We recognize that women play a critical role in achieving robust economic growth and sustainable development in our country. We are committed to fostering and developing a culture of gender equality and the empowerment of women within our stakeholder groups in order to positively impact the social and environmental contexts where we operate.

- **Sustainable Procurement Policy**

Our goal is to transform the root causes of pollution stemming from current production systems and consumer market trends towards more sustainable practices. We aim to influence decisions concerning the procurement of goods and services to prioritize sustainability.

4.7. Findeter's Ethnic Differential Approach Strategy

As a socially responsible company and as a partner of the national government, we have a continuous responsibility to ensure that development processes in areas with ethnic communities are conducted with full respect for human rights, dignity, aspirations, culture, and livelihoods that depend on the natural resources of ethnic communities.

For this reason, within the framework of strengthening our social and reputational management guidelines, we have incorporated the obligation to protect, act, respect, and promote the differential approach, thereby respecting the culture, ancestral knowledge, conditions of the populations, territories, and individuals we interact with.

In light of this, our actions requiring the implementation of the differential focus involve adjusting our practices through relevant methodological proposals and actions that ensure proper community and institutional relationships, as well as engagement in dialogue and prior consultation processes as applicable.

Our differential approach allows us to recognize, highlight, and emphasize that the population and its relationship with the territory are diverse. Therefore, differential proposals are needed, reflecting participation designs and methodologies that consider the worldview of the peoples, their ways of inhabiting the territory, the uses and customs of sacred, cultural, or environmentally protected places, among others.

4.8. Stakeholder Engagement Management (Community Incidents and Others)

At Findeter, we plan, structure, finance, and execute projects. In the projects we carry out, we perform technical, administrative, financial, accounting, social, environmental, and legal monitoring related to fulfilling the purpose of a contract or agreement. This involves applying "Social and Reputational Management Guidelines" which include the following components:

- Territorial analysis
- Communication strategy
- Citizen participation
- Capacity building, appropriation, and empowerment
- Development of technical-social activities
- Economic sustainability of territories
- Monitoring and follow-up

These components aim to measure and manage the social and environmental impacts generated during project execution.

With a focus on this management, we seek to prevent incidents with communities and other local actors by conducting pre-contractual, contractual, and post-contractual stages, identifying and mitigating risks to prevent them from materializing. Controls and actions are established in the guidelines and planned through a Social and Reputational Management Plan (SRMP) for each project.

We establish SRMPs from the beginning of the project and continue to develop, socialize, and work with community and institutional actors to ensure transparency and accessibility of project-related information. Additionally, we create spaces for dialogue, relationship-building workshops, and progress meetings to maintain constant contact with the community and involve it in the project's development.

The execution of the Social and Reputational Management Plan is part of the contractual obligations of contractors, who must have a social team in the field for its implementation. As a social responsibility team, we ensure the plan's compliance with the support of the supervisory body and direct the management according to the needs of each project, classifying the plans in execution according to the qualitative level of social risk. Therefore, in the development of each of these projects, meetings with the parties, weekly and/or monthly reports are generated, detailing the progress of each.

It should be noted that in 2023, no incidents with the community or others were reported.

4.9. Female Leadership Empowerment and Development Programs

In 2023, we launched the LIT Leadership School - "Inclusive and Transformative Leaders" to strengthen competencies from the core, reinforcing the inclusive approach that defines us, and aligning personal and organizational leadership to create value.

The sessions were marked by the participation of both men and women in leadership positions across all levels of the organization, with a special emphasis on the importance of equity as a key principle in our management.

Out of the 42 leadership positions in 2023, 20 were held by women, demonstrating the significance of female inclusion within our organization.

Additionally, our selection process includes actions that ensure equal opportunities from the outset of recruitment campaigns. We are also committed to supporting and promoting equality through an understanding of Human Rights as defined in our Corporate Governance Code, Code of Ethics and Integrity, and other policies via awareness and training initiatives.

4.10. Protocol for Prevention and Response to Sexual Harassment

We implemented a policy and protocol for the prevention and response to gender-based violence and/or discrimination, as well as a guide of best practices in the workplace at Findeter GH-DA-043, in line with our commitment to respecting human rights as our guiding principle.

The dissemination of the prevention route among employees has enabled them to use the established channels for this purpose and approach the Workplace Coexistence Committee to report specific situations requiring special attention. Over the year, this committee handled seven requests related to alleged cases of workplace harassment and/or discrimination. These cases were resolved and escalated according to each situation presented. These actions have allowed us to work on promoting mental health prevention and awareness among our employees.

4.11. Environmental Management

GRI. 305-1, 305-2, 305-3, 305-4, 3-3 (Measuring environmental, social, and economic impacts); (SDGs 13 and 15); External Circular Number 7.4.1.3.2. Practices, policies, processes, and indicators related to the environmental and social criteria implemented by the issuer. TCFD / Metrics and Targets

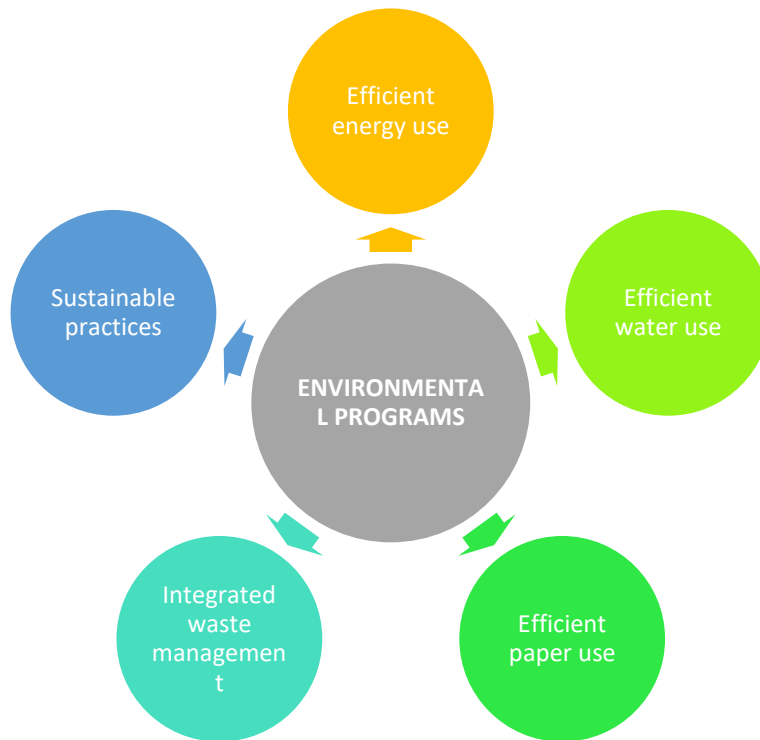
We operate under an Environmental Management System, part of the Integrated Management System - IMS, which has been certified to the international standard ISO 14001:2015 since 2018.

The operation of the Environmental Management System is founded on our environmental policy, the analysis of legal requirements, risks, and the environmental aspects and impacts generated in the course of the entity's activities. This analysis takes a life cycle perspective and is managed

through initiatives, programs, and activities ensuring compliance with legal requirements, environmental preservation, and sustainable development.

To meet the policy and objectives of the Environmental Management System, which aims to “*Manage good environmental practices to raise awareness and promote the efficient use of resources in Findeter’s activities, ensuring compliance with legal requirements, environmental preservation, and sustainable development,*” the following programs are established:

Illustration No. 21: Environmental Programs



Source: Findeter, 2023

In 2023, the execution of our environmental programs reached 100% completion. As part of these initiatives, we ran the environmental campaign “*Being Aware*” under the motto “*With our feet on the ground,*” through which we disseminated the activities of the entity’s environmental programs across various internal communication channels.

The **environmental performance** of our entity is reflected in the outcomes and trends of management indicators, which are linked to the five environmental programs we operate:

✓ **Efficient Water Use (Water Resource Management Goals):**

Within this program, we monitor the per capita water consumption at our main office, which measures our performance in water resource management in cubic meters per employee.

In 2023, we achieved an average of 0.63 m³/person, significantly better than the target of 1.35 m³/person, thus successfully meeting our goal for water savings and efficient use. This indicator is designed to trend downward, and the target will be adjusted to 1.15 m³/person for 2024, reflecting our commitment to continuous environmental performance improvement.

For water resource management, we carry out activities that support the achievement of new projected goals, defined annually during a review led by the Steering Committee. Key actions include installing water-saving devices on taps, performing preventive and corrective maintenance on water networks, implementing cyclic watering systems for gardens, and promoting water-saving culture during teeth brushing, hand washing, and watering.

✓ **Efficient Energy Use:**

We met our energy consumption target for 2023 satisfactorily; the goal for per capita energy consumption at the main office was set at 90 kWh/person, and we achieved an average of 68.87 kWh/person. This indicator is also intended to trend downward.

Actions associated with this environmental program include installing energy-saving lighting devices on all floors of the entity, automatic shutdown and start-up sensors, energy-saving modes on computers, and environmental awareness campaigns for all employees.

✓ **Efficient Paper Use:**

The average consumption in 2023 across the entity was 16 sheets/person, compared to a target of 120 sheets/person. This allowed for substantial compliance with the goal of efficient paper use, another indicator intended to decrease. While the hybrid work model of many of our employees contributed to the low consumption, strategies associated with this environmental program also played a role. These include ongoing awareness for employees, the use of ecological paper in printers, and the placement of recycling bins.

✓ **Integrated Waste Management:**

For non-hazardous waste, we managed to recycle an average of 39.30% of waste generated, including cardboard, plastic, glass, paper, metals, and organics, exceeding the 2023 target of 33% set for solid non-hazardous waste recovery at our main office. These results were achieved through awareness campaigns directed at all employees, regular inspections at ecological points for source separation, training for general services staff on waste handling, and ongoing audits of the entity's environmental management.

As for hazardous waste generated, it was properly disposed of and handed over entirely to licensed environmental managers, achieving 100% compliance with the indicator and, thus, adhering to current environmental regulations.

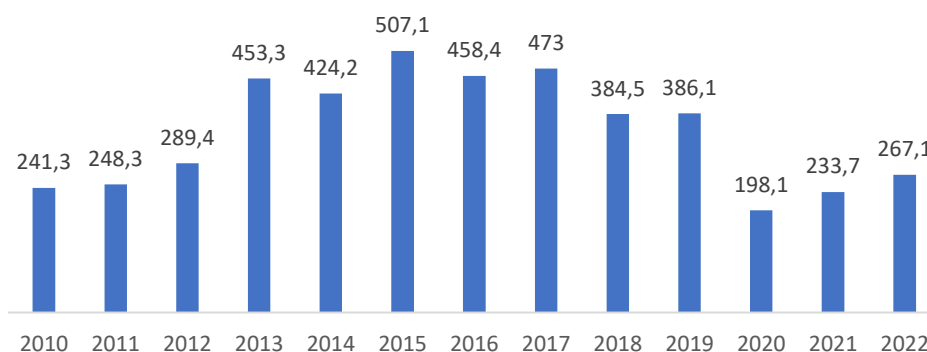
4.11.1. Carbon Footprint

External Circular 012/2022 SFC External Circular Number 7.4.1.3.2. Practices, policies, processes, and indicators related to environmental and social criteria implemented by the issuer; Annex 2, Section 5.1.2. Information related to climate issues, in terms of the recommendations of the Task Force for Climate-Related Financial Disclosures (TCFD), or any framework or standard that replaces it. TCFD / Metrics and Targets

A key activity within our sustainable practices program is the annual inventory of greenhouse gases, commonly referred to as the Organizational Carbon Footprint. This measurement helps to identify CO2 equivalent emissions produced throughout the entire operational cycle and service delivery.

Since 2010, we have measured the carbon footprint of our activities and compensated for emissions through various mechanisms, such as tree planting and the purchase of carbon credits. Below is the historical data of our annual measurements:

Graph No. 10: Evolution of Findeter's carbon footprint (TonCO2eq)



Source: Findeter, 2023

In 2022, the result was 267.1 tonCO₂eq against a target of 480 tonCO₂eq; the outcomes were due to the use and recharging of fire extinguishers, the use of fossil fuels in power plants, refrigeration equipment usage, electricity consumption, corporate flights, ground transportation, consumption of stationery supplies, and waste generation.

We observed a slight increase in the carbon footprint measurement for 2022 compared to 2021, due to the gradual return to on-site work, which involved an increase in energy consumption and business flights. These two sources of emissions historically contribute the most to the organization's carbon footprint, accounting for 93% in 2022.

The 267.1 tons of CO₂eq emitted in 2022 were successfully offset by purchasing 268 carbon credits, which were retired in favor of Findeter from the REDD+ PAZCÍFICO Project.

We stand out as an organization with an active corporate sustainability strategy, experienced in planning and executing environmental policies and programs that promote the efficient use of resources. This is reflected in the historical downward trend in organizational carbon footprint results, due to the implementation of environmental programs, energy-saving campaigns, changes in fire extinguishers, digital transformation, and waste utilization.

4.11.2. Positive Impact on Biodiversity: Tree Planting

TCFD / M and T

We utilize an Environmental Aspects Identification and Impact Valuation Matrix, a tool through which we analyze the development of our activities and their impact on natural conditions throughout the service lifecycle, prioritizing based on the importance and/or significance of the impacts.

Specifically concerning contributions to biodiversity, we have a significant and positive impact due to investments and allocation of resources for conservation, preservation, and recovery projects within our Sustainable Practices environmental program. As a clear example, we highlight our projects for the restoration of the Amazon rainforest, where we have planted approximately 4,769 trees, and in the savanna of Bogotá, where we planted around 1,288 trees over the last five years.

In 2023 specifically, we conducted a tree planting day, planting 1,100 trees which contributed to two restoration and conservation projects: the Cerro Majuy Project near Tenjo (Cundinamarca) and the Wihbora Nuku Project in the Great Indigenous Reserve of Ziora Amena in the Amazon Rainforest. These projects have had positive impacts on biodiversity such as:

- Enhancing connectivity in fragmented forest areas, thereby strengthening biological corridors as transit sites for avifauna and other wildlife species.
- Forest enrichment with mixed-use species.

- Restoration and strengthening of interactions between fauna and flora species.
- Climate regulation: mitigating the likelihood of extreme events, which would threaten the balance of ecosystems and, therefore, lead to biodiversity loss.

4.12. Partnerships and Associations

GRI. 2-28, 3-3(Relationship Strategy; (SDG 17)

In 2023, Findeter formed partnerships with various organizations that contribute to the fulfillment of our mission:

- In November 2023, we joined the Cooperation Agreement of the China-Latin America Association of Development Financial Institutions. Through this affiliation, we seek to access credits under competitive conditions, as well as non-reimbursable cooperation resources and technical assistance from the China Development Bank.
- Starting on August 7, 2023, we collaborated with development banks from Bolivia, Brazil, Colombia, Ecuador, Peru, and Suriname under the International Pioneer Partnership Agreement, mobilized by the Inter-American Development Bank (IDB) and the Brazilian Development Bank (BNDES). This partnership aims to carry out collaborative, synergistic, and complementary sustainable development initiatives with unprecedented scale and impact for the Amazon region.

The launch of this partnership took place in August 2023 during the Fourth Summit of Amazon Countries held in Belem do Pará by the Amazon Cooperation Treaty Organization (ACTO), where we signed the joint declaration of the Green Coalition of Development Banks.

- On December 1st, we formally signed the agreement for the Green Coalition, as well as its operational manual.

We have also maintained and strengthened relations with international organizations such as:

National Development Banks:

- Agence Française de Développement (AFD)
- Kreditanstalt für Wiederaufbau (KfW)
- China Development Bank (CDB)

International Cooperation Agencies:

- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)
- Basque Business Development Agency (SPRI)
- Abu Dhabi Fund for Development (ADFD)
- Netherlands Enterprise Agency
- United States Agency for International Development (USAID)

Governments and Official International Institutions:

- Government of the United Kingdom
- Government of Germany
- Government of the Netherlands
- Instituto de Crédito Oficial (ICO)
- European Union (EU)

Multilateral Organizations and Multidonor Funds:

- Inter-American Development Bank (IDB)
- European Investment Bank (EIB)
- Development Bank of Latin America (CAF)
- World Bank Group (WBG) – Including MIGA and IFC
- Central American Bank for Economic Integration (CABEI)
- Green Climate Fund (GCF)
- Latin American Association of Development Financing Institutions (ALIDE)
- NAMA Facility
- United Nations Office for Project Services (UNOPS)

Non-Governmental Organizations:

- Green Climate Initiative (GCI)
- The Palladium Group
- RTI International
- TCX Fund

International Commercial Banks:

- JPMorgan Chase
- Banco Bilbao Vizcaya Argentaria (BBVA)
- Citibank
- Bank of America – Merrill Lynch

4.13. Economic Value Generated and Distributed

(201-1)

Illustration No. 22: Economic Value Generated and Distributed in 2023



Source: Findeter

The direct economic value generated and distributed for the fiscal year 2023 amounts to COP 2,091,476 million. A key component is the economic value distributed, which showed a decrease in performance compared to 2022 by COP 772,674 million, caused by the increase in operational costs due to the behavior of indexed rates and the impact associated with the valuation of derivatives.

There was also an increase in other taxes due to regulatory factors and a higher volume of operations. Similarly, supplier costs showed an increase associated with inflationary trends, and employee costs rose due to salary increases established, along with new conventional benefits agreed upon in 2022. Finally, the retained economic value increased by 57.48%, leveraged by core business activities that demonstrated optimal performance throughout the year.

4.14. Findeter’s Contribution to the SDGs

We align positively with the 2030 Agenda. The concept of sustainability is embedded in the company’s vision and mission, which is reflected in both internal and external actions.

According to the study “Mapping of Findeter’s Strategic Alignment with the SDGs,” conducted by the Center for Sustainable Development Goals for Latin America and the Caribbean (CODS) at Universidad de los Andes, out of the 17 SDGs, ten (10) have a direct impact on achieving the goals set for each SDG; five (5) have an indirect impact; for two, it is recommended to make more visible the actions that are in place if any. Thus, it is possible to conclude whether there is an impact on SDG 2 (Zero Hunger) and SDG 14 (Life Below Water).

Illustration No. 23: General Assessment of Findeter’s Alignment with the 2030 Agenda

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Impacto Indirecto Negativo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No se sabe, se necesita mas información	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: “Mapping of Findeter’s Strategic Alignment with the SDGs” document - Center for Sustainable Development Goals for Latin America and the Caribbean (CODS), Universidad de los Andes.

4.15. TCFD Recommendations (Task Force on Climate-Related Financial Disclosures)

GRI.201-2

External Circular 012/2022, Section 7.4.1.3.2. Practices, policies, processes, and indicators in relation to the environmental and social criteria implemented by the issuer; Annex 2, Section 5.1.2. Information related to climate issues, as per the recommendations of the TCFD. TCFD / Governance / Strategy / Risk Management / Metrics and Targets.

As a Group A issuer registered with the National Registry of Securities and Issuers (RNVE) and in response to the Competitive Business Program and Circular 031 of 2021 SFC led by the Ministry of Finance and Public Credit, we include information on our climate change management and performance in accordance with the recommendations of the Task Force on Climate-Related

Financial Disclosures (TCFD). The disclosure is based on four fundamental dimensions: governance, strategy, risk management, and metrics and targets.

We are committed to and aligned with compliance with the IFC's Performance Standards, as well as the standards of the Green Climate Fund and the IDB on gender issues, and the guidelines of the TCFD and the Financial Superintendence of Colombia on climate change issues.

1. Governance Dimension

This section aims to demonstrate how Findeter's defined governance structure recognizes and aligns with climate issues, its management, and control.

Transversely, the governance system and all areas of the Entity are designated to be in charge of the management and strategic decision-making regarding climate change and sustainability. To provide an initial description of the roles of the board of directors and senior management in relation to these issues in Findeter's current organizational structure, the relevant areas are:

(See organizational chart in section 1.1 Organizational Structure)

Firstly, it is worth noting that our organizational chart was modified in March 2023. Recognizing the importance and significance of climate and sustainability issues, we decided to create a Sustainability Directorate under the Financial VP, in order to establish a specific and specialized team of sustainability experts, with clear functions and responsibilities, to facilitate the inclusion and consolidation of these issues within the organization.

Table No. 35: Roles of Different Bodies in Relation to Climate Change and Sustainability

Areas	Role in Climate Change and Sustainability Management
Shareholders' Meeting	Validate Results
Board of Directors	Provides guidelines and follows up on the strategy and compliance with indicators.
CEO	Ensures results through the development of strategies aimed at meeting the objectives in terms of climate change and sustainability.
General Secretary	Responsible for leading the strategies of administrative management, human talent management, legal management and contractual management. On the other hand, he is also in charge of the six vice presidencies: commercial, financial, risk, operations, planning and technical, which are responsible for leading the planning, execution, evaluation, control and monitoring of the programs under his responsibility.
Communications and Social Responsibility Management	Management and development of internal and external stakeholders.
Risk VP	Ensures adequate management of corporate and business risks, including climate change. Environmental and social risk assessment in projects. SARAS.
Planning VP	Leads the internal eco-efficiency strategy, leads and consolidates the different reports that Findeter must comply with in terms of climate change and sustainability.
Financial VP - Sustainability Management	Defines and manages sustainable funding alternatives, and participates in the structuring of thematic bond issuance processes. Formulates the sustainability strategy and ensures the management of the strategy in a comprehensive manner. In

Areas	Role in Climate Change and Sustainability Management
	In addition, he/she will have the role of reporting on compliance with the different standards.
Commercial VP	Creates and manages products and lines of credit with environmental, social and sustainability focus that contribute to climate change mitigation and adaptation.

Source: Findeter

To fulfill its responsibilities, the board of directors receives advice and support from the following committees: the Audit Committee, the Asset and Liability Committee (ALCO), the Corporate Governance Committee, and the Credit Support Committee. These committees serve as filters and reinforce the objective analysis of decisions that are the purview of the board; they provide periodic reports to the board on the progress of their activities.

Specifically, in matters related to climate change and sustainability, the Corporate Governance Committee acts as a management support body for the board’s governance of Findeter; it discusses ESG (Environmental, Social, and Governance) topics, with a particular emphasis on ‘Governance.’ Its purpose is to recommend systems for the adoption, monitoring, and improvement of practices within the organization and other duties as assigned by its regulations.

Additionally, the Audit Committee’s role is to support the board in decision-making related to the control and enhancement of the internal control system. Among other functions related to overseeing climate-related risks and opportunities, the Audit Committee is responsible for:

TCFD /G

“Presenting to the Board of Directors proposals related to the responsibilities, powers, and limits assigned to various roles and areas concerning the administration of the internal control system (ICS), including risk management.”

“Preparing the report that the Board of Directors must present to the highest governing body about the operation of the ICS, which must include, among other aspects, the process used to review the effectiveness of the ICS, with explicit mention of aspects related to risk management.”

“Approving the entity’s annual audit plan presented by the chief of internal control, or their equivalent, making suggestions and following up on recommendations resulting from the execution of the plan in accordance with the audit statute, based on prioritizing critical issues according to the administration’s risk management.”

Senior executives oversee the progress of strategic objectives, including those related to climate and sustainability, through internal management committees. The committees and working groups related to these issues include:

Table No. 36: Internal Committees

Presidential Committee	This committee is comprised of Findeter’s executive team and aims to serve as a consultant, advisor, and overseer of the policies, general objectives, and actions of the entity. This committee meets at least twice a month to monitor the strategy.
	This is a legally established committee tasked with supporting the Board of Directors and the Presidency of the institution. It focuses on defining, monitoring, controlling, and implementing appropriate policies, procedures, and mechanisms for risk management and administration. It also addresses the prevention of money laundering and the financing of terrorism in Findeter’s activities, establishing mechanisms for monitoring, control, and prevention.

<p>Risk and ALCO (Asset and Liability Committee)</p>	<p>Our Risk and Asset and Liability Committee has taken on the roles defined within the framework for the Sustainable Bond Committee, aiming to monitor guidelines, particularly those related to managing the portfolio of projects eligible under the criteria of the bonds. It tracks indicators such as the use of sustainable funding resources and compliance with sustainable bond principles.</p>
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Source: Findeter

Through the project of structuring the Sustainability Directorate, we have identified the status of our governance model related to climate issues, and we have recognized the gaps and challenges we face. To address these, we are developing an action plan and a roadmap that will allow us to evolve and formalize our governance model, especially by the Board of Directors and the responsibilities of senior executives in the assessment and management of risks and opportunities in sustainability and climate change.

Key actions on our roadmap towards consolidating the sustainability strategy include: the creation of the position of sustainability manager in the financial vice-presidency and the definition of the sustainability management model, the creation and formalization of the sustainability committee, raising awareness among the Board of Directors and the presidency about the importance of sustainability-related issues, generation of periodic reports including sustainability and climate issues, to be taken to the Board of Directors for decision making, training and institutional strengthening on issues related to sustainability and climate change.

- **Compensation and Incentive System**

TCFD / G

The senior executives at Findeter receive a strategic variable premium based on the achievement of objectives defined in the entity’s strategic plan. This includes both financial and non-financial performance indicators. Among the non-financial indicators is the development of Findeter’s sustainability strategy.

Culture and awareness are fundamental aspects of the entity’s environmental performance. Therefore, they must be reinforced through frequent educational campaigns. For example, the Findeter Miles program supports campaigns that encourage employees to adopt good environmental practices in their activities, rewarding those who demonstrate willingness and interest in adopting these practices and aligning them with their daily tasks at the entity.

Recent campaigns include “Recycle to Win”; Trivia on the entity’s environmental management; and Didactic Challenges involving waste separation. Winners of these campaigns receive incentives such as days off, movie tickets, and food vouchers.

- **Training and Education**

TCFD / G.

Human capital is Findeter’s main driver for implementing and developing the sustainability strategy. Therefore, we develop training programs on sustainability, climate change, ESG, green finance, and environmental and social risks.

Highlighted courses include: Green, social, and sustainable bonds in Latin America provided by the Climate Bond Initiative and the Inter-American Development Bank (IDB); A course funded by the UK PACT Colombia program from the United Kingdom, led by the Regional Center for Sustainable Finance (CFS) at the Universidad de los Andes on “Preparing the public and financial sector for climate transition risk.”

Other aspects considered for these trainings include sensitivity and training in diversity, equity, and inclusion, annual risk management training, environmental awareness sessions, training on environmental impacts of projects with a focus on dredging, economic and social project evaluation, integrated risk management system (IRMS) training, a program from social responsibility to organizational sustainability, and strengthening the individual and collaborative capabilities of Findeter's social responsibility team to design, implement, and evaluate due diligence exercises.

2. Strategy Dimension

Within our corporate strategy, we integrate sustainable development components as part of our mission as a financier of social infrastructure in Colombia. For the 2019-2022 period, we established a "Flight Plan - Corporate Strategy," with the following components:

- Mission: To be the government's partner for sustainable projects.
- Vision for 2022: To be the national banking leader in sustainable development.

For the 2023-2026 period, we updated our strategic plan "Transforming Territories," in which we defined our main purpose: To improve the quality of life for the most needy Colombians. Additionally, we updated our strategic vision: by 2026 we will be recognized as the development bank that contributes to territorial strengthening and financial inclusion through sustainable and innovative solutions.

TCFD / E

The four focuses of the strategy are: 1. Socioeconomic gaps and regional inequalities, 2. Climate change adaptation and energy transition, 3. Social responsibility and financial balance, and 4. Human talent and organizational culture open to change. Within the focus on climate change adaptation and energy transition, we emphasize promoting projects that contribute to environmental sustainability, energy transition, green taxonomy, climate change adaptation, and a fair transition.

We also conducted an analysis and prioritization of material sustainability topics, including:

- Environmental Dimension: Volunteering, climate risks, impact measurement, and circular economy.
- Social Dimension: Human rights, organizational culture, impact measurement, inclusion and financial education, social infrastructure, and stakeholder engagement.
- Economic Dimension: Transfer of territorial capacities, information management, impact measurement, supply chain, and responsible finance.

In line with this, in the second half of 2023, we began to develop and consolidate our sustainability strategy up to 2040, based on an updated materiality analysis for the 2023-2026 period, a gap analysis and diagnosis of sustainability practices, and external benchmarking to recognize main trends of reference development banks for Findeter.

Our strategy will contain management dimensions and action focuses in line with the global 2030 agenda and the concept of sustainable development. Each of the strategic action focuses defined in our sustainability plan will be translated into short, medium, and long-term corporate objectives, providing clear strategic direction for sustainability at the entity.

- **Management Policies**

Regarding management policies related to sustainability and climate change, we currently have the Corporate Governance Code, mentioned in section 4.6 of this report.

- **Business Opportunities Related to Climate Change**

We have the capabilities to finance projects in sectors directly related to climate change and have a strategy and relationships to mobilize resources from multilateral banks and other funding partners that finance green and sustainable projects.

We have successfully expanded our portfolio of products and services aimed at facilitating our beneficiaries' contributions to climate change. We currently offer credit lines with a climate, environmental, social, and sustainability focus, with specific access conditions depending on the funding or specific sector requirements. We are the bank financing sustainable infrastructure in the country, focusing credits on sectors that positively impact territories, including compensated rate lines and direct loans with eligibility criteria that allow us to increase our green portfolio.

Among the sectors we highlight as main contributors to the increase in the green portfolio are: energy efficiency, sustainable transport, renewable energies, waste management, urban development, clean production, and green markets, environmental risk protection and management, among others.

In section 5.2 Financing (Structuring and implementation of credit lines) of this report, the credit lines created in 2023 are detailed, presenting them as business opportunities related to climate change.

- **Risks Related to Climate Change**

Regarding physical and transition risks associated with climatic events, we have an Emergency and Contingencies Plan. Additionally, environmental risks identified by Findeter that are controlled and mitigated through the WRM application are listed below:

Table No. 37: Environmental Risks Identified by Findeter

Risk	Inherent risk level	Residual risk level
Inefficient use of water consumption due to consumption habits	High	Medium
Inefficient use of water consumption due to inadequate equipment	Medium	Medium
Pollution of the environment due to waste management	High	Unusual
Inefficient use of paper consumption due to consumption habits	High	Medium
Inefficient use of electrical energy due to consumption habits.	Medium	Low
Impossibility of access to the entity's facilities.	High	Unusual
Increased carbon footprint	Medium	Low
Processes that do not comply with legal requirements	Medium	Medium
Facilities affected by fire, flood, hailstorm, thunderstorm, fuel or chemical leakage.	Extreme	Unusual
Inefficient use of electrical power due to inadequate equipment	Low	Unusual
Leaks or spills of chemicals	Low	Unusual
Contamination of COVID-19 facilities.	Medium	Medium

Source: Findeter

Additionally, we utilize an environmental legal requirements matrix and an identification and assessment of environmental impacts matrix, where the applicable regulations for the entity are consolidated along with control measures and programs for mitigating and reducing the likelihood of risk materialization. These risks are centralized in the Wynyard Risk Management (WRM) tool, where they are managed by process leaders.

The TCFD recommendations categorize climate change risks into two groups: physical risks and transition risks. In the future, we aim to establish a management framework for specific physical and transition climate change risks, detailing clear processes and metrics for identification, valuation, and control/management from a mitigation and adaptation perspective. The development of this framework will ensure its integration into the entity's current Integrated Risk Management System (IRMS).

3. Risk Management Dimension

TCFD / GR

For us, climate change risks from a credit operations standpoint are included within the institutional risk map that integrates the Management of Non-Financial Risks, consolidating: policies, stages, elements, processes, and methodologies for our integrated management in fulfilling our social and strategic objectives.

The SARINF integrates the methodology and framework policies for Operational Risk Management, Risks of money laundering and financing of terrorism - SARLAFT, and Information Security Management, including cybersecurity, personal data protection, business continuity, environmental, social, supplier, and fraud and corruption prevention.

Regarding Environmental and Social risks for credit operations, there is a possibility that a Findeter borrower could negatively impact the environment or society, which can be high. Therefore, it is necessary to identify, manage, and assess aspects related to: occupational safety, health and community safety, land acquisition and involuntary resettlement management, biodiversity conservation and sustainable management of renewable natural resources, climate change, gender, indigenous peoples, cultural heritage, and human rights.

TCFD / G / GR

For its management, we have implemented our SARAS since 2015, which aims to identify, assess, and control such environmental and social impacts generated by the projects and/or investments financed.

Non-Financial Risk Management:

TCFD / G / GR

We have the SARAS manual, approved directly by the Board of Directors, which establishes policies, tools, and methodologies for managing environmental, social, gender-related, and climate change risks of the projects or investments financed. We also have the procedure for identifying, analyzing, and monitoring environmental and social risks in credit operations SARAS (GR-PR-031).

To evaluate and measure our exposure, we collect primary and secondary information using the Environmental and Social Risk Identification Form (FIRAS), conduct field visits, interviews, and review socio-environmental documentation.

TCFD / GR

We analyze the Environmental and Social Risk Analysis Form (FARAS), categorize the risk, and include action plans to prevent risks. We prepare the E&S assessment of the project to be financed, always linked to the credit cycle with its respective verification and monitoring of the compliance with action plans (field visits).

Key Managed Risks:

- Environmental and Social Risks: An unaddressed, unmitigated, or uncompensated negative environmental impact of a financed project represents a materialized risk.
- Reputational Risk: Financing a project with materialized risks can lead to negative publicity and damage Findeter's reputation.

The implementation of SARAS is critical for Findeter because:

- **Promotes Sustainable Development**: It allows us to contribute to the development of sustainable territories, addressing environmental, social, climate change, and gender challenges in the regions.

- **Creates Added Value:** We create added value for financial intermediaries and beneficiaries by defining actions to prevent and/or mitigate the environmental and social risks of the projects to be financed.
- **Informs Decision-Making:** It is a key element in decision-making by identifying environmental, social, gender, and climate risks associated with credit operations and their potential consequences for the entity.
- **Enables Funding Access:** It enables access to funding from international banks and cooperation agencies.
- **Establishes Leadership:** It positions us as a reference entity in the financing of sustainable projects that comply with national and international environmental and/or social standards.

We conduct monthly monitoring and control, including field visits, to ensure compliance with the commitments established within the scheduled dates. This allows us to define improvement actions to prevent or mitigate potential impacts.

4. Metrics and Targets Dimension

The metrics and objectives used to assess and manage risks and opportunities related to climate change are disclosed throughout Findeter's 2023 Management and Sustainability Report.

- **Objectives from the Entity's Strategic Plan**

Table No. 38: SARAS Indicators

Indicator	Formula	Target 2023	Compliance 2023
Responsible banking principles and implementation project	Delivery of milestones set in the project	100% Define the team, objectives, functions and strategy of the sustainability department and redefine impact indicators.	100%
SARAS coverage	(Total rediscount operations evaluated using the SARAS methodology / Total rediscount operations disbursed)* 100%.	12.5%	47.6%

Source: Findeter

- **Metrics from Credit/Financing/Sustainable Bond Operations**

Qualitative and quantitative information related to sustainable bonds can be found in section 6.10 of this report.

Qualitative and quantitative details about the financed credits and opportunities related to climate change are disclosed in section 5.2 Financing, disbursements by sector, and execution of compensated rates.

- **Carbon Footprint and Environmental Compensations**

As part of our Sustainable Practices Program, we measure our corporate carbon footprint annually and compensate for 100% of the quantified greenhouse gas emissions. For more information, please refer to section 4.11.1 of this report.

- **Environmental Management**

We have an Environmental Management System (EMS), incorporated within the Integrated Management System, certified under ISO 14001:2015 since 2018. The operation of the EMS is based on our environmental policy, analysis of legal requirements, risks, and the environmental aspects and impacts generated in the development of the entity's activities, from a lifecycle perspective, managed through initiatives, programs, and activities. This ensures compliance with legal requirements, preservation of the environment, and sustainable development.

To achieve the policy and objectives of the EMS, the following environmental programs are established:

- **Water Resource Management**

In this program, we define the Per Capita Water Consumption indicator at the main office, which measures our performance in water resource management in cubic meters per employee. For the year 2023, this indicator showed an average result of 0.63 m³/person, against a target of 1.35 m³/person. We satisfactorily met our water-saving and efficient use goals, considering this indicator trends downward. This target will be adjusted in accordance with continuous improvement in the entity's environmental performance, setting a new goal of 1.15 m³/person to be achieved in 2024.

For water resource management, we implement actions or activities that support the achievement of the new targets we set each year. These actions are included in our Efficient Water Use Program, which highlights: installation of water-saving devices on faucets and toilets, preventive and corrective maintenance of the networks, review of the cyclic irrigation system in the garden, and conducting awareness campaigns for employees on environmental issues, promoting a culture of saving during brushing, hand washing, irrigation, among others.

For quantitative information regarding the various environmental programs we executed during 2023, such as "Energy Efficiency," "Efficient Use of Paper," "Integrated Waste Management," and "Sustainable Practices," please refer to section 4.11 of this report.

4.16. SASB Metrics (Sustainability Accounting Standards Board)

External Circular 012/2022, Section 7.4.1.3.2. Practices, policies, processes, and indicators in relation to the environmental and social criteria implemented by the issuer; Annex 2, Section 5.1.3. Information related to social and environmental issues other than climate: Metrics as per the SASB Standards of the Value Reporting Foundation (VRF). SASB / Data Security / Generating Financial Inclusion and Capacity / Incorporation of Environmental, Social, and Governance Factors in Credit Analysis / Business Ethics / Systemic Risk Management.

Aligned with best practices and international standards in disclosing sustainability-related information, we present the following applicable accounting parameters to the financial sector, specifically aimed at "Commercial Banks":

1. Topic: Data Security

Code FN-CB-230a.1

- (1) Number of data breaches: 0%
- (2) Percentage involving Personally Identifiable Information (PII): Not applicable
- (3) Number of account holders affected: 0

Based on the monitoring of information security and cybersecurity events, no incidents related to data breaches were identified.

Code FN-CB-230a.2 - Description of the approach to identifying and addressing data security risks:

We employ a integrated risk management methodology that includes hazards related to information security, cybersecurity, and personal data protection. This methodology defines the policies and guidelines for risk management, complying with the regulatory requirements set by the SFC and the National Government.

For further details on this aspect, please refer to section 3.4.2, SARINF System in this report.

2. Topic: Generating Financial Inclusion and Capacity

Code - FN-CB-240a.1. (1) Number and (2) amount of loans outstanding qualified for programs designed to promote small businesses and community development.

As the Development Bank for Territorial Development committed to Colombia, we plan, structure, finance, and implement projects that improve quality of life.

We focus on generating sustainable impact and strengthening administrative and management capacities in municipalities and districts of categories 3, 4, 5, and 6, through project financing. Thus, we aim to provide communities with access to opportunities and the equitable and differentiated provision of public goods and services, reducing territorial and socioeconomic gaps that fragment the social fabric.

As a strategic partner of the National Government and territories, the financial institution seeks to enhance project management and technical assistance resources efficiently, as well as generating mechanisms that allow the transfer of these capacities to the territories.

We offer comprehensive solutions that promote regional development. Through financing projects in any of their phases and providing technical advice for the design, structuring, execution, and administration of investment projects or programs.

- We support local and regional governments.
- We strengthen their planning, structuring, and execution capabilities.
- We carry out improvements to local, regional, and national infrastructure.
- We finance long-term with better credit terms and relevance.
- We achieve greater social and financial profitability.

For further details on this indicator, please refer to sections 3.4.1 Financial Risk Management System, CRMS, and 5.2 Financing (**Disbursements by type of beneficiary, disbursements in municipalities category 3, 4, 5, and 6**) of this report.

Code - FN-CB-240a.2. (1) Number and (2) amount of delinquent and non-performing loans qualified for programs designed to promote small businesses and community development.

Para For further details on this indicator, please refer to section 3.4.1, CRMS ([portfolio quality: overdue loans / gross portfolio], Distribution of portfolio by risk rating) of this report.

Code - FN-CB-240a.3. Number of no-cost retail checking accounts provided to previously unbanked or underbanked clients.

This indicator does not apply to Findeter as we do not manage checking accounts with our clients.

Code - FN-CB-240a.4. Number of participants in financial education initiatives for unbanked, underbanked, or underserved clients.

In 2023, we did not have financial education initiatives for our interest groups; implementing these will be an initiative for 2024. However, for further details on this indicator, please refer to the qualitative information in sections 3.4.2 SARINF System (SARLAFT System for clients with low levels of banking) and 5.2 Financing (Redescount credit line with compensated rate housing VIS for regional development (urban and rural), Disbursements by type of beneficiary Approvals Direct Loan Territorial Entities (Categories 4,5 and 6), Direct Loan Portfolio by Category of Territorial Entity).

3. Topic: Incorporation of Environmental, Social, and Governance (ESG) Factors in Credit Analysis

Code - FN-CB-410a.1. Commercial and Industrial Credit Exposure, by Sector:

For more details on this indicator, please refer to sections 3.4.1 Financial Risk Systems (CRMS, MRMS, LRMS) and 5.2 Financing (Rediscount Portfolio by Sector, Direct Loan Portfolio by Economic Sector) of this report.

Code - FN-CB-410a.2. Description of the approach for incorporating Environmental, Social, and Governance (ESG) factors into credit analysis:

For more details on this indicator, both qualitative and quantitative information can be consulted in the following sections: 3.4.2 SARINF System (SARAS System); 4.6 Responsible Action/Sustainability Policy; 5.2 Financing (Management of the Environmental and Social Risk System – SARAS); 6.2 Findeter in Figures (Key Indicators, Subsection 1.3: Credit analysis to calculate Findeter’s solvency); 6.1 Economic Environment (Economic Context 2023 in Retrospect) of this report.

Code - FN-CB-410a.2. Section 2 (Disclosure scope concerning commercial and industrial loans, as well as project financing).

The information related to this metric is elaborated through section 5.2 Financing of this report.

Code - FN-CB-410a.2. Section 10 (“ESG Factors in Evaluating Prospects”).

The information related to this metric is developed through section 6.1 Economic Environment (Economic Context 2023 in Retrospect), of this report.

4. Topic: Business Ethics

Code FN-CB-510a.1 - 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 laws or regulations in the financial industry:

Monetary Losses: \$0,00

We report no monetary losses related to business ethics issues. However, further quantitative and qualitative information can be expanded upon in Sections 7.8.3 Findeter Judicial Processes; and 2.2. Best Practices in Governance, Ethics, Integrity, and Transparency (Anti-Fraud and Corruption Policy, Unfair Competition).

Code FN-CB-510a.1 - Section 1: “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 laws or regulations of the financial industry”:

We have an integrated risk system that includes events related to fraud and corruption with

respective controls to manage the potential materialization of these risks.

It is important to note that no event, or alleged event of fraud or corruption involving senior management or employees of the entity, was evidenced.

- **Unfair Competition**

In the pursuit of our social objective, we are subject to the rules of competition according to paragraph 2 of article 98 of Decree Law 663 of 1993 (Organic Statute of the Financial System).

Code FN-CB-510a.1 - Section 3: (“Monetary obligations to the counterparty or others (whether as a result of an agreement or verdict after a trial or other process), including fines and other monetary liabilities incurred during the reporting period as a result of civil actions”):

The information related to this metric is developed through section 7.8.3 Findeter Judicial Processes.

Code FN-CB-510a.2 - Section 1: Description of policies and procedures for reporting irregularities:

- **Anti-Fraud and Anti-Corruption Policy**

The significance of the Anti-Fraud and Anti-Corruption Policy lies in the transparency and trust it generates among stakeholders and the population of the country regarding the actions of the entity’s employees, preserving its image and reputation.

Through the methodologies for identifying, measuring, and controlling risks, a risk profile is established by assessing the likelihood of occurrence and impact in the event of the risks materializing.

We have an Anti-Fraud and Anti-Corruption Policy, which outlines mechanisms to prevent the misuse of privileged or confidential information. We provide channels for reporting through email, telephone line, and the website, as well as a procedure that establishes the treatment in the event of the materialization of fraud and corruption events.

Additionally, the Code of Ethics and Integrity outlines the principles and commitments governing the actions of directors and employees towards different stakeholders. It includes conflict of interest policies with respective instances determining the existence or absence of impediment, policies for handling gifts and invitations, donations, and a prohibition on participating in and financing political campaigns.

We also have the following instruments incorporated into the Integrated Management System – IMS:

- Code of Ethics and Integrity (PES-DA-010)
- Procedure for reporting and following up on events of fraud and corruption (GR-PR-020)

For more information on this indicator, please refer to the qualitative information in Section 2.2. Best Practices in Governance, Ethics, Integrity, and Transparency (Anti-Fraud and Corruption Policy).

5. Topic: Systemic Risk Management

Code FN-CB-550a.1 - Score in the Global Systemically Important Bank (G-SIB) Assessment, by Category

The Financial Superintendence of Colombia (SFC) annually publishes a list of systemically important entities based on a methodology that includes at least the following categories: size, interconnectedness, substitutability, and complexity. For the year 2023, the SFC recognizes

Bancolombia, Banco Davivienda, Banco de Bogotá, and BBVA Colombia as systemically important entities in Colombia.

According to the External Circular Letter no. 70 dated November 23, 2023, Findeter's Systemically Important Entities (SIE) indicator is 0.023. Here is the link to access this information: <https://www.superfinanciera.gov.co/publicaciones/10112934/normativanormativa-generalcirculares-externas-cartas-circulares-y-resoluciones-desde-el-ano-cartas-circularescartas-circulares-10112934/>

Code FN-CB-550a.2 - Description of the approach to incorporating the results of mandatory and voluntary stress tests into the planning of capital adequacy, long-term corporate strategy, and other business activities.

According to Chapter XXVIII "Rules Relating to the Stress Testing Scheme (EPR)" of the Basic Accounting and Financial Circular (External Circular 100 of 1995) from the Financial Superintendence of Colombia, the scope of application is given to banking establishments, financing companies, financial corporations, and cooperatives, on an individual or consolidated level. For this reason, this stress testing scheme does not apply to Findeter.

5. COMMITMENT TO TERRITORIAL DEVELOPMENT AND STRENGTHENING

5.1 Technical Assistance

Through technical assistance, we support our strategic partners in achieving the goals of their defined and prioritized programs and projects, conducting necessary activities for technical, administrative, financial, accounting, social, environmental, and legal monitoring in the pre-contractual, contractual, and post-contractual stages.

For the implementation of our technical assistance, we define the scope of activities to be performed and the associated costs. These costs include, among other components:

- The management of resources through fiduciary schemes, where applicable.
- The proposed management team and all personnel required for the development, execution, and monitoring of activities in the pre-contractual, contractual, and post-contractual stages, as applicable.
- The cost of required visits for service provision and correct project execution, where applicable.
- The interdisciplinary team at the central and regional level required for the development of the inter-administrative contract (covering legal, financial, technical, administrative, social aspects, among others), the executive team of Findeter for the development of the committees of the collegiate bodies of the trust funds. This also includes the costs of dedication corresponding to professionals from other areas supporting the Technical VP, as well as the costs associated with salary payments and social benefits for the personnel to be hired.
- The indirect costs incurred and other normal operating costs of the entity.

The value and payment method for Findeter's remuneration for providing technical assistance services are agreed upon during the negotiation process of the technical and economic proposal with the strategic partner and are established in the inter-administrative contracts. Payment for technical assistance can be agreed upon in one of the following ways:

- Periodic or for fixed costs.
- Variable and associated with the achievement of milestones established between the parties, such as progress in project development or specific deliverables.

5.1.1 Technical Assistance Execution

GRI 3-3 (Material Topics: Transfer of capacities to territorial entities; Measurement of environmental, social, and economic impacts; Social infrastructure; Relationship strategy and People's Economy). (SDG-4; SDG-6; SDG-10; SDG-11; SDG-12; SDG-13); Circular 012 of 2022 – Section 7.4.1.1.1. Description of the issuer's business purpose. (ii) The activities, products or services generating revenue and (iv) The development of new products or services, their improvements, demand conditions, and competitive conditions. Section 7.4.1.3.2. Practices, policies, processes, and indicators related to the environmental and social criteria implemented by the issuer. TCFD / Metrics and Targets

Through our technical assistance product, we continue to be the strategic partner of the National Government in the implementation of policies, programs, and projects derived from its commitment to the progress and development of communities, transformation of territories, and improvement of

the quality of life of Colombians, especially those located in municipalities classified in categories 3, 4, 5, and 6, where we direct our efforts in a focused manner to maximize our positive impact.

From Findeter, we have made significant efforts to reach these territories and involve the communities, understanding that this process can have a multiplier impact on improving the quality of life of their inhabitants. This approach not only covered urban areas but also rural zones, recognizing the diversity of challenges at different levels and characteristics faced by municipalities.

This commitment, backed by a comprehensive vision of sustainable development, seeks not only to drive economic prosperity but also to strengthen the social and cultural foundations that constitute the fabric of our communities. In this way, we consolidate our role as agents of change, promoting inclusion and equity in every corner of Colombian territory.

Economically, Findeter's execution has generated employment opportunities, fostered local entrepreneurship, and strengthened the economic base of municipalities. The National Government's strategic investment in productive projects has paved the way for sustainable growth, providing these communities with the necessary tools to build a future with better opportunities. Additionally, environmental sustainability has been a key focus, with initiatives that promote the responsible use of natural resources and the implementation of green technologies.

Thus, in 2023, we advanced in the contractual management, execution, and settlement of 534 projects in vital sectors such as drinking water and basic sanitation, sports and recreation, urban and housing development, education, energy, productive strengthening and development, environment, health, telecommunications, and transport, generating social impact throughout the national territory, with an approximate investment of COP 3.3 trillion.

Table No. 39: Technical assistance projects by sector in 2023

Sector	Number of projects	Project Value (COP Millions)
Drinking water and basic sanitation	78	1,009,764
Sports and recreation	136	159,847
Urban development and housing	137	775,993
Education	108	320,434
Energy	4	3,919
Strengthening and productive development	18	40,399
Environment	5	21,663
Health	3	5,822
Telecommunications	7	30,987
Transportation	38	927,419
Total	534	3,296,247

Source: Findeter, December 31, 2023.

For the water and basic sanitation sector, we managed 78 projects for the design and construction of aqueducts, sewerage systems, drinking water treatment plants, and wastewater treatment plants, in partnerships with entities such as the Ministry of Housing, City, and Territory (MVCT), the Rural Development Agency (ADR), the Municipality of Jamundí, and the National Unit for Disaster Risk Management (UNGRD).

In the sports and recreation sector, we advanced the management of 136 projects, which included the design and construction of recreational-sports parks and sports venues, such as courts, stadiums, and multi-sports complexes, derived from inter-administrative contracts signed with the Ministry of Sports, among others.

Regarding the housing and urban development sector, we had 137 active projects for diagnostics, construction and rehabilitation of housing, design and construction of administrative infrastructure, for security and justice, and development of comprehensive neighborhood improvement projects. These projects were executed within the framework of contracts and agreements signed with national entities and territorial entities such as: the Ministry of Housing, City, and Territory (MVCT), the Ministry of Labor, the National Institute of Legal Medicine and Forensic Sciences, the Colombian Institute of Family Welfare, the National Unit for Disaster Risk Management (UNGRD), Crafts of Colombia, the District Secretariat of Security, Coexistence and Justice, and the Secretariat of Environment of Bogotá.

Furthermore, in the education sector, we advanced 108 projects for the design and construction of infrastructure for early childhood, primary, secondary, non-formal education such as houses for children and youth, and work training infrastructure. Some of the entities with which the partnerships were signed included: the National Ministry of Education (MEN), the Ministry of Housing, City, and Territory (MVCT), the Colombian Institute of Family Welfare (ICBF), the National Unit for Disaster Risk Management (UNGRD), and the National Learning Service (SENA).

In the energy sector, we advanced in the management of consultancy projects with the Ministry of Housing, City, and Territory (MVCT), the Agency for Territory Renewal (ART), and the municipality of Cúcuta.

For the environment sector, we had 5 active projects for the dredging of reservoirs, mitigation works, and waste management within the framework of inter-administrative contracts signed with the National Unit for Disaster Risk Management (UNGRD), the National Institute of Roads (INVIAS), the Ministry of Housing, City, and Territory (MVCT), and the Ministry of the Interior.

In the health sector, we developed 3 projects for hospital infrastructure, with facilities for basic, medium, and high complexity care, under inter-administrative contracts signed with the Department of Risaralda, the municipality of Cúcuta, and the Agency for Territory Renewal.

With the Ministry of Information and Communications Technologies (MINTIC), we strengthened our partnerships by executing 7 projects focused on enhancing e-commerce and connectivity for traders and non-traders across the country.

Regarding the transport sector, we managed 38 projects nationwide for the design and construction of primary, secondary, and tertiary roads, bridges, airport, management of railway infrastructure, and dredging projects to ensure the navigability of the Magdalena River. The agreements were derived from inter-administrative contracts signed with the Civil Aviation (Aerocivil), the National Infrastructure Agency, the Autonomous Regional Corporation of the Great Magdalena River (Cormagdalena), the National Institute of Roads (INVIAS), the Government of Sucre, and the municipalities of Cúcuta, Palmira, and Villavicencio.

With these projects, we have significantly increased connectivity, with infrastructure that has improved roads, bridges, and local connection systems, which not only facilitates access to essential services but also drives economic development by more effectively connecting urban centers with rural areas.

In alignment with the national government's approach, from Findeter we managed 18 projects in the sector of productive strengthening and development, in partnerships with entities such as the Ministry of Culture and the Ministry of the Interior.

Additionally, as a result of new partnerships consolidated with national and territorial entities, at the end of 2023 we had 310 projects in the pre-contractual stage, that is, in structuring preliminary studies, calls, or perfection and legalization, for a value of COP 3.4 trillion.

In this consultancy stage for project execution, there are initiatives for the construction of aqueducts, sports venues, parks, infrastructure for security and justice, housing improvement, comprehensive neighborhood improvement, productive projects, dredging of the Magdalena River, design and construction of educational infrastructure for basic levels, primary, secondary and higher education, and design and construction of roads, bridges, and transport terminals.

Table No. 40: Technical assistance projects resulting from new partnerships with national and territorial entities 2023

Sector	Number of projects	Project Value (COP Millions)
Drinking water and basic sanitation	10	72,151
Sports and recreation	68	159,333
Urban development and housing	71	142,239
Education	109	1,232,213
Strengthening and productive development	23	156,430
Environment	2	3,731
Telecommunications	5	222,688
Transportation	22	1,481,341
Total	310	3,470,127

Source: Findeter, December 31, 2023.

In order to continue consolidating ourselves as the strategic partner, in March 2023, the Technical VP adjusted its organizational structure to address all the sectors previously mentioned and to expand its field of action. The most significant changes are in the management areas, with the adjustment of their names, lines of action, and the transformation of the Directorate of Special Projects into the Transport and Mobility Management.

The Territorial Development Management, formerly the Housing and Urban Development Management, is the business line responsible for executing the projects defined with strategic partners in housing, as it has traditionally been doing, and extends its scope of action to the health and urban development sectors directly associated with housing development projects.

The Environmental Management, formerly the Water and Basic Sanitation Management, develops projects framed within the sectors of water and basic sanitation, environment, energy, and productive development and strengthening.

Regarding Infrastructure Management, it continues to serve a variety of sectors that develop consultancy and vertical infrastructure projects, such as education, telecommunications, housing and territorial development, transport, health, and productive development and strengthening.

The Transport and Mobility Management is the newest under the Technical VP and is focused on addressing projects in the transport sector, with the design and construction of road infrastructure and related works.

Thus, from each of our managements, we execute projects with which we seek to strengthen local infrastructure in each of the sectors served, such as promoting environmental sustainability, improving the efficiency of public services, and stimulating economic activity. The efficient development of the projects has allowed us to maximize the impact of the Technical Assistance, creating a domino effect in the overall improvement of the quality of life of the benefited communities.

- **Territorial Development**

Through our Territorial Development Management, we primarily focus on the housing line, where we carry out comprehensive neighborhood improvements and the upgrading and construction of housing. In the health line, we undertake the renovation and construction of health centers. In all our projects and programs, we act as strategic partners of the national government and territorial entities for the planning, structuring, financing, and execution of sustainable initiatives that transform territories.

The progress achieved in managing projects and programs since 2002, with entities from the Ministry of Housing, City, and Territory (MVCT), allows us to remain a key player in the execution of public policy and consolidates us as the strategic partner of the National Government in achieving the goals set in that sector, fostering better living conditions in Colombian households.

During 2023, we managed to consolidate the supervision process for the “Cambia Mi Casa” program with urban and rural housing improvements. Additionally, we began supervising the “Barrios de Paz” program (formerly, comprehensive neighborhood improvement) and continued with the New Housing, “VIPA”, and “PVG2” programs. We also supported the design of the Risaralda Hospital and the Cúcuta Polyclinic, projects that are projected to be completed in 2024.

During 2023, we achieved the following significant milestones and institutional accomplishments in our management:

- **Phase 2 Free Housing Program (PVG2):**

- We initiated the closing process of the PVG2 program, supervising the last projects in execution (4 projects), of which 2 were in the certification stage and 2 in the execution stage.
- We issued 95 existence certificates in 3 projects for a total of COP 7,714 million.
- We conducted construction supervision for 4 projects valued at COP 51,142 million, comprising a total of 723 homes.
- We performed follow-up on 35 projects selected under the private scheme, totaling 6,399 homes, of which 6,336 existence certificates had been issued by the time of this report.
- We completed the delivery of finished projects: i) Villa Juliana in Puerto Carreño (Vichada) and ii) Urbanización Circunvalar del Piñal in Quibdó (Choco).

- **Priority Interest Housing for Savers Program (VIPA):**

- We started the closing process of the VIPA project supervision program, with the supervision of the last 15 active projects; 10 in the certification stage and 5 in the construction execution stage.
- We issued 542 existence certificates in 11 projects.
- We advanced construction supervision for 5 projects (totaling 3,333 homes); 3 completed construction in 2023 (totaling 2,275 homes) and 2 are still under supervision.
- We continued follow-up on 156 projects selected within the VIPA Program, totaling 67,562 homes. To date, 67,172 existence certificates have been issued, with 390 homes remaining to be certified.
- We completed supervision tasks for 9 projects (totaling 1,580 homes).

- **Comprehensive Neighborhood Improvement Program (MIB):**

- In 2023, we signed 2 technical assistance and resource management contracts with the Ministry of Housing, City and Territory for the supervision of 7 comprehensive neighborhood improvements and 20 public space projects within the “Barrios de Paz” program:
- **Interadministrative Contract No. 4334 of 2022 with the Municipality of Cúcuta for the studies and designs of the Medium Complexity Hospital Imsalud Cúcuta.**
 - We delivered the following products: 1. Prefeasibility (October 5, 2023) 2. Concept of phase I prefeasibility approved by the supervisory body 3. Delivery of the document called installed capacity to complement the prefeasibility study, which according to the established commitments was being coordinated with the Departmental Institute of Health, the secretaries of health and infrastructure, and Imsalud (December 11, 2023).
- **Rural Housing Improvement Program – Cambia Mi Casa**
 - The Cambia Mi Casa program was formulated by the National Government to consolidate urban and rural housing improvement policies to meet the needs of Colombians to improve their homes and thus reduce the qualitative deficit.
 - In July 2023, we signed contract No. F10 of 2023 with Fiduagraria to support the management of housing improvement projects. Through this contract, supervision services will be provided to the auditing of selected projects, in two phases: technical structuring, diagnostics, and execution of improvement works, for 1,870 improvements in 10 municipalities of the program that is part of the public policy of the Ministry of Housing, City, and Territory.
- **Urban Housing Improvement Program**

This program, established by the National Government, aims to reduce the qualitative deficit and improve the living conditions of vulnerable Colombians by enhancing sanitary conditions, public services, and the structural quality of the benefited homes.

In developing this initiative, we supported the initiation of housing improvement projects, providing technical assistance for the development of selected projects in two phases: categorization and diagnostics, and execution of improvement works.

- We supervised the management of 33 construction contracts managed in 2023 under inter-administrative cooperation agreements with various municipalities across the country. Of these contracts, 10,552 housing improvement slots have been awarded for execution.
- During the registration and application stage for households, we provided territorial entities with a web platform where interested parties can carry out the registration and application process for households benefiting from the program, based on the requirements set by the Ministry of Housing, City, and Territory and the form designed by this entity. As of December 31, 2023, we have 40,282 households registered in the system, with 24,794 households enabled to continue with the subsidy allocation and improvement work execution process.
- Precontractual stage: We developed a document of preliminary studies and terms of reference that was approved by the Digna Casa Trust for the calls in Tunja, Buenaventura, and the World Bank’s audits that were published in 2023 for the contracting of the auditing that includes the execution of housing improvement works.

- **Technical Assistance for the Reconstruction of Providencia**

Under the service contract for technical assistance and resource management No. 9677-Saipro-127-2021, framed by the disaster declaration for Hurricane Iota and aligned with the latest version of the Damage Assessment and Needs Analysis (EDAN), the number of homes to be rebuilt and rehabilitated on the islands of Providencia and Santa Catalina was determined by the estimated budget for the total execution of the project.

- As of December 31, 2023, 100% of the shelter-type homes have been reconstructed. It is important to note that of the 330 homes, management efforts are ongoing for 3 homes to achieve satisfactory receipt by the families as the final beneficiaries, effectively achieving 99.02% completion, as follows:

1. **Reconstruction** (1,066 Interventions): corresponds to the Shelter Type Housing (T2 and T4) and the Lot-Adjusted Housing - VAL (RP and T5).

As a result of a participatory process with the community and according to the conditions of the land, the homes were chosen among the following typologies:

- a. **Shelter Type Housing, (T2 and T4) – 330 Home Interventions.**

The scope for these interventions was the construction of pile-type foundations with ballasts, steel structural elements (columns, beams, inter-floors, and roofs) coated in galvanizing to prevent corrosion. Moreover, the connections of the metal structural elements are made using structural bolts. These homes are designed to withstand winds of up to 250 km/h, and their area corresponds to 114.04 m² (T2) and 87.45 m² (T4).

During the execution of the contract, the Territorial Development Management was responsible for supervising the reconstruction of the Type 2 (T2) and Type 4 (T4) homes, which as of December 31, 2023, show a completion progress of 100%. It should be noted that of all the reconstructed Shelter Type homes, 327 have been satisfactorily received by their beneficiaries, representing 99.09% effectiveness in homes received, with 3 homes still pending delivery.

- b. **Lot-Adjusted Housing - VAL (T5 and RP) – 736 Interventions:**

VAL - T5: Homes that were part of the shelter housing program, but due to the lot size, it was not possible to implement the designed typologies.

VAL - RP: Homes that were in the shelter program, but the slab and/or foundation were in good condition. Homes with a cistern in good condition whose owner did not authorize demolition were also included.

For their intervention, a diagnostic and agreement phase was considered, in which the technical reconstruction proposal was determined with each household and a memorandum of understanding and commitment with the household was signed.

The scope of these interventions includes conducting a soil study, designing and coordinating with the family, identifying a safe area within the homes, installing hurricane anchors that connect with the home's structural systems (roof, walls, and foundation), and using marine-grade plywood, ensuring the homes' resistance to external factors.

2. **Repairs – 765 Interventions**

The purpose of the repairs was to adapt homes that were not entirely structurally affected by Hurricane Iota but to create livable conditions for the affected families. The

scope of these interventions was carried out taking into account the type of diagnosis for each particular case. However, the generalities included the construction of the roof (roofs), rehabilitation of walls, structural reinforcement, replacement of external doors and windows, rehabilitation of internal hydro-sanitary and electrical networks, and interior and exterior painting.

As of December 31, 2023, the reconstruction of Providencia and Santa Catalina was at 100% of the interventions (1831), as evidenced by the deliveries made to the families affected by Hurricane Iota in 2020.

Notable Housing Sector Projects

- **Project Name: Urbanización Circunvalar del Piñal**

Inter-administrative Contract: Service Provision Contract - Phase 2 Free Housing Program

Partner: Ministry of Housing, City and Territory (MVCT)

Value: COP 12.289 billion

Description: The project consists of 200 housing solutions each with 45 m² of built area, including a living room, two bedrooms, a bathroom, and a laundry area. It features 10 separate blocks divided by connected walkways and a central vehicle roadway. On the left side, it includes a technical garbage unit, a multipurpose court, children's play area, a community hall, and a parking zone. It is equipped with public services such as electricity, a fire network system, water supply, and sewage, supported by wastewater treatment plants and a drinking water treatment plant with a storage tank for the water supply service. The project also includes housing units adapted for individuals with limited mobility.



Illustration No. 24. URBANIZACIÓN CIRCUNVALAR EL PIÑAL, Quibdó – Chocó. PVG2 Program

- **Project Name: Ciudadela La Paz etapas 3, 4 and 5**

Inter-administrative Contract: Service Provision Contract - VIPA Program

Partner: MVCT

Value: COP 112,078 million

Description: A high-impact project for the district of Cartagena due to the large number of benefited households. This multifamily complex consists of 114 four-story towers, with 4 apartments per floor and 16 per tower, totaling 1824 apartments. The construction was completed 100% during 2023.



Illustration No. 25. Ciudadela La Paz Phases 3,4 and 5, Cartagena – Bolívar, VIPA Program

- Project Name: Reconstruction of Providencia Homes – Housing T2 and T4**
 Inter-administrative Contract: 9677-Saipro-127-2021
 Partner: UNGRD - FNGRD
 Value: COP 646,219 million
 Description: 330 homes designed to withstand winds of up to 250 km/h.

Illustration No. 26



Housing TYPE 2 FID 1361, Providencia



Housing TYPE 4 FID 1378, Providencia

- Infrastructure Management**

Through our Infrastructure Management and in partnership with territorial entities and national agencies, we impact every corner of the country by fostering well-being and sustainability for communities through the successful development of projects. We leverage our experience with high technical standards in the structuring and execution of projects across various sectors, including education, sports and recreation, housing and urban development, culture, transport, information and communications technologies, and health.

Our projects are shaped under the principle of sustainability, with the firm purpose of balancing social, environmental, and economic components. Moreover, we ensure these projects are sustainable without generating negative impacts on future generations.

In 2023, we reached regions with 567 active projects in various stages, across the national territory, valued at approximately COP 2.9 trillion. Notably, the development and execution of educational infrastructure projects were prioritized, especially those located in municipalities of categories 3, 4, 5, and 6, to serve populations with traditionally unmet needs and generate high social impact. Key projects developed during 2023 include:

- ✓ Educational Infrastructure: Activities included maintenance, adaptation, structural reinforcement, expansion, and construction of new educational facilities. These programs improved conditions for primary, secondary, higher education, and non-formal education students by enabling the use of school buildings, Child Development Centers (CDI), kindergartens, indigenous boarding schools, Houses for Children and Youth, and Centers for Vulnerable Care.
- ✓ Housing and Urban Development: Projects included administrative infrastructure, infrastructure for security and justice, housing rehabilitation, and comprehensive neighborhood improvements.
- ✓ Recreation and Sports: Projects involved the construction, maintenance, and expansion of courts, comprehensive recreational-sports parks, and sports venues.
- ✓ Digital Connectivity: Progress was made in strengthening the network. E-commerce projects were executed with the Ministry of Information and Communication Technologies (MINTIC), including “Your Business Online” and “Virtual Store” initiatives.
- ✓ Transport and Mobility: We developed projects for the construction of roads (primary, secondary, and/or tertiary), airports, and transportation terminals.

We continued with the execution of 354 projects, hand in hand with our strategic partners, among which the following stand out:

Notable Projects in the Telecommunications Sector

- **Project Name: Virtual Stores**

Partner: Single Fund for Information and Communications Technologies (FONTIC MINTIC)

Inter-administrative Contract: 716-2022

Value: COP 11,514 million

Description: As part of the National Government’s Digital Transformation strategies, FONTIC, in partnership with Findeter, developed and implemented the Virtual Stores strategic line. This initiative addresses the challenges posed by cyberculture and the buying and selling of goods and services in globalized markets and virtual environments.

Over 5,490 businesses were trained and provided with technological solutions for creating virtual stores, thereby strengthening e-commerce and revitalizing MSMEs.

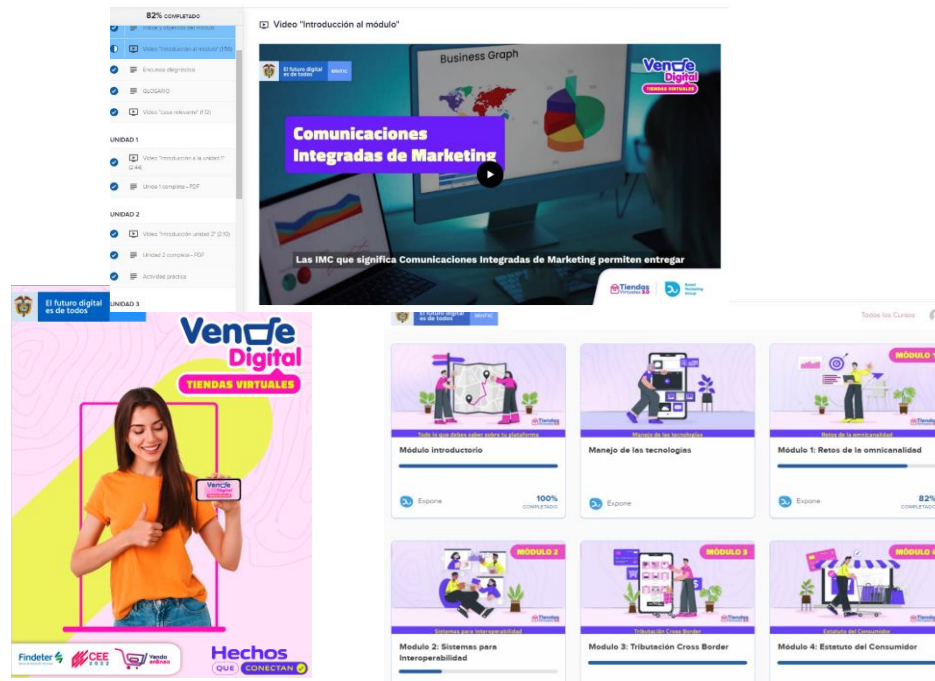


Illustration No. 27: App Interface – February 2023

Notable Projects in Urban Development Sector

- **Project Name: Brigade Command**

Partner: District Secretariat for Security, Coexistence, and Justice – SDSCJ MINTIC

Inter-administrative Contract: 1580-2020

Value: COP 30,603 million

Description: This project aims to construct the XIII Brigade Command of the Army, located in the North Canton of Bogotá. It is part of the district's mechanisms used to strengthen security and justice organizations, aimed at fostering trust and legitimacy through infrastructures that develop security, coexistence, and access to justice.



Illustration No. 28: Brigade XIII Command Building, North Canton of Bogotá – January 2024

Notable Projects in the Education Sector

- Project Name: Child Development Center (CDI) - Exploring My World**
Partner: Administrative Department of the Presidency of the Republic (DAPRE) and Ecopetrol
Inter-administrative Contract: 025-2019
Value: COP 4,061 million
Description: Implemented in Neiva, this project aims to construct a Child Development Center covering 1,638 m², benefiting 160 children under 5 years old from the Vicente Araujo neighborhood. It is executed with cooperation funds provided by the Abu Dhabi Fund for Development and Ecopetrol.
The CDI serves as a space for care and nutrition for young children, supported by pedagogical attention and promoting rights to health, protection, and participation to foster comprehensive development.
The project has a 16-month execution timeline and includes classrooms, a nursery, a multipurpose room, bathrooms, administrative areas, a dining area, technical rooms, a children's park, and a garden.



Illustration No. 29: CDI – Neiva, December 2023

- **Project Name: Center for Renewable Natural Resources - SENA - Center La Salada – Caldas**
Partner: National Learning Service - SENA
Inter-administrative Contract: 1482420-2020
Value: COP 6,827 million
Description: The project involves the structural reinforcement and rehabilitation of areas in blocks 16.1, 16.2, 42, and 66.1 of the Center for Renewable Natural Resources located in La Salada, municipality of Caldas (Antioquia). This project enhances and expands the capacities of SENA, aiming to strengthen quality education for its broad range of programs.



Illustration No. 30: Center for Renewable Natural Resources SENA La Salada – Caldas, December 2023

Notable Projects in the Transport Sector

- **Project Name: El Delirio – Puerto Viejo Road**

Partner: Government of Sucre

Inter-administrative Contract: 006-2021

Value: COP 50,740 million

Description: The project includes the review, adjustment, update, and/or supplementation of studies and designs, and construction of the El Delirio – Puerto Viejo road, located in the municipalities of San Antonio de Palmito and Tolú, with a length of 12.7 km. This project is one of the most strategic for the region due to its connectivity features and its role in promoting economic reactivation.

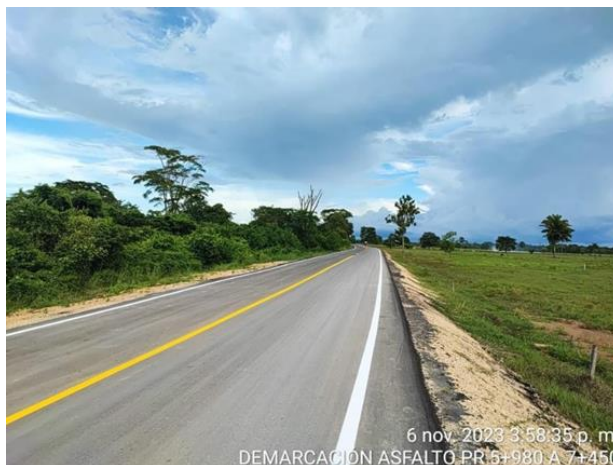


Illustration No. 31: El Delirio– Sucre Road, December 2023

- **Environmental Management**

Through our Environmental Management Division, we establish partnerships with territorial entities and national entities, aiming to impact every corner of the country and generate well-being for communities. Our projects are based on sustainability and functionality, proposing execution alternatives to balance the social, environmental, and economic components while considering the impacts of climate change, seeking to mitigate and minimize potential regional effects.

In 2023, we reached the regions with 64 active projects in various municipalities, valued at approximately COP 861,842 million.

During the year 2023, we signed the following inter-administrative contracts for technical assistance and resource management:

Ministry of Housing, City and Territory (MVCT): We executed comprehensive projects for aqueducts, sewage, and basic sanitation prioritized by the MVCT in La Guajira, valued at COP 30,000 million.

Ministry of Agriculture and Rural Development: We carried out the execution of productive projects, programs, and implementation of public policy strategies to be financed by the ministry, valued at COP 88,066 million.

Ministry of the Interior: We developed projects aimed at promoting political, social, and civic participation, strengthening peasants, community action boards, persons with disabilities, among others, valued at COP 66,052 million.

Additionally, we developed projects aimed at fulfilling territorial rights, comprehensive attention to populations and communities, processes of strengthening, promotion, and protection of indigenous peoples, and commitments in the National Development Plan, valued at COP 84,685 million.

Key activities carried out within the framework of the technical assistance provided by the Environmental Management Division include:

- ✓ Maintenance, adaptation, and dredging activities in Barrancabermeja Pinillos, Port of Barranquilla, and the Salamina sectors. These projects improved the conditions of depth, transport, and navigability in these sectors.
- ✓ Development of administrative infrastructure projects, under the contract signed with the Ombudsman's Office.
- ✓ Water and basic sanitation projects in different sectors of the country, such as the desalination plant in San Andrés and Providencia, rehabilitation of the DWTP of Providencia, completion of

the Quibdó Sanitary Landfill, completion of the Mompox sewage system, construction of the Mocoa aqueduct, among other water and sanitation projects developed in the country.

With the execution of the projects defined under the inter-administrative contract signed with the MVCT to develop definitive solutions for water and basic sanitation, we aim to reach the Wayuu communities to improve their quality of life by fixing the wells that supply water to each of the rancherías in the area.

By launching the people's economy with trades and commercial and non-commercial occupations used to develop productive projects, community and institutional strengthening provided by associations or low-scale economic units, we aim to contribute to the development of the policies of the National Development Plan of the Government.

Key projects carried out by the Environmental Management Department include the following:

Notable Projects in the Water and Basic Sanitation Sector

- Project Name: Construction of the Sanitary Sewer Interceptor for the Urban Center of Anapoima Municipality - Cundinamarca Phase 1**

Inter-administrative Contract: CI 766 of 2013

Partner: Ministry of Housing, City and Territory

Value: COP 7,264 million

Description: This project addressed the issue Anapoima faced regarding the discharge of over 25% of the urban center's wastewater into Socotá creek. To mitigate this, a collector was constructed to intercept these waters and direct them to the treatment plant.

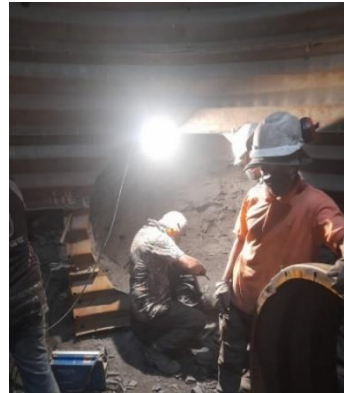


Illustration No. 32: La Julia Tunnel – Anapoima Sewerage

Illustration No. 32:
La Julia
Tunnel –
Anapoima
Sewerage



Illustration No. 32: Tunnel exit at La Julia property to Socotá Creek – Anapoima Sewerage

- **Project Name: Construction of Wastewater Treatment Plant II – Cartagenita Sector, Municipality of Facatativá – Cundinamarca**
Inter-administrative Contract: 438 of 2015
Partner: Ministry of Housing, City and Territory
Value: COP 13,606 million
Description: A wastewater treatment plant that will eliminate 10 point discharges, mitigating environmental pollution sources and negative impacts in Facatativá (Cundinamarca).



Illustration No. 33: General view of the constructed WWTP – Jan 2024, Facatativá



Illustration No. 33: General view of the constructed WWTP – Jan 2024, Facatativá



Illustration No. 33: Aeration tank performance test – Jan 2024, Facatativá

- **Project Name: 50 L/s Desalination Plant on the Island of San Andrés**
Inter-administrative Contract: Technical Assistance Contract: 9677-SAPII013-281-2015
Partner: National Unit for Disaster Risk Management (UNGRD)
Value: USD 24,501,789.81 plus COP 2,328 million
Current Status: In operation, handed over to the Archipelago Department of San Andrés, Providencia, and Santa Catalina.
Description: The project carries out desalination and potabilization of seawater through an ultrafiltration and reverse osmosis system for the benefit of the Raizal community of San Andrés Island across 43 subsectors of the La Loma hydraulic circuit, increasing the water supply frequency by 800% compared to before the new plant's operation began.

Illustration No. 34



General view of the 50 L/s desalination plant



Seawater intake system via direct pumping



Pumping station for direct seawater intake.



Urban settings of the 50 L/s desalination plant on San Andrés Island



Racks for reverse osmosis and ultrafiltration.



- **Project Name: Maintenance through Dredging of the Access Channel to the Port of Barranquilla – Department of Atlántico - I - 2023**
Inter-administrative Contract: 0-286-2022
Partner: Autónoma Regional Corporation of the Rio Grande de la Magdalena (Cormagdalena)
Value: COP 83,127 million

Description: This edition of the dredging project, managed by Findeter with technical support from Cormagdalena, maintained an operational draft condition of 10m at the Port of Barranquilla for over 10 months, ensuring safety and confidence for the entry of larger capacity vessels and preventing the diversion of these vessels to nearby ports for lightening or final entry at other port terminals.



Illustration No. 35: Hang Jun 6009 dredger at Bocas de Ceniza sector.
 Date: June 2, 2023.
 Source: Project Supervision – HMV Ingenieros Ltda.

No. 35: Hang Jun 6009 dredger.
 Date: June 2, 2023.
 Source: Project Supervision– HMV Ingenieros Ltda.



Illustration No. 35: Social Management Component – Fishing Community
 Date: September 15, 2023.
 Source: Project Supervision– HMV Ingenieros Ltda



Illustration No. 35: Social Management Component – Fishing Community
 Date: September 22, 2023.
 Source: Social Management Findeter

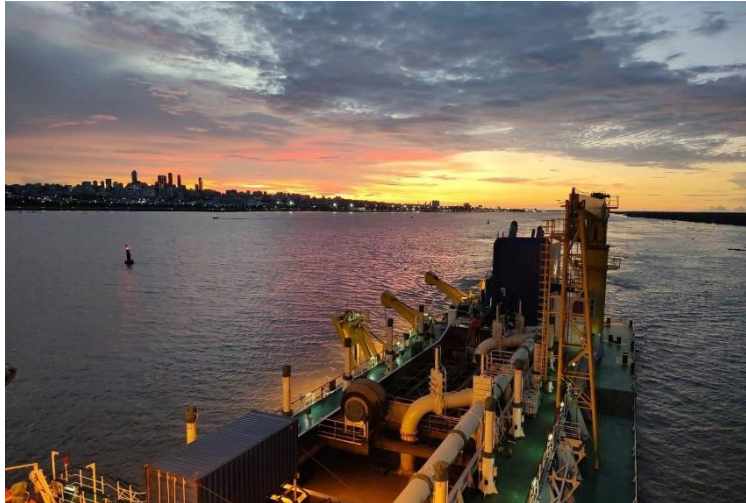


Illustration No. 35: Hang Jun 6009 dredger.
Date: October 5, 2023.
Source: Project Supervision – HVM Ingenieros Ltda.

- **Transportation and Mobility Management**

Our Transportation and Mobility Management is the newest business line of the Technical VP, created to assist the national government and national entities in planning and executing road infrastructure, transportation, mobility systems, and railway corridor management projects, among others.

Our goal is to enhance the well-being and sustainability of communities across the country by improving territorial connectivity, balancing social, environmental, and economic components through our expertise.

Key achievements from 2023 include:

- ✓ We executed transportation sector projects, focusing on social impact. As part of our technical assistance, 20 projects were managed in 2023, with 9 projects valued at COP 337.3 billion continuing in execution and 11 projects completing at a cost of COP 111.5 million.
- ✓ We conducted routine maintenance activities, emergency response, and comprehensive road management, improving road conditions for community transit.
- ✓ We financed the “Vías de la Cigarra” program through direct loan.
- ✓ We contracted the construction of the Rionegro – Santander Dual Carriageway for COP 103 billion.
- ✓ We contracted the second roadway between Valledupar – La Paz, in the department of Cesar, for COP 68,213 million.
- ✓ We contracted the Salamina – Piñón bypass in the department of Magdalena for COP 28 billion.
- ✓ We signed 2 inter-administrative agreements for the construction of national bridges in Ocaña and Montería valued at COP 86 billion.
- ✓ We initiated contracts for the completion of the dual carriageway between Bucaramanga – Lebrija and comprehensive maintenance between Bucaramanga – Rionegro, in the department of Santander, for COP 42 billion.
- ✓ We contracted the Galicia Intersection in the Department of Valle del Cauca for COP 55,860 million.
- ✓ We contracted the comprehensive improvement of the corridor between Ansermanuevo – Cartago, valued at COP 14,598 million, in the department of Valle del Cauca.
- ✓ We awarded the second roadway between La Romelia – El Pollo and the Southwestern Bypass of Cartago for a total of COP 318,729 million.

Key projects carried out by the Transportation and Mobility Department include the following:

Notable Transportation Projects

- **Project Name: Panorama Road**

Inter-administrative Contract No.: 1594 of 2021

Partner: National Institute of Roads – INVIAS

Value: COP 45,564 million

Description: As part of the Vías del Samán Program conducted by INVIAS in partnership with Findeter as the project implementer, the Panorama Road project stands out. It spanned the municipalities of Mediacanoa and Ansermanuevo in the northern part of Valle del Cauca Department, culminating in the delivery of 100 kilometers in studies and designs. We rehabilitated 16.45 kilometers of pavement, performed routine maintenance, handled emergencies, and provided full corridor signage to ensure road safety for users. This project benefited 405,201 residents and spurred regional economic revival by creating 277 jobs.



Illustration No. 36: Panorama Road (July 2023)



Illustration No. 36: Panorama Road (July 2023)

- **Project Name: Second Roadway Valledupar – La Paz**

Inter-administrative Contract No.: 2177 of 2021

Partner: National Institute of Roads – INVIAS

Value: COP 68,213 million

Description: Within the Reactivation 2.0 Program undertaken by INVIAS in partnership with Findeter as the project implementer, the construction of the second roadway Valledupar – La Paz is highlighted. This project unfolded between the municipalities of Valledupar and La Paz in the Cesar Department, resulting in the delivery of 9 kilometers in studies and designs, benefitting 521,000 inhabitants.



Illustration No. 37: Second roadway Valledupar – La Paz (September 2023)



Illustration No. 37: Second roadway Valledupar – La Paz (September 2023)

- **Project Name: Comprehensive Maintenance Rionegro**
Inter-administrative Agreement No.: 1113 of 2016
Partner: National Institute of Roads – INVIAS
Value: COP 19,073 million

Description: As part of the Vías de la Cigarra Program advanced by INVIAS in partnership with Findeter as the project implementer, the Comprehensive Maintenance Rionegro project is notable. This project took place between the municipalities of Bucaramanga and Rionegro in the Department of Santander, ensuring passability and road safety among the municipalities along the national central Atlantic coast corridor.



Illustration No. 38: Rionegro – Santander (October 2023)



Illustration No. 38: Rionegro – Santander (October 2023)

5.1.2 Territorial Planning

GRI. 305-4, 3-3 (People's Economy; Transfer of Capacities to Territorial Entities; Measurement of Environmental, Social, and Economic Impacts; and Relationship Strategy); (SDGs 7, 11, 12, 13, 14 and 15); TCFD/ Strategy; **Circular 012 of 2022 – Section 7.4.1.1.1 Description of the issuer's business purpose. Subsections: (ii) Revenue-generating activities, products or services; (iii) Competitive business conditions, such as: participation in national and international markets, demand conditions, among others; and (iv) Development of new**

products or services, their improvements, demand conditions, and competitive conditions. Section 7.4.1.3.2 Practices, policies, processes, and indicators related to the issuer's environmental and social criteria.

Within our portfolio of products and services, we offer territorial planning tools to help administrations of territorial entities and various public and private actors build sustainable, competitive, orderly, and inclusive territories. We do this through the formulation of regional, local, or sectoral planning instruments, designing short, medium, and long-term plans (trigger programs and projects).

Moreover, based on the corporate strategic direction established in 2023, planning has become part of the technical assistance product, and these studies will be executed when clients demand them and provide funding.

The regional and local planning instruments in our portfolio include:

- **Sustainable and Competitive Cities Program (CSC)**, aimed at intermediate cities across the country, where we completed 18 action plans for 25 cities by 2023.
- **Iconic Cities Program (CE)**, targeted at cities with fewer than 200,000 inhabitants, where we conducted 17 action plans for 27 municipalities by 2023.

Also, using a simplified methodology from this program, called Basic Core, we carried out 2 action plans for the municipalities of Arboletes and Florencia.

- **Territory of Opportunities**, primarily directed at private sector leaders in a territory or region, who seek to have a territorial economic development strategy that allows them to focus and increase the positive impacts of their social responsibility investments. This program has produced two action plans for three municipalities: i) Tierralta (Córdoba) and ii) Villanueva and Tauramena (Casanare).

The sectoral planning instruments we develop include:

- **Multipurpose Cadaster**, through which we provide technical assistance to territorial entities and cadastral managers, and also assist municipalities in tax advisory to update their cadaster, increase tax revenues, and improve efficiency in territorial planning using the results of the multipurpose cadaster.
- **Land Management Plans**, through which we provide comprehensive technical assistance to review and adjust Land Management Plans, supporting the sustainable and planned development of territorial entities.
- **Tourism, Cultural, and Heritage Plan** corresponds to technical assistance for developing a forward-looking vision that enables positioning, structuring, and/or reactivation from tourism, culture, and heritage as a dynamic economic axis for territories.

We also made internal improvements. Starting in April 2023, we began transforming the areas that carry out planning, turning the Directorate of Cities and Competitiveness into a research center to develop studies on the conditions, problems, opportunities, and strengths of the territories. This allows us to identify program and project initiatives that support transformation, with a focus on regions with greater inequalities and municipalities in categories 3, 4, 5, and 6.

This area was also tasked with supporting the Transforming Regions Fund by providing territorial context information required for projects evaluated by the Fund, which helps qualify the social impact measurements of supported projects.

✓ Local and Sectoral Planning Management 2023

We carried out local planning for two municipalities, San Sebastián de Mariquita (Tolima) and Cartago (Valle del Cauca), executing the following projects:

- i. Basic Land Use Planning of San Sebastián de Mariquita (PBOT). This municipality is categorized as level 6, for which we signed two contracts:
 - o The first contract started in December 2021 and concluded in November 2023, contracted to perform the baseline studies, review, adjustment, and coordination with the environmental authority of the Basic and Land Use Planning.
 - o The second contract began in July 2023 to support the discussion, consultation, approval, and adoption of the PBOT and the development and printing of booklets and books.

This project was completed in December 2023 with the approval of the PBOT by the Municipal Council. Its objectives included:

TCFD/E

- Achieving territorial development that promotes environmental sustainability and population security through the incorporation of risk management into territorial planning.
 - Promoting territorial balance by ensuring efficient and rational use of land for the common good through urban compaction.
 - Improving the quality of life for all residents by guaranteeing equitable access to common services and decent habitats.
 - Valuing and enhancing the development of the rural area, establishing effective articulation with supramunicipal and urban dynamics.
- ii. Action Plan Cartago Iconic City “Cartago, territory of progress, safe and sustainable”. This municipality was category 4 at the time of the project’s initiation and has since been reclassified to category 2. The first stage of the project was developed in 2022; the formulation of the Action Plan was carried out through a second contract executed in the second half of 2023.

The project concluded in December 2023 with the publication of the Action Plan.

Both projects for the plan formulation included the integration of initiatives that strengthen the people’s economy and contribute to national climate change goals.

Through the execution of the described projects and the application of the methodology, which involves conducting workshops in the territory with institutional actors, communities, guilds, and generally the stakeholders. Additionally, by delivering the tools used for diagnosis and monitoring, we facilitated the transfer of knowledge and the development of capacities in the territories.

Moreover, our relationship strategy from the planning perspective is based on participatory programming workshops, which allow us to understand needs, identify alternatives, and collaboratively build strategies and projects to achieve the desired transformation in the territory.

As for the expected impact, being studies, their positive impact is potential in the medium and long term, as it depends on the implementation carried out in each territorial entity. However, having a defined and comprehensive strategy for the territory enables better decision-making, continuity over time, and the inclusion of strategic projects in binding planning instruments, through which their implementation will be achieved.

Regarding the financing of these local planning studies, they were conducted with resources from each territorial entity, whose revenues for the entity are occasional and occur according to the agreed contractual conditions. From the mentioned studies, we received payments in 2023, and some payments are expected in 2024, both from Cartago and San Sebastián de Mariquita.

✓ Research Management 2023

GRI.3-3 (Capacity transfer to territorial entities; Measurement of environmental, social, and economic impacts); External Circular 012 Section 7.4.1.1.1., Subsection (iii): Competitive commercial conditions, such as national and international market participation, demand conditions, among others.

Understanding that we are a development bank, we aimed to expand our knowledge of the territories to deliver concrete infrastructure solutions that consider a regional approach and impact with greater effectiveness and efficiency. During the year 2023, we conducted the following research:

1. Research on the Pacific region and La Guajira, as part of the Pacific and Guajira Plan led by the Vice Presidency of the Republic, which we began in April 2023.

The goal of this research was to identify the main needs, problems, and potentialities of these regions, which will allow prioritizing projects in line with the objectives of the National Development Plan (NDP). The scope of the research included an analysis that integrated and linked a set of territorial elements, given by the superposition of secondary data obtained from the current state of the territory and its dynamics, to identify the functional sectorial and geographical relationships. This helps in pinpointing the main needs, issues, and potentialities of the territory and can be reflected in programs, plans, and/or projects for the regional convergence proposed by the NDP and identified by Findeter.

The research covered the following issues, using the available secondary information:

Table No. 41: Issues addressed in the research

Issues	Dimensions
Interconnection	
Road (highways, fluvial, maritime, rail, urban-regional relations)	Built Physical System Mobility
Digital Connectivity	
Electricity-Networks	
Social Infrastructure	
Health	Socioeconomic Built Physical System
Education	
Recreation and Sports	
Culture	
Public Services and Basic Sanitation Infrastructure	
Water	Environmental
Sewage	

Issues	Dimensions
Solid Waste	
Energy	
Telecommunications	
Housing	
Deficit	Built Physical System
Territorial Planning	
Productive Structure	
Tourism	Socioeconomic
Agriculture	
Fishing	
Economic Activities	
Infrastructure for competitiveness	
Property and Taxation	
Urban-rural cadastral update status	Tax and Governance

Source: Findeter, 2023

2. The development of a methodology for territorial analysis that can be replicated across the country. This was accomplished with the support of the Inter-American Development Bank (IDB) using non-reimbursable technical assistance funds from the third individual loan operation No. 3842/OC-CO between Findeter and the IDB. This multilateral bank contracted the CO-T1586 consultancy, which supported Findeter in identifying viable projects in the structuring phase across the four departments of the Pacific region and the department of La Guajira, under the technical validation of Findeter’s Directorate of Cities and Competitiveness.
3. A pilot application of the methodology to prioritize infrastructure projects was conducted in the Pacific and La Guajira regions, completed in November 2023, as part of the methodology’s development.

As a result of this exercise, 2,311 potential projects and investments were identified, valued at COP 9.2 trillion, across various strategic sectors of the national government and Findeter’s 2023-2026 Strategic Plan, “Transforming Regions.”

Among these, 1,168 viable projects were highlighted across the five departments, totaling COP 270 billion, which could begin execution based on the various products and services offered by Findeter to promote regional development.

For more information on the purpose and application of this methodology, click the following link: “New methodology for prioritizing projects based on their social impact.”

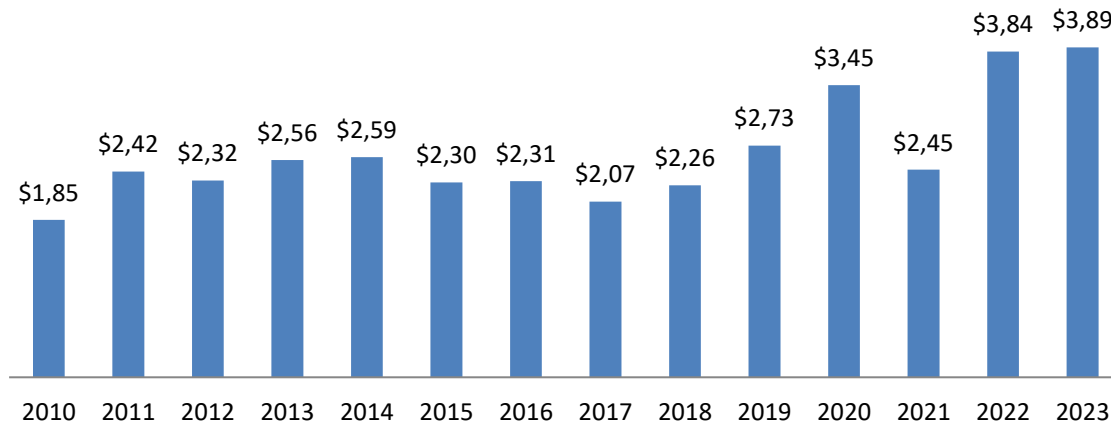
4. Also, within the framework of developing the methodology, a Power BI platform was designed and launched that allows for the geo-referencing of prioritized regional impact initiatives resulting from the research.
5. We began constructing the first Observatory of Territorial Systems (OST) as an invaluable tool for territorial entities and other institutions, as well as for our organization. Its initial purpose is to serve as a fundamental pillar for strategic planning and sustainable development in the country. From identifying geographic trends to risk management, this observatory offers a wide range of benefits for making informed decisions and efficiently utilizing available resources. As part of this Observatory, the first knowledge base of 183 municipalities, mostly from categories 3, 4, 5, and 6, was developed.

5.2 Financing

(FS 6), (FS 7), (FS 8), (201-1;201-4), GRI. 3-3 (Social Infrastructure) (SDGs 8 and 10); xternal Circular 012 of 2022 – Section 7.4.1.1.1. Description of the issuer’s business scope. (ii) The income-generating activities, products, or services and (iii) The competitive market conditions, such as national and international market participation, demand conditions, among others, and (iv) The development of new products or services, their improvements, demand conditions, and competitive conditions. TCFD / Strategy / Risk Management / Metrics and Targets; SASB / Generation of financial inclusion and capacity (FN-CB.240a4); Incorporation of environmental, social, and governance factors in credit analysis; Section 2 (Disclosure scope regarding commercial and industrial loans, as well as project financing (FN-CB410a.2)).

In 2023, Findeter disbursed COP 3.89 trillion, of which COP 2.42 trillion was for rediscounts and COP 1.47 trillion for direct loan. Of this total disbursed, COP 1.39 trillion went to private beneficiaries or projects, COP 1.09 trillion to public beneficiaries or projects, and COP 1.39 trillion to projects of territorial entities, represented across 670 projects nationwide. These funds financed 331 credit beneficiaries or clients, including 55 territorial entities, 17 public entities, and 259 private entities.

Graph No. 11: Disbursements 2010 - 2023



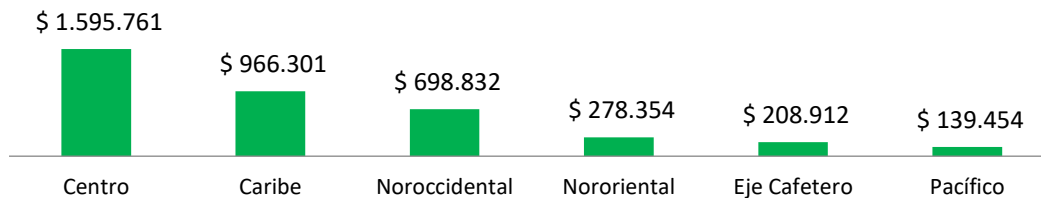
Source: Findeter 2023 - Figures in COP trillions

✓ **Description of Disbursements 2023**

• **Disbursements by Region/Zone**

Of the COP 3.89 trillion disbursed in 2023, it should be noted that these resources were allocated to all regions of the country, thus contributing to the sustainable development of Colombia’s departments and municipalities.

Graph No. 12: Disbursements 2023 by Region Findeter

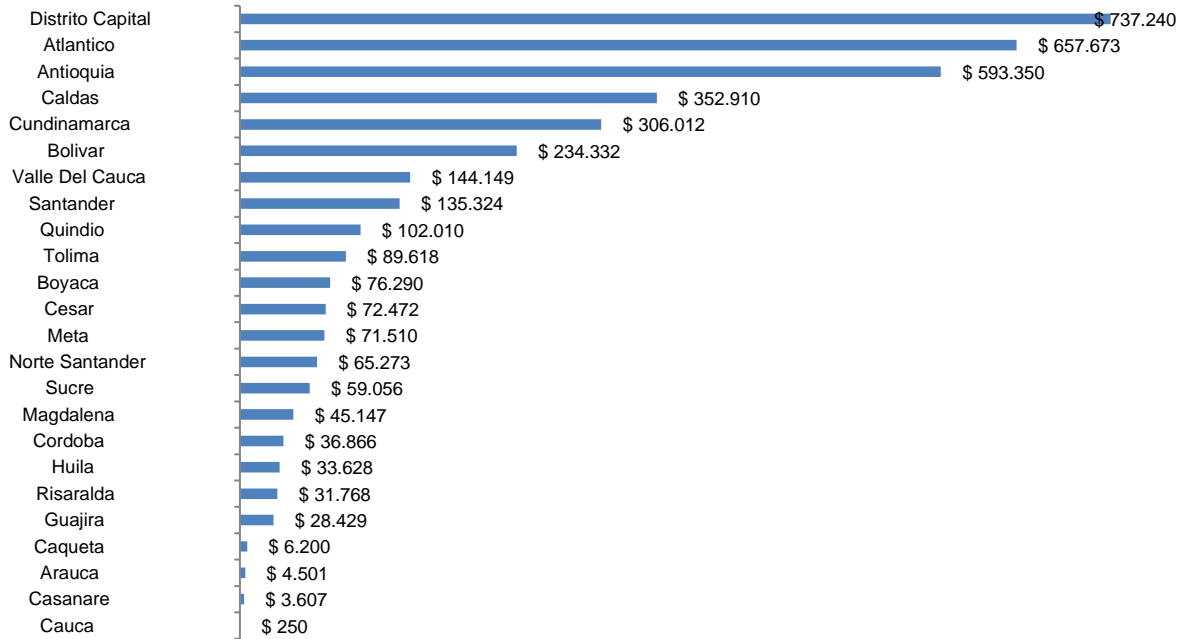


Source: Findeter - Values in COP millions

• **Disbursements by Department**

In 2023, our disbursements covered 411 municipalities in 24 departments. In direct loan, 364 municipalities and 20 departments were impacted, while 116 municipalities and 23 departments were impacted by rediscount. Coverage of municipalities in categories 3, 4, 5 and 6, the focus of our strategy, reached 368 municipalities, of which 87% corresponded to category 6, which corroborates that Findeter promotes, supports and finances sustainable projects throughout Colombia in order to continue being the leading development bank and strategic ally of all regions.

Graph No. 13: Disbursements by Department



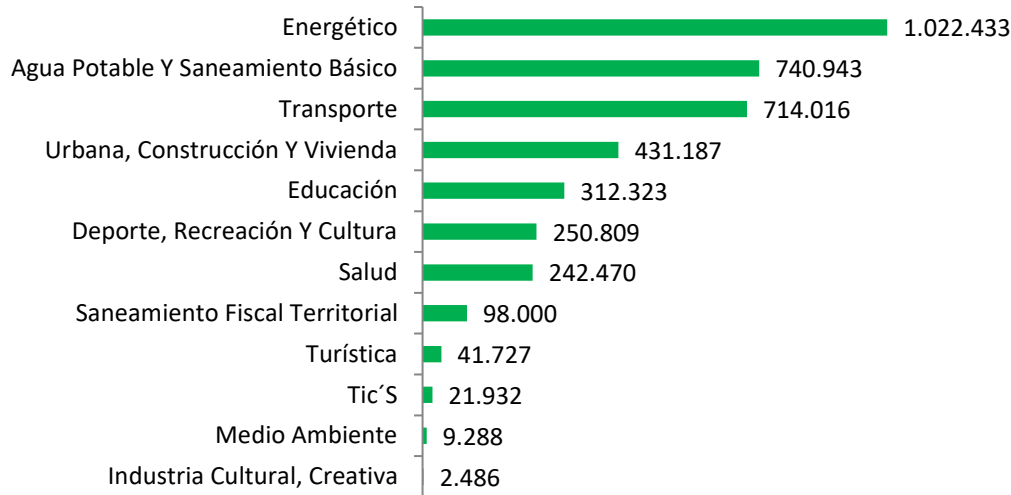
Source: Findeter - Values in COP millions

- **Disbursements by sector**

TCFD / M and T

We promote the country's strategic sectors, financing projects that support the integral development of the regions to improve the quality of life of Colombians; financing in 2023 was allocated to 12 sectors, where energy, water and basic sanitation, transportation, urban development and education had the highest participation.

Graph No. 14 Disbursements by Sector



Source: Findeter - Values in COP millions

- **Disbursements by Intermediary**

From January to December 2023, the intermediaries with which the most disbursements were made were: Bancolombia with 149 operations, followed by Davivienda with 130, Banco de Bogotá with 35 operations, and Banco de Occidente with 17. Meanwhile, Findeter conducted 150 operations in direct loan and rediscount.

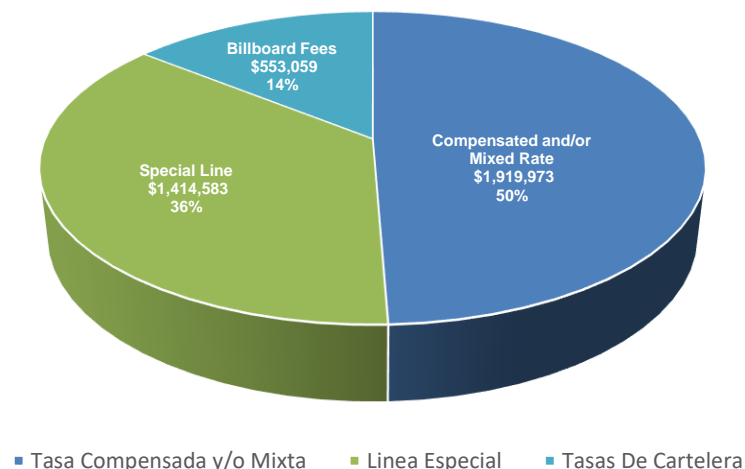
Table No. 42: Disbursements by Intermediary

Intermediary	Amount	% Share
Findeter	1,465,937	37.7%
Bancolombia	818,521	21.1%
Davivienda	511,124	13.1%
Bogotá	370,257	9.5%
Occidente	207,224	5.3%
Colpatria	117,186	3.0%
Sudameris	86,754	2.2%
Av Villas	74,113	1.9%
Credifamilia	64,383	1.7%
Other	172,115	4.4%
Total	3,887.614	100.0%

Source: Findeter - Values in COP millions

- **Disbursements by Resource Type**

Graph No. 15: Disbursements by Resource Type



Source: Findeter - Values in COP millions

The graph above shows the distribution of disbursements by different types of resource lines throughout 2023, highlighting disbursements made with compensated and mixed rates totaling COP 1.92 trillion, of which COP 1.39 trillion were for direct loan and COP 529 billion for rediscount.

Of the total disbursed, COP 1.31 trillion went to territorial entities, COP 508 billion to private entities, and COP 100 billion to public entities. Regarding the use of the funds, COP 1.7 trillion were allocated to investment projects and COP 205 billion for working capital.

- **Execution of Compensated Rates**

TCFD / M and T; GRI.201-4

Thanks to various initiatives by the National Government, Territorial Entities, and Findeter aimed at boosting strategic sectors for infrastructure in the regions, in 2023 the Compensated Rates were disbursed as follows:

Table No. 43: Execution of Compensated Rates

Line	2023	%Share
Compensated - Colombia Reactivation Commitment Tranche 2 Refinance	500,996	26.1%
Compensated - Colombia Reactivation Mixed	466,669	24.3%
Compensated - Colombia Reactivation Commitment Tranche 2	426,211	22.2%
Compensated - Colombia Reactivation Commitment Tranche 2 Refinance 2	258,730	13.5%
Compensated - Electric Energy Distribution and Retail Companies D. 1637	205,250	10.7%
Compensated - Sustainable Infrastructure Mixed	27,162	1.4%
Compensated - Colombia Reactivation Tranche 2 Water And BS Dec.1300 T2	22,270	1.2%
Compensated - Colombia Reactivation Tranche 1 Sustainable Infrastructure Mixed	12,598	0.7%
Compensated - Health Liquidity Tranche 8	88	0.0%
Total	1,919,973	100%

Source: Findeter - Values in COP millions

The Compensated Rate Commitment for Colombia Reactivation Phase II and Refinance has been crucial for financing urban infrastructure and social impact projects, disbursing COP 1.19 trillion in projects such as:

- Department of Antioquia: Financing the 2020 – 2023 development plan for COP 149,185 million.
- Department of Cundinamarca: Financing for the hospital network for COP 47,069 million and financing for 11 projects from the development plan totaling COP 34,953 million.
- Department of Atlántico: Financing development plan projects for COP 46,100 million and a project for the fiscal and financial sanitation of E.S.E for COP 35,000 million.
- Municipality of Itagüí: Financing the 2020 – 2023 development plan for COP 73,963 million.
- Municipality of Armenia (Quindío): Financing the 2020 – 2023 development plan for COP 62,637 million.
- Others: 39 territorial entities financing projects from their development plans totaling COP 737,039 million.

The Compensated Rates disbursed COP 1.92 trillion, with the Compensated Rate Commitment for Colombia Reactivation Phase II and its refinancing accounting for 49% of the total disbursements of compensated and mixed rates, with notable sector allocations as follows:

- Energy 27%
- Transport 25%
- Sports, recreation, and culture 13%
- Urban development 9%
- Education 9%
- Health 7%
- Others 10% (Drinking Water, Fiscal Sanitation, Tourism, and Environment)

Other compensated rates were managed by sector as follows:

Table No. 44: Compensated Rate Lines by Sector

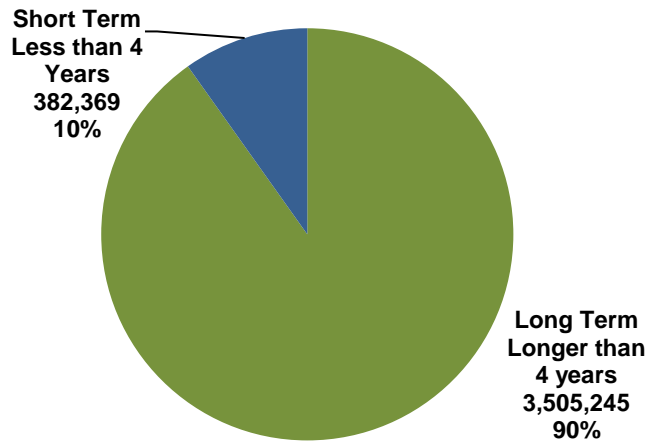
Sector	Colombia Reactivation Commitment Tranche 2 Refinance	Colombia Reactivation Mixed	Colombia Reactivation Commitment Tranche 2	Colombia Reactivation Commitment Tranche 2 Refinance 2	Electric Energy Distribution and Retail Companies D. 1637	Sustainable Infrastructure Mixed	Colombia Reactivation Tranche 2 Water And BS Dec.1300 T2	Colombia Reactivation Tranche 1 Sustainable Infrastructure Mixed	Health Liquidity Tranche 8	Total
Energy		315,684			205,250					520,934
Transportation	187,848	109,935	119,761	42,496				12,598		472,637
Sports, Recreation & Culture	64,188		30,000	149,185						243,373
Urban, Construction & Housing	79,811	19,179	83,027							182,017
Education	54,026	21,870	52,309	18,748		27,162				174,115
Health	3,938		87,393	47,600					88	139,018
Drinking Water and Basic Sanitation	76,187						22,270			98,456
Territorial Fiscal Sanitation	35,000		13,000							48,000
Tourism			37,370							37,370
Environment			3,351	700						4,051
Total	500,996	466,69	426,211	258,730	205,250	27,162	22,270	12,598	88	1,919,973

Source: Findeter - Values in COP millions

As shown in the table above, these lines were designated to boost strategic sectors for infrastructure in regions and improve the quality of life across territories.

- **Disbursements by Granted Term**

Graph No. 16: Disbursements by Term



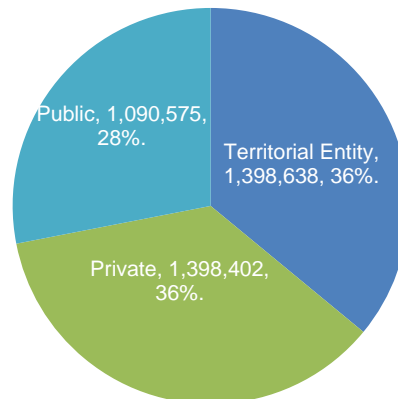
Source: Findeter - Values in COP millions

We continue to position ourselves as a strategic partner to the regions with long-term disbursements. As shown in the graph, 90% of the credit operations are granted for disbursements with terms longer than 4 years.

- **Disbursements by Type of Beneficiary**

SASB / GI and CF: FN-CB-240a.1

Graph No. 17: Disbursements by Type of Beneficiary



Source: Findeter - Values in COP millions

Regarding disbursements by type of beneficiary, it is evident that the majority are to private beneficiaries and/or clients, along with territorial entities, each accounting for 36%, with disbursements totaling COP 2.80 trillion. Public beneficiaries and/or clients received disbursements of COP 1.09 trillion, representing 28% of the 2023 disbursements.

It is important to highlight the following funded projects:

- Bogotá Capital District: Empresa de Acueducto y Alcantarillado de Bogotá, financing for the

company's investment plan of COP 250 billion.

- District of Barranquilla: Transelca S.A. ESP, financing for the 2023 investment plan of COP 208,670 million.
- Department of Antioquia: Financing project activities from the development plan called “unidos 2020-2023,” aimed at economic recovery and job creation for COP 149,185 million.
- Bogotá Capital District: Empresa de Acueducto y Alcantarillado de Bogotá, financing for the construction of local aqueduct networks and network adaptation for COP 130 billion.

- **Disbursements in Category 3, 4, 5, and 6 Municipalities**

SASB / GI and CF: FN-CB-240a.1

In 2023, we directly impacted 368 municipalities in categories 3, 4, 5, and 6 across 54 projects and 22 departments. Notably, there were impacts in 18 category 6 municipalities worth COP 82.363 million in 28 projects.

Table No. 45: Share of disbursements in Category 6 Municipalities

Beneficiary	Amount
Municipality of Barrancas	19,179
Municipality of Baranoa	12,000
Municipality of Dibulla	9,000
Municipality of Solano	6,200
Municipality of Agustín Codazzi	6,000
Municipality of Plato	6,000
Municipality of Necoclí	4,500
Municipality of Tolúviejo	4,000
Municipality of Yaguará	3,938
Municipality of Málaga	2,400
Municipality of Salamina (Mag)	2,261
Municipality of San Sebastián De Mariquita	1,500
Municipality of Turbana (Bol)	1,500
Municipality of San Juan Nepomuceno (Bol)	1,000
Municipality of Balboa	813
Municipality of Pinillos	700
Municipality of Versalles - (Val)	700
Municipality of Restrepo	673
Total	82,363

Source: Findeter - Values in COP millions

- **Structuring and implementation of lines of credit**

Circular 012 of 2022 - Section 7.4.1.1.1.1, Item (iv). TCFD / Metrics and Targets

During the year 2023, Findeter as a strategic partner of the National Government and especially of the Territorial Entities, designed and structured 8 lines, and of which 3 financing programs were

implemented according to the needs of the territory, thus benefiting eligible sectors for more than COP 1.86 trillion, which have been focused on the economic reactivation of the country and in contributing to the fulfillment of departmental, district and municipal development plans.

Table No. 46: Lines of credit designed in 2023

Lines created 2023	Type of loan	Type of line	Amount COP
Reactive green and sustainable	Rediscount	T.C. Mixed	64,662
Refinance Tranche II	Direct	T.C	800,000
Commitment Mitigation El Niño Phenomenon	Direct	T.C	1,000,000

Source: Findeter - Values in COP millions

✓ **Structured Lines in 2023**

TCFD / E / M and T

1. Rediscount and direct loan line with compensated rate for energy efficiency and virtual connectivity.

As of February 2023, Findeter identified a demand for resources for investments in energy projects for more than COP 4.91 trillion from the public and private sectors.

Table No. 47: Demand for resources year 2023

Tipo	Total
Private	3.9 trillion
Mixed	0.929 trillion
Public	0.081 trillion
Total	4.91 trillion

Source: Findeter

To achieve the following objectives: 1) contribute to meeting the goals for reducing Greenhouse Gas (GHG) emissions; 2) enable adaptability to the consequences of climate change, protecting individuals, households, businesses, livelihoods, infrastructure, and natural ecosystems; 3) improve the quality of life for those most vulnerable to these effects; and 4) support the National Development Plan in strengthening the energy sector.

As a strategic partner of the National Government, we aim to contribute through a compensated interest rate credit line, aimed at providing working capital and investment resources to entities involved in the generation, sale, distribution, transmission, and storage of energy, including local administrative boards, trust funds, and other public and private entities investing in energy efficiency.

Overall, the benefits of launching this credit line include:

Access to a credit line with a compensated rate funded by the National General Budget, which allows:

- Allocation of resources to sectors contributing to Colombia's Nationally Determined Contributions (NDCs) while enabling technological transformations in production that yield savings.
- Significant cost savings for companies. By reducing energy consumption, businesses can lower their electricity bills and operational costs.

- Assistance in reducing electricity demand, thus decreasing the risk of energy shortages during periods of low water availability. Colombia heavily relies on hydroelectric power for electricity generation, making it vulnerable to fluctuations in water availability.
- Reduction of energy poverty, allowing households to have more disposable income to spend on other essential items.

In essence, energy efficiency is crucial in Colombia for economic, environmental, energy security, and social reasons. By improving energy efficiency, Colombia can achieve a more sustainable and resilient energy system.

The financial conditions of this line, based on the available balance for compensation, are as follows:

Table No. 48: Financial Conditions of the Energy Efficiency Line

<i>Item</i>	<i>Description</i>
<i>Amount</i>	<i>Up to COP 600,000,000,000,000</i>
<i>Period</i>	<i>Up to 10 years with a 2-year grace period on principal</i>
<i>Interest rate</i>	<p><i>For rediscount</i> <i>IBR + 1% Monthly or IBR + 1.15% Quarterly or IBR + 1.25 Semiannually</i></p> <p><i>For direct loan for Districts 1 and 2:</i> <i>IBR + 1.2% Monthly or IBR + 1.35% Quarterly or IBR 1.45% Semiannually</i></p> <p><i>For direct loan for Districts 3, 4, 5 and 6:</i> <i>IBR + 0.7% Monthly or IBR + 0.85% Quarterly or IBR + 0.95% Semiannually</i></p>
<i>Use</i>	<i>Investment</i> <i>Working Capital</i>
<i>Beneficiaries</i>	<p><i>For rediscount: public sector entities, private sector, decentralized entities and all others authorized by law.</i></p> <p><i>For direct loan: departments, districts and municipalities and others added by law during the term of the line.</i></p>
<i>Term</i>	<i>Until resources are exhausted.</i>

Source: Findeter

2. Compensated Rate Rediscount Loan Line for Development Mobility

This initiative was designed to contribute to the fulfillment of international commitments on reducing Greenhouse Gas (GHG) emissions, strengthen the economy and competitiveness of regions, enhance the quality of life of its inhabitants, increase national food sovereignty through road infrastructure improvements, and support the National Development Plan.

As a strategic partner of the national government, we offer a compensated rate rediscount credit line aimed at channeling working capital and investment resources to public and private entities, road

concessions, trust funds, community action boards (JAC), local administrative boards (JAL), among others, involved in mobility projects. This includes the construction and maintenance of terrestrial, fluvial, and aerial routes.

This credit line supports the 2022-2026 National Development Plan, particularly transformational pillars 3 and 5 and their catalysts:

- Physical access to food.
- Utilization of the built city in a participatory and inclusive manner, strengthening interurban links.
- Supramunicipal development models to bolster urban-rural links and integrate territories.
- Restructuring and development of national and regional systems for productivity, competitiveness, and innovation.

The financial conditions for the rediscount line with a compensated rate are as follows:

Table No. 49: Financial Conditions for the Compensated Rate Rediscount Loan Line for Development Mobility

<i>Item</i>	<i>Description</i>
<i>Amount</i>	<i>Up to COP 500,000,000</i>
<i>Period</i>	<i>Up to 12 years with up to 2 year grace period on principal</i>
<i>Interest rate</i>	<i>Rediscount</i> <i>From IBR + 1% Monthly or IBR + 1.15% Quarterly or IBR + 1.25% Semiannually</i> <i>Direct loan Districts, 1 and 2 and Departments</i> <i>IBR + 1.2% Monthly or IBR + 1.35% Quarterly or IBR + 1.45% Semiannually</i> <i>Direct Loan 3, 4, 5 and 6</i> <i>IBR + 0.7% Monthly or IBR + 0.85% Quarterly or IBR + 0.95% Semiannually</i>
<i>Use</i>	<i>Investment</i> <i>Working Capital</i>
<i>Beneficiaries</i>	<i>Rediscount: Public sector entities, private sector, decentralized entities and all others authorized by law.</i> <i>Direct Loan: Departments, districts and municipalities and others added by law during the term of the line.</i>
<i>Term</i>	<i>Until resources are exhausted</i>

Note: This line was not implemented in 2023 due to a reallocation of compensation resources to the Social Interest Housing Line, which was given priority.

3. Addition of Resources to the Compensated Rate Rediscount Loan Line for Health Liquidity Commitment

Our management in the healthcare sector has been addressing the financial difficulties that directly impact the adequate and timely provision of health services. As a strategic partner of the National Government, we have taken necessary actions to add resources to the rediscount credit line with a compensatory rate aimed at providing working capital, debt substitution, and investment resources to Public, Private, and Mixed Health Promotion Entities (EPS) and Health Service Providers (IPS).

Additionally, Territorial Entities (ET) have been included as new beneficiaries for the financing of investment projects in fiscal and financial sanitation programs for State Social Enterprises (ESE) and/or in territorial programs for the reorganization, redesign, and modernization of integrated health service networks and investment for primary care centers.

Anticipating the demand for resources by EPS and IPS, which as of February 2023 exceeded COP 519 billion, we carried out the necessary actions so that, within the settlement of the National General Budget for the fiscal year 2023, the necessary resources would be appropriated to compensate the rate for an addition of resources for the line addressed in Article 2.6.7.8.1 of Decree 1068 of 2015, as amended by Article 1 of Decree 1884 of 2021.

In this context, resources were added and the term of the Line was extended as follows:

Table No. 50: Financial Conditions addition of the rediscount line of credit with compensated rate Commitment Health Liquidity

<i>Item</i>	<i>Description</i>
<i>Additional amount</i>	<i>Up to COP 455,107,435,063</i>
<i>Final total amount</i>	<i>Up to COP 472,725,000,000</i>
<i>Period</i>	<i>Up to 5 years with up to 1 year of grace period on principal.</i>
<i>Rediscount Rate</i>	<i>Up to IBR + 1% Monthly</i>
<i>Use</i>	<p><i>ET and ESE:</i></p> <ul style="list-style-type: none"> • <i>Investment for fiscal and financial reorganization of the ESE and territorial programs for reorganization, redesign and modernization of the networks of State Social Enterprises.</i> • <i>Investment for primary care centers</i> <p><i>EPS, IPS and ESE:</i></p> <ul style="list-style-type: none"> • <i>Working Capital and Debt Substitution</i>
<i>Beneficiaries</i>	<i>Territorial Entities, EPSs, IPSs and ESEs</i>
<i>Term</i>	<i>Until resources are exhausted or until December 31, 2026.</i>

4. Direct Loan Line with Compensated Rate for Mitigation of El Niño Phenomenon

TCFD / E / M and T

At Findeter, we recognize that the Colombian energy matrix is highly dependent on hydroelectric power generation, which denotes a high level of vulnerability to changes in precipitation patterns.

The basic operation of hydroelectric plants primarily relies on capturing water from a natural source, such as a river, using a dam or barrier to create a reservoir that stores water. This setup allows for the controlled flow of water and regulation of energy generation through turbine movement.

During the “El Niño” phenomenon, rainfall in Colombia tends to decrease significantly, leading to reduced river flow. This directly impacts hydroelectric plants that rely on a steady water flow for energy generation. With less water available, hydroelectric generation capacity may decrease,

affecting the electrical supply. This reduction in hydroelectric power production can result in increased reliance on alternative energy sources, such as burning fossil fuels in thermal power plants, to meet energy demands, impacting costs and environmental sustainability.

Regarding demand, during the “El Niño” period, there is an understandable increase in electricity consumption. This is because people in warmer areas tend to use cooling devices such as air conditioners and fans for extended periods. This increased demand can place additional pressure on energy generation systems, especially if hydroelectric generation capacity is compromised.

This conjunction of situations—lower energy production capacity and increased energy demand—can lead to deficiencies in energy service provision in terms of quality and continuity.

Consequently, this may increase the risk of blackouts and energy rationing due to the limited availability of energy to meet the growing demand, potentially impacting industry, commerce, and everyday life.

Under Article 5 of the Budget Addition Act 2299 of 2023, Findeter is authorized to create a direct loan line, with or without a compensated rate, to support distribution and retail companies that maintain balances in the tariff option.

The conditions of the credit line were as follows:

Table No. 51: Direct Loan Line with Compensated Rate for Mitigation of El Niño Phenomenon

<i>Item</i>	<i>Description</i>
<i>Amount</i>	<i>COP 1,000,000,000,000,000 (COP 1 billion)</i>
<i>Period</i>	<i>Up to 10 years with 1 year grace period on principal</i>
<i>Interest Rate</i>	<i>From IBR + 2% Monthly</i>
<i>Use</i>	<i>Working Capital and/or liquidity</i>
<i>Beneficiaries</i>	<i>Official, mixed and/or private electric energy distribution and commercialization companies that have applied the regulatory tariff option established by the Energy and Gas Regulation Commission - CREG.</i>
<i>Term</i>	<i>Until resources are exhausted</i>

5. Rediscount Credit Line with Compensated Rate for VIS Housing for Regional Development (Urban and Rural)

In an effort to contribute to the consolidation of social housing programs that provide dignified housing for hundreds of families reliant on the people’s economy, as well as to make contributions to the construction sector for its revitalization and job creation, Findeter has implemented a rediscount credit line with a compensated rate. This line is aimed at the acquisition of housing for natural persons through financial intermediaries, as well as for legal entities requiring working capital for construction.

Promoting social housing not only fulfills the constitutional mandate framed in Article 51 of the Political Constitution of Colombia of 1991 but also contributes to reducing unemployment; construction being one of the activities that generates the most direct and indirect jobs. Furthermore, encouraging construction stimulates the mobilization of resources towards other industries dependent on this sector, such as steelworks, cement factories, and brickworks.

Improving both the interior and exterior of a home will significantly impact the quality of life of families and individuals benefited. These improvements will create a more favorable home environment, providing optimal conditions for rest and greater resilience to adverse climatic events. This will provide tranquility, better health conditions, and a favorable environment for the occupants.

Additionally, these improvements will also increase the commercial and cadastral value of the property, as once made, the house will appreciate and can command a higher sale price.

Historically, investment in housing improvement has contributed to reducing the figures for qualitative housing deficits, which, at the national level, accounted for about 23%, with the most affected departments being San Andrés (82.9%), Vichada (58.3%), Sucre (55.4%), and La Guajira (48.9%).

VIS and VIP projects, being registered in the Ministry of Housing and endorsed by it, are exempt from obtaining an additional feasibility study to access credit resources with a compensated rate from builders. Furthermore, since the ministry has already evaluated and approved the feasibility and relevance of these projects as VIS and VIP, natural persons who wish to acquire these types of housing through financial intermediaries authorized to rediscount with Findeter, will not require feasibility for disbursement.

Moreover, revitalizing the construction sector is crucial to boosting the economy and generating employment in the country. The COVID-19 pandemic significantly affected this sector. Thus, granting working capital and debt substitution credits to builders of social and priority interest housing can be an effective measure to reactivate economic activity in this area.

Our rediscount credit line with compensated rates will offer financing for working capital to construction companies that need to settle liabilities and free up cash for VIS and VIP projects.

Granting working capital and debt substitution credits to builders of social and priority interest housing can also encourage investment in technology and improvements in construction processes, which in turn can increase productivity and the quality of the housing.

Reactivating the construction sector of social and priority interest housing not only has an economic impact but also a social one. These homes are essential for providing dignified housing to low-income people and contributing to reducing the housing deficit in the country. By granting credits to builders, the construction of more affordable homes is promoted, and the quality of life of the most vulnerable population is improved.

Additionally, it is planned that for this line, the technical and competent capacities of the territorial entities will be used, where urban improvement and self-construction projects are implemented to generate the execution of these investments, and preferably developed by community action organizations.

SASB FN-CB-240a.4

This credit line also supports the transformative axis 5 “Regional Convergence” of the National Development Plan (PND), which refers to the “process of reducing social and economic gaps between households and regions in the country, achieved by ensuring adequate access to opportunities, goods, and services.” Additionally, it leverages the goals of the national government by strengthening the housing sector and will promote mechanisms that improve access to credit for households and associative forms, which have traditionally been excluded from the formal financial market. These resources can be used for the acquisition, self-construction, or improvement of housing.

Table No. 52: Financial Conditions of the Rediscount Credit Line with Compensated Rate for VIS Housing for Regional Development (Urban and Rural)

<i>Item</i>	<i>Description</i>		
<i>Use</i>	Acquisition and self-construction	Working Capital Improvement	Working Capital and debt replacement to Construction Companies
Term	<i>Up to 20 years</i>	<i>Up to 6 months</i>	<i>Up to 5 years</i>
Grace	<i>Not applicable</i>	<i>Not applicable</i>	<i>1 year grace period on principal</i>
Rate	<i>Fixed Rate 6.3% APR For rate in UVR or CPI it will be determined periodically according to demand**.</i>	<i>Fixed Rate 6.3 APR</i>	<i>From IBR - 3% Monthly*</i>
Beneficiaries	<i>Individuals interested in acquiring or self-building housing.</i>	<i>Popular organizations, companies and other actors interested in executing home improvements</i>	<i>VIS developers</i>
Amount of the credit line	<i>COP 1 billion</i>		

6. Rediscount Credit Line with Compensated Rate for Reactiva Verde y Sostenible

TCFD / E / M and T

To leverage the fulfillment of commitments made under the Paris Agreement through the Nationally Determined Contributions (NDCs), we have made available to Territorial Entities, public and decentralized entities of national and territorial order, as well as private law entities, a new segment of the “Reactiva Colombia” financing program called Green Appendix. This segment is aimed at financing investments related to infrastructure for the sustainable development of regions in terms of energy and mobility.

The financial conditions of this line based on the available balance for subsidies are as follows:

Table No. 53: Financial Conditions of the Rediscount Line with Compensated Rate Reactiva Verde y Sostenible

<i>Item</i>	<i>Description</i>
<i>Line Amount</i>	<i>Up to COP 64,661,725,691</i>
<i>Total Term</i>	<i>Up to 10 years with up to 2 years of grace period on principal.</i>
<i>Rediscount rate</i>	<ul style="list-style-type: none"> <i>IBR-0.5% Monthly. For projects up to 10 years, with up to 2 years grace period on principal for territorial entities categories 3, 4, 5 and 6, i.e. Group 3.</i>

Item	Description
	<ul style="list-style-type: none"> • <i>IBR-0.5% Monthly. For projects up to 5 years, with up to one year grace period for private and public projects.</i> • <i>IBR+0.0% Monthly. For projects from 5 years to 10 years, with up to 2 years of grace period on principal in private and public projects.</i>
<i>Beneficiaries</i>	<i>Territorial entities, public entities and decentralized entities of the national and territorial order, as well as private law entities.</i>
<i>Use</i>	<i>Investment expenses: The resources of this line will be used to finance all investments related to the study and design, construction, rehabilitation, maintenance, improvement, expansion, auditing, equipment and goods required for the development of the operation of the eligible sectors, acquisition, equipment, operation and maintenance in all our eligible sectors, and that comply with the eligibility criteria for green and sustainable projects, associated to some of the criteria established in the Colombian Green Taxonomy.</i>
<i>Sectors</i>	<i>Energy, transportation, urban development, construction and housing, education and information and communication technologies-ICT.</i>
<i>Term of the Line</i>	<i>Until December 31, 2026 or until resources are exhausted, whichever occurs first.</i>

7. Direct loan line with compensated rate commitment reactivation Colombia Tranche II.

To continue leveraging the development of regions and the process of reactivating and revitalizing the economy from the territorial entities, we have advanced the necessary arrangements to add resources amounting to COP 800 billion to the “Compromiso Reactivación Colombia Tramo II” direct loan line. This initiative is designed to continue providing the necessary financial tools to enhance the development and growth of the country.

The financial conditions of this line, based on the available balance for subsidies, are as follows:

Table No. 54: Financial Conditions of the Direct Loan Line with Compensated Rate for Reactivation Commitment Colombia Tranche II

Item	Description
<i>Line Amount</i>	<i>COP 800 billion</i>
<i>Total Term</i>	<i>Up to 10 years with up to 3 years grace period on principal</i>
<i>Rediscount rate</i>	<i>Municipalities of category 3, 4, 5 and 6, Departments 3 and 4 and Districts of category 3, 4, 5 and 6: IBR + 1.10% Monthly or IBR + 1.25% Quarterly or IBR + 1.45 Semiannually. Special Districts 1 and 2, Special Departments and of category 1 and 2 AND Special Municipalities and of category 1 and 2: IBR + 1.60% Monthly or IBR + 1.75% Quarterly or IBR + 1.95% Semiannually.</i>
<i>Beneficiaries</i>	<i>Territorial Entities: Departments, districts and municipalities and any others that may be added during the term of the line.</i>
<i>Use</i>	<i>Investment expenses: The resources of this line will be used to finance all investments related to the study and</i>

<i>Item</i>	<i>Description</i>
	<i>design, construction, rehabilitation, maintenance, improvement, expansion, auditing, equipment and goods required for the development of the operation of the eligible sectors, acquisition, equipment, operation and maintenance in all sectors financed by Findeter, and that comply with Findeter's eligibility criteria for green and sustainable projects associated with some of the criteria established in Colombia's Green Taxonomy.</i>
<i>Term of the Line</i>	<i>Until resources are exhausted</i>

- **Non-Financial Products 2023**

In 2023, we signed a total of 30 inter-administrative contracts for the development of Non-Financial Products (technical assistance) valued at approximately COP 2.3 trillion. Of these, 8 contracts were with territorial entities, totaling COP 394,402 million, while 22 contracts were conducted with national entities, reaching a value of COP 1.9 trillion.

27% of the business closed in 2023 pertains to contracts with territorial entities, a result attributed to the activity of the commercial force, seeking business opportunities for Non-Financial products and generating a positive balance on the business potential in the regions.

Additionally, we signed four inter-administrative contracts with new clients with whom we had not previously conducted business regarding Non-Financial products. Among these clients are the Ministry of Agriculture and Rural Development, the Special Programs Fund for Peace, Migration Colombia, and the District Institute of the Arts.

Below is a comparative table that highlights the commercial management of Non-Financial products during the years 2023 vs 2022. This summary provides a view of the key results, reflecting the impact of the strategies implemented and the commercial performance during this period.

Table No. 55: Results of Non-Financial Product Contracts 2023 vs 2022

Entity	Year 2023	Year 2022	Growth %
Total No. Contracts	8	6	33%
Value of Contracts Territorial Entities	22	15	47%
Value of Contracts National Entities	0	1	-100%
Value of Contracts Private Entities	30	22	36%
Total Value of Contracts	394,402	36,148	991%
Value of Technical Assistance Territorial Entities	1,937,659	388,914	398%
Technical Assistance Value National Entities	-	73	-100%
Technical Assistance Value Private Entities	2,332,061	425,135	449%
Total Technical Assistance Value	17,443	4,667	274%
Total No. Contracts	118,023	27,330	332%
Value of Contracts Territorial Entities	-	73	-100%
Value of Contracts National Entities	135,466	32,070	322%

Source: Findeter-Figures in COP millions

Based on the successful outcomes of the commercial strategy, there was a significant increase of 36% in the number of contracts closed compared to 2022. Specifically, there was a 33% increase in contracts closed with territorial entities and a 47% increase with national entities.

Furthermore, there was a 449% increase in the value of closed contracts, with a remarkable 991% increase with territorial entities and a 398% increase with national entities. Additionally, there was a 322% increase in the total value of technical assistance, resulting in a 274% increase with territorial entities and a 332% increase with national entities compared to the previous year. These results reflect significant growth in all aspects of the commercial management of Non-Financial products during 2023 compared to the previous year.

Institutional Transformation

Throughout 2023, institutional changes focused on unifying the operation of Non-Financial technical products under the Technical VP. This internal restructuring led to the redefinition of sectors by management as mentioned in section 5.1.1 of this report. In response to these modifications, the Integral Sales Leadership aligned with the changes, promoting the identification of business opportunities and providing support in the negotiation processes and consolidation of contracts for the development of strategic projects.

- **Operations Management (Rediscount and Direct Loan)**

CE 012/2022 SFC (7.4.1.1.1., Item (iii); External Circular 012/2022 SFC Section 7.4.1.3.2. Practices, policies, processes, and indicators related to environmental and social criteria implemented by the issuer

Throughout 2023, we carried out the following activities related to operations management, both rediscount and direct loan:

Rediscount

CE 012/2022 SFC (7.4.1.1.1., Item (iii))

- **Disbursements**

During the reference period, 550 disbursement requests were managed, totaling COP 2,421.678 million, distributed by type of operation, credit, leasing, credileasing, and VIS, grouping 1,345 VIS requests:

Table No. 56: Rediscounts Disbursed 2023

Operation Type	Number of Operations Disbursed	Total disbursed (COP millions)
Credit	305	2,118,842
Leasing	90	170,744
VIS	123 (grouping 1,345 VIS operations)	85,166
CrediLeasing	32	46,926
Total	550	2,421,678

Source: Findeter

- **Regulation Update for Rediscount Operations**

Two updates were made to the regulation for rediscount operations with approval granted by the Board of Directors during their May and September sessions. The key changes were:

- Update to the rediscount regulation policy for previously disbursed operations
- Change in the rediscount regulation from the sector name 'Cultural, Creative Industry and Orange Economy' to 'Cultural and Creative Industry and Economy'.

- **Management of Environmental and Social Risk Systems (SARAS)**

External Circular 012/2022 SFC Section 7.4.1.3.2. TCFD / Risk Management / Metrics and Targets; SASB / IFAS and GAC (FN-CB410a.2)

In relation to the management of the environmental and social system: i) Analyses and evaluations of environmental, social, and emission risks were carried out, issuing the respective technical opinions, in accordance with the policies and guidelines established in the SARAS instruments for 35 projects; ii) 63 hours of support were provided to the International Banking Directorate and the Risk VP; iii) The commitments established for 289 evaluated projects were monitored; and iv) Seven field visits to evaluated projects were conducted.

- **Response to Inquiry from Potential Rediscount Beneficiary**

During the analyzed period, we managed and responded to 47 inquiries to determine if potential beneficiaries of rediscount operations could access resources from the existing lines.

- **Technical Secretariat of the Administrative Credit Committee**

During 2023, 67 meetings of the Administrative Credit Committee were held, where the minutes recording the decisions of the collegiate body, presented, among others, the following topics: i) Rediscount operations with special conditions, ii) Approval of Direct Loan operations, iii) Approval of portfolio restructurings, iv) Approval of billboard rates, v) Modification or update of annexes to the regulations for rediscount and Direct Loan operations, vi) Approval and/or modification of financing programs.

- **Parameterization of Financing Programs and Update of Billboard Rates**

Three times during the year, updates and parameterizations in the core banking system (Financianet) were managed through updates of billboard rates; similarly, on three occasions, we updated the parameterization of new financing programs.

Direct Loan

CE 012/2022 SFC (7.4.1.1.1., Item (iii)).

During the reference period, the following activities related to the management of Direct Loan operations were carried out:

- **Management of Loan Applications and Disbursements**

Loan applications from territorial entities, trust funds, and energy marketing and distribution companies were approved as follows:

- a) For territorial entities within the direct loan line with compensated rate "Reactivation Commitment Colombia Tranche II", the Financiera received and managed 35 applications for COP 639,843 million (departmental, district and municipal).

Table No. 57: Direct Loan Applications

Entity Type	Number	Total Amount (COP millions)
Departmental	3	103,968
District	1	71,543
Municipal	31	464,333
Trust Funds	3	410,230
Energy Companies	26	1,209,962
Total	64	2,260,036

Source: Findeter

- b) Of this group, seventeen operations were approved for COP420,173.3 million. Most of the approvals were for special and first category territorial entities (Categories 1,4,5,6 and Esp).

Table No. 58: Direct Loan Approvals

Category	Approved	Amount approved (COP millions)
1	9	309,431
4	2	19,400
5	1	7,500
6	4	12,300
ESP	1	71,543
Trust Fund	3	410,479
Energy Companies	11	475,665
Total	31	1,306,318

Source: Findeter

- c) Regarding trust funds as stipulated in Article 289 of Act 2229 of 2023, which exceptionally authorizes the granting of direct loan to trust funds established by the Financial Institution to finance investment projects, 3 applications were received totaling COP 410,479 million, which were approved for that amount. Refer to the previous two tables.
- d) According to Article 5 of Act 2299 of 2023, authorization was granted for direct loan to electricity distribution and commercialization companies that have applied to the regulatory tariff option established by the Energy and Gas Regulation Commission (CREG). From these, 26 applications were received valued at COP 1,209,962 million, and 11 were approved totaling COP 475,665 million. Refer to the previous two tables.

During the reference period, we signed 23 contracts valued at COP 1,325,781 million, of which fifteen (15) are loan agreements and 8 are direct loans.

Table No. 59: Signed Loan Agreements for Direct Loans

Entity Type	Number by Category	Amount per Category (COP millions)
Territorial entities	15	571,899
Trust Fund	3	410,479
Energy Companies	5	343,402
Total	23	1,325,781

Source: Findeter

The entity processed 150 direct loan disbursement requests for COP 1,465,937 million.

Table No. 60: Disbursements processed by type of entity

Entity	No. of disbursements	Amount disbursed (COP Millions)
Territorial entities	148	1,185,937
Energy Companies	2	280,000
Total	150	1,465,937

Source: Findeter

Follow-up of direct loan portfolio

In compliance with Circular 100 of 1995 issued by the Colombian Financial Superintendence, we conducted monitoring of the current credit portfolio for direct loan operations as follows: for the first semester, 137 utility service providers and 47 territorial entities were monitored; and for the second semester, 31 utility service providers and 55 territorial entities were monitored, making a total of 270 follow-ups throughout the year.

Table No. 61: Monitoring Conducted by Semester

Semester	PPSPD	E.T.	Total
First semester	137	47	184
Second semester	31	55	86
Total	168	102	270

Source: Findeter

- **Update to the Regulations for Direct Loan Operations**

In 2023, we made three updates to the Direct Loan Regulations. Versions 9, 10, and 11 were issued on May 31, August 29, and September 26, 2023, respectively. The main changes are described as follows:

Version 9. We incorporated Chapter III into Section III, which deals with the provision of credit to trust funds established by Findeter for the development of infrastructure investment projects and others within its eligible sectors.

Version 10. We added a methodology for granting direct loan to electricity distribution and marketing companies that have opted into the regulatory tariff option established by the Energy and Gas Regulation Commission (CREG).

Version 11. We updated the methodology for granting direct loan to trust funds established by Findeter for the development of infrastructure investment projects, and others within its eligible sectors following recommendations from the Financial Superintendence of Colombia.

In accordance with current regulations, during the second half of the year, the financial entity developed a financial model for distribution and commercialization for the analysis of energy companies, as well as the incorporation of formats and adjustments to the procedures of the process.

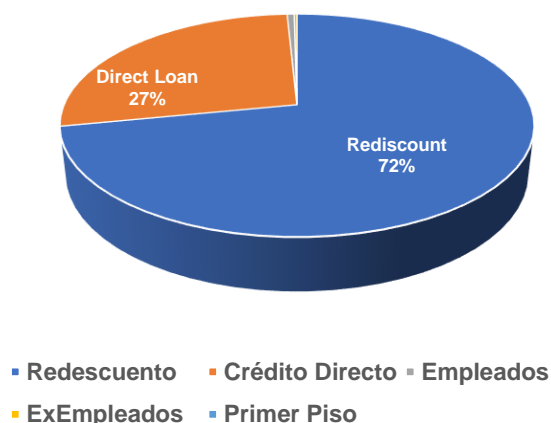
- **Findeter's Loan Portfolio**

The most significant asset category of the entity is its loan portfolio, which notably includes the rediscount portfolio accounting for 71.91% of the gross portfolio, direct loan at 27.30%, and first floor (received from CFC International – Liquidated) at 0.01% of the financial entity’s credits, which amounted to COP 12.24 trillion in 2022. The commercial loan portfolio closed 2023 at COP 12.15 trillion.

Non-performing commercial loans as a percentage of the total commercial category loan portfolio of the entity represent 0.14%, and the rediscount portfolio showed no delinquency at the end of 2023. Below is the distribution of the loan portfolio by type at year-end:

- **Loan Portfolio by Type**

Graph No. 18: Commercial Loan Portfolio Classified by Type



Source: Findeter 2023

Findeter’s gross commercial portfolio (Rediscount and Direct Loan) increased by 10.15% over the last year. As of the end of December 2023, it amounted to COP 12.15 trillion. This growth, amounting to 1.12 trillion, continues the achievements of the previous year and follows the growth trend outlined in the financial strategy.

This performance is due to the dynamics of the placement of the rediscount and direct loan portfolio, as well as to prepayments below the historical average, largely due to the behavior of the high interest rates that have been observed over the last 2 years.

- **Rediscount Portfolio**

Regarding the rediscount portfolio, 95.51% is placed through 16 banks, while the remainder is distributed among other types of financial intermediaries.

Table No. 62: Rediscount Portfolio Balance by Type of Financial Intermediary

No.	Type of Intermediary	Portfolio balance	% Share	No. IF
1	Banks	8,409,946	95.51%	16
2	Special government institutions	236,041	2.68%	1
3	Infis	44,193	0.50%	1
4	Financing companies	88,922	1.01%	2
5	Financial cooperatives	26,055	0.30%	3
6	Savings and credit cooperatives	60	0.00%	2
7	Compensation funds	95	0.00%	3

8	Employee funds	96	0.00%	1
	Total	8,805,408	100.00%	29

Source: Findeter 2023. – Values in COP millions

This portfolio presented a decrease in the balance of 1.85% during the year 2023. The following is the rediscount portfolio distributed by economic sector:

- **Rediscount Portfolio by Economic Sector**

TCFD / M and T; SASB / IFAS and GAC: FN-CB-410a.1

The transportation, health, education, urban development, energy development and drinking water and basic sanitation sectors represent 95.70% of the total rediscount portfolio.

Table No. 63: Rediscount portfolio by sector

Sector	Portfolio balance	% Share
Transportation infrastructure	1,647,355	18.71%
Education infrastructure	1,518,952	17.25%
Energy development infrastructure	1,475,871	16.76%
Health infrastructure	1,381,063	15.68%
Drinking water and basic sanitation infrastructure	1,357,370	15.42%
Urban infrastructure, construction and housing development	1,045,790	11.88%
Infrastructure for sports, recreation and culture	227,432	2.58%
Territorial fiscal sanitation	54,800	0.62%
ICT infrastructure	52,385	0.59%
Tourism infrastructure	28,300	0.32%
Environmental infrastructure	9,544	0.11%
Infrastructure for cultural, creative and orange economy industries.	6,546	0.07%
Total	8,805,408	100%

Source: Findeter 2023. – Values in COP millions

- **Direct Loan Portfolio**

Between December 31, 2022, and December 31, 2023, we achieved a growth of 62.48% in the Direct Loan portfolio, with disbursements amounting to COP 1.476 trillion.

We have managed to maintain an adequate quality of this Direct Loan portfolio through strategies of personalized collection, continuous contact with the client, and effective collection channels, achieving a delinquency rate of 0.51% on the credits placed by the entity. Additionally, compliance was achieved with the stipulations of Act 2300 of 2023 regarding debt collection and the right to privacy of the financial consumer.

As of December 31, 2023, the Direct Loan portfolio amounted to COP 3.34 trillion, placed in 382 credit operations distributed as follows:

Table No. 64: Direct Loan Portfolio Balances for 2023

Direct Loan	Balance 2023		Loans	
	(COP million)	% Share	No.	% Share
Territorial entities	3,057,717	91.48%	300	91.48%
Energy distribution and trading companies	280,000	8.38%	28	8.38%
Public utilities companies	4,798	0.14%	2	0.14%

Total	3,342,515	100.00%	330	100%
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Source: Findeter 2023. – Values in COP millions

- **Direct Loan Portfolio by Economic Sector**

SASB / IFAS y GAC: FN-CB-410a.1

The sectors of transportation, urban development, development for sports, recreation and culture, education, and drinking water and infrastructure for Urban Development constitute 85.15% of the total Direct Loan portfolio.

Table No. 65: Direct Loan Portfolio by Sector for 2023

Sector	Portfolio Balance	% Share
Transportation infrastructure	980,305	29.33%
Urban infrastructure development, construction and housing	742,533	22.21%
Infrastructure for sports, recreation and culture	482,175	14.43%
Education infrastructure	329,029	9.84%
Infrastructure for energy development	311,995	9.33%
Health infrastructure	203,634	6.09%
Drinking water and basic sanitation infrastructure	151,032	4.52%
Territorial fiscal sanitation	65,000	1.94%
Tourism infrastructure	56,111	1.68%
Environmental infrastructure	20,700	0.62%
Total	3,342,515	100.00%

Source: Findeter 2023. – Values in COP millions

- **Direct Loan Portfolio by Type of Beneficiary**

The direct loan portfolio is placed in 91.60% of public beneficiaries and the remaining 8.40% in private beneficiaries.

Table No. 66: Direct Loan Portfolio by Type of Beneficiary

Sector	Portfolio Balance	% Share
Public	3,061,745	91.60%
Private	280,770	8.40%
Total	3,342,515	100%

Source: Findeter 2023. – Values in COP millions

- **Direct Loan Portfolio by Line of Credit**

The direct loan portfolio is placed in 7 lines of credit, of which the 3 with the largest balance correspond to the Compensated Rate directed to departments, municipalities and districts with 90.34% of the balance.

Table No. 67: Direct Loan Portfolio by Line of Credit

Sector	Portfolio Balance	% Share
T.C. Colombia reactivation commitment TR II	2,083,434	62.33%
T.C. Colombia reactivation commitment tranche II-refinancing	677,428	20.27%
T.C. Colombia reactivation commitment tranche II-refinancing II	258,730	7.74%
T.C. Energy distribution companies-decree 1637	205,250	6.14%
RO.RA Direct loan	74,750	2.24%
T.C. Cities with integrated mass transportation systems	38,125	1.14%
Direct loan for public utilities	4,798	0.14%
Total	3,342,515	100.00%

Source: Findeter 2023. – Values in COP millions

- **Direct Loan Portfolio by Territorial Entity Category**

Of the direct loan portfolio, 91.46% is placed and distributed among 65 debtors, of which 13 are departments, 51 municipalities and 1 district.

The distribution of the direct loan portfolio by departments, municipalities and districts is shown below

Table No. 68: Loan portfolio by category of territorial entity

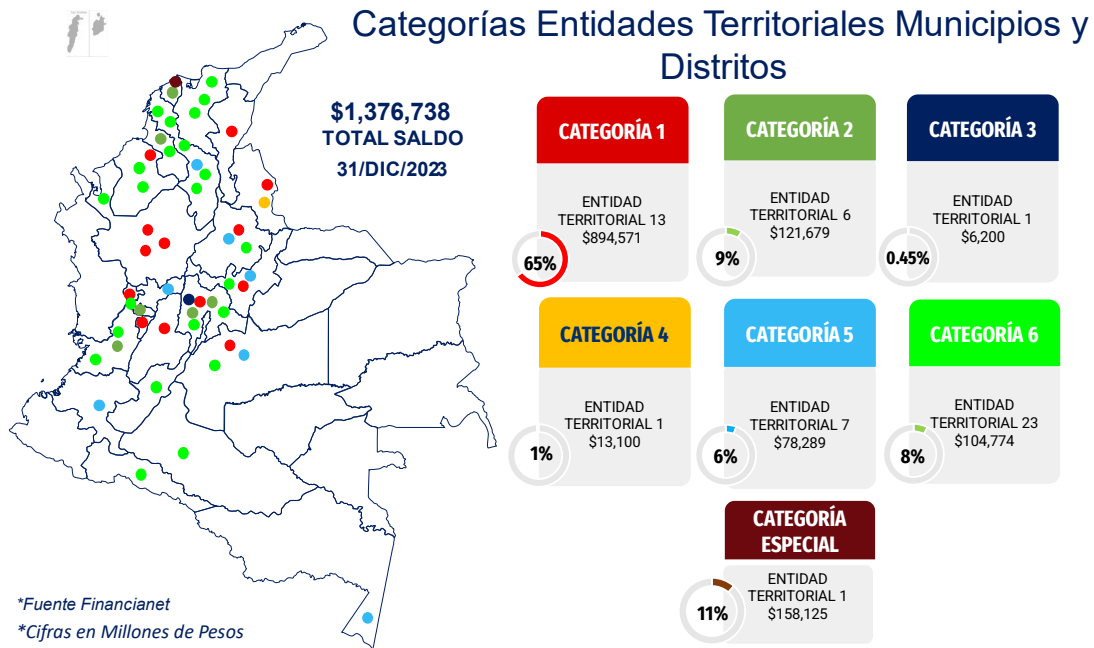
Municipality Category	Portfolio Balance	% Share
Special Category	158,125	11.49%
Category 1	894,571	64.98%
Category 2	121,679	8.84%
Category 3	6,200	0.45%
Category 4	13,100	0.95%
Category 5	78,289	5.69%
Category 6	104,774	7.61%
Total	1,376,739	100%
Department Category	Portfolio Balance	% Share
Special Category	782,909	46.57%
Category 1	582,210	34.64%
Category 2	256,438	15.26%
Category 3	59,421	3.53%
Total	1,680,978	100.00%

Source: Findeter 2023. – Values in COP millions

- **Direct Loan Portfolio by Geographic Location and Category of the Territorial Entity**

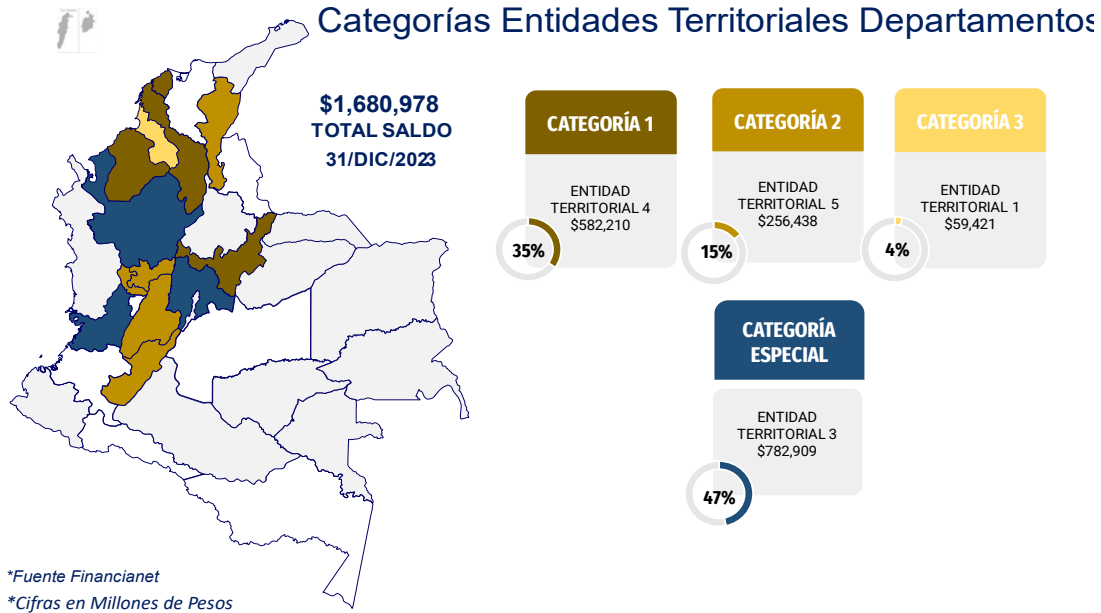
The distribution of the direct loan portfolio by category of municipalities and districts and by geographical location is as follows:

Illustration No. 39: Direct Loan Portfolio by Category of Municipalities, Districts and by Geographical Location



The distribution of the Direct Loan portfolio by Department category and by geographic location is shown below:

Graph No. 40: Direct loan portfolio by Department category and by geographic location



5.3 People's Economy

GRI.3-3 (Mega-Material Topic: People's Economy)

We play a pivotal role in the financing and execution of projects, serving as a driver for economic and social progress. Our entity not only provides financial resources but also acts as a vehicle for innovation and the implementation of sustainable practices.

Throughout 2023, we have embraced the shift in focus by the national government. This change aligns comprehensively with the goals and objectives set out in the National Development Plan 2022-2026 (PND), "Colombia, a Global Powerhouse of Life," and is realized through our Strategic Plan "Transforming Regions." This plan aims to strengthen the development models of community organizational expressions, leveraging economies of scale and their productive potential, in an effort to reduce and close regional gaps across the national territory.

The integration of people's economy implementers in projects facilitated by development banking offers multiple advantages. First, it ensures that projects are more aligned with the needs and expectations of local communities, guaranteeing that the benefits of development are shared equitably.

Additionally, it drives the creation of local employment and the strengthening of regional economies, contributing to the reduction of inequalities. Lastly, this inclusion enhances the sustainability of projects, leveraging the deep knowledge that local communities have of their environment and sustainable practices.

The progress of development banking and the implementers of the people's economy move forward as an innovative and promising strategy to address the challenges of achieving more resilient, sustainable projects that benefit all parties involved.

In line with the strategy proposed by the national government within its Development Plan, the execution of projects through solidary agreements directly with communities is contemplated. This aims to strengthen capacities, generate employment, and foster ownership by these communities.

We are committed to developing projects directly with communities in productive sectors, under the framework of inter-administrative contracts and agreements in partnership with: Artesanías de Colombia, the Ministry of the Interior, the Ministry of Agriculture, and Invias.

As part of our initiative to integrate people's economy implementers into project management, we present five standout projects that illustrate the start of this strategy:

1. Project: Strengthening, Promotion, and Protection of Indigenous Peoples – Ministry of the Interior

Scope: Activities/projects aimed at fulfilling territorial rights, comprehensive attention to populations and communities, processes of strengthening, promotion, and protection of indigenous peoples, and commitments established in the National Development Plan.

Value: COP 89,984 million.

People's Economy Implementers: 70 associations of indigenous communities.

Impact: Protection of ethnic communities affected by displacement through productive strengthening and self-governance, preservation of cultural integrity, harmony, and balance for the defense of life, a pact for and with the regions, and infrastructure.

2. Project: Project Bank Call – Ministry of the Interior

Scope: Activities and/or projects aimed at promoting political, social and citizen participation, through the financing of projects or initiatives of different population groups before the 2023 Project Bank of the Directorate for Democracy, Citizen Participation and Community Action of the Ministry of the Interior.

The population groups that presented their initiatives were: community action boards, peasant organizations, people with disabilities, youth and/or women's organizations, citizen oversight organizations, networks of oversight organizations and mayors' offices of category 6 municipalities.

Value: COP 63,862 million.

People's economy implementers: up to 822 initiatives are expected to finance projects of community organizations.

Impact: To transform in various spheres of community, social and productive life, a significant change within the communities, thanks to the financed projects that allow building and equipping with new tools the communal spaces for the promotion of new leaderships, strengthening the existing structures and planning with the communities tools that allow facing the global challenges.

3. Project: Execution of Productive Projects, Programs, and Implementation of Public Policy Strategies – Ministry of Agriculture

Scope: Build and strengthen income generation policies, rural entrepreneurial capacities (Campo Emprende), and enhance the model of support for productive partnerships in the agricultural sector.

Value: COP -79,000 million.

People's Economy Implementers: 13 peasant associations.

Impact: Enhance the social, human, physical, financial, and natural capital of extremely poor rural families in the target areas of the project, promoting comprehensive and sustainable development in these communities.

4. Project: Development of Strategic Regional Road Projects and Attention to Ruling T-302-2017, Wayuu Communities

Scope: 1) Compliance with ruling T-302 of 2017 in the municipalities of Uribia, Riohacha, Maicao, and Manaure in La Guajira; 2) attention to the Palermo – San Luis corridor in Huila; 3) roads prioritized by CRIC communities in Cauca; and 4) secondary and tertiary regional roads prioritized by indigenous associations and ethnic groups.

Value: COP 53,000 million.

People's Economy Implementers: Participation of community organizations through a logistics operator.

Impact: Improve road infrastructure, facilitating access to basic services, enhancing commercial opportunities, and connectivity among communities.

5. **Project: Maintenance and Adaptation of Properties - Artesanías de Colombia**

Scope: Maintenance and adaptation projects of properties owned by Artesanías de Colombia S.A. – BIC nationally, expected to start in the cities of Bogotá, San Jacinto, and Ráquira.

Value: COP 2,000 million.

People's Economy Implementers: Currently 7 community action boards.

Impact: Revitalize and preserve key physical spaces for the promotion and development of art and artisanal culture with greater operational capacities, contributing to the valorization and recognition of the country's cultural and intangible heritage.

In each project we initiate, we strive to highlight our focus and collaborative commitment with national entities (Ministry of the Interior, Ministry of Agriculture, INVIAS, and Artesanías de Colombia), where over 900 people's economy implementers will participate in the implementation and contribute to decision-making, ensuring that projects align with the needs and objectives of the communities they serve. This strategy promotes sustainability, community empowerment, and will ensure a positive and lasting impact.

6. **RESPONSIBLE FINANCE**

GRI. 3-3 (Material Topic: Responsible Finance)

6.1 **Economic Environment**

6.1.1 **Economic Context 2023 in Retrospect**

External Circular 012/2022 SFC, Sección 7.4.1.1.1. Description of the issuer's business purpose, Item (iii) Competitive business conditions; SASB / Incorporation of Environmental, Social and Management Factors in the Credit Analysis, Section 10 (ESG factors in the evaluation of prospects).

The high inflation levels that have prevailed globally following the pandemic led central banks in developed and emerging economies to tighten their monetary policy stances, resulting in more restrictive financial conditions.

In this context, global economic activity slowed, while existing vulnerabilities in some commercial banks in developed economies were exacerbated, leading to an environment of uncertainty and risk aversion.

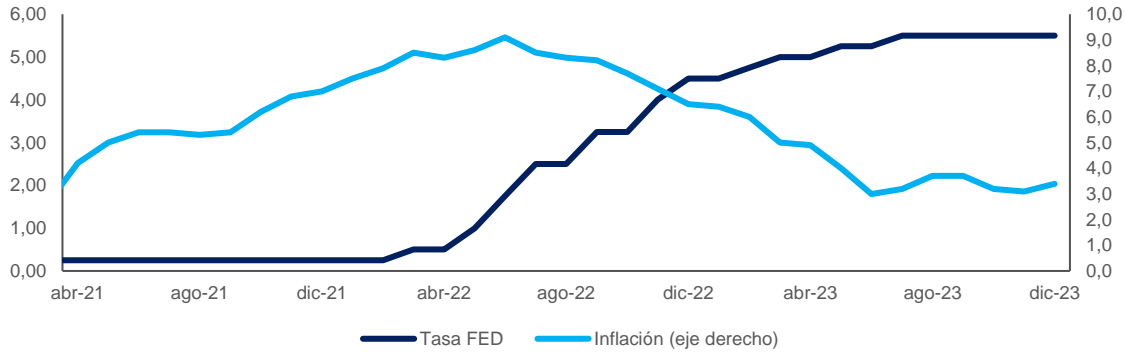
➤ **Developed Economies**

- **United States**

In the United States, inflation showed a downward trend during the first half of 2023, reaching its lowest level in June at 3.0%. This trend was influenced by several factors, including normalization of the supply chain, reduced liquidity in the post-pandemic period, and changes in demand as health restrictions were lifted.

In the second half of the year, price correction occurred at a more moderate pace due to various economic factors such as an increase in gasoline prices (due to production cuts by members of the Organization of the Petroleum Exporting Countries, OPEC), and the emergence of a new conflict between Israel and Hamas. Thus, by the end of 2023, total inflation edged around 3.4% and core inflation at 3.9%.

Graph No.19: Monetary Policy Variables in the United States (percentage)



Source: Bloomberg; prepared by Findeter.

In this context, starting from March 2022, the Fed opted to abandon its interest rate range of 0.00%-0.25% and began normalizing its monetary policy by implementing historic interest rate hikes.

Throughout 2023, the Federal Reserve's (Fed) decisions were aimed at continuing to consolidate a restrictive monetary stance in order to bring inflation down to its 2% target, albeit at a more moderate pace. Thus, the US policy interest rate ended 2023 in the range of 5.25%-5.50%.

Looking ahead to 2024, the minutes from the Federal Open Market Committee (FOMC) reveal that, although recent PCE inflation data has been encouraging, the target of 2% is still far off.

However, 2024 will be a year of declining interest rates. This is the belief among FOMC members, who have differing views on the intensity with which this easing of monetary policy will begin, but the median expectation is that the reduction will be 0.75 points by the end of the year.

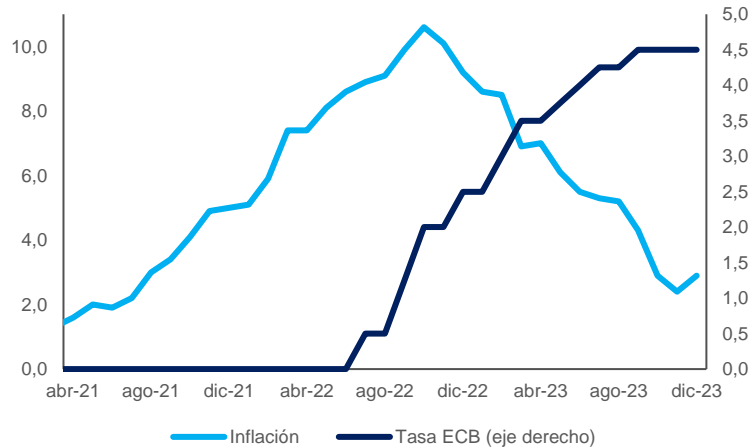
Regarding productive activity, the US GDP exhibited growth during the first two-thirds of 2023 (at around 2.0% and 2.1%, respectively), before expanding at a rate of 4.9% in the third quarter, marking the highest pace in the last two years, data which have positively surprised and evidenced the resilience of that country's economy.

- **Eurozone**

2023 was marked by a significant correction in the price level in the region, a trend that contrasts with the previous year, which saw substantial inflationary pressures due to the post-pandemic economic recovery and the conflict between Russia and Ukraine. Indeed, Eurozone inflation showed a downward trend for most of the year, driven by decreases in energy and food prices.

Specifically, the region started the year 2023 with an inflation rate of 8.5% and closed the year at 2.9%. Core inflation peaked at 5.7% in March of that year and, starting from the second half, underwent a moderate correction, ending 2023 at 3.4%.

Graph No.20: Monetary Policy Variables in the Eurozone (percentage)



Source: Bloomberg; prepared by Findeter.

To achieve this decrease, the European Central Bank (ECB) continued its restrictive monetary policy, a process initiated in July 2022, and made increments to its intervention rate, reaching 4.5% in September 2023. The interest rate closed 2023 unchanged at this percentage.⁷

Looking ahead, the ECB's Governing Council indicated that there are still inflationary pressures that could slow the decline in the price level during 2024, especially due to base effects⁸, for which the ECB remains cautious and is prepared to maintain its restrictive policy until reaching its target figure of 2%. Based on this information, the ECB expects inflation to close 2024 near 2.7%.⁹

Regarding the economic activity of the Eurozone, the European Office of Statistics, Eurostat, reported that, after growing at a rate of 0.1% during the first two-thirds of the year, respectively, the GDP of the group of countries showed a contraction of 0.1% during the third quarter of 2023. These figures reflect the stagnation of the region's economic activity during this year.

- **China**

Following the end of the 'Zero Covid' policy at the end of 2022, the Asian giant began 2023 by lifting isolations and reopening the entire economy.

However, these measures did not lead to the anticipated rebound in demand. Although the GDP grew by an average of 5.2% in the first three quarters of the year, this was largely due to a base effect. From June to December, the total price variation has been zero or negative. Consequently, the year-on-year inflation rate for December 2023 was -0.3%, a figure that highlights the weakness of an economy that has not managed to return to its pre-pandemic dynamics.

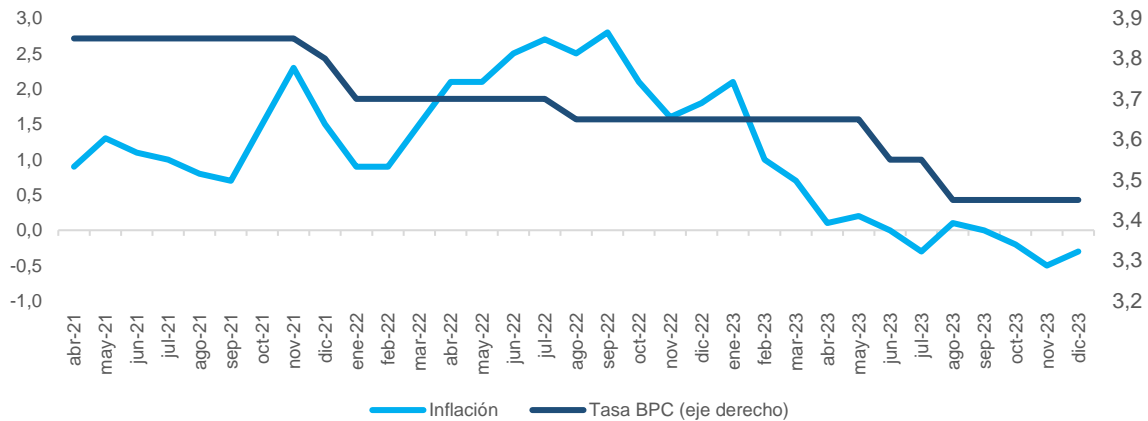
On the other hand, the one-year loan prime rate has only been reduced by 40 basis points since January 2021, ending 2023 at 3.45%. Nevertheless, monetary policy is expected to continue easing to support the recovery of economic growth.

Graph No.21: Monetary Policy Variables in China (percentage)

⁷ For December 2023, the deposit rate stands at 4.0%, the refinancing rate at 4.5% and the lending facility rate at 4.75%.

⁸ European Central Bank (12/14/2023). Press Conference. Christine Lagarde, President of the ECB. Luis de Guindos, Vice-President of the ECB. Available at: <https://www.ecb.europa.eu/press/pr/date/2023/html/ecb.mp231214-9846e62f62.en.html>.

⁹ Ibid.



Source: Bloomberg; prepared by Findeter.

China's economic troubles have been tied to its highly indebted real estate sector, which accounts for about 30% of its economy. Major companies in this sector, such as Evergrande and Country Garden, made headlines last year due to defaults on their debts.

The economic weakness has prompted the Chinese government to implement a plan to boost demand and economic growth. While this may yield positive results, it led Moody's to downgrade China's sovereign credit rating from stable to negative due to the fiscal stimulus expected to increase debt levels.

Looking forward, last year posed significant challenges for the Chinese government in terms of promoting economic growth and, in particular, revitalizing the strategically important real estate sector for the country's economy.

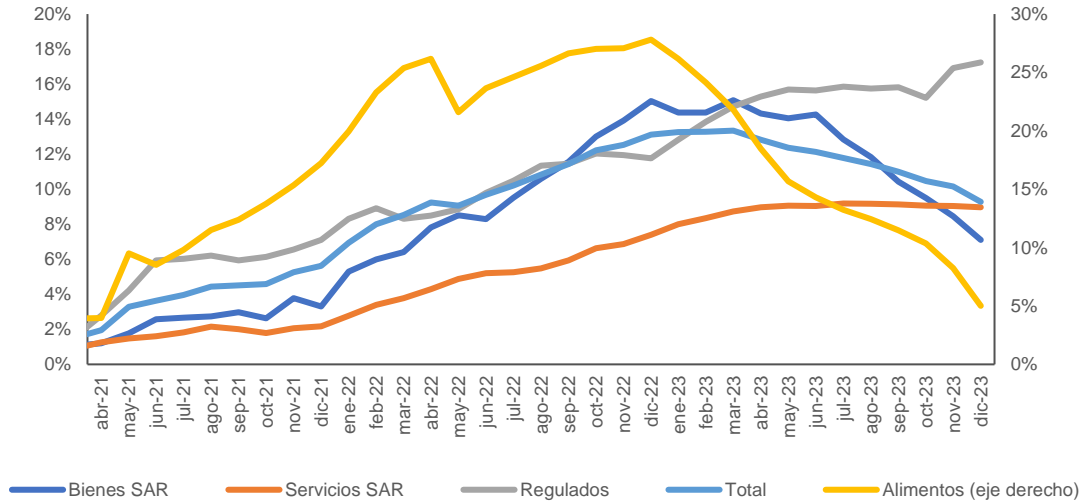
- **Colombia**

- *Monetary Policy and Prices*

In Colombia, annual inflation reached a record high in its recent history in March 2023, nearing 13.34%. Subsequently, it began a gradual downward trend, settling at 9.28% by the end of 2023.

Specifically, the Consumer Price Index (CPI) recorded a monthly variation of 0.45% in December 2023, bringing the annual index variation back to single-digit levels, around 9.28%. Thus, the inflation for 2023 represents a significant decrease of 3.84 percentage points (pp) compared to the end of the previous year (13.12%).

Graph No. 22: Annual Inflation by Sub-bundles (2020-2023)



Source: DANE; prepared by Findeter.

Annual food inflation continued to decelerate, dropping from 8.25% to 5.00% between November and December 2023. Meanwhile, various core inflation measurements also decreased. Inflation excluding food items declined from 10.61% to 10.33% between November and December, while inflation excluding food and regulated items decreased from 8.86% to 8.42% in the same period.

This trend highlights the continued decline in the inflation of goods and services, although it has been more pronounced for the former.

According to the expenditure divisions established by DANE, the categories that contributed the most to the monthly inflation were: i) housing, water, electricity, gas, and other fuels at 0.26 pp, and ii) restaurants and hotels at 0.16 pp; meanwhile, the contribution of food inflation was negative (-0.08%).

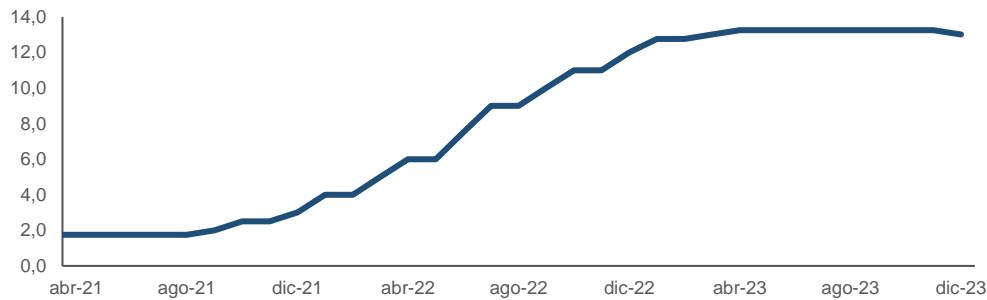
Table No. 69. Monthly inflation by division (Dec-23)

Divisions	Variation (%)	Contribution (pp)	Share (%)
Food	(0.42)	(0.08)	(17.62)
Alcoholic beverages	0.68	0.01	2.55
Clothing and footwear	0.20	0.01	1.41
Utilities	0.86	0.26	58.09
Furniture, household goods	0.18	0.01	1.62
Health	0.22	-	0.83
Transportation	0.25	0.03	7.53
Info. and communication	(0.18)	(0.01)	(1.16)
Recreation and culture	0.72	0.02	5.32
Education	-	-	0.01
Restaurants and hotels	1.50	0.16	35.38
Miscellaneous goods and services	0.51	0.03	6.03
Total	0.45	0.45	100.00

Source: DANE; prepared by Findeter.

In terms of monetary policy, given the rising price levels observed throughout 2022 and much of 2023, as well as the resilience shown by economic activity, the Banco de la República maintained a contractionary monetary stance for most of the year. Consequently, it raised its monetary policy interest rate (MPR) to 13.25% in March 2023, a level that was sustained until November. In December 2023, the Board of Directors of the Banco de la República observed clear signs of price correction, prompting them to reduce the MPR to 13%. This decision marked the beginning of a gradual rate reduction process expected to continue through 2024.

Graph No. 23: Monetary Policy Rate (decision date) (2021-2023)

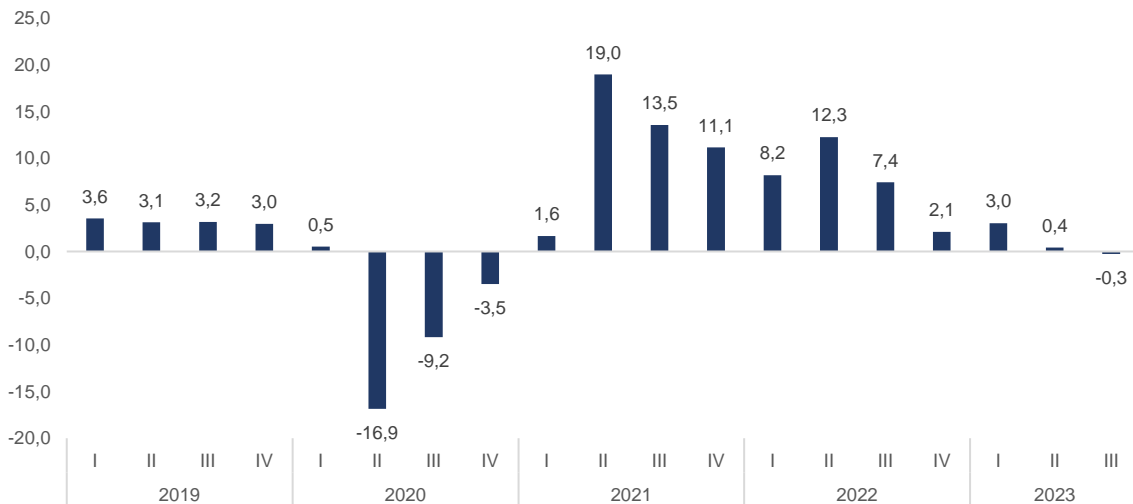


Source: Colombian Central Bank; prepared by Findeter.

o *Economic Activity*

The Colombian economy significantly slowed down over the last year, impacted by the implementation of the Banco de la República's restrictive monetary policy, which has led to a deterioration in aggregate demand. According to DANE, the Gross Domestic Product (GDP) contracted at a rate of 0.3%.

**Graph No.24: GDP (2019-2023)
(annual variation)**



Source: DANE; prepared by Findeter.

Heading into the last quarter of the year, in October 2023, economic activity, measured by the Economic Monitoring Indicator (ISE), contracted for the third consecutive month.

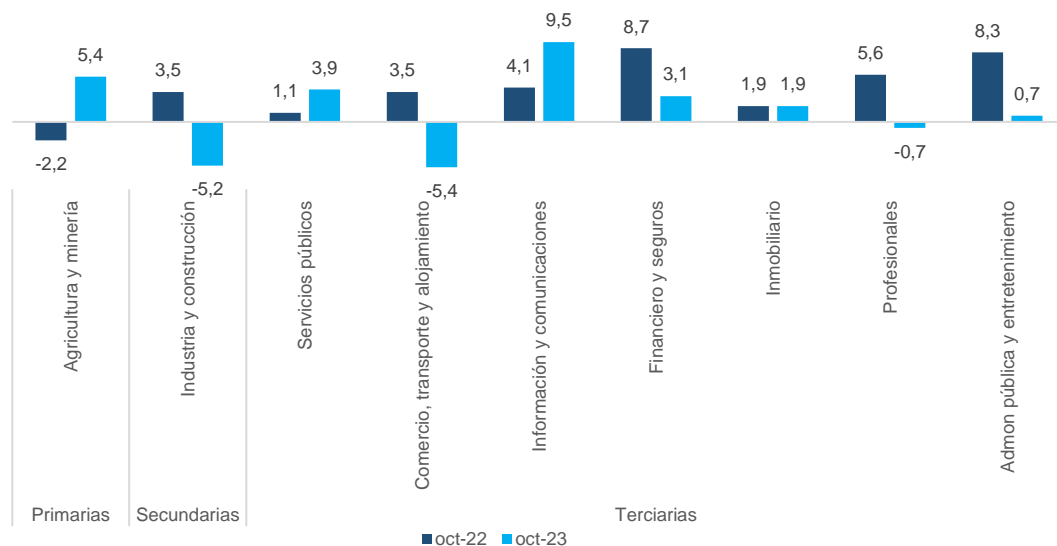
**Graph No.25: ISE (Oct-22 to Oct-23)
(annual variation)**



Source: DANE; prepared by Findeter.

The slowdown in economic dynamism has been seen across various sectors. The most affected areas of activity have been those related to the production and trade of goods. Notably, the construction industry and trade sectors showed significant contractions (-5.2% and -5.4%, respectively).

**Graph No.26: Economic Monitoring Indicator
(annual variation) (Oct-22 to Oct-23)**



Source: DANE; prepared by Findeter.

In contrast, growth has been noted in the sectors of information and communications, agriculture, public services, and the financial and insurance sector. It is worth mentioning that over the past year, this latter sector has consistently grown above the economy's average, highlighting its role in leveraging other activities.

6.1.2 Financial System Analysis – Banks

External Circular 012/2022 SFC, Section 7.4.1.1.1. Description of the Issuer's Business Purpose, Subsection (iii) Competitive Commercial Conditions

Throughout 2023, the global economy was impacted by restrictive financial conditions and a high level of risk aversion, influenced by vulnerabilities displayed by the financial sector in major developed economies.

The Colombian financial system proved resilient in the face of these conditions, thanks to strict financial regulation consistent with international standards.

Locally, the reduced economic dynamism, which affected all sectors of activity, was reflected in the slowdown of the loan portfolio (led by a contraction in consumer loans).

As of October 2023, according to the "Financial System Update Report,"¹⁰ the gross balance of the loan portfolios of credit institutions reached COP 686.1 trillion, indicating a real annual negative growth of 5.5% in this indicator, due to a restrictive financial environment and a slowdown in aggregate demand, primarily driven by household consumption.

The loan portfolio exhibited the following behavior in detail:

- ✓ Commercial Portfolio: showed a real annual balance of -4.41% in October, marking the fifth consecutive month of negative annual growth. In October, the portfolio balance increased by COP 361.9 billion, with disbursements totaling COP 19.1 trillion.¹¹
- ✓ Consumer Portfolio: continued to decrease in the credit cycle phase with a real annual change of -9.94% in October. Within this decrease, the largest part, 61%, was attributed to the free investment product, which saw a reduction of 17%. This was followed by low-amount consumption with a drop of -53.9% and payroll loans decreasing by -8.5%. However, there was a notable increase of 35.7% in the category of other consumer portfolios. Additionally, disbursements in October reached COP 13.1 trillion.¹²
- ✓ Mortgage Loan: disbursements recorded in the tenth month of the year for this category were COP 1.7 trillion. Within this, the largest share was held by the non-VIS segment, which disbursed COP 825.7 billion, while in the case of VIS, it recorded a growth of 8.4% for the year. This resulted in the housing portfolio showing a real annual decrease of 1.25%, with October being the ninth consecutive month of negative growth in real terms, a trend in line with the correction of the inflation effect.¹³
- ✓ Microcredit: grew by 2.03% annually in real terms, being the category that showed the most recovery in the post-pandemic period. Thus, in October of the previous year, it completed 32 consecutive months of positive growth. Disbursements amounted to COP 967.3 million.

As for second-tier banks, there was also a real negative annual variation in the loan portfolio balance across most entities as of October 2023.

This trend was accompanied by a deterioration in the quality indicator, which was affected by lower credit demand and higher default levels, under less favorable conditions for Colombians to meet their financial obligations.

¹⁰ Colombian Financial Superintendence - Financial System Update Report October 2023. Available at: <https://www.superfinanciera.gov.co/inicio/informes-y-cifras/informes/informe-actualidad-del-sistema-financiero-colombiano/resultados-del-sistema-financiero-colombiano-octubre-de--10114852>

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

The traditional quality indicator, measured as the ratio of past-due loans to total gross loans, stood at 5.13% in October 2023. By type of credit, consumer loans showed the most significant rising trend, approaching 8.3% in the same period, marking one of the highest levels for this type in recent history. In contrast, housing (3.1%) and commercial loans (3.7%) reported the lowest levels.

Other indicators such as solvency and return on assets also showed deterioration, although they remain at healthy levels, as their current values are comfortably within regulatory limits. Additionally, despite a decline in the coverage ratio, credit institutions have increased their provisioning levels, thus maintaining sufficient resources to support their non-performing loans.

Looking ahead, the restrictive monetary policy of the Banco de la República is expected to continue impacting credit demand in the country. However, by the end of 2023, the central bank would have begun the process of lowering interest rates, which could improve financial conditions and, therefore, enhance economic activity, particularly in the second half of 2024. This is expected to drive recovery in the indicators associated with the sector.

6.1.3 Analysis of Findeter Relative to Other Development Banks

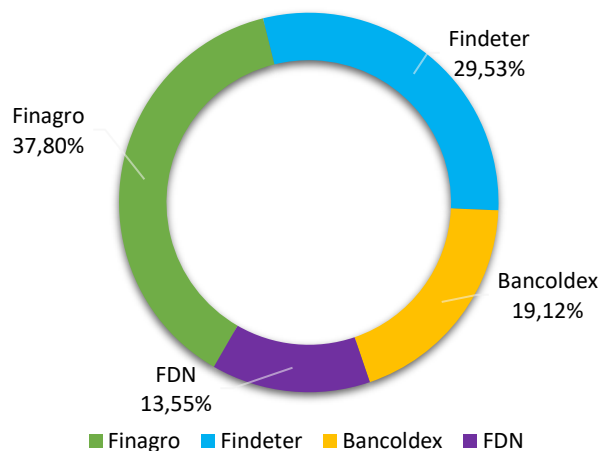
External Circular 012 Section 7.4.1.1., Item (iii) Competitive Commercial Conditions

The Colombian Financial Superintendence regularly publishes data on the country's financial sector on its website. From this data, this section presents a comparative analysis of the commercial portfolio, funding sources, and profitability indicators of the country's second-tier banks: Finagro, Bancóldex, National Development Finance Agency (FDN), and Findeter.

As of November 2023, the Superintendence reports that second-tier banks hold 4.91% of the assets in Colombia's financial sector. Similarly, their portfolio represents 5.73% of the total sector portfolio.

Specifically regarding the commercial portfolio, second-tier banks account for 10.68% of the total commercial portfolio. For second-tier banks, the commercial portfolio amounts to COP 41 trillion as of November 2023. Finagro holds the largest volume with 37.80%, followed by Findeter with 29.53%. Bancóldex and FDN hold shares of 19.12% and 13.55%, respectively.

Graph No.27: Commercial Portfolio Share. Second-tier Banks. %, November 2023



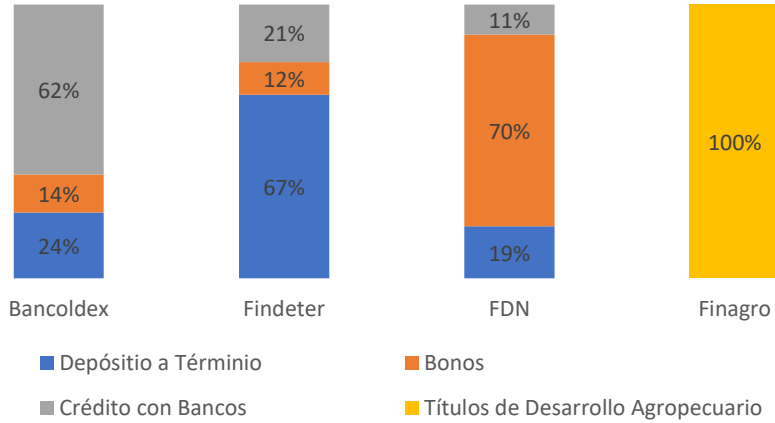
Source: Colombian Financial Superintendence. Data available as of November 2023, Calculated by Findeter

From December 2019 to November 2023, the average growth of the gross portfolio of second-tier banks (12.21%) was higher than that of other credit institutions in the country (9.69%). This performance is explained by the average portfolio growth of FDN (+44.6%) and Finagro (+13.5%).

Bancóldex and Findeter, on the other hand, grew below average, with rates of 7.3% and 7.1% respectively.

Regarding funding, our structure relies on three sources: term deposits (67%), bank loans (21%), and bond issuance (12%). Finagro finances 100% of its credit activity based on the issuance of agricultural development bonds. Bancóldex primarily finances through bank loans, while FDN prioritizes bond issuance.

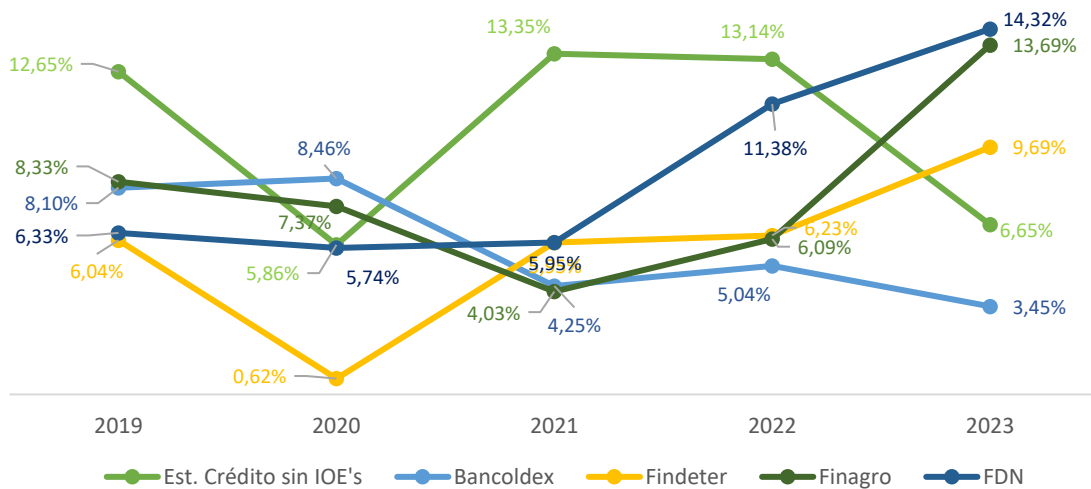
Graph No.28: Funding Structure of Second-tier Banks (%). November 2023



Source: Colombian Financial Superintendence. Data available as of November 2023, Calculated by Findeter

As for profitability indicators, as of November 2023, the Colombian Financial Superintendence reports that FDN has an ROE of 14.32%. They are followed by Finagro (13.69%), Findeter (9.69%), and Bancóldex (3.45%). Other credit institutions in the country have an average ROE of 6.65%.

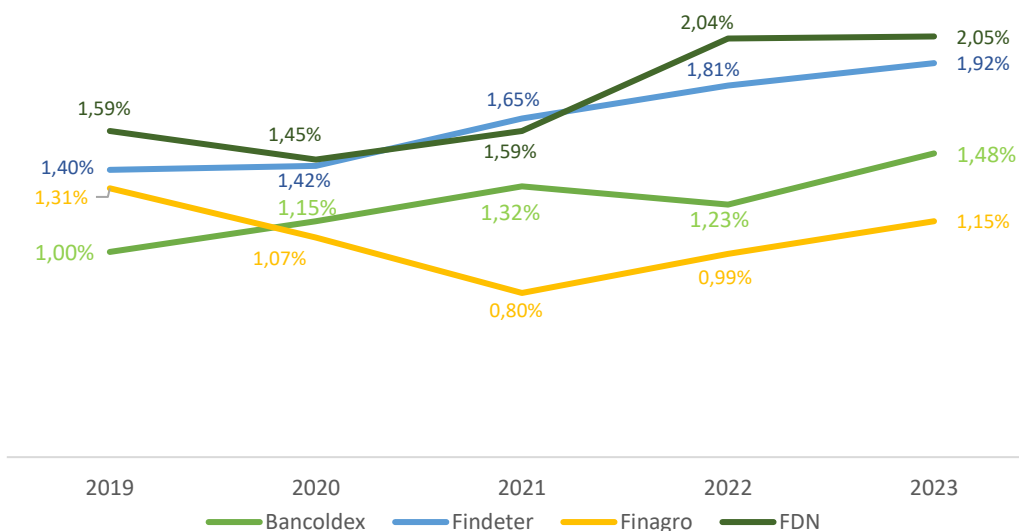
Graph No. 29: ROE of Second-tier Banks. %, 2019 – November 2023



Source: Colombian Financial Superintendence. Data available as of November 2023, Calculated by Findeter
IOEs: Special Official Institutions

Operational efficiency measures the ratio between administrative expenses and income-generating assets (liquidity, investments, and portfolio). The indicators as of October 2023 show that Finagro (1.15%) has the highest operational efficiency, followed by Bancóldex (1.48%), Findeter (1.92%), and FDN (2.05%).

Graph No. 30: Operational Efficiency of Second-tier Banks. %, 2019 – October 2023



Source: Colombian Financial Superintendence. Data available as of October 2023, Calculated by Findeter

For further illustration regarding our competitive commercial conditions due to our participation in the credit market, as well as our impact on meeting the demand for resources to finance large-scale projects, you can refer to the “Presentation of Results” published on our website through the following link:

https://www.Findeter.gov.co/system/files/internas/Presentación%20IR%20Q3%202023%20español_0.pdf. There, you can find various analyses such as the structure of development banks, Findeter’s share in the financial system’s portfolio, main financial results of the banking sector, funding of commercial and multilateral banks, among others.

6.2 Findeter in Figures

GRI.2-2; GRI. 3-3 (Material Topic: Responsible Finance). External Circular 012/ 2022, Section 7.4.1.2.4. Analysis by management regarding the results of operations and the financial situation of the issuer, including the main financial indicators and their respective analysis, Subsection 7.4.1.2.4.1. Material variations in the results of operations; Subsection 7.4.1.2.4.2. Material changes in relation to the issuer’s liquidity and solvency situation; Subsection 7.4.1.2.4.3. Trends, events, or uncertainties that have the capacity to materially impact the issuer’s operations, financial condition, or changes in financial condition; as well as the assumptions used to prepare these analyses. SASB / incorporation of environmental, social, and governance factors in credit analysis.

In 2023, the global economy saw a slowdown in growth, facing persistent challenges with geopolitical tensions such as the conflict between Russia and Ukraine, the supply crisis (focused on the energy and food sectors), and the war between Palestine and Israel, however, the economy has not stagnated and shows signs of recovery with the reduction of inflation.

Due to the consecutive economic slowdown and high inflation, the Colombian Central Bank, committed to price stability and sustainable growth, implemented measures to contain inflation, which

were reflected in the behavior of the portfolio that began to moderate its annual increase, maintaining a downward trend throughout the year. A policy of monetary austerity with restrictive conditions was also necessary to boost economic growth.

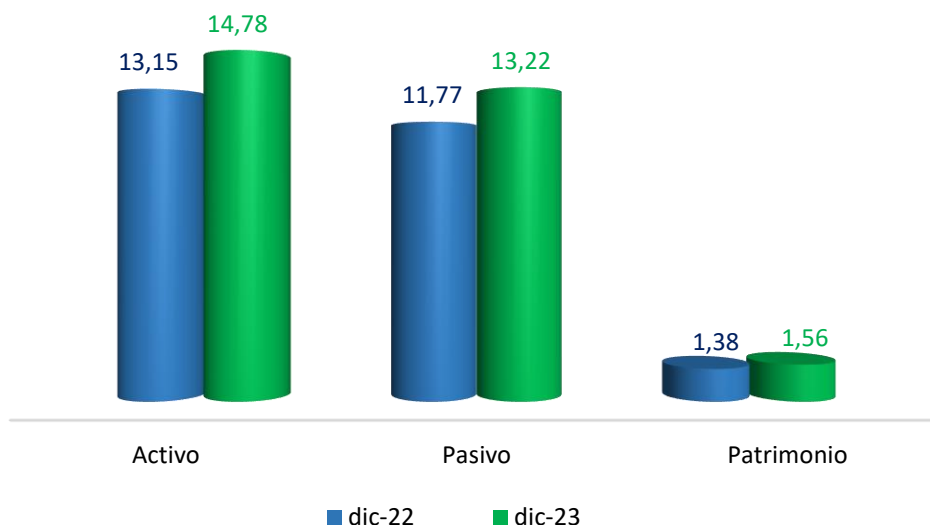
Immersed in this context and due to its countercyclical activity, Findeter continued to achieve record profits, obtaining COP 165,937 million.

- **Statement of Financial Position**

External Circular 012/2022, Section 7.4.1.2.4., Subsection 7.4.1.2.4.3.

During the year 2023, the three main accounts of the Financial Position Statement showed growth compared to 2022. The total assets of the Entity were positioned at COP 14.78 trillion, increasing 12.40% compared to the previous year, liabilities showed an annual positive variation of 12.34% closing the year at COP 13.22 trillion and equity increased by 12.87% situated at COP 1.56 trillion.

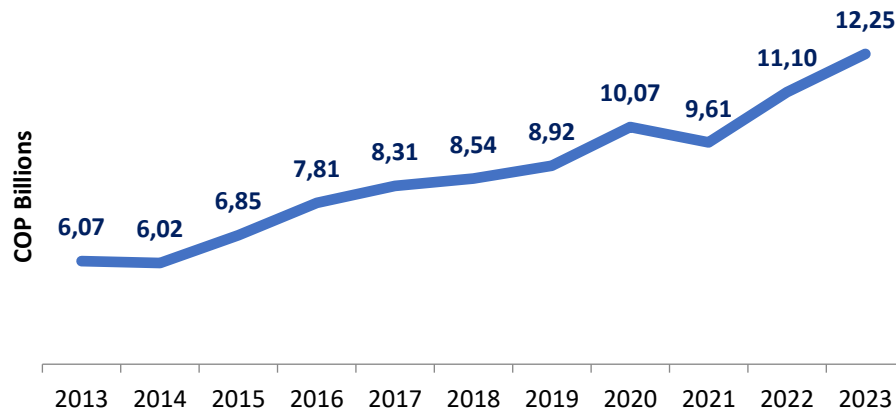
Graph No. 31: Balance Sheet. Year 2023



Source: Findeter. Year 2023

In the asset section, the main categories continue to be the loan portfolio, accounting for 83.37%, cash and its equivalents at 9.68%, investments at 3.50%, and other assets at 3.44%. Unquestionably, Findeter's gross loan portfolio was the best-performing component, growing by 10.28% over the last year, an increase of COP 1.14 trillion, reaching COP 12.25 trillion at the end of December 2023. This performance can be attributed to effective portfolio management, where placements grew and the execution of prepayments remained at low levels. Placements executed amounted to COP 3.89 trillion, growing by 1.20% compared to 2022, with direct loan experiencing the best performance, closing at COP 1.47 trillion with an annual change of 50.52%. However, the rediscount, although comprising the majority of the credits with an execution of COP 2.42 trillion, showed a lesser result by decreasing 15.55%. Another determinant factor in the portfolio outcome is related to prepayments, which amounted to COP 715.151 million, lower than expected as the decrease in the reference rate did not facilitate the early cancellation of obligations. Considering the performance of placements, prepayments, and ordinary amortization of loans, the direct loan portfolio closed at COP 3.34 trillion and the rediscount portfolio at COP 8.81 trillion.

Graph No. 32: Gross Portfolio 2023

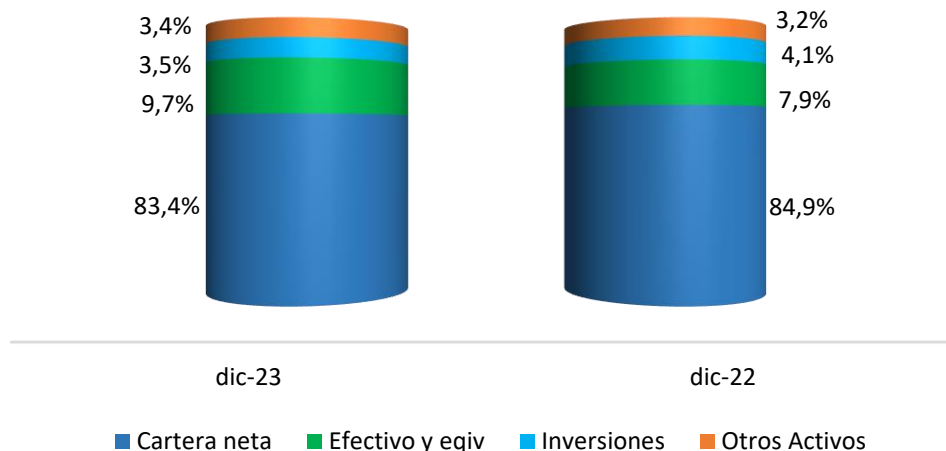


Source: Findeter. Year 2023

Cash experienced an annual increase of 38.52% and closed the year 2023 at COP 1.431.620 million, leveraged by the funds available in savings accounts totaling COP 1,113,057 million which the treasury provisions to meet established liquidity GAP maturities, as well as to meet future placement needs. Additionally, the cash category also includes funds from multilateral bank disbursements made in December for the KFW credit 30,037 amounting to USD 23.41 million.

As for investments, they decreased by 3.16% and ended the year at COP 517,573 million, a behavior stemming from fewer repurchases of issues, significant due to the maturities of COP 395.470 million from the FOME on November 29, 2023, and the decrease in the valuation of forward contracts.

Graph No. 33: Asset Structure 2023



Source: Findeter. Year 2023

External Circular 012/2022, Section 7.4.1.2.4., Subsection 7.4.1.2.4.3.

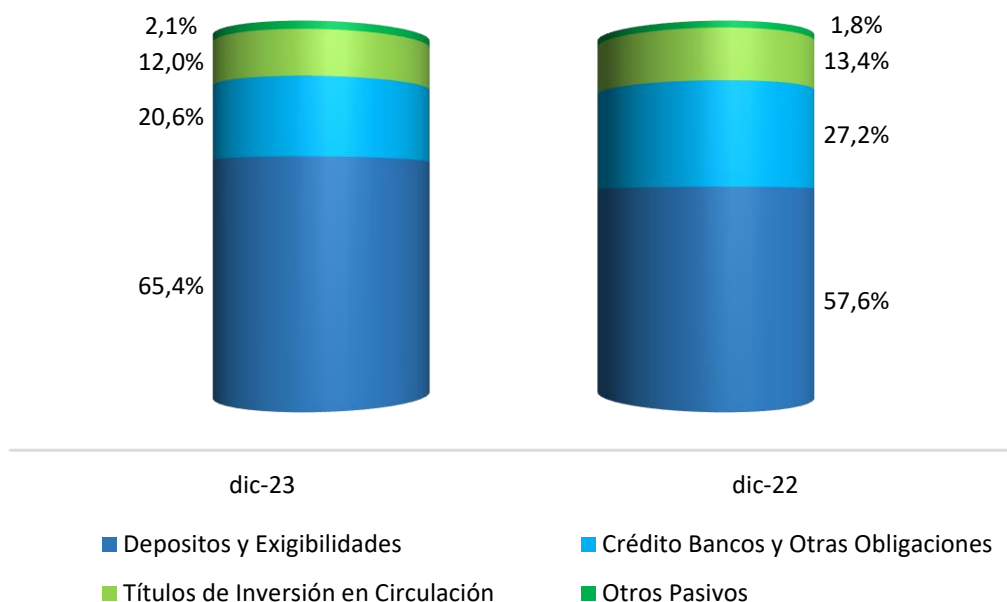
With respect to the capital structure, liabilities represented 89.44% and equity 10.56% at the end of 2023; within liabilities, the most representative item was Deposits and Liabilities, with a participation of 65.37% equivalent to COP 8.64 trillion, a growth of 27.47% with respect to the previous year, a

fact explained by the higher volume of issues made at the end of the period, in accordance with the better liquidity conditions of the market and to meet the high concentration of maturities of less than one year; Thus, total issuances amounted to COP 8.41 trillion, which represents an increase of 15.11% with respect to 2022; this figure demonstrates the support of investors for the Entity's management.

In second place of participation within total liabilities were financial obligations, which represent 20.55% equivalent to COP 2.72 trillion, with a decrease in their balance with respect to 2022 of 15.06% as a result of the behavior of the exchange rate, which had a strong fall in the year running of COP 988.15 million; The balance was concentrated in 53.10% through the IDB, 19.09% with JP Morgan, 18.49% with KFW and the remaining 9.33% with AFD and the resources disbursed by the IDB and KFW to Findeter stand out, which amounted during 2023 to USD 58.08 million and USD 57.50 million respectively.

Another important item within liabilities is outstanding investment securities, which represented 11.98% of the liability account and decreased its share compared to other funding instruments due to the fact that no more instruments of this type were subscribed during 2023. This account is composed of three bond issues, an international issue made in 2014 for USD 500 million, another subordinated issue made in 2017 for COP 203.68 billion and the sustainable bond issue made in 2019 for COP 400 billion.

Graph No. 34: Liability Structure 2023

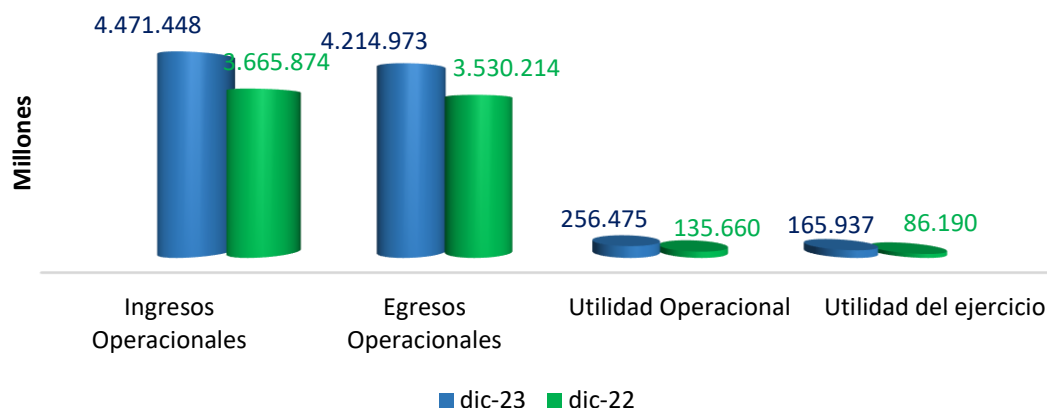


Source: Findeter

Regarding equity in 2023, it had an annual variation of 12.87% equivalent to an increase of COP 178,036 million, as a result of the ordinary increase in the profit for the year account according to the excellent operational results achieved.

- **Income Statement**

Graph No. 35: Income Statement 2023



Source: Findeter

Our operating income saw a 21.97% increase compared to 2022, driven by the performance of financial income, which experienced growth of 74.03%, equivalent to an increase of COP 874.669 million. This includes interest on the loan portfolio, which rose by 70.67% due to the strong performance of the loan balance, attributed to high placement volumes and a low number of prepayments. Additionally, these revenues were boosted by the behavior of indexed rates, which saw a significant increase from 2022 due to measures taken by the Colombian Central Bank to control the effects of inflation on the national economy; thus, the intervention rate experienced a slight increase during the first five months of the year, moving from 12.00% to 13.25% and remained constant until the end of the year when the Issuer decided to decrease it by 25 basis points, which also had a positive impact on revenue generation.

Below, we break down the composition of the rediscount portfolio (excluding portfolio for employees and former employees) by type of rate. It can be seen how its composition showed a downward trend in 2023, reducing the share of DTF and IBR portfolios, and increasing the amount of resources associated with CPI and fixed rates.

Table No. 70: Rediscount Portfolio Composition by Rates 2023

Indicators	Balance 2023	Share	Balance 2022	Share
DTF	570,688	6.48%	793,181	8.84%
CPI	1,696,303	19.26%	1,467,436	16.36%
IBR 1 Month	4,592,859	52.16%	4,896,515	54.58%
IBR 3 Months	1,433,605	16.28%	1,639,643	18.28%
IBR 6 Months	415,662	4.72%	160,471	1.79%
Fixed	29,462	0.33%	11,430	0.13%
UVR	66,828	0.76%	3,030	0.03%
Total	8,805,408	100.00%	8,971,705	100.00%

Source: Findeter; figures in COP millions

Additionally, the direct loan portfolio closed with a balance of COP 3.34 trillion, with the following composition:

Table No. 71: Composition of the Direct Loan Portfolio 2023.

Portfolio	Indicators	Balance 2023	Share	Balance 2022	Share
Reactivation Commitment Tranche II / Refinancing 1 and 2	IBR 1 Mes IBR 3 Meses	3,019,592	90.34%	1,886,105	91.68%
CT Energy distributors	IBR 1 Mes	205,250	6.14%	-	0.00%
Regular Resources	IBR 6 Meses	74,750	2.24%	-	0.00%
Commitment Integrated Mass Transportation Systems	IBR 3 Meses	38,125	1.14%	38,125	1.85%
Domestic Public Utilities Providers	-	4,798	0.14%	132,976	6.46%
Total		3,342,515	100.00%	2,057,206	100.00%

Source: Findeter; figures in COP millions

Finally, it's worth noting that 90.13% of the rediscount and direct loan portfolio consists of lines with special financial terms compared to the ordinary offerings. These include compensated rate lines, special lines, and mixed lines.

Regarding other financial income streams beyond loans, investment valuations showed positive trends. The proprietary investment portfolio generated gross revenues of COP 51,547 million, with a return of 15.47% and a growth of 101.06% compared to 2022, marking the highest income since its inception. Other portfolios within Findeter's investments, such as the National Guarantee Fund and Ashmore Fund, also saw positive returns of 16.77% and 11.83%, respectively. Income generated from liquidity benefited from higher interest rates on commercial bank savings accounts, yielding a return of 13.38%.

Another positive contributor to income was the recovery of COP 8,089 million from the National Guarantee Fund and the reimbursement of COP 1,953 million from the technical reserve of water bonds managed by Findeter.

As for commission and fee income, this remained stable compared to 2022. The project execution line saw a slight uptick, generating COP 64,237 million in revenues, an increase of 1.72% over 2022. The infrastructure and environmental components (formerly known as water) showed an upward trend, and the transport and mobility component reported positive results in its first year. However, the territorial development component (formerly housing) saw a decline due to changes in project allocations and executions. The other two lines, territorial planning and project structuring, are now managed together with the project execution line following organizational structure adjustments approved by Findeter's Board in March 2023.

Lastly, we evidenced a decrease in income from valuation of derivatives of 24.62%, equivalent to a decrease of COP 565,460 million, taking into account that in 2023, the liquidation of active positions in these instruments was impacted in accordance with the revaluation of the Colombian peso against the US dollar.

On the other hand, the growth of operating expenses in 2023 was 19.40%, a figure that is mainly explained by the behavior of the sources of funding and the valuation of derivatives. Interest accrued on Term Certificates of Deposit increased 93.01% with respect to 2022, a fact that is mainly explained by the greater volume of issues during the year; although funding spreads began the year at levels higher than historical ones, they fell sharply towards the end of the year.

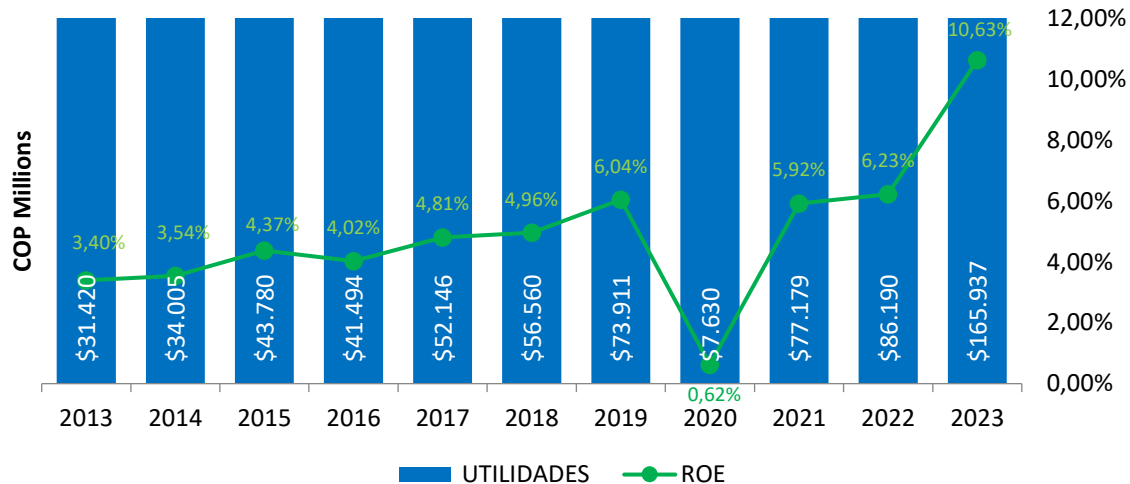
Moreover, interest on financial obligations increased by 96.26%, a situation justified by the adjustment of the FED rate throughout 2023 as a result of the economic slowdown caused by post-pandemic situations such as the war between Russia and Ukraine, the beginning of the war in the Middle East and other events of global importance (increased the range from 4.25% - 4.50% to 5.25% - 5.50%), which had an upward impact on the SOFR rate and therefore, on the interest of all obligations contracted in dollars that are not negotiated at a fixed rate. Another relevant factor was the full year accrual of the JP Morgan loan. As for bonds, the increase in inflation impacted the rate of instruments traded at CPI, i.e., subordinated and sustainable bonds, with an increase in expenses of 15.14%.

Additionally, the expense account for valuation of forward hedges experienced an increase of 22.33%, as a result of the high volatility of the exchange rate, which led to an increase in losses in the settlement of forward contracts, and due to the increase in the spread between the Colombian repo rate and the US FED rate, which led to a higher devaluation on average, from 5.63% in 2022 to 7.71% in 2023.

In terms of administrative expenses we evidenced a growth of 22.87% with respect to 2022, with a greater impact of the expenses associated with the personnel payroll due to the salary increase in 2023 of 13.12% for management positions and 16.00% for collaborators and chiefs and due to the 12-month impact of the conventional benefits approved in October 2022 for the personnel plant. The second most significant impact is associated with the increase in tax expenses, specifically in the ICA, as a result of the higher volume of portfolio income and the increase in the Financial Movement Tax due to the high volume of maturities recorded in 2023. We also evidenced increases in insurance expenses, as a result of the increase in the amortization of the liability policy, an increase in contribution expenses associated with a higher payment of the contribution to the Comptroller General of the Republic, and an increase in public services and cleaning expenses due to the increase in inflation.

According to the behavior evidenced in operating income and expenses, the income before taxes increased 89.06% from one year to the other, reaching COP 256,475 million. It is important to take into account that in fiscal year 2023 the Entity closed with an effective tax rate of 35.30%, mainly explained by the recording of the current income tax of zero associated to a negative net taxable income according to the deputation of the liquidation base figures for the income tax based on the accounting profit generated in the fiscal year. The operating result incorporating the effect of the current tax and deferred tax led to a net income of COP 165,937 million, with an annual variation of COP 79,747 million, equivalent to a growth of 92.53%.

Graph No. 36: Net Income vs ROE 2023



Source: Findeter, year 2023.

- **Key Indicators**

External Circular 012/2022, Section 7.4.1.2.4., Subsection 7.4.1.2.4.2. SASB / IFAS and GAC (FN-CB-410a.2)

Profitability indicators performed better than in previous years, driven by optimal operational performance. The ROE (Return on Equity) achieved a result of 10.63%, an increase of 414 basis points compared to 2022, leveraged by interest income from the loan portfolio, investment and liquidity income, project execution revenue, and other income such as reimbursements from the National Guarantee Fund and recovery of provisions for water bonds. As for EBITDA, throughout 2023, it experienced positive dynamics thanks to the performance of the financial margin, which showed a year-on-year variation of COP 167,433 million, an increase of 83.59%. The impact of the financial margin is also seen in the intermediation margin result, which averaged 2.57%, driven by upward variations in the IBR component, which have a significant impact on the active rate, due to a mismatch with a larger volume of portfolio versus funding in this index, and due to a lower cost of the funding source associated with fixed-rate instruments like the loans subscribed with the IDB and the international bond.

Table No. 72: Profitability Indicators

Indicator	Dec-23	Dec-22
ROE (Net Income /Equity)	10.63%	6.23%
EBITDA	COP 267,616 million	COP 145,768 million

Source: Findeter

In accordance with Basel III guidelines, the solvency ratio posted a result of 24.18%, an increase of 18 basis points compared to the results at the end of 2022. This consolidated outcome can be attributed to an increase in market and operational risk values by 108.13% and 18.62% respectively, due to the variation in the TRM (Market Representative Exchange Rate), which had a direct impact on hedges and, consequently, on the interest rate and exchange modules. Additionally, risk-weighted assets grew by 11.81% as a result of an increase in approved but not disbursed loans, higher credit

exposure, and growth in the investment portfolio and loan portfolio. Lastly, the technical equity showed an increase of 21.49%, due to an increase in accounting equity and a lower deferred tax value.

Table No. 73: Solvency Indicator

Indicator	Dec-23	Dec-22
Total Solvency Ratio	24.18%	24.00%

Fuente: Findeter

The efficiency indicator showed an increase of 15 basis points compared to the same period in 2022, performing better than anticipated due to the behavior of productive assets, which grew by 10.14% year-over-year, equivalent to a change of COP 1,297,987 million. This increase was primarily driven by the performance of the gross loan portfolio and liquidity. However, the administrative expenses rose by 22.87%, which prevented the performance of the productive assets from translating into better efficiency levels. The main components driving the increase in administrative expenses and, consequently, offsetting the efficiency gains were personnel expenses, taxes other than income tax such as ICA and GMF, and ordinary operational expenses, which increased in line with inflation trends.

Table No. 74: Efficiency Indicators

Indicator	Dec-23	Dec-22
Operational Efficiency	1.96%	1.81%

Source: Findeter

Below is the consolidated result of the main components of the Entity's Financial Statements:

Table No. 75: Main Composition of Financial Statements

Indicator	Dec-23	Dec-22	YoY
Total Assets (COP Trillions)	14.78	13.41	12.40%
Total Liabilities (COP Trillions)	13.22	12.03	12.34%
Total Equity (COP Trillions)	1.56	1.38	12.87%
Total Net Income (COP Millions)	165,937	86,190	92.53%

Source: Findeter

6.3 Resource Mobilization

GRI.3-3 (Responsible Finance); CE 012/2022 SFC (7.4.1.1.1. Description of the business purpose of the issuer; Item (iii) Competitive business conditions.)

During 2023, we successfully raised COP 8.40 trillion through the issuance of Certificates of Deposit (CDs), representing an increase in the amount issued compared to 2022. This was the result of increased demand for resources needed for the country's economic reactivation.

The direct issuances we made in the primary market reached COP 6.69 trillion, and we also processed renewals amounting to COP 1.71 trillion, marking a 45% increase compared to 2022, due to the liquidity situation that occurred in the market in the second half of the year. The amounts issued in the primary market and the volume of renewals demonstrate the investors' confidence in our entity and its importance in contributing to the country's development.

Table No. 76: Issuances in the securities market

Type	2022	% share by type of issue	2023	% share by type of issue	Var %
CD Primary Issue	4,450,970	77%	6,699,768	80%	51%
CD Renewal	1,358,492	23%	1,710,200	20%	26%
Bonds	-	0%	-	0%	0%
Total	5,809,462	100%	8,409,968	100%	45%

Source: Findeter 2023 - Figures in COP millions

In terms of distribution by type of indicator, issues were led by those indexed to the IBR, which accounted for 52% of the total with COP 8.41 trillion, while the share of fixed rate CDs was 48%.

Table No. 77: Issues by indicator

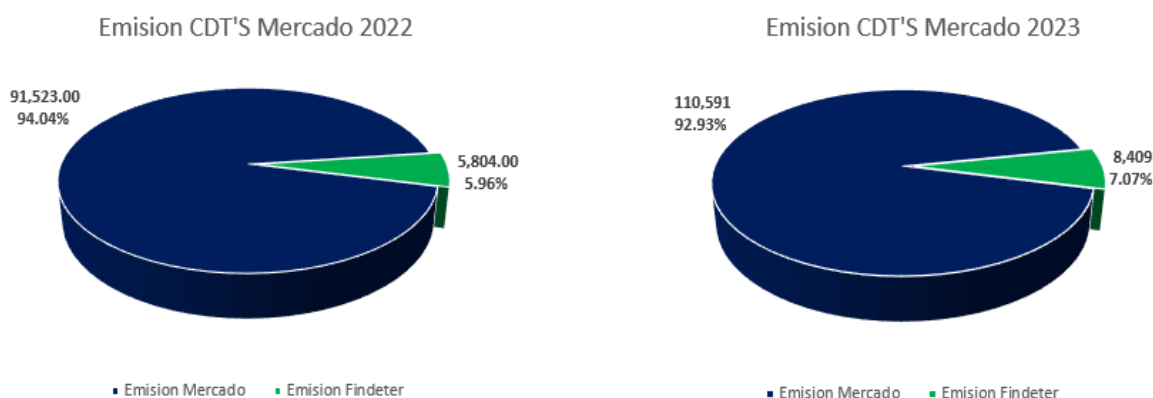
Indicator	2022	% part	2023	% part	Var%	Trading system
DTF	-	0%	-	-	0%	Master Trader (BVC)
Fixed Rate	236,135	4%	4,074,349	48%	1625%	Master Trader (BVC)
IBR	4,787,027	82%	4,335,619	52%	-9%	Master Trader (BVC)
CPI	786,300	14%	-	-	0%	Master Trader (BVC)
Total	5,809,462.00	100%	8,409,968.00	100%		

Source: Findeter 2023 - Figures in COP millions

Item (iii) Competitive commercial conditions).

During 2023 the local market issued CDs for approximately COP 119 trillion and according to the Entity's calculations, Findeter had a share of 7.07% (COP 8.41 trillion) of total issuances.

Graph No. 37: Findeter's CD issuance share in the system



Source: SFC; prepared by Findeter.

Table No. 78: CD Issuance Market and Findeter

CD Issuance	2022	2023	Var %
Market issuance	91,523	110,591	21%
Findeter issuance	5,804	8,409	45%
Total	97,327	119,000	22%

Source: Prepared by Findeter.

6.4 Investment Portfolio

GRI.3-3 (Responsible Finance); CE 012/2022 SFC (7.4.1.1.1. Description of the issuer's business purpose; Item (ii) Revenue-generating activities, products, or services.)

In 2023, we managed our investment portfolio according to guidelines set by the Board of Directors, under the supervision of the Investment Committee. The objective is to generate income by creating a portfolio of fixed-income securities, aligned with the risk profile and investment horizon, and the cost of resources of the Entity.

Our portfolio comprises Treasury Notes (TES), Class "B", fixed-rate or indexed to the UVR, and term deposit certificates at banking institutions supervised by the Financial Superintendence of Colombia. The weighted duration of the portfolio shall not exceed six years.

The gross return on the investment portfolio in 2023 was 15.47% per annum, generating income of COP 51,547 million during the period. The return generated by the portfolio, considering the securities classified as available for sale, was 18.46% per annum.

At Findeter, we effectively managed the volatility encountered in 2023 in the local fixed-income market, primarily private debt, due to changes in liquidity requirements of the financial system in Colombia. We also aptly managed the portfolio in an environment of lower inflation and the end of the monetary policy normalization cycle, thereby properly managing the inherent risks in the investment portfolio.

We continued our participation in the Ashmore Private Equity Fund, in term deposit certificates from local issuers, and the TER CPI B securities from the securitization of the rediscount portfolio.

6.5 Stock Market and Financial Performance

GRI.3-3 (Responsible Finance); CE 012/2022 SFC (Stock Market and Financial Performance); 7.4.1.2.1. Behavior and performance of securities in the trading systems in which they are listed)

In 2023, Findeter conducted operations in TES worth COP 184,000 million and in private debt transactions totaling COP 205,000 million, amounting to a total traded in securities of COP 389,000 million.

The private debt curves showed average valuations of 506 bp (fixed rate 617bp, IBR 505bp, and CPI 293bp). On the other hand, the fixed-rate TES curve showed an average valuation of 305 bp and the UVR TES curve a devaluation of 197bp.

6.6 Liquidity Management

GRI.3-3 (Responsible Finance); External Circular 012/2022 SFC, Section 7.4.1.2.4. Management's analysis of the operational results and financial situation of the issuer, including key financial indicators and their respective analysis, Subsection 7.4.1.2.4.2. Material changes concerning the liquidity and solvency situation of the issuer.

We managed the necessary liquidity resources during 2023 for the ordinary operation of the business to achieve disbursement targets. With these resources, we were able to timely meet debt obligations, the Entity's administrative expenses, and liquidity requirements demanded by supervisory bodies. These surpluses were primarily managed in savings and interbank accounts with establishments of good credit quality, aiming to yield above the repo rate levels.

6.7 Hedge Management

GRI.3-3 (Responsible Finance)

Throughout 2023, we maintained coverage close to 100% of our foreign currency liabilities, allowing us to mitigate exchange rate risk in a year of high volatility in global currency prices. Our hedging strategy, using forward contracts, adapted to changing market conditions, such as the onset of rising global interest rates to counter the increasing inflation caused by the reactivation of major economies. In the second half of the year, inflation in Colombia began to fall, while in the United States, the policy rate continued to rise, local market liquidity began to tighten amid volatilities in Colombian private debt significantly impacting liquidity in the market. In this context, the differential between local and foreign interest rates solidified an upward trend, causing an increase in the cost of hedges (ranging from 6.89% to 10.50%), also driven by a historically high devaluation of the peso against the dollar, caused by external shocks and local uncertainty.

6.8 International Positioning

GRI.3-3 (Responsible Finance; Relationship Strategy); Circular 012 of 2022 – Section 7.4.1.1.1. Description of the business purpose of the issuer, Subsection (iii) Competitive market conditions such as national and international market share, demand conditions, among others; TCFD / Governance

Some of the key events and initiatives we participated in throughout 2023 included:

- ✓ The Annual Meeting of the Governors of the Inter-American Development Bank (IDB), which took place from March 16 to 18 in Panama. During the event, the then-CEO of Findeter, Ricardo Bonilla, participated in the panel “The Imperative of Sustainable and Digital Infrastructure in Latin America and the Caribbean.”
- ✓ In June 2023, our Financial VP, Richard Martínez, attended the 53rd General Assembly of ALIDE in Honduras. Over the past 50 years, the General Assembly has held regular and special meetings, serving as significant hemispheric forums for the discussion of current issues affecting development finance institutions in Latin America and the Caribbean.

- TCFD / G.**

 - ✓ Our Finance VP and International Banking Directorate attended the GCF Regional Dialogue and the GCF Direct Access Entities Workshop for Latin America and the Caribbean, held from July 24 to 28, 2023, in Montevideo, Uruguay. The goal was to identify and prioritize climate change mitigation and adaptation initiatives in line with the priorities and criteria of the GCF, thus strengthening its impact in each region.
- TCFD / G.**

 - ✓ From August 4 to 9, 2023, the CEO of Findeter and the Financial VP attended the Amazon Summit in Belem, Brazil, organized by the IDB. The forum was attended by environment ministers from Brazil, Bolivia, Colombia, Ecuador, Guyana, Peru, Suriname, and Venezuela. This marked the first time representatives from nations with Amazonian territories gathered to address the climate crisis facing the world's largest rainforest, discussing biodiversity protection, combatting deforestation, and safeguarding the Amazon from illegal mining.
 - ✓ In September, Findeter participated in the Finance in Common Summit held in Cartagena. The event aimed to strengthen coordination and collaboration among public development banks to promote sustainable development, align financial flows with the 2030 Agenda, and support efforts to meet the Paris Agreement on climate change. The CEO of Findeter, Juan Carlos Muñiz, joined the panel "From Colombia to the World: The New Vision of Public Development Banking," while the Financial VP, Richard Martínez, participated in the roundtable on "Financing Tools and Risk Reduction for Sustainable Infrastructure Projects in Cities and Regions." The event included bilateral meetings with MIGA, GFANZ, AFD, CAF, KfW, and EIB to explore synergies for joint efforts.
 - ✓ The CEP of Findeter, Juan Carlos Muñiz, and the Financial VP, Richard Martínez, participated in the 2023 World Bank Annual Meeting from October 9 to 15 in Marrakech, Morocco. The annual meetings of the Boards of Governors of the World Bank Group and the International Monetary Fund bring together central bank officials, finance and development ministers, parliamentarians, private sector executives, civil society representatives, and academics to discuss globally relevant issues such as international economic prospects, ending poverty, economic development, and aid effectiveness. High-level meetings were also held with CITI, Morgan Stanley, Bank of America, and BBVA.
- TCFD / G.**

 - ✓ From November 19 to December 9, 2023, we took part in the 28th United Nations Climate Change Conference (COP28) in Dubai. Annually, the COP gathers over 190 nations to review global commitments to enhance territorial resilience and promote adaptation and mitigation of climate change effects. During the summit, CEO Juan Carlos Muñiz participated in the panel "Green Growth for the Amazon," and Vice President of Finance, Richard Martínez, took part in the World Bank panel "Boosting Climate Action through State-Owned Enterprises (SOEs)."

Finally, we led missions and held working meetings with multiple international stakeholders such as the German Development Bank (KfW), the Inter-American Development Bank (IDB), the World Bank, the French Development Agency (AFD), the China Development Bank (CDB), BBVA, and the Development Bank of Latin America (CAF), among others. These sessions provided a platform to explore potential lending operations or to further existing programs.

6.9 International Resources Execution

GRI.3-3 (Capacity transfer to territorial entities; Measurement of environmental, social, and economic impacts; Responsible finance; Relationship strategy); Circular 012 de 2022 – Section 7.4.1.1.1. Description of the issuer's

business object. (iii) Competitive commercial conditions, such as: participation in national and international markets, demand conditions, among others; TCFD / Strategy, : Section 6.9 International Resources Execution

Credit Operations with International Entities:

TCFD / E.

- Within the framework of the loan agreements we have entered into with the Inter-American Development Bank (IDB), the German Development Bank (KfW), and JPMorgan Chase, we executed USD 115.5 million in 2023. The projects financed through these lines contribute to urban development in the country, the continuity and improvement in the provision of public and social services, the development of the energy and energy efficiency sector, and improvements in water and basic sanitation services across different regions.

TCFD / E.

- In May 2023, we completed the execution of the credit with JPMorgan Chase, with a MIGA guarantee, signed in September 2022. This loan, amounting to COP 623.7 billion, aimed to finance credits for climate change adaptation and mitigation (Climate Finance), as well as funding for health and education sectors.

TCFD / E.

- In October 2023, we completed the execution of the credit with KfW for energy and energy efficiency. This loan, amounting to USD 82.4 million, aimed to finance investments in small hydroelectric plants, solar projects, and public lighting, seeking to mitigate climate change through the financing of 9 projects.

Non-Reimbursable International Cooperation:

In terms of international cooperation during 2023, we made significant progress on the following fronts:

TCFD / E.

- We signed a non-reimbursable cooperation agreement with the United Nations Office for Project Services (UNOPS) for USD 299,840, aimed at supporting capacity development and strengthening the baseline for a portfolio of GHG mitigation actions in the transport sector for Bogotá.

GRI.3-3 (Capacity transfer to territorial entities)

- Additionally, we secured approximately USD 555,336 for financing the Transforming Regions event, which took place in Cartagena from November 15 to 17, 2023. The funds were provided to Findeter by CAF, KfW, AFD, and the World Bank Group. The event aimed to provide comprehensive support to new governors and mayors in planning, financing, and successfully executing local development projects across various regions of Colombia over the next four years.

In addition to the above, in 2023 we successfully executed non-reimbursable international cooperation resources in the following programs and initiatives:

GRI.3-3 (Social infrastructure)

- **Abu Dhabi CDIs:** According to the Memorandum of Understanding (MoU) signed between the Abu Dhabi Fund for Development and the Presidential Agency for International Cooperation (APC-Colombia), Findeter is responsible for the construction, equipping, and fitting of 37 child development centers. By 2023, we had received USD 8.6 million in disbursements, of which USD 6.9 million had been executed, corresponding to 67% of the total cooperation resources. Last year we successfully delivered 10 CDIs and are estimated to deliver 6 adequately expanded CDIs in 2024.

GRI.3-3 (Social infrastructure)

- **Abu Dabi Sacúdete Centers:** through Addendum No. 5 to the Memorandum of Understanding (MoU) signed between the Abu Dhabi Fund for Development and the Presidential Agency for International Cooperation (APC-Colombia), Findeter is responsible for the construction and equipping of 13 Youth Centers. By 2023, we had received USD 1.9 million in disbursements, of which USD 692,000 had been executed, corresponding to 14% of the total resources of the cooperation. The delivery of all 13 centers is estimated for 2024, including provisioning.

TCFD / E

- **Municipal Environmental Protection Program – KfW:** This involves promoting the financing of investments in the drinking water, basic sanitation, and solid waste sectors in Colombia. As part of this program, Findeter has received non-reimbursable cooperation resources, which are currently being executed as detailed below:

TCFD / E.

Phase I:

- As part of the Cooperation Agreement signed with KfW in 2019 to support Phase I of the Municipal Environmental Protection Program, Findeter contracted an international firm in May 2023 to assist the Financial Institution in the comprehensive analysis of technical-operational, environmental, and social risks for water and sanitation projects financed by the Bank. Additionally, the firm was to assist in defining measures and/or complementary studies necessary to mitigate such risks.

GRI.3-3 (Capacity transfer to territorial entities)

- In 2023, as part of the same program, Findeter advanced in the contracting process of a consulting firm, through an international call, to carry out complementary studies and implement specific measures to support the technical and institutional strengthening of the operators in the projects financed by Findeter, within the framework of the KfW Water Phase II Credit Line. This consultancy ensures the technical and financial sustainability of the investments and began activities in December 2023.

TCFD / E

Phase II

- Following the Cooperation Agreement signed with KfW in September 2022 to support Phase II of the Municipal Environmental Protection Program, Findeter has made significant progress in structuring and planning the resources allocated by KfW, equivalent to EUR 1.5 million.
- **Support for the Pacific Plan:** As part of the national government's strategic projects, there is a priority to support the Pacific region. In 2023, Findeter conducted a multisectoral diagnostic to assess the infrastructure available in the departments of Chocó, Valle, Nariño, and Cauca, as well as challenges in these areas. Specifically, it aimed to determine the situation of this region regarding:
 1. Vehicular, river, digital, and electrical interconnections
 2. Infrastructure for health, education, sports, and culture
 3. Public service infrastructure such as water, sanitation, sewerage, and energy
 4. Productive structure (agriculture, livestock, industry, and tourism)
 5. Housing supply and conditions

For this project, we requested support from the IDB, which expressed interest in financing this initiative with USD 100,000 from non-reimbursable cooperation resources.

As a result, the IDB contracted the firm Strategic Opportunity to “Identify the main needs, problems, and potentialities, based on the collection, management, analysis, and handling of information, according to the methodology agreed upon for this purpose, carried out through coordination with national, regional, departmental, and local actors and institutions of the Pacific Region (departments of Cauca, Chocó, Nariño, Valle del Cauca) and the department of La Guajira, according to the objectives of the National Government.”

The consulting firm designed a general methodology for prioritizing territories and projects, which is a relevant input for Findeter to support municipalities in categories 4, 5, and 6 in their efforts to improve the provision of public goods for their inhabitants. However, it should be considered a dynamic process that can be adjusted and refined each time it is applied to a department and improvement points are identified. This consultancy began activities in May 2023 and concluded successfully in November 2023.

TCFD / E.

- **Cooperation with the Green Climate Fund (GCF):** During the first quarter of 2023, we made efforts within the Entity to finalize the negotiation of the Master Accreditation Agreement (AMA) with the Green Climate Fund (GCF). On March 13, 2023, the Agreement was signed, concluding the accreditation process of Findeter before the Fund; belonging to this fund represents a significant opportunity to mobilize GCF resources to finance projects with substantial impacts for the country’s climate agenda.

6.10 Sustainable Bonds

(GRI. 201-2)(GRI. 3-3 (Material Topic: Responsible Finance); SDG-3; SDG-4; SDG-6; SDG-9; SDG-13; SDG-15; External Circular 012/2022 SFC, Section 7.4.1.2.4. Management analysis of the operation results and the financial situation of the issuer, including the main financial indicators and their respective analysis, Subsection 7.4.1.2.4.1. Material variations in the results of the operation; Sub-item 7.4.1.2.4.2. Material changes in relation to the issuer’s liquidity and solvency; Subsection 7.4.1.2.4.3. Trends, events, or uncertainties that have the capacity to materially impact the issuer’s operations, financial situation, or changes in its financial situation; as well as the assumptions used to prepare these analyses. Section 7.4.1.3.2. Practices, policies, processes, and indicators in relation to the environmental and social criteria implemented by the issuer. TCFD / Metrics and Targets.

On June 18, 2019, we conducted the country’s first issuance of sustainable bonds with the objective of financing projects that generate environmental and social benefits and contribute to the construction of sustainable territories. The issuance placed COP 400 billion of sustainable bonds in the Colombian securities market with terms of 5 and 7 years at a rate of CPI +2.54% and CPI +2.90%, respectively. The issuance received bids totaling COP 1.03 trillion, equating to 3.44 times the initially offered amount.

The bonds, which received the highest credit risk rating of AAA from the rating agency BRC – Standard & Poor’s, refinanced projects aimed at improving the socio-economic conditions of the population, with the purpose of enhancing quality of life, promoting the well-being of Colombians, and contributing to the achievement of ten of the United Nations’ 17 Sustainable Development Goals (SDGs).

In response to the commitments acquired with this issuance, we report annually on the economic, social, and environmental impact generated by the financed projects, according to the eight categories of indicators approved in the issuance framework. Thus, this section presents the third annual report on the issuance of sustainable bonds, highlighting updates to this portfolio as of the end of the year 2023.

Sustainable Bond Committee

The Risk and Asset and Liability Management Committee of Findeter assumed the functions defined in the reference framework for the Sustainable Bond Committee, with the goal of monitoring the guidelines, especially in relation to the control of the portfolio of eligible projects under the bond criteria.

During 2023, the committee held two meetings (January 27 and July 27), which were attended by the General Secretariat, the Vice Presidencies of Commercial, Planning, Operations, Finance, and Risks, the Compliance Officer, and the Head of the Internal Control Office. In its last session, the Committee conducted a review of the monitoring of the portfolio backed by the issuance of sustainable bonds as of July 21, 2023. The evaluation of the results as of December 31, 2023, was carried out on January 25, 2024.

Portfolio Balance Composition:

Below is the detail of the balances of the sustainable bond portfolio for 2023, noting that the data is based on the cut-off as of December 31.

- Changes were observed in the number of beneficiaries (26) and the number of projects (32 vs. 26 previously). The portfolio balance as of December 31, 2023, closed at COP 397.856 million, with an average remaining weighted term of 6.8 years¹⁴.
- The composition of the reserve portfolio was reduced by 59% and its value at the end of December 31 was COP 106.406 million.

Main Impact Results

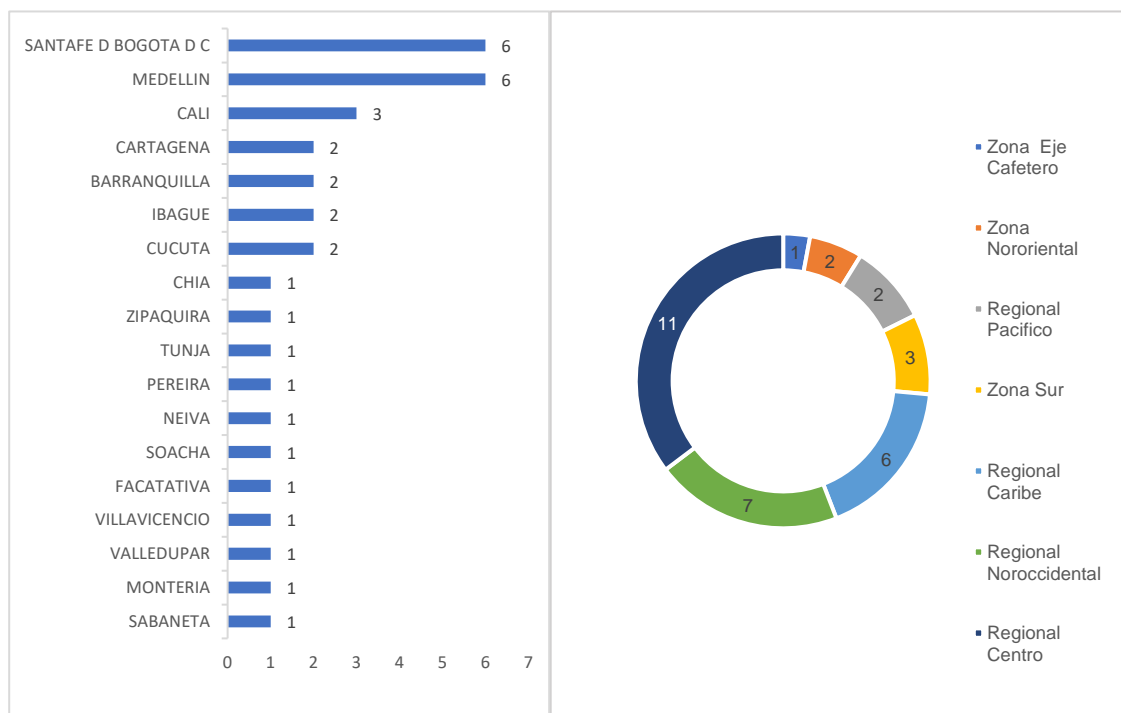
TCFD / M and T

○ Financial Indicators / Use of Resources

Between 2022 and 2023, the sustainable bond portfolio underwent some changes in its composition. As of December 31, 2023, the issuance resources are associated with 32 projects (vs. 26 in 2022) benefiting 24 entities in 18 municipalities across 14 departments of the country. The projects are distributed across 7 regional offices served by Findeter. The regions with the highest number of projects are Centro, Noroccidental, and Caribe, which together account for 24 of the 32 projects.

¹⁴ However, in accordance with the procedure for updating and maintaining the sustainable nature of the bond, in January 2024, a transfer was made from the reserve portfolio to the designated portfolio to meet the minimum amount of COP 400 million marked for the portfolio.

Graph No. 38: Projects by Region and Municipality
Number of Projects by Municipality Number of Projects by Region



Source: Findeter.

The 32 projects are classified into seven financeable sectors according to the sustainable bonds framework and are primarily concentrated in education, urban infrastructure, and drinking water and basic sanitation, accounting for 25 projects. As of December 31, 2023, the portfolio of the 32 projects had a balance of COP 397.856 million as shown in Table 79.

Table No. 79: Sectors Financed by Sustainable Bonds

Sector	No. of projects	Value disbursements	Portfolio balance (31/12/2023)
Education	18	349,254.8	198,789.5
Urban Infrastructure, Construction and Housing	3	142,979.5	76,717.4
Health	2	109,661.0	71,731.3
Transportation	1	40,000.0	22,499.9
Drinking Water and Basic Sanitation	4	28,366.0	13,274.3
Energy Development	3	27,043.4	13,953.5
Sports, Recreation & Culture	1	1,781.0	890.0
Total	32	699,085.6	397,856.1

Source: Findeter. Figures in COP millions.

Education Sector

In the educational sector, Findeter has led the refinancing of 18 investment projects, significantly impacting 13 institutions of technical and higher education, both public and private. This process has been carried out with a technical and strategic approach, directing resources toward the construction of new physical facilities and expansions.

These investments in education trigger a series of positive impacts on economic and social activities, as they enable the creation of new jobs, the development of public spaces, and an increased educational offering that directly impacts the development of the population.

Among the projects benefiting from this category are specialized buildings in the health field for higher education programs, providing them with cutting-edge facilities for their training. These projects represent a milestone in the improvement of medical services by consolidating a high-performance space for research and advanced clinical practice.

Additionally, we executed a project at the University of Cartagena, which included civil works for the construction, expansion, adaptation, improvement, and equipping of educational infrastructure on the campuses. Specific interventions include the repair of slabs with exposed reinforcement steel at the San Agustín campus, the remodeling of postgraduate areas at La Merced with improvements in sanitary services and accessibility for people with limited mobility. At Piedra de Bolívar, the building expansion resulted in international accreditation and a 200% increase in capacity, generating a significant increase in revenue and students. The implementation of cutting-edge technology, from WI-FI internet access to customized offices for teachers, marked a comprehensive transformation of the educational spaces.



Illustration No. 41: Universidad de Cartagena campus Piedra de Bolívar

Additionally, funds were allocated for the refinancing of basic and specialized equipment for the laboratories at the Eastern Section of the University of Antioquia.



Illustration No. 42: Universidad de Antioquía

It's important to note that the education sector, according to this analysis, supports projects aimed at enhancing sports and culture, highlighted this year by the construction of the Neiva skating rink. This initiative is crucial for thousands of skaters, over 50 clubs, and local sports schools. In addition to being a vital center for the training of children and youth, the facility meets national and international standards, becoming a venue for competitions. The construction included a 400-meter track, bleachers, a goal area, changing rooms, parking lots, an administrative area, and three training tracks, with lighting to operate at night.

With these efforts, we have enhanced educational quality, raising the positive impact on the community and meeting Sustainable Development Goals (SDGs) 1, 4, and 11 (No Poverty, Quality Education, and Sustainable Cities and Communities).



Illustration No. 43: Neiva- Huila Skating Rink

Infrastructure Sector

Among the three projects refinanced in this group, the “construction of corridors for active mobility - bike lanes and comprehensive improvement of road intersections at strategic points in the Metropolitan Area of Valle de Aburrá” stands out, valued at COP 57,000 million. This project includes the construction of the bike lane corridor along the Picacha stream and the installation of traffic lights to improve road interaction in Girardota.



Illustration No. 44: Valle de Aburrá Road Corridors

Additionally, in a strategic initiative, resources were allocated to carry out construction and remodeling work in Villa Dariana and Aguas Blancas parks, both located in Valledupar, Cesar. Moreover, the construction of the Plaza Parque in the district of Arjo was successfully executed.

This intervention adopts a comprehensive approach to urban development, enhancing recreational and cultural infrastructures in the region. It's important to note that this action aligns with Sustainable Development Goal (SDG) 11, which aims to ensure access to safe, inclusive, and sustainable urban environments.



Illustration No. 45: Villa Dariana Park and Aguas Blancas District Park

Drinking Water Sector

In this category, we highlight the refinancing of a project called “Modernization of the Drinking Water Treatment Plant and the Execution of the Water Loss Recovery Plan,” with an investment of COP 20.615 million. This initiative, carried out in Villavicencio, Meta, enabled the modernization of the water treatment plant infrastructure to purify 172,800 cubic meters of water daily. Additionally, it included specific interventions in the aqueduct and sewerage network to efficiently recover water losses.

This comprehensive project in drinking water and basic sanitation will not only boost the interconnection of the population to aqueduct and sewerage networks but will also significantly reduce the consumption of non-drinking water. Moreover, by aligning with the Sustainable Development Goals (SDGs) 1, 6, and 12 (No Poverty, Clean Water and Sanitation, and Responsible Consumption and Production), it demonstrates a strategic approach to promoting sustainable development and efficient water resource management in the community.



Illustration No. 46: Modernization of the La Esmeralda Drinking Water Treatment Plant DWTP and Implementation of the Water Loss Recovery Plan

Renewable Energy Sector

In the realm of energy development, Findeter has refinanced three projects, among which the construction of a reducing electrical substation stands out. This initiative serves as a strategic pillar to address the growing energy demand in various localities. The substation not only enhances the quality of electrical service but also drives economic and social development by strengthening regional energy infrastructure, projecting a sustainable future, and contributing to the collective progress of the community. This investment harmonizes technology and energy needs, generating lasting benefits for the general well-being.

Additionally, refinancing was carried out for the STR-Compensation Substation Tibú plan in Norte de Santander, enhancing the capacity of this facility.



Illustration No. 47: Tibú - César Substation

The management conducted in this sector aligns with Sustainable Development Goal (SDG) number 7, which seeks to ensure access to affordable, safe, sustainable, and modern energy for all.

Health Sector

The two projects in this category correspond to health institutions that built new facilities in Montería and Cali to expand service offerings and minimize existing gaps. Besides new facilities, the funded

projects created 719 new hospital beds, significantly increasing the annual health access capacity. These projects contributed to the goals of SDGs 1 and 3 (No Poverty and Good Health and Well-being).

Transportation Sector

We highlight the aerial cable car project in the integrated public transport system of the central-western metropolitan area of Pereira, which spans 3.4 km, making it the longest in Colombia. It features 50 cabins and 21 pylons, transporting 1,000 passengers per hour in one direction and up to 18,000 daily across 18 hours of operation. This initiative contributes to Sustainable Development Goal (SDG) 11: Sustainable Cities and Communities.



Illustration No. 48: Pereira Aerial Cable

The internal procedures under which the sustainable bond was issued in 2019 are documented in Findeter's Integrated Management System (IMS). The "sustainable nature of the bond" and "update and maintenance of the sustainable nature of the bond" were conducted with the goal of making this issuance.

To systematically and recurrently make thematic issuances, it is necessary to update internal procedures that allow for the collection of necessary information from financed and refinanced projects to measure the respective social and environmental impact of Findeter's portfolio, ideally from the portfolio's origination.

Local and international standards continue to evolve, as does regulation, which demands more rigorous impact measurement supported by the calculation of measurable indicators. Therefore, within the framework developed by the Treasury Department with technical assistance from CBI and now "certified" by EQA, some indicators are established that Findeter should measure to support issuances (under ICMA standards) and publish its annual impact reports.

6.11 Budget

As of December 31, 2023, the budget from the Entity's sources amounted to COP 2,360,913 million, while the budget for Applications, on the same date, totaled COP 2,349,702 million.

6.11.1 Execution of Sources

The execution of sources as of December 31, 2023, closed at COP 2,049,941 million, achieving 87% of the planned budget.

Table No. 80: Execution of Sources

Sources	Current budget (1)	Initial goal (2)	Income Year (3)	Difference execution (4) = (3) - (1)	% compliance (5) = (3) / (1)
Finance Income	2,295,700	1,764,123	1,999,384	-296,316	87%
Income from Agreements and/or Programs	57,019	57,019	43,181	-13,837	76%
Other Operating Income	8,177	8,177	6,519	-1,658	80%
Other Non-Operating Income	18	18	857	839	4880%
Total Fuentes	2,360,913	1,829,336	2,049,941	-310,973	87%

Source: Findeter. 2023 – Figures in COP millions

Finance Income: Achieved 87% due to: a) Interest collection from the portfolio, executed at 84%, equivalent to COP 1,474,508 million. This was generated by the evolution of interest rates to which the placed credits are indexed. Most of these credits are indexed to variable rates, specifically IBR, CPI, and DTF. b) Financial returns with an execution of 128%, equivalent to COP 146,857 million, generated mainly by the profitability of the balances in savings and interbank accounts. c) Income from investments with an execution of 187%, equivalent to COP 50,722 million, driven by the favorable impact on the rate behavior in 2023.

Income from Agreements and/or Programs: Totalled COP 43,181 million, which is equivalent to a fulfillment of 76%, thanks to good management in the collection of billing from past periods and the current different water, housing, infrastructure, and transport and mobility programs, considering the larger volume of projects subscribed and supervised by the Technical VP.

Other Operating Income: We collected COP 6,519 million, representing an 80% fulfillment, mainly due to: a) Fiduciary commission for the guarantee and structuring of water bonds amounting to COP 2,403 million. b) Commitment fee of COP 2,960 million as a result of the execution of the availability contract for the Neiva – Girardot connection.

6.11.2 Execution of Applications

As of December 31, 2023, the Applications closed at COP 2,304,868 million, achieving 98% of the planned budget.

Table No. 81: Execution of Applications

Applications	Current budget (1)	Initial goal (2)	Accumulated Commitments (3)	Uncommitted Value (4) = (1) - (3)	% Compliance (5) = (3) / (1)
Financial expenses	1,821,689	1,377,480	1,815,950	5,740	100%
Taxes and contributions	323,335	236,227	312,123	11,212	97%

Applications	Current budget (1)	Initial goal (2)	Accumulated Commitments (3)	Uncommitted Value (4) = (1) – (3)	% Compliance (5) = (3) / (1)
Operating and general administrative expenses	201,064	201,087	173,528	27,536	86%
Asset acquisition	3614	3535	3,267	347	90%
Total Applications	2,349,702	1,818,329	2,304,868	44,834	98%

Fuente: Findeter. 2023 – Figures in COP millions

Financial Expenses: We achieved 100% compliance, corresponding to an execution of COP 1,815,950 million, primarily due to: a) Interest and fees on certificates of deposit (CDs) and debt service, which also achieved 100% execution (COP 1,335,534 million), thanks to the maturity, rate volatility, and new placements. b) Outflows for derivatives, where 99% was committed, corresponding to COP 477,026 million due to the volatility of the exchange rate throughout 2023.

Taxes and Contributions Expenses: We reached 97% compliance, achieving an execution of COP 312,123 million; this category includes:

a) Taxes, achieving 96% execution, corresponding to COP 305,168 million, primarily due to the payment of the 2022 income tax and self-retentions from the Entity's income totaling COP 253,668 million, followed by the Industry and Trade tax of COP 25,773 million.

Regarding contributions, compliance was 99% with an execution of COP 6,955 million; the main contributions in 2023 were the fiscal rate in favor of the Comptroller General of the Republic for COP 3,270 million and the contribution to the Financial Superintendence of Colombia for COP 2,856 million.

Operating and Administrative Expenses: With an execution of COP 173,528 million, equivalent to 86%, key expenses include: a) Personnel Expenses with an execution of COP 133,423 million, corresponding to 93%, b) Administrative Expenses with an execution of COP 25,362 million, corresponding to 73%, and c) Travel Expenses with an execution of COP 4,071 million, also corresponding to 73%.

Asset Acquisition: With an execution of COP 3,267 million, equivalent to 90%.

6.12 Trust Business Planning Management

The primary function of trust business planning management is addressing Findeter's needs in terms of resource management and the provision of technical assistance. Trust business planning is aimed at managing resources through the commercial trust model; through this model, the services of a trust company are contracted to establish a trust fund, which ensures the management, planning, and financial execution of third-party resources, as well as the contracting derived from the projects entrusted to the Entity, in pursuit of transparency in the handling of public and private resources and controlling their proper investment and allocation.

Throughout 2023, the processes and procedures of trust business management were aligned to continue strengthening and improving the acquisition of fiduciary services and the structuring of new schemes that support technical assistance service, resource management, and financing of the trusts.

The trust company selected by us acts as representative and administrator of a trust fund (PA) and primarily works on five fronts:

1. **Derived Contracting:** Includes contracts for carrying out studies, designs, construction, supervisions, and service provision, among others, required for project execution.
2. **Payment Execution:** The trust company is prudent and diligent in the liquidation, declaration, and payment of all taxes. In our case, it is through the trust company that payments to these derived contractors and remuneration to Findeter are made.
3. **Resource Management:** Carried out through investment in Collective Investment Funds (FIC) or bank accounts, depending on the instructions provided by the trust committees.
4. **Trust Accounting:** The trust company presents monthly management reports to Findeter, which are subject to review and comments as applicable.
5. **Debt of the Trust Fund:** In the new businesses we structure as total sales, the trust fund applies for direct loans to finance the projects. These trust funds offer several benefits to our users, such as management of derived contracting, financial execution of the projects, and the investment and management of resources through collective investment funds that comply with Decree 1525 of 2008, as amended by Decree 1068 of 2015 “By which the Single Regulatory Decree of the Finance and Public Credit Sector is issued.” It is important to note that the direct loan granted to the trust funds established by Findeter is provided based on the guarantees it offers to the Development Bank and that may come from the General National Budget, the General System of Royalties, future resource flows, or other public or private sources directed to financing the infrastructure investment projects intended by such trust under the contracts or inter-administrative agreements that Findeter signs with its strategic allies for the development of the mentioned projects.

Under this framework, in 2023, the commercial trust primarily allowed us to:

- Manage third-party resources.
- Manage investment projects in financeable sectors.
- Implement technical assistance through derived contracting.
- Ensure transparency in the handling of public and private resources.

During 2023, we signed 29 inter-administrative contracts with national and territorial entities, amounting to COP 2.3 trillion. These contracts foster growth, sustainability, and job creation at the national level during the execution of all projects, representing a 36% increase in trust business from 2022.

The administration and execution of these resources are carried out through trust funds established with recognized trust companies in the Colombian financial sector. By the end of 2023, Findeter had 121 active trust structures managed by a team of legal and financial experts specialized in finance and trust management, ensuring and guaranteeing timely and reliable information required for each business line.

6.13 Share in the Issuer’s Capital and Other Material Matters Relating to Its Capital Ownership Structure.

Circular 012/2022 from the SFC, Annex 1, Section 7.4.1.2.2. “Information about the share in the issuer’s capital and other material matters relating to its capital ownership structure.”

The authorized, issued, and outstanding common shares of the Financial Institution have a nominal value of COP 100,000 each and are represented as follows:

Table No. 82: Share in the Issuer's Capital

Description	Values Dec. 31, 2023
Number of subscribed and paid-in shares	12,223,852
Subscribed and paid-in capital (COP)	1,222,385,200
Dividends declared (COP)	2,391
Total (COP)	1,222,387,591

Source: Findeter

During the General Shareholders' Meeting on March 30, 2023, the surplus application project was approved, which mandated a capitalization of COP 78,165,354. In June 2023, the titles corresponding to the approved capitalization were issued and delivered. Findeter does not have any preferred shares issued.

Findeter is a national public company, constituted exclusively with participation from public entities. According to Article 30 of Act 1328 of July 15, 2009, which amends Article 271 of the Organic Statute of the Financial System, "it will not be subject to compulsory investments and will not distribute cash profits among its partners."

6.14 Off-Balance Sheet Operations..

Circular 012/2022 from the SFC, Annex 1, Section 7.4.1.2.4.4 "Operations carried out off the balance sheet that may materially impact the operations of the issuer, its financial situation, or changes in its financial situation."

As of the date of this report, Findeter has not engaged in, nor does it have any off-balance-sheet operations.

7. OUR ENABLERS

7.1 Our People

GRI. 401-1; External Circular 012/2022 SFC, Section 7.4.1.1.1. Description of the issuer's business purpose, Item (vii) The total number of workers, as well as the variation in number and percentage from the previous year.

7.1.1 Description of the Workforce

GRI. 2-7, 401-1; (ODS 8): External Circular 012/2022 SFC, Section 7.4.1.1.1. Item (vii)

The Findeter team is comprised of 615 committed employees who share our overarching goal of improving the quality of life for Colombia's most needy, driving us to excel in fulfilling our mission as a strategic partner to the National Government and territorial entities in planning, structuring, financing, and executing sustainable projects that transform territories.

This Human Talent, with specialized studies in various subjects and with experience, has allowed us to provide Colombians with quality products and services. Of these, 595 are part of the permanent staff, meaning they have a direct employment relationship, 18 are apprentices in their productive stage from SENA, and two are university interns, as can be observed in the following table:

Table No. 83: Number of employees by type of contract year 2023

Type of Contract	2022			2023			Variation 2022 Vs 2023	
	Men	Women	Total	Men	Women	Total	Number	%
Permanent Staff	273	319	592	275	319	594	2	0.34%
Free appointment and removal	0	1	1	0	1	1	0	0%
SENA Apprentice Productive Stage	3	5	8	6	12	18	10	125.0%
University Intern	0	1	1	0	2	2	1	100.0%
Total	276	326	602	281	334	615	13	2.16%

Source: Findeter

The number of direct employees (permanent staff and discretionary appointments) changed by 0.34% between 2022 and 2023, increasing from 593 to 595. However, it is noteworthy to mention the increase in SENA interns who assist in the execution of evaluation and control, support, strategic, and mission-critical processes, rising from 8 in 2022 to 18 in 2023. This increase aligns with Act 789 of 2002, allowing us to contribute to apprentices' transition into the labor market, reducing youth unemployment rates, and generating a positive impact on the country's employability.

The turnover rate in 2023 was 0.18%, calculated as follows:

$$(\text{Total Termination} - \text{Total Hires}) / (\text{Total Active Employees} - \text{Total Hires}) \times 100$$

Table No. 84: Turnover Rate 2023:

Item	Men	Women	Other*	Total
Hires	30	17	0	47
Terminations	29	19	0	48

Turnover Rate 2023	0,18%
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(*) Gender as self-declared by employees.
Source: Findeter

Below is the number of promotions by gender that occurred in 2023, for a total of 56 individuals, which represents 9.41% of the workforce.

Table No. 85: Promotions by Gender 2023:

Gender	Number
Men	28
Women	28
Other*	0
Total	56

(*) Gender as self-declared by employees.
Source: Findeter

For more information, please see the following tables in the appendices: *-Total number of employees by type of employment contract (permanent or temporary) and by gender; - Total number of employees by type of employment contract (permanent or temporary) and by region; - Total number of employees by type of employment contract (full-time or part-time) by gender; - Distribution of workers by educational level and gender; -Distribution of workers by management positions; - Distribution of workers by job positions; - Distribution of workers by vice presidency; Unionized workers.*

7.1.2 Labor Relations

(403- 1), (407-1)

At Findeter, we adhere to the current Colombian labor legislation, and here are some of our labor practices:

- ✓ We maintain the Occupational Health and Safety Management System in accordance with current regulations, achieving 100% compliance with the minimum standards set by the Ministry of Labor.
- ✓ We conduct annual organizational climate assessments that allow us to enhance our strongest variables and work on those that require additional efforts, whether at the team level or across the Entity as a whole.
- ✓ We respect the right to free association and promote communication with trade unions to strengthen cooperation and trust-building, creating a space for listening and learning where information and knowledge are shared.
- ✓ We manage the ongoing alignment of all employees with the organizational culture, values, codes of ethics and integrity, and good governance practices, which strengthen everyone's commitment to achieving our higher purpose and mission.
- ✓ In terms of human rights, we continuously work on internalizing these concepts with all employees, from the selection of candidates for any position in the Entity, with a premise of non-discrimination for any reason.

- ✓ We are certified in the conciliation management model as a Family Responsible Company (efr), placing us at the forefront of reconciliation issues nationally.
- ✓ We offer fair and respectful work environments, appropriate workspaces, and facilities at the main Entity headquarters for people with disabilities. We do not promote child labor or forced labor for direct staff or suppliers, ensuring compliance with social provisions and labor practices according to Colombian legislation. Additionally, we have the Occupational Health and Safety Committee (COPASST) and the Labor Coexistence Committee to address workers' needs concerning health, safety, and both workplace and sexual harassment.
- ✓ We guarantee the disconnection from work for employees, in line with the policy that promotes a balance between personal, family, and work life, by creating mechanisms that ensure compliance and allow employees to report non-compliance.

It should be noted that in 2023, there were seven requests related to alleged cases of workplace harassment and/or discrimination, which were addressed, conciliated, and escalated according to the situation presented in the designated instances. Given that these cases involved workload issues and possible impacts on employees' health, the Labor Coexistence Committee decided to refer them to the Human Resources Department to evaluate the possibility of specific interventions for each workgroup, where potential work overloads and/or health impacts on employees could be identified.

Below is the gender composition of positions by level, highlighting the participation of women at all levels within the Organization:

Table No. 86: Distribution of Workers by Level and Gender

Positions	Men	Women	Other*	Total
Management Level	22	20	0	42
Other Levels	253	300	0	553
Total	275	320	0	595

% of women in the total	54%	% of men in the total	46%
% of women in management level	48%	% of men in management level	52%

Note 1: Includes positions of discretionary appointment and removal / Internal Control

Note 2: Does not include SENA apprentices or university interns

(*) Gender as self-declared by employees.

Source: Findeter

- **Selection and Hiring Policy:**

We have established as a guiding principle for the selection and hiring of personnel the equality of opportunity, non-discrimination based on gender, race, social condition, religion, region, or any other circumstance. This principle is part of our model as a family-responsible company - efr -, under the dimension of Equal Opportunities. Additionally, we have implemented the Diversity, Equity, and Inclusion Policy GH-DA-045, aimed at establishing general guidelines to ensure that our

organizational culture is inclusive, diverse, equitable, and respectful. This policy values differences and promotes collaborative environments with equal opportunities for all.

Moreover, the general and specific competencies required, education, experience, and corporate values are crucial when analyzing a candidate. This is supplemented by controls determined from the same procedure when reviewing resumes and submitted documents. For critical processes, security studies are applied using an advanced validation system. In 2023, we implemented a new methodology of more robust psychotechnical tests, allowing the Entity to have better tools for decision-making, providing results on the level at which the candidate stands in each of the evaluated competencies, according to the position to be filled and their adaptation to the organizational culture. Additionally, we have a catalog within the tool to measure emotional intelligence, English proficiency, and software skills for engineers.

- **Salary Compensation:**

At Findeter, salaries are governed according to the current salary scale, and the requirements for each position are established in the general functions and requirements manual, respecting gender equality and prioritizing candidates' years of work experience and educational background. The Board of Directors endorses salary increases each year for executive levels, while for other positions, increases are generated according to what is agreed in the current collective bargaining agreement. It is important to note that, compared to the job market, the Entity's salaries are competitive, combined with other benefits offered. These conditions enable us to attract and retain the talent necessary to achieve our goals.

7.1.3 Work-Life Balance and Professional Development

GRI. 2-30, 401-2, 407-1

- **Family Work-Life Balance:**

Our ongoing commitment to improving the efr (family-responsible company) model was recognized in 2023 with an award from the Fundación Másfamilia in Spain, under the standard 10001 Ed 5, confirming the continuation of our certification. This achievement reflects the commitment and empowerment of senior management in the development of the model, investing resources and promoting the reconciliation of family, personal, and work life with 61 measures that contribute to the happiness, competitiveness, and productivity of everyone.

Being an efr company is a hallmark that distinguishes us in various contexts. We are consistent with the services we offer, respect differences, and do not discriminate under any condition, as we are guided by the overarching purpose that directs our goals and objectives with a committed team that produces positive results for the neediest Colombians.

- **Workplace Climate:**

The outstanding results in our workplace environment continue to position us as a dynamic, attractive, and exemplary employer in the country; a distinction that places us 20th among the best companies to work for in Colombia in the range of 300 to 1500 employees.

Given Findeter's evolution and market positioning, in 2023 the Entity carried out the annual assessment of the workplace environment and cultural measurement using a new methodology, based on diagnostics performed in previous years. We achieved a Happiness Culture Index (ICF) of 83.3% compared to 87.5% in 2022, indicating an outstanding level in aspects associated with the workplace environment and organizational culture. Notable were our resilience in making decisions

in complex situations and the availability of the necessary tools and resources to effectively perform roles, emphasizing the crucial relationship between personal valuation of work, resilience, and resource access in the workplace, highlighting the effective integration of these elements in organizational dynamics.

These insights enable us to establish action plans towards a coherent work environment where the satisfaction and well-being of individuals and teams are reflected in the organization's outcomes. Thus, Findeter can understand the current moment and have better tools to define effective action lines to reduce gaps.

- **Organizational Culture:**

We continue to internalize our organizational culture model, which helps us identify what we do best, what sets us apart, and from its adoption, will enable us to achieve our envisioned future and objectives through three organizational capacities to be measured and developed with leaders and other employees:

- Strategic Focus: Connection with the Entity's vision and the capability to achieve it through daily execution aligned with the strategy.
- Integration: The ability to connect or align the efforts of different teams, processes, and services, as well as interactions with internal and external stakeholders.
- Conscious Transformation: Refers to the passion for innovating, transforming, and going beyond in a mindful manner, proposing new ways of doing things.

- **Development Management**

In the context of improving the Human Talent Management process, the management of people development was consolidated through tools that enhanced the competencies of the Entity's workers, focusing on knowledge, skills, and motivation.

Following development assessments, we implemented the discussion of results with work teams with individual feedback sessions and supported leaders in defining and formulating individual plans according to identified needs.

This process generates added value as it aims to improve the quality of life of people at work, based on technical principles, confidentiality, and scientific support that backs it.

7.1.4 Training

(404-1), (404-3);

At Findeter, we are convinced that training is one of the pillars of our corporate strategy. It not only strengthens technical competencies but also aims at enhancing capabilities, knowledge, skills, motivation, and commitment based on ethical values and principles and the dimensions of being, knowing, and doing. Consequently, significant resources are allocated to achieve these objectives, including providing financial support options for employees' professional and postgraduate studies.

In 2023, we recorded the attendance of 720 individuals at various training events. We invested more than COP 785 million in 77 training programs by the end of the year and conducted 14 cost-free internal training sessions, totaling 595 training processes at the annual close with 100% coverage of employees.

Table No. 87: Training Hours of Employees

Year	Total Hours	Participants	Hours per Year
2020	30,688	664	46.20
2021	27,725	673	41.24
2022	26,833	744	36.06
2023	20,097	720	27.91

Source: Findeter

We monitor each employee's participation in various training events and record the time invested in learning from the programs, aligning this with the corporate strategy and organizational competencies.

For more information, see in Appendices: Table - Worker Training by Gender and Position.

Additionally, training for personal development is part of the benefits that the Entity offers its employees. Therefore, it includes an educational assistance program, which fosters professional growth and promotes advancement in studies. In 2023, we provided educational assistance to 94 employees, of which 43 were women and 51 were men, to advance their professional training programs and thus contribute to their growth.

Among the different academic levels, the majority of the employees (50), representing 54% of the beneficiaries, opted for master's degree studies; 20, or 22%, undertook specializations; 21, equating to 23%, are pursuing undergraduate degrees, and the remaining 1%, corresponding to one worker, is at the doctoral level.

7.1.5 Performance

Performance evaluation is the methodology we use at Findeter to annually measure the organizational and leadership competencies of the Entity's employees, involving peers, supervisors, subordinates, and self-assessment.

Senior management is evaluated by the Entity's CEO, their peers, and process colleagues. They also conduct self-assessments to compare their performance perception with that of the evaluator group. The purpose of this is to provide feedback on their work, leadership style, generate self-awareness, and identify strengths and gaps that are opportunities for improvement in favor of productivity and team development.

The average score obtained by senior management in the last performance evaluation, conducted in 2022, was 92.78%, a result that reflects the level of development of leader behaviors contributing significantly to the Entity's competencies. Key competency results highlighted include execution and follow-up and teamwork. It should be noted that the 2023 evaluation will be conducted in the first quarter of 2024.

With the results obtained from the evaluations, Findeter faces the challenge of continuing to maintain high-performance behaviors in its leaders, and training and development plans should be complemented with processes that contribute to strengthening the leadership style.

7.1.6 Health and Safety at Work

[403-1; 401-2](#)

During 2023, we strengthened efforts to maintain a constant connection with employees and their families, staying attentive to their physical and mental health through promotion and prevention campaigns, under the premise that the well-being of the family nucleus has a direct impact on productivity and the development of work activities.

We prioritized the implementation of the Occupational Health and Safety Management System, achieving 100% compliance for the first time, according to the minimum standards set by the Ministry of Labor. This system involves a logical and staged process based on continuous improvement, which includes policy, planning, application, evaluation, auditing, and improvement actions aimed at anticipating, recognizing, evaluating, and controlling risks that may affect safety and health in the workplace.

The Workplace Health and Safety Committee – COPASST and the Labor Coexistence Committee operated according to the frequency established by law, monitoring compliance by the Entity and employees with preventive, hygiene, and safety measures, in order to prevent injuries and illnesses caused by work conditions.

Regarding levels of absenteeism, below we present a summary of the various causes that led to its occurrence:

Table No. 88: Absenteeism Levels 2023

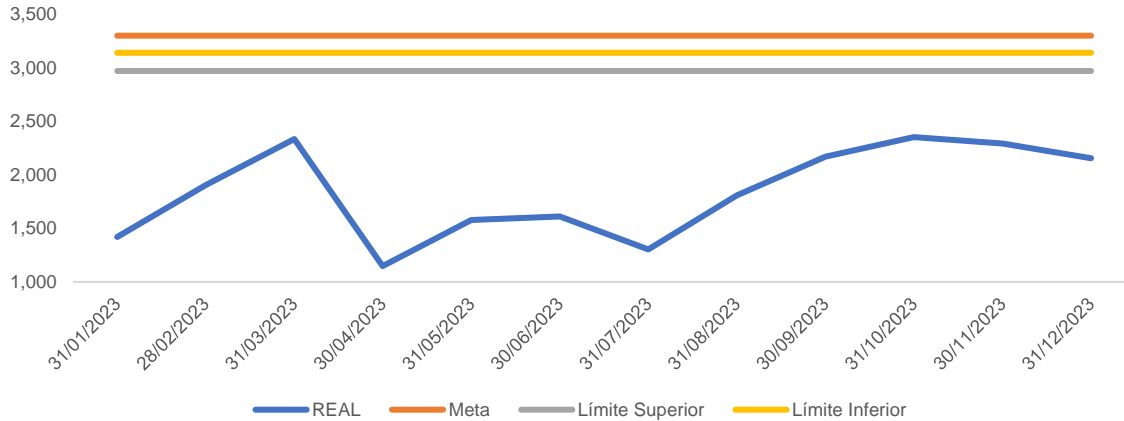
Type or Factor of Absence	Days of Absence	%	# Incapacitations	%	Men	Women
Occupational Accidents	4	0.1%	4	0.8%	3	1
General Illness	2,896	68.4%	460	96.0%	124	336
Paternity Leave	84	2.0%	6	1.3%	6	0
Maternity Leave	1,248	29.5%	9	1.9%	0	9
Total	4,232	100%	479	100%	133	346

Source: Findeter

68% of absenteeism days were due to general illnesses such as the common cold, migraines, and acute respiratory infections, as well as some more complex diseases. For this reason, we implemented preventive medicine programs and reinforced them with a national health week, aiming to support employees and promote a culture of self-care and the reduction of accidents and occupational diseases.

The four workplace accidents that occurred in 2023 were minor and did not result in any health issues for the workers. However, we implemented measures such as awareness of behavior-based safety, lessons learned, and training and induction to promote a culture of self-care in accordance with the origin classification given by ARL Positiva; by the end of the year, there were no reported cases of occupational disease.

Graph No. 39: Absenteeism Indicator 2023



Source: Findeter

In 2023, we advanced a comprehensive support strategy for workers under the premise that life and health come first; the result was positive as we did not experience peaks in medical-related absenteeism that exceeded the monthly indicator of 3.3% of scheduled workdays for the entire Entity due to medical incapacity.

In this context, we implemented tactics such as timely preventive isolation for symptomatic individuals and work-from-home arrangements for employees with certified comorbidities. Additionally, our internal communication campaigns and all the preventive measures adopted have allowed us to reinforce the principle of promoting the well-being of everyone.

7.1.7 Freedom of Association

(2-30; 407-1) (ODS 8)

We have two workers' unions, which together comprise 462 affiliates, equivalent to 83.54% of the total number of workers eligible to join trade unions.

We highlight the excellent relationships between the Entity's administration and the unions, which have helped maintain trust and create listening spaces where information and knowledge are shared as an alternative for preventing and resolving conflicts. As a result, these relationships have been strengthened as part of the organizational culture.

Table No. 89: Unionized Workers 2023

Gender	Number #	Porcentaje del total de empleados
Men	209	82.6%
Women	253	84.3%
Other*	0	0
Total	462	83.54%

Source: Findeter

(*) Gender as self-declared by employees.

7.1.8 Benefits

401-2;

The collective bargaining agreement signed between the administration and the workers' unions at the Financial Entity outlines the agreed-upon benefits for direct employees who opt into this agreement. These benefits include, among others:

Table No. 90: Employee Benefits

▪ Monthly technical bonus	▪ Health services policy
▪ Food allowance	▪ Recognition of disability and maternity leave
▪ Loans for housing, vehicles, education, free investment, and domestic calamity	▪ Work schedule
▪ Extra-legal bonuses (in June and November)	▪ Training
▪ Annual tenure bonus	▪ Educational assistance for children
▪ Transportation allowance	▪ Union support
▪ Educational assistance	▪ Five-year recognition
▪ Funeral assistance in case of employee's death	▪ Retirement bonus for pension

Source: Findeter

In 2023, 100% of the workers eligible for the collective bargaining agreement were covered by it.

7.2 Technology Management

Regarding the progress of digital transformation in our Entity, we highlight the projects from the Strategic Plan for Information Technology (PETI 2023). The following are standout projects worked on during 2023:

- **Cloud CRM:** We migrated the Entity's CRM to the cloud to consolidate financial and non-financial products in a single tool. This will allow us greater availability of sales process data in the cloud version to facilitate commercial strategies, enhance security, enable integration with other cloud solutions, and simplify maintenance.
- **Consolidation and Visualization of Information Management:** A dashboard that provides data availability for the sustainable cities process and the credit report with rediscount and direct loan indicators. This information is supplemented with some data from DANE.
- **Technical Core:** We developed software for the monitoring and control of technical assistance projects and performed integrations in AX for the contractual management process. We will have centralized information in a single repository, which allows for the automation of the management and supervision process of non-financial products to generate real-time information on contracts and projects.
- **Treasury Core:** We defined the functional requirements of the treasury area and identified solutions in the software as a service (SaaS) market for the lifecycle of operations in this directorate; we conducted a market survey to propose a solution for implementation in 2024. Once implemented, we will have a comprehensive solution for managing the lifecycle of treasury operations at Findeter, which will strengthen the process and cover the needs required for the Entity.

- **Development of the Strategic Plan for Information and Communication Technologies (PETI) 2024-2026, aligned with the digital government policy to support the implementation of the strategic objectives of the new plan of the Entity.**

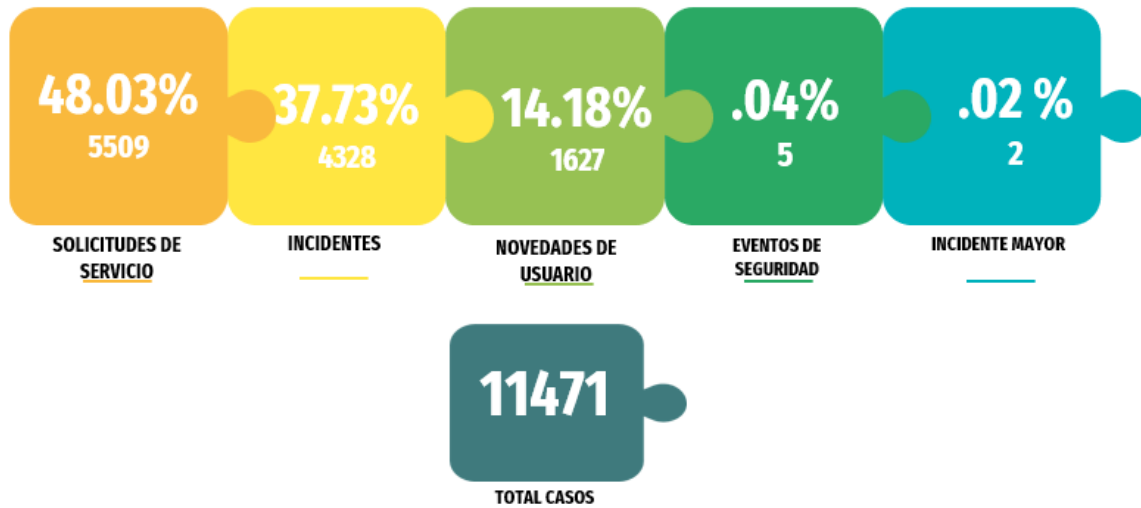
Other highlights of technology management include:

- ✓ Modernization of the travel expenses application.
- ✓ New payroll service implemented.
- ✓ Development of software for the “Cambia Mi Casa” program during the usage and appropriation phase with the Ministry of Housing and contractors.
- ✓ Modernization of services offered through the intranet leveraging current technologies (SharePoint).
- ✓ Database and dashboard with information on project initiatives in the Pacific region and La Guajira.
- ✓ Implementation of a project management module for the Technical VP.
- ✓ Automation of interest accrual for all portfolios, as well as the review of accruals for all obligations of each portfolio (previously done randomly and manually).
- ✓ Dashboard for decision-making by the presidency of the Entity, which displays all products of the business model.
- ✓ Historical consolidation in the business intelligence (BI) tool for proposers to manage the concentration index of contracts.
- ✓ Mitigation of vulnerabilities to meet internal indicators related to information asset vulnerabilities and technological platform mitigation.
- ✓ Change and migration of the firewall that provides perimeter security to the general direction offices 103, 104, and the Alternate Operation Center (CAO), reducing security gaps against perimeter attacks.
- ✓ Replacement of conventional antivirus with an EDR solution, which allows real-time behavior analysis based on artificial intelligence.

Regarding information systems management, in addition to the maintenance and support required by applications, we implemented workflows for linking requests and credit requests for trust funds and electric energy distribution and commercialization companies for the new mixed credit line of the Entity called “Commitment to energy efficiency and virtual connectivity.” Similarly, we highlight improvements in applications such as the adaptation of the Dynamic AX information system, travel expenses, and enhancements in application integration services. We also carried out developments for the implementation of business intelligence (BI) dashboards for the portfolio, human talent, economic studies, and presidency of the Entity, which contribute to the management of the mentioned areas.

In relation to the service desk, we promptly attended to the requirements of all Entity users, thus ensuring the availability of resources, both hardware and software, which allowed them to develop their activities smoothly. During 2023, we handled 11,471 registered cases, that is, 2,404 more cases than in 2022, as can be seen in the following illustration:

Illustration No. 49: Service Desk Management



Source: Findeter

7.3 Innovation and Knowledge

Focused on our vision of developing sustainable and innovative solutions to contribute to territorial strengthening and financial inclusion, through our R&D&I unit we accelerated innovation in various work teams from the identification and solution of strategic challenges, the consolidation of an innovative culture, the establishment of partnerships with ecosystem actors, to the validation of solutions with stakeholders.

Committed to this, in 2023 we developed the TerritorioINN program, which enhanced employees' skills in methodologies that contribute to rethinking their daily tasks and generating transformations within the entity. This program was aimed at addressing the needs of actors in the people's economy and resulted in four solution prototypes in the sectors of tourism, environment, and water and sanitation. Additionally, we launched the first innovation festival, an initiative in which, over five days, more than 100 employees experienced new technologies, trends, knowledge management, and co-creation, culminating in the presentation of the annual Findeter innovation award.

We also facilitated interaction spaces with companies and innovation experts for our team of "innovation heroes." Through the Innovation Tour initiative, they learned about the best practices of four national companies leading in R&D&I. Moreover, the FindeTED initiative created brief knowledge transfer sessions that featured seven experts throughout the year.

Recognizing the added value of conducting open innovation exercises with ecosystem actors, we signed a collaborative agreement with the National University of Colombia that promoted solutions to challenges for actors in the people's economy. Three challenges were proposed: improving the revenue collection of territorial entities through a technological tool, comprehensive visualization of the product offerings for actors in the people's economy, and optimization of the risk analysis model for Community Action Boards from a qualitative perspective.

Finally, we highlight the positive results awarded to the innovation and research projects presented at the call for tax benefits by the Ministry of Science, Technology, and Innovation - Minciencias. Below are the three projects presented by the entity this year:

- Implementation of an accessible financial service for actors in the solidarity economy, through the transformation of Findeter's rediscount product, corresponding to a product innovation process.
- Methodology for understanding and prioritizing urban and rural infrastructure projects to strategically guide Findeter's intervention decisions, in line with the objectives of the national government, as applied research.
- Design of an agile model for exploring innovative products at Findeter focused on market segments not served by the entity and based on service design, as a process innovation project.

7.4 Communications Management

GRI. 2-16; 2-29

Communication is a fundamental aspect for the implementation of the Strategic Plan, as it permeates the entire company and involves all employees and other stakeholders. In 2023, we continued to strengthen corporate communication as a vital element serving the areas to enhance the reputation and culture of the Entity, promote the portfolio of services and products, manage and impact led projects, and disseminate the knowledge generated.

The communication plan emphasized publicizing the initiatives led and supported by Findeter, through financing and technical assistance, the Entity's contribution to the realization of the development plans of territorial entities and the National Development Plan, the results of the different business areas, improving the format of studies, research, and analysis produced by the Department of Economic Studies and the Commercial VP, expanding the digital channel strategy with the integration of new spaces, supporting the strengthening of organizational culture, connecting all employees, and achieving greater dissemination of strategic messages in regional and national media.

One of the most significant projects of the year, which represented a milestone for the entity, was the Transforming Regions event, the Entity's strategy to support the regions and new leaders in developing their projects, which involved all management areas for its media dissemination and on social networks, conceptualization, and production of audiovisual, scenography, and editorial design pieces.

Additionally, new strategies were developed that allowed impacting the Entity's stakeholder groups.

• **Media and Press**

- We continued the strategy of engaging with journalists and free press, so this interest group considers Findeter as a reliable source for their publications.
- In the second half of the year, a media plan was advanced with the main radio networks in the country, which allowed us to make known the Entity's management in financing and technical assistance.
- As a result of this effort, in 2023, the media published 6,296 news articles about Findeter, with 51.9% in regional media and 48.3% in national media.

• **Digital Communication**

Regarding the Entity’s website, improvements were made for the continuous stabilization of the platform, optimizing performance, functionality, and user experience. Likewise, the speed at which leads from digital marketing campaigns are processed was increased, and the requirements of the ITA matrix were completed, complying with the parameters established in Resolution 1519 of 2020 of the Ministry of Information Technologies and Communications of Colombia.

The work on social networks focused on strengthening them to consolidate them as a strategic communication channel with stakeholder groups and establish an editorial methodology that allowed capturing, selecting, and publishing information that added value to our daily activity.

For 2023, the fulfillment of the indicator related to the dissemination of content on the entity’s various social networks was 101%, with 3,990 publications.

Table No. 91: Publications in social networks

Social Network	2022	2023	Var%	Meta 2023	Compliance
Twitter	1,881	2,303	22.43%	3,980 total publications	101%
Facebook	874	756	-13.50%		
LinkedIn	83	100	20.48%		
Instagram	672	831	9.97%		
Total	3,510	3,990			

Source: Findeter

- **Editorial Production**

In 2023, we supported the launch of the “Transforming Regions” strategy. For this initiative, we led the development of the event’s microsite for new mayors and governors and worked on producing 64 informational guides for cities and departments that were distributed during the meeting.

From July, Findeter engaged in an interinstitutional agreement with the Ministry of the Interior, supporting the communication and dissemination strategy for the Project Bank (a call involving communal action boards, peasant organizations, people with disabilities, and mayoral offices of municipalities in categories 3, 4, 5, and 6).

We also continued producing regular outputs such as the “Economic Context” newsletter, which has reached 53 editions, the “Economics in a Snap” podcast, and regular updates to the institutional blog.

During the year, we also supported the publication of the following products:

- 2022 Management and Sustainability Report.
- Success stories highlighting key Findeter projects that impact the community.
- Review and adjustment of municipal guides for the “Transforming Regions” program.
- Cartago Action Plan.
- Mariquita Land Management Plan (POT).
- Guidebook for the discussion of Mariquita’s POT.
- Five economic research papers.
- Five sectorial reports (new product).

- **Internal Communication**

- To keep all staff informed about Findeter’s objectives and focused on achieving them, we held the strategic alignment event ‘Findeter Cuenta,’ in which all employees participated. Similarly, we conducted a communication campaign to launch the new corporate strategic plan 2023-2026: “Transforming Regions.”
- We constructed and executed over 37 dissemination work plans with various departments and created internal communication campaigns that internalized topics relevant to strengthening the organizational culture and climate, human rights, digital transformation, innovation as a strategic competency, information security, and sustainability, among others.
- We provided support in the execution of the efr Reconciliation Model, through various graphic pieces and audiovisual products with information about the measures, benefits, and commitments of the entire Findeter team to continue being a family-responsible company.
- We developed and implemented impactful campaigns in conjunction with the Human Resources Department, focusing on human rights, equity, diversity, and inclusion. These included activities in which employees participated, such as DEI Week, the Online Coffee sessions about workplace harassment, and the Festival of Colors celebrating everyone’s rights.
- To keep our employees informed about the most relevant topics, we renewed “Findeter es Noticia TV,” a bi-weekly audiovisual production through which we communicate matters of interest related to the work of our employees.

7.5 Clients and Marketing

GRI.3-3 (Mega Materiality: People’s Economy); External Circular 012, Section 7.4.1.1.1., Item (iii): Competitive business conditions, such as: participation in the national and international market, demand conditions, among others.

• Marketing

In 2023, the Marketing Department was restructured from being part of the Communications Management to a key element under the Commercial VP to carry out market strategies, strengthen relationships with clients and partners, and promote new products and services of Findeter.

Aiming to position the Entity in the market through the discussion of its actions and to contribute to the generation of demand for its products, we organized and/or participated in 107 events that impacted over 83,749 individuals. These events featured interventions from our spokespersons, institutional brand presence, and the facilitation of commercial relationship spaces.

Key events included the ‘57th Banking Convention “As Diverse as Colombia” Asobancaria’, the ‘53rd General Assembly of Alide’, the XII Seminar on Energy Efficiency, and the IX Energy Efficiency Awards.

We held the “Transforming Regions” event with the participation of 180 elected local leaders and a three-day academic agenda. This meeting provided a unique opportunity to engage with new leaders responsible for the development of their regions over the next four years. The event in Cartagena was also the launch of the strategy of the same name covering the strategic objectives of the entity for the next four years.

These sessions allowed us to strengthen our relationships and highlight the support we provide in terms of planning, structuring, financing, and executing sustainable infrastructure projects. Thanks to these activations, we generated a significant number of business opportunities with potential clients that were managed by the commercial force.

External Circular 012, Section 7.4.1.1.1., Item (iii)

In the research component, we carried out the qualitative study 'Sectoral Perspectives for 2023' and research in the mining, cooperative, tertiary roads, and energy efficiency sectors, among others. This allowed us to expand market knowledge, provide strategic information for new product design, and identify commercial opportunities focusing the sales strategy on sectors with the greatest possibility of making development investments in the country.

Additionally, we supported the National Development Plan by reaching out to the people's economy through research sessions with communal action bodies in Magangué and Malambo in Bolívar and Santander de Quilichao in Valle del Cauca.

We also updated and improved the consultative and informative capacity of the rediscount credit process and operation, including:

- Coordination for optimizing information and fields in the Findeter Virtual application.
- Restructuring of the rediscount credit page on the Findeter website.

To strengthen relationships with financial intermediaries, we conducted in-depth structured interviews with communication, operational, and product areas of first-floor banks, providing quality information for implementing strategies aimed at building solid relationships, consolidating mechanisms, and channels for commercial approach and effective communication at different levels of their structure.

In support of Findeter's commercial management, we developed promotional campaigns for financial and non-financial products through digital channels and organic social media strategies, which helped increase reach and consequently contribute to generating demand with potential clients.

Some of the promotional campaigns we executed during the 2023 period were: "Reactiva Colombia" for the rediscount credit program, 'The Power of Water, Life'; a campaign that introduced the rediscount credit line "Reactiva Water and Solid Waste", which also promoted the support provided by Findeter for the structuring and execution of water and basic sanitation projects.

We developed a content strategy through the most widely listened-to media in the national territory, aimed at timely disseminating and communicating the management and progress of Findeter's projects in the Colombian territories where technical assistance services in project management are provided. Through this, we managed to generate an informational balance in public opinion, reaching all audiences and actors interested in developing projects with us.

We designed and implemented the internal strategy 'Copa Findeter Suma', as part of the incentive plan for achieving the commercial force's goals of the Entity, motivating the entire team to go the extra mile to achieve the objectives set for 2023.

These activities allowed us to maintain face-to-face and digital relationships with our stakeholders, improve customer user experience, and contribute to achieving the goals proposed by the Entity.

- **Satisfied and Loyal Customers**

Measuring the satisfaction of strategic partners is crucial for Findeter. Evaluating and analyzing results, and understanding them, consistently represents an opportunity to improve the business and identify new growth alternatives.

According to the latest study conducted by the National Consulting Center S.A, the satisfaction level of external strategic partners with the services offered by the entity in 2023 was 98%, an increase of one percentage point from the previous year.

These results confirm that all actions developed to understand and exceed the expectations of the entity's most important asset, its partners, are on the right track.

7.6 Customer Service

In 2023, customer service management was focused on maintaining relationships with our financial consumers and both external and internal strategic partners, and on generating new products and services.

For this purpose, we conducted the Strategic Partner Satisfaction Study to understand the perceptions and needs of our strategic partners in their various interactions with the Entity and thus generate opportunities for improvement.

Additionally, we advanced various actions such as improving different services and activities like events, product launch meetings, among others.

This allowed us to comply with the regulations established by the supervisory entities, manage complaints or claims about financial products in a timely manner, have a preventive technological service model for the financial consumer, and meet the needs of our users through clear and timely information.

To reinforce the relationship and expectations of internal and external partners, we focused on the Service Culture strategy for which we conducted nine training sessions within the Entity.

- **Requests Received (PQRSD)**

In 2023, through Findeter's website and various customer service channels, we received 1,587 requests, according to the terms established by law.

It is important to note that this refers to the number of requests received through the General Services Department (petitions, complaints, claims, and suggestions) addressed in 2023. The analysis of response times is carried out in accordance with what is established by law.

- **Timeliness of Attention - Response Time**

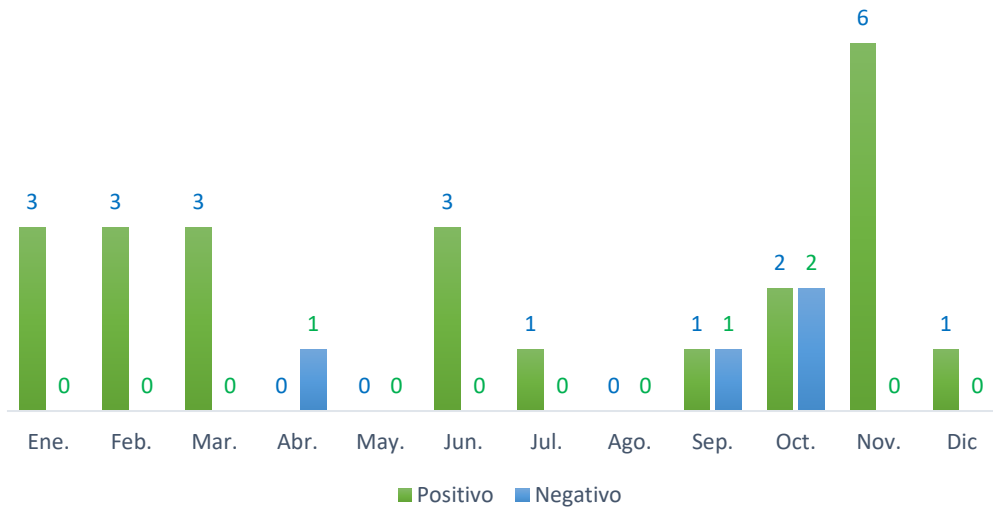
The average response time for PQRSD in 2023 was fourteen business days, which is less than the time stipulated by law.

- **Chat**

Findeter's website (www.findeter.gov.co) features this communication channel which allows interacting with users immediately and resolving their queries. Doubts are also resolved through email; through this medium, questions are answered once they are forwarded to the competent areas.

To measure the level of satisfaction with this channel, we conducted an evaluation with two established options: like, do not like. The results indicate that the satisfaction level is 99% positive; the interaction was with 601 people during 2023.

Graph No. 40: Chat Satisfaction Survey



Source: Findeter <https://dashboard.tawk.to/>

7.7 Procurement Management

(2-12)

Our procurement management adheres to the provisions of private law and the principles of Administrative Function and Fiscal Management. At Findeter, we organize contracting by types of purchases and have established two types, governed by three internal contracting policies and various selection modalities: a) Findeter goods and services, b) goods and services for third parties, and c) contracting of organizations in the solidarity and people's economy - project bank. Within the latter, we have contracts made through trust funds and those directly signed by the Financial entity in fulfillment of its commitments with international cooperation and banking; we refer to the latter as direct third-party Findeter.

The contractual selection modalities in the entity are: for Findeter goods and services: open call, consultancy selection, invitation to bid, direct contracting, and purchases from large retail stores; for third-party goods and services: public call, private call, invitation to bid, and direct contracting.

• Procurement Management Figures

During 2023, we managed the review and processing of 1,701 requests from technical areas and external entities, including requests for contractual processes (preliminary studies and need studies), petitions, requirements from control entities, contractual certifications, contractual modifications, validation, and approval of policies, among others.

✓ Purchase and Procurement Plan

The purchase plan is a tool for control and monitoring of the contracting of goods and services at Findeter.

Day by day, we consolidate this important planning tool, implementing and improving the application of indicators and supporting the technical areas of the Entity with the generation of early alerts regarding the compliance with the schedules for contracting their needs. The monitoring and control allowed us to identify budget savings of COP 5,579 million and the commitment of all available resources amounting to COP 33,955 million, with which the contracting of 578 lines or needs was carried out, achieving a compliance indicator of 100%.

The most representative figure is the contracting through the category of other consultancies, which represents 23% of the total investment. This category is responsible for ensuring services that support the operation of the entity such as the outsourcing of the internal control office, technology help desk, fiscal review, software factory, supervision of the execution of derived contracts, among others.

Furthermore, 17% of the total committed resources were allocated to strategic investments in technology, specialized consultancies, and efr measures, as a fitting and robust response to the challenges posed where the role of digital technology is predominant in daily activities.

Table No. 92: Execution of Purchasing and Procurement Plan 2023

Item	Contract Value	% Share
Other consulting services	5,926.8	23%
Computer, communication and multifunctional equipment	5,793.6	22%
Software maintenance	4,475.4	17%
Purchase and software	2,965.2	11%
Air tickets and transportation	1,907.7	7%
Premises, offices, parking and others	1,898.1	7%
Surveillance services and security systems	1,075.8	4%
Technical files	1,059.5	4%
Legal services	946.9	4%

Source: Findeter, 2023 – Figures in COP millions

✓ **Findeter Goods and Services**

This type of purchase is governed by the internal policy for the procurement of goods and services, aiming to ensure the acquisition of works, goods, and services outlined in the purchase plan, which are essential for the operation, strengthening, and promotion of the Entity, in line with its legal and strategic objectives.

One of the main indicators is efficiency in the procurement process, which is reflected in the average of 19 business days from the publication of the minimum requirements to the awarding of the contract.

During 2023, we celebrated 156 acceptances of commercial offers, 118 contracts, 50 expenditure orders affecting the purchase plan, 10 purchases in large retail stores, and 136 contractual modifications for a total of committed resources of COP 33,971 million.

✓ **Goods and Services for Third Parties**

This type of purchase is regulated by the policy of contracting goods and services for third parties. In the context of this policy, consistent with the specifics of the current situation, we have been adapting the terms of reference, thereby legally strengthening the selection processes with full respect, application, and promotion of the principles of administrative function and fiscal management to ensure, among other things, a plurality of bidders, fair competition, and the objective selection of contractors.

As an indicator of the efficiency and effectiveness of the process, we can note that the average time of the initial schedule for calls does not exceed 28 calendar days. Through this type of purchase, we materialize the commitments made with our national users and those from the banking and international cooperation sectors, with high standards of quality and transparency.

During 2023, we published 325 contractual processes in all selection modalities through trust funds and direct third parties, with a budget of COP 1.61 trillion and committed resources amounting to COP 1.12 trillion.

It is important to note that from the structuring of projects by the Entity's technical areas, obligations and guidelines are established, and the distribution of risks associated with each in relation to

environmental impact and social management in the beneficiary communities is determined, thereby generating positive impacts in these areas and providing a platform for their measurement.

✓ **Procurement Committee**

We conducted 230 sessions of the Contracting Committee virtually, during which we discussed 1,900 topics. The consolidation of the Contracting Committee as the governing body and guarantor of the selection processes within the Entity adds agility, control, and monitoring to the contractual management process.

Table No. 93: Procurement Committee Meetings 2023

Type of Topic Discussed	Number
Addendum	86
Approval of TOR and MRI.	379
Direct contracting	67
Economic evaluation report	315
Final report of qualifying requirements.	364
Preliminary report of qualifying requirements.	372
Contractual modification	185
Informative points (Others)	132
Total general	1.900

Source: Findeter

✓ **ICT in Contract Management**

Recognizing the importance of supporting the contractual process through various business applications to ensure information reliability and governance, as well as to enhance the efficiency and effectiveness of contract management, the following developments are highlighted:

- ✓ **Institutional Website** – As part of an improvement action, a user story is being advanced for the implementation of audit logs in the call module of the institutional website.
- ✓ **Pre-contractual Management Control Module (ongoing)**: This module is currently in the modeling and development stages within the IBPM process tool. It is designed to enhance pre-contractual management with features for checking the status of procedures and generating contractual files online. Currently, it is in the testing phase.
- ✓ **Publicity of Contractual Processes**: All contractual processes for third-party goods and services were published, complementarily through the institutional website and SECOPII. Although regulation does not mandate Findeter to do so, in adherence to the principles of transparency and publicity, the Entity has chosen to publish the calls on SECOPII.
- ✓ **Purchase Plan Management Module – ERP AX**: A request was made to the Technology Directorate, and initial technical meetings were held aimed at defining the needs and subsequent development of the purchase plan management module.

• **Management of Derived Contracting**

a) **Structuring Stage of the Legal Business and Offer Presentation:**

During 2023, we reviewed 73 proposals and provided legal support in the formulation and structuring stage of projects from negotiation with the user to the preparation of the offer, within the framework of providing technical assistance services. We also defined the phases

of pre-feasibility, feasibility, support, and execution for projects in sectors such as water and basic sanitation, urban development and housing, education, sports and recreation, tourism, social infrastructure, health, energy, telecommunications, among others.

b) Subscription of Agreements and Contracts

The derived contracting team drafted and reviewed approximately 82 derivative agreements, seven solidarity agreements, and 29 inter-administrative contracts, in which the purpose of the contract, the obligations of the parties, and the resources that the different entities would allocate for project execution were defined, as well as the payment for technical assistance services provided by Findeter, where applicable.

c) Support in the Preparation of Preliminary Studies

In 2023, we provided legal support to different areas of the entity for the preparation of 317 preliminary studies that facilitated the structuring of calls for the selection of consultancy, construction, and supervision contractors for project execution under a private law regime.

d) Timely and Effective Legal Support to Findeter Areas:

In 2023, the derived contracting team provided ongoing legal support during the supervision stage of the derived contracting executed within the framework of contracts and inter-administrative agreements, processing through various internal and external collegial bodies the various modifications, suspensions, and non-compliances that occurred.

Table No. 94: Management of Derived Contracting

Item	Total Number
Technical Committees	730
Trust Committees	552
Studies of need 2% of the Ministry of Housing, City and Territory	
a. New Contracting: 165	
b. Modifications by Addition: 28	
c. Early Termination: 16	
d. Assignments: 11	
	220
Review of Operational Manuals 2023	32

Source: Findeter

e) Terminations

- ✓ In 2023, the terminations group managed 552 terminations, surpassing the target of 451 set for the period; this represents an achievement of 122%. The terminations pertain to contracts for trust funds, goods and services, and third-party Findeter agreements (inter-administrative agreements and others).
- ✓ During this period, we advanced internal management tracking with the departments related to the files of goods and services pending submission for termination, raising awareness among contract supervisors about the management and responsibility of this activity. We maintain oversight with regular meetings and information exchanges with the infrastructure, water, and housing management teams to ensure the timely submission of termination requests for completed projects.

Finally, we affirm that Findeter has at no time hindered the free circulation of invoices issued by vendors or suppliers in accordance with Article 87 of Act 1676 of 2013.

7.8. Legal Management

GRI. (2-26;2-27)

The legal management process is tasked with advising the entity on all legal aspects related to the development of its corporate purpose, ensuring legal security in its operations to ensure they are carried out within the legal framework. It handles judicial and extrajudicial representation based on legal arguments in a timely manner, seeking the comprehensive protection of institutional interests. It also manages and collects balances derived from the settlements of co-financing agreements to achieve the collection of such values; similarly, it ensures compliance with precautionary orders issued by competent authorities to avoid penalties for non-compliance. Moreover, it oversees managing the Entity's risks to ensure the proper development of its financing and technical assistance activities and handles the responses to requirements presented by various control bodies, providing technical and legal answers to demonstrate the Entity's proper management in the development of its operations.

To facilitate legal management, five procedures and one instruction manual have been established:

- Legal opinion and consulting
- Judicial and extrajudicial representation
- Administration and collection
- Processing of embargoes
- Insurance policy management
- Response to control entities' requirements

Below, we present the figures and most relevant activities concerning legal management inherent to our entity.

7.8.1. Legal Opinion and Consulting

In 2023, we issued 12 legal opinions related to the development of the entity's corporate purpose within the framework of financing and technical assistance operations, which allowed such activities to be carried out within a legal framework, generating legal security in Findeter's decisions.

Additionally, we highlighted the legal analysis regarding financing operations through the modalities of rediscount and direct loan; for the former, we analyzed 14 operations to ensure they were directed to the authorized uses and sectors of the Entity; for direct loan, we reviewed 264 documents through which the loan operations and their guarantees were instrumented.

We also managed, in coordination with the Ministry of Finance and Public Credit, the issuance of five decrees authorizing Findeter to implement lines of rediscount and direct loan with compensated rates, allowing the allocation of public budget resources to create credit lines with subsidized interest rates, aimed at promoting regional and urban development.

7.8.2. Judicial and Extrajudicial Representation

Los abogados internos y externos de la entidad son los encargados de la representación extrajudicial y judicial dentro de los procesos en los cuales Findeter es parte dentro de las distintas jurisdicciones.

The entity's internal and external lawyers are responsible for extrajudicial and judicial representation in the processes in which Findeter is involved across various jurisdictions. Their representation work argues Findeter's proper management within the framework of the norms governing its operations and presents as support for their claims or exceptions the judicial defense policies and lines adopted by the entity, which establish the legal arguments that have supported previous judicial decisions in favor of the entity.

In addition to the above, the 29 sessions of the Judicial Defense and Conciliation Committee should be noted, which is the setting to adopt decisions related to the proper administration of judicial processes, analyzing both general aspects and the adoption of the Policy for the Prevention of Non-Judicial Damage for the 2023-2025 periods, as well as the legal stances the entity should adopt within judicial and extrajudicial conciliation hearings, which amounted to 32 cases.

Regarding the administration of judicial processes, we manage them through the Official Ekogui System, in which the information for each of the processes is detailed, outlining the parties, the status of the processes, type, etc., and allowing for risk assessment and the generation of provisions that adequately assume possible adverse decisions against the entity.

7.8.3. Findeter Judicial Processes

GRI 2-16; Circular 012 de 2022 – (Section 7.4.1.1.2. Litigations, judicial and administrative processes in which the issuer is involved that have the capacity to materially affect its operation, financial situation, and/or changes to its financial status, Items (i), (ii), (iii), and (iv). Provisions. SASB / Corporate Ethics (FN-CB-510a.1; FN-CB-510a.1, Section 3)

As of December 31, 2023, we represented the entity in 174 judicial processes, distributed as follows:

Table No. 95: Judicial Processes Against Findeter

DEFENDANT				
TYPE OF PROCESS	Number	Value of Claim	EKOGUI Indexed Claim Value	Total Provisions
EXTERNAL				
Insolvency	2	344.3	519.4	0
Ordinary labor	18	6,321.1	10,042.4	0
Direct reparation	5	1,640.7	2,330.1	
Total EXTERNAL	25	8,306.1	12,891.8	
INTERNAL				
Class action	3	545.8	573.9	0
Popular action	16	0	0	0
Contract dispute	19	84,505.77	28,373.0	0
Simple nullity	1	45.0	0	0
Nullity and reestablishment of rights	2	523.7	162.8	0
Ordinary labor	43	4,401.2	4,150.4	0
Direct reparation	26	12,600.0	15.84.4	0
Electoral nullity	1	0	0	0

Termination of the labor contract plaintiff consortium	1	28.4	28.7	0
Total INTERNAL	112	102,649.8	49,135.3	0
Total Overall	120	110,955.9	62,027.2	0

Source: Findeter, 2023 – Figures in COP millions

Table No. 96: Processes brought by Findeter

PLAINTIFF				
TYPE OF PROCESS	Number	Value of Claim	EKOGUI Indexed Claim Value	Total Provisions
EXTERNAL				
Executive	14	1,104.8	1,756.2	0
Ordinary civil	2	5,933.7	5,674.9	0
Total EXTERNAL	16	7,038.5	7,431.2	0
INTERNAL				
Contractual Dispute	5	1,626.2	756.0	0
Executive	14	2,655.6	4,050.0	0
Insolvency	1	58.3	0	0
Ordinary civil	1	1,562.5	1,763.0	0
Total INTERNAL	21	5,902.6	6,569.1	0
Total Overall	37	12,941.2	14,000.3	0

Source: Findeter, 2023 – Figures in COP millions

One of the indicators of judicial management relates to court decisions in favor and within the processes in which Findeter is involved. In 2023, 32 decisions that concluded judicial proceedings were issued, of which 30 were favorable and two unfavorable, either exonerating Findeter or accepting its claims. In these decisions, Findeter acted as the defendant in 28 processes, and the claims against it amounted to more than COP 97.248 million, thus avoiding judgments for this sum.

- **Actions for the Protection of Constitutional Rights**

Specifically, we highlight the judicial defense carried out to address the 65 actions for the protection of constitutional rights filed against the entity, noting that 60 decisions have been favorable to Findeter based on the legal arguments presented and by demonstrating that there has been no infringement of fundamental rights due to the action or omission of the entity. Regarding the unfavorable judicial decisions (five cases), we coordinated compliance with these decisions with the support of the entity's departments, avoiding the initiation of contempt incidents.

It is important to highlight some judicial decisions within the context of actions for the protection of constitutional rights, which have affirmed the legal authority of the entity to establish special conditions within the framework of its terms of reference in the operation of technical assistance, such as rules for concentration and exclusion of proponents due to being subjects of criminal actions. Additionally, we note favorable decisions involving former employees of the entity who alleged violation of the right to work, equality, and a minimum livelihood due to the termination of their employment contracts by the entity. Similarly, we have several favorable rulings related to the reconstruction of Providencia, in which it was demonstrated that the entity carried out the necessary works to guarantee the dignified housing of the plaintiffs.

- **Administration and Collection**

For 2023, the amount owed under the concept of co-financing funds, which are under the administration and collection of Findeter, amounts to COP 165 million.

Table No. 97: Evolution of the value of receivables and debtor municipalities to co-financing funds

No.	Nit	Entity	Department	Nuevo Order Value
1	800.095.978	Padilla	Cauca	120
2	800.100.134	Natagaima	Tolima	45
Total				165

Source: Findeter – Figures in COP millions

- **Handling of Seizures**

We have processed 143 requests to apply precautionary measures coming from judicial entities and administrative authorities. This management involves verifying the ownership of the products over which the measure is ordered and proceeding with the procedure in court once an owner is identified, leading to the execution of the seizure. Proper management of this activity prevents the imposition of monetary penalties established by law for non-compliance with seizure orders.

- **Administration of Insurance Policies**

We successfully contracted the corporate insurance package for the entity for the 2023-2025 period. This action is part of complying with current regulations as an entity that carries out financing and technical assistance operations, which involves the obligation to adopt and implement risk management systems to protect assets and equity interests, prevent and mitigate reputational and contagion risks, in face of potential losses the entity may incur in the development of its operations. The contracted policies and their values are as follows:

Table No. 98: Findeter Group Insurance Policies

N	Group	Budget
	GROUP 1	
1	All Risks Material Damage	90.5
2	Global Handling	16.4
3	Automobiles	0.75
4	Transportation of Valuables	0.39
5	Extracontractual Liability	28.2
	GROUP 2	
6	Infidelity and Financial Risks	535.5
	GROUP 3	
7	Directors and Administrators	2,200.2
8	Liability for financial operations	545.9
9	Project Liability	366.9
	GROUP 4	
10	Cyber liability	195.5
	GROUP 5	
11	Aviation - Drone	16.1
	Total	3,396.4

Source: Findeter – Figures in COP millions

We renewed the group life insurance policies and earthquake and fire policies associated with mortgage-backed credit lines provided to our employees. Additionally, we contracted voluntary vehicle and home insurance policies that offered the best possible technical conditions for the entity's employees. Finally, we obtained 126 policies required by Findeter as part of the technical assistance operation in which it acts as a contractor.

- **Response to Control Entities' Requirements**

We address the requirements presented by various control entities by generating the requested technical information, complying with the given timelines, and providing information that demonstrates the proper management of the entity in the development of its operations. In doing so, we avoid penalties for non-delivery of information and the initiation of disciplinary and fiscal actions, by delivering documentation that supports the proper activity of Findeter.

Table No. 99: Management of Control Entities' Requests in 2023

Control Agency	Requirements Addressed
Office of the Comptroller General of the Republic	314 (including audits)
Office of the Inspector General of the Nation	57
Office of the Attorney General of the Nation	16
Ombudsman's Office	21
Total	408

Source: Findeter 2023

7.9. Administrative Management

The management by the General Services Office focuses on the administration and supply of resources, aiming to create the best possible conditions for work development and employee well-being. We are committed to providing high-quality services efficiently, securely, and timely. From this perspective, we perform systemic work dedicated to meeting basic needs, covering aspects such as service provision, logistics, and supply management.

In 2023, we continued all processes under our responsibility, including:

1. Document Management, which ensures compliance with the requirements of the National General Archive.
2. Handling of PQRSD (Requests, Complaints, Claims, and Suggestions), successfully achieved by defining an internal response term shorter than the legal requirement, allowing for the necessary corrections and appropriate signing so that it reaches the petitioner within the legal term.
3. Asset Management, controlling the inventory and condition of the movable and immovable properties at our service, contributing to improved operational efficiency and a safe and effective work environment.

In this context, we strive to optimize processes and offer innovative solutions to effectively respond to the changing demands of our employees.

- **Maintenance of Physical Infrastructure**

We fully comply with the maintenance plan of the entity, which ensures the upkeep of the facilities at Findeter's headquarters and all its national offices, guaranteeing a safe environment with optimal conditions for all employees to perform their duties, aiming to minimize the occurrence of workplace incidents and accidents, as well as the onset of occupational diseases.

We are preparing to make the necessary reasonable adjustments and modifications in offices and workstations to ensure accessibility and spatial availability for hiring personnel with disabilities in line with the entity's diversity, equity, and inclusion policy.

- **Document Management**

In 2023, the Document Administration Center (CAD) managed its tasks at the main office and through the institutional email correspondencia@findeter.gov.co, registering the following figures:

Table No. 100: Typologies of Document Management 2023

Item	Number	Type of Document	Monthly Average
Filing of correspondence	32,867	Documents	2,739
Classification, sorting, foliation, folding, filing, labeling, lifting and coding.	32,123	Units	2,677
Digital loans	9,540	Units	795
Physical transfers received	22,943	Units	1,912
Inclusions in electronic form	16,209	Electronic files	1,351
Digitization images	1,789,345	Images	149,112
Upload to document application	1,435,457	Files	119,621

Source: Findeter

We continue to enhance our employees' capabilities in document management. We conducted 23 training sessions for 132 employees on archival processes, provided 11 training sessions on the Documenta document management system to 106 employees, and developed nine informational pieces related to document management and archival processes.

We also ran campaigns to keep workstations free of boxes and folders of documentary files, strengthening the processes of document transfers and inclusions.

Thanks to the efforts of the Document Management team from the General Services Office, the National General Archive certified our Document Valuation Tables as meeting the technical archival requirements for validation.

- **Commissioning and Travel Expenses of Employees**

In this area, we highlight the management of commissions and travel expenses as follows:

- ✓ We saved 19% on travel expenses compared to 2022, thanks to the promotion of virtual meetings and the optimization of site visits to enhance process integrity.
- ✓ We achieved a 12% savings in ticket expenses compared to 2022 due to continuous awareness among employees towards rationalizing expenses and efficiently planning commissions.
- ✓ Optimization of the commission service through the implementation of the new Viaticosweb application, which allows all employees to access quickly and easily from a mobile device, and also includes information about the profile and role of all users, improving control over travel.

- **Office Leasing**

In 2023, we achieved a savings of COP 245,176,861 with the renewals of the offices on the 3rd and 6th floors, stage I and stage II, thanks to agreements not to apply price increases at each renewal. In the Montería office, the tenant was authorized to make improvements to office 603B at no cost to Findeter, which will benefit the property at the end of the contract.

- **Asset Management**

In compliance with the entity's internal procedures regarding asset management, 481 fixed assets in Bogota were disposed of as follows:

Table No. 101: Disposal of Assets

Number	Modality	Place
310	Donation	Bogota
171	Destruction	Bogota

Source: Findeter 2023

The list of fixed assets available for donation was published on Findeter's website; the "Corporación Fondo de Solidaridad con los Jueces Colombianos" (FASOL) submitted a request as an interested party and was chosen as the beneficiary. This Foundation works with victims and their families connected to the judiciary and the Prosecutor's Office.

With this donation, Findeter once again supported nonprofit entities. This support reaffirms our commitment to socially profitable initiatives.

Regarding assets disposed of through destruction, it's important to highlight that this action was carried out without incurring costs for Findeter. As part of this process, we obtained a final disposal certification issued by Tecnologías Ambientales de Colombia S.A.S E.S.P and Enlaces Ambientales S.A.S. This certification confirms that we strictly complied with environmental regulations regarding waste disposal.

The disposal by destruction not only provided economic benefits for the entity but also reaffirmed our commitment to best environmental practices. By adhering to regulatory guidelines, we actively contribute to environmental preservation and responsible waste management.

8. 2024 OUTLOOK

8.1 2024 Outlook for the Colombian Economy

Inflation and Financial Costs

Considering the downward trend of inflation during 2023, which saw this variable close the year at 9.28%, it is feasible to anticipate that the price level will continue to moderate throughout 2024.

Indeed, the average forecast from the Colombian Central Bank's Survey of Expectations for December 2023 indicates that annual inflation will stand at 5.61% at the end of 2024, with a standard deviation of 0.69%. It's noteworthy that a month earlier, analysts surveyed by the Colombian Central Bank had projected an average inflation rate of 5.37%, with a standard deviation of 0.82%.

The gradual decrease in annual inflation, amidst a backdrop of weakened local economic activity and easing monetary policies by central banks of major economies, has led analysts to temper their expectations regarding the intervention rate in recent months. Consequently, the December Survey of Analysts from the Colombian Central Bank forecasts additional cuts of at least 450 basis points in the MPR, which would bring it to around 8.34% by December 2024.

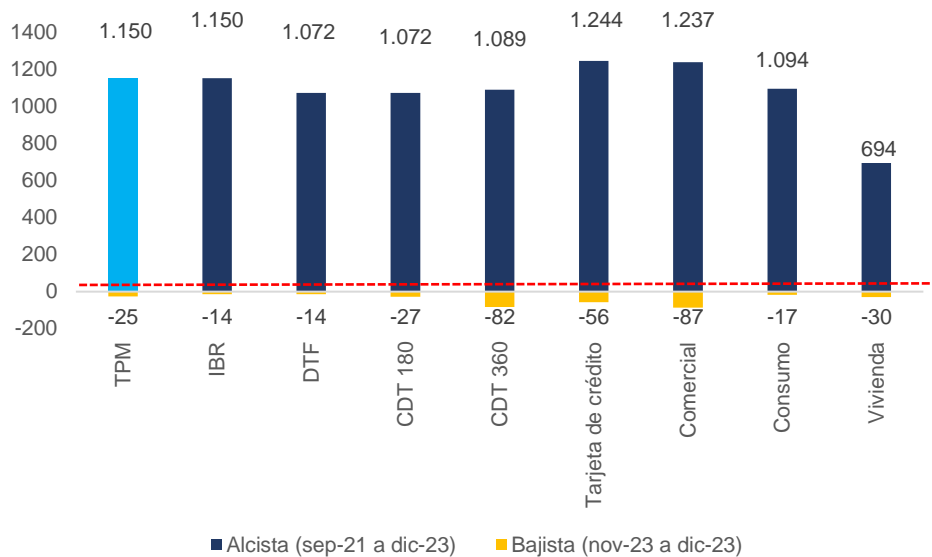
Monetary policy decisions are significant as they permeate the rest of the economy and influence market players' decisions. One transmission channel is the impact of exchange rate variations on the economy, or pass-through, on market lending and deposit rates, which can either stimulate or discourage aggregate demand, thus increasing or reducing inflationary pressures on the economy.

During the period of rising interest rates (September 2021 to December 2023), a significant pass-through effect of the MPR on market rates was observed, influenced not only by decisions and expectations regarding the Central Bank's Board of Directors but also due to an increase in deposit rates by financial institutions, responding to the need to meet long-term liquidity requirements specified by the Net Stable Funding Ratio (NSFR), a measure aimed at maintaining a stable relationship between funding sources and assets.¹⁵

In response to these increased rates, the Benchmark Banking Indicator (IBR) rose, its variation during the interest rate hike period mirroring that of the MPR. Similarly, the rates for commercial loans and credit cards exhibited increases exceeding those reported by the MPR during the analyzed period.

¹⁵ Superfinanciera implementa el Coeficiente de Fondo Estable Neto (NSFR)-NoticieroOficial-<https://www.noticierooficial.com/noticias/superfinanciera-implementa-el-coeficiente-de-fondo-estable-neto-cfen/180096>

Graph No. 41: Variation of the MPR and deposit and placement rates (basis points) (Sep-21 to Dec-23)



Source: Asobancaria; prepared by Findeter.

Following the reduction of the MPR by 25 basis points on December 15, 2023, various significant rates in financial intermediation decreased. Some of these rates, in fact, showed more than proportional reductions (see Graph 42). Prospectively, as the Central Bank continues its rate-cutting process, a gradual pass-through of these decisions to deposit and lending rates is expected.

The decisions of the Colombian Central Bank will also be reflected in the economy through the transmission channel of expectations. This means that, given the announcements of cuts in the intervention rate by the Central Bank, market agents will anchor their inflation expectations downward based on confidence in the monetary authority's ability to steer inflation towards its target range.

In this context, considering the expected cuts in the Colombian Central Bank's intervention interest rates for 2024, a gradual reduction in financial costs in the Colombian economy is anticipated.

Economic activity

After recording significant expansion in 2021 (11.0%) and 2022 (7.5%), the local economy slowed its pace of expansion during 2023, approaching a growth rate that analysts estimate between 0.5% and 1.5%. For 2024, it is projected to grow at a rate between 1.5% and 2.5%.

This modest performance is explained, on the local front, by factors such as: i) the high statistical base of 2022, ii) the persistence of inflation and the consequent contractionary monetary policy to address it, and iii) a decrease in aggregate demand, among others.

On the external front, several factors could affect our economy's performance. Notably, these include: i) the inflation in major economies, which, although corrected during 2023, remains at elevated levels, ii) restrictive global financial conditions, and iii) ongoing geopolitical tensions between Russia and Ukraine, as well as between Hamas and Israel.

In this context, after exhibiting moderate growth during 2023, the Colombian economy is expected to slightly recover during the current year, considering the persistence of restrictive financial conditions that could limit the growth of both consumption and investment in the country.

Meanwhile, public spending could be boosted by the increased consumption effect of the social spending planned by the national government in the General Budget of the Nation for 2024.

At the sectoral level, the market expects all branches of activity to be more dynamic compared to what was observed in 2023, as lower monetary policy interest rates materialize, thus providing greater incentives for private consumption and investment.

Risk Balance

The performance of the economy is subject to both local and external risks that could cause productive activity to expand at a slower pace, in an environment of inflation higher than market projections and less favorable financial conditions. Below, some of the prevailing risks over the country's main macroeconomic variables are detailed.

External:

- An increase in risk premiums for emerging countries, in a context of global economic slowdown, high external interest rates, and existing conflicts between Russia and Ukraine, and between Israel and Hamas. This would impose additional pressures on the exchange rate and inflation and, in turn, influence monetary policy decisions in 2023 and 2024.
- A tightening of monetary policy in the United States or a persistence of high policy rates could lead to a narrower spread between external and local rates, thereby putting pressure on the exchange rate, as well as affecting the Banco de la República's monetary policy decisions.
- A slowdown in China's economic dynamism, based on activity data shown during 2023, which would put pressure on commodity prices and, in general, affect global trade.

Internal:

- Persistence of inflation due to: i) the effect of indexing several services to the minimum wage and inflation, in a context of strong domestic demand; ii) the evolution of fuel prices, which will depend on the policies regarding gasoline and diesel prices during 2023 and 2024; iii) the impact of increases in electricity rates on total inflation; and iv) the severity of the El Niño phenomenon, which is expected to have its greatest impact until the first quarter of 2024.
- It should be noted that El Niño would primarily be reflected in food prices and then extend to other sub-bundles, so understanding its severity is key to quantifying its impact on inflation.

Should these risks materialize, the persistence of inflation would result in a slower reduction of the Banco de la República's intervention rate, as well as higher costs of monetary stabilization.

8.2. Entity Outlook for 2024

External Circular 012/2022, Section 7.4.1.2.4., Subsection 7.4.1.2.4.3; TCFD / Strategy.

- ✓ Advance the execution of the 2023-2026 strategic plan in alignment with the National Government's Development Plan.
- ✓ Contribute to the development of the country's infrastructure with disbursements amounting to COP 3.2 trillion for various priority sectors of the National Government, as well as with the execution of subsidized rate resources for sustainable infrastructure.

- ✓ Increase coverage in municipalities classified in categories 3, 4, 5, and 6 to a total of 115 by 2024 with new loans granted to finance initiatives prioritized by local authorities.
- ✓ Achieve the target for Non-Financial products, distributed as follows:

Table No. 102; Non-Financial Products Targets

Management	Target Value (COP Millions)
Gerencia Infraestructura	33,111
Gerencia Medio Ambiente	9,343
Gerencia Desarrollo Territorial	23,827
Gerencia de Transporte y Movilidad	8,989
Total Meta	75,270

Source: Findeter

- ✓ Strengthen Findeter's role as the executing arm of the national government, coordinating state and local investment resources to foster development processes across regions.
- ✓ Impact deep Colombian communities with historically low state investment, such as in the Pacific region and national territories.
- ✓ Empower communities to take ownership of projects to ensure the sustainability of investments.
- ✓ Leverage community strengths and knowledge to boost the people's economy by contracting for low-complexity projects that stimulate development, promote employment, and revitalize local economies.
- ✓ Enhance social support for projects to establish baselines that identify beneficiaries and enable end-term impact assessments.
- ✓ Seek COP 8.3 trillion through local market bond issuances, while monitoring international market trends to exploit opportunities that allow for funding source and investor diversification.
- ✓ Continue optimizing the investment portfolio to be more dynamic and incorporate new investment alternatives, aiming for the best possible returns at the end of each period, forming an asset portfolio consistent with the financial risk profile, investment horizon, and opportunity cost.
- ✓ Keep diversifying funding sources by negotiating and signing new credit agreements with multilateral and international banks. Specifically, we aim to enhance relations and involvement with Asian countries such as China, and expand Findeter's participation in financing projects that address climate change adaptation and mitigation.
- ✓ Formalize a loan with KfW for financing projects in sustainable mobility, energy, and basic water and sanitation sectors, with a climate focus valued at USD 150 million. In line with diversifying funding sources, we will also explore opportunities for new operations with partner banks like IDB, BBVA, CAF, AFD, and the Development Bank of China, among others, as long as such projects can be structured according to the nature of the entity and its funding scheme.
- ✓ Continue implementing credits signed with IDB and KfW according to established commitments. This period will see the conclusion of the IDB 3842 credit aimed at financing urban development, public services, fiscal management improvement, and health sector projects.

- ✓ Conclude the execution of the KfW 30037 credit, which aims to promote investment financing in the drinking water, basic sanitation, and solid waste sectors in Colombia. The successful completion of these credits marks a significant milestone in achieving the strategic objectives set for the development and strengthening of these sectors.
- ✓ Maintain efficient financial resource management, transparency in project execution, and adherence to established timelines in response to the priority given to accountability and alignment with outlined goals. Close coordination with relevant entities and constant monitoring of progress are key to ensuring the successful implementation of these credits and contributing to Colombia's sustainable development.
- ✓ Continue working on international cooperation to secure non-repayable cooperation resources to support processes that aim at strengthening Findeter's institutional capacity as a development bank and planning, structuring, and executing projects in the municipalities we serve. Findeter's vision is to drive sustainable projects that make a significant contribution to combating climate change and generate positive social impacts, transforming the lives of people across Colombia's diverse territories, especially those regions most in need.
- ✓ Work on establishing and signing a cooperation agreement with KfW worth EUR 2 million to support the implementation of a potential new credit for sustainable mobility, energy, and water that we will subscribe to with this bank.
- ✓ Consolidate our sustainability strategy.
- ✓ Strengthen the risk-based weighting methodology to allow for the prioritization and identification of key aspects to be evaluated in each process, incorporating components that provide a cross-sectional view of the entity and contribute to identifying continuous improvement opportunities for the entity's Internal Control System.
- ✓ Continue to enhance early warning reports ahead of the evaluations planned in the annual audit, ensuring they contribute to improving the management of the Internal Control System and compliance with the entity's policies and procedures, as well as the regulations set by the Colombian Financial Superintendence.
- ✓ Maintain strategies to strengthen and promote a control culture among Findeter's employees, generating recommendations that include preventive aspects to achieve institutional objectives and purposes.
- ✓ Continue developing comprehensive audits that identify improvement opportunities based on leading practices and business knowledge, to enhance the effectiveness, efficiency, and efficacy of Findeter's controls and processes.
- ✓ Conduct the migration of the Information Security Management System ('ISMS') to the new ISO 27001:2022 standard and achieve the respective certification.
- ✓ Strengthen scenarios and simulation tests for cybersecurity attacks.
- ✓ Gradually expand the team and scope of SARAS.
- ✓ Continue working with Asobancaria and KfW to promote SARAS in the financial sector.
- ✓ Promote a SARAS interaction network (professional practice community).
- ✓ Continue with the ESIA sensitivity analysis of the entity's portfolio.

- ✓ Implement an employment inclusion route for people with disabilities at Findeter.
- ✓ Implement the entity's talent map as a tool to identify the knowledge and skills of workers to enhance Findeter's service to the community.
- ✓ Strengthen Findeter's risk matrix from the talent management process in relation to the risks of intellectual capital leakage, responding to the "Guide to Avoid or Mitigate Knowledge Leakage from Public Entities" by the Administrative Department of Public Function.
- ✓ Meet, in accordance with established service levels and high-quality standards, all of the entity's contractual requirements across different types of purchases, goods, and services for Findeter, for third parties, and for solidarity economy organizations – Project Bank.
- ✓ Review and update contracting policies to align them with current regulations and market conditions, as a fundamental tool for fulfilling the entity's commitments to its allies.
- ✓ Reinforce the principle of planning the contracting of goods and services for Findeter by strengthening the administration of the purchasing plan.
- ✓ Sign 200 solidarity agreements for the people's economy as follows: 150 agreements with community action organizations and 50 agreements with indigenous councils, associations of traditional indigenous authorities, community councils of black communities, organizations of people belonging to Afro-Colombian, Raizal, and Palenquera populations or with other organizational forms and expressions, as defined in Acts 2166 of 2021 and 2160 of 2021.
- ✓ Terminate around 500 contracts of trust funds, goods and services, and third-party Findeter (inter-administrative agreements and others).
- ✓ Ensure the execution of derivative contracting, with special emphasis on educational project contracts signed with the Ministry of Education and the District Education Secretariat.
- ✓ Implement the anti-judicial damage policy to reduce the number of judicial processes.
- ✓ Legally support the entity in the development of new authorized operations.
- ✓ Strengthen the process for tracking and follow-up regarding the outgoing mailing registration performed by the different areas of the entity.
- ✓ Develop new policies for compliance with good practices in document management.
- ✓ Promote timely document transfers to prevent accumulation in areas and risk of deterioration.
- ✓ Implement the document valuation tables in accordance with the guidelines of the National Archives of Colombia.
- ✓ Conduct an energy audit in the entity's own facilities to contribute to continuous improvement in energy efficiency.
- ✓ Automate petty cash boxes at Findeter with an application to innovate the process.
- ✓ Enhance socioeconomic analysis at the regional level to gain a deeper understanding of the structure of each of the territorial entities in the country where Findeter is present, thereby responding more assertively to their needs.

- ✓ Strengthen the dissemination mechanisms for Findeter's macroeconomic and sectoral research products, to timely and understandably inform all Colombians about the main local and external financial and economic events.
- ✓ Redefine our process map and validate the policies and objectives of our system to adequately align with the corporate strategy 2023 – 2026.
- ✓ Advance the renewal of our Integrated Management System certifications in the standards ISO9001:2015, ISO14001:2015, and ISO/IEC27001:2018.
- ✓ Continue working on the methodology for process design and improvement in favor of automation, adding value, and optimizing the components of the processes (documentation, indicators, risks, and controls) to ensure adequate and sufficient information for its application.

9. INTEGRATED MANAGEMENT AND SUSTAINABILITY REPORT PROFILE

9.1. Content Index GRI, SDGs, C012 and 031 SFC, TCFD and SASB Standards




Estándar GRI	Asuntos Materiales	Indicador	Contenido	Íconos Materialidad	Capítulos del IGS2024	Asuntos Materiales	Objetivos de Desarrollo Sostenible	
GRI 2: Contenidos Generales 2021	La organización y sus prácticas de presentación de informes	2-1	Detalles de Findeter		Identificación Básica de Findeter como Emisor del RNVE; 1. PERFIL DE FINDETER; 1.5. Nuestras Sedes ; 2.1.1. Composición y Órganos de Gobierno			
		2-2	Entidades incluidas en los informes de Findeter		6.2. Findeter en cifras; 6.10 Bonos Sostenibles			
		2-3	Periodo de reporte, frecuencia, contacto		Sobre este informe			
		2-4	Reexpresión de la información		Sobre este informe			
	Actividades y trabajadores	2-6	Actividades, cadena de valor y otras relaciones comerciales.		Carta a los accionistas; Hechos y cifras relevantes; Hechos significativos y logros institucionales durante 2023; Acontecimientos significativos después del ejercicio 2023; 1.2. Portafolio de productos y servicios; 1.3. Cadena de valor; 3.1. Estrategia Empresarial - Direcciónamiento Estratégico; 3.4. Gestión de Riesgos, 3.4.1. Riesgos financieros			
		2-7	Empleados		7.1.1 Caracterización de los trabajadores			ODS 8
		2-8	Trabajadores que no son empleados		Durante el año 2023, Findeter no contó con trabajadores que no son empleados.			
	Gobernanza	2-9	Estructura y composición del gobierno		1.1. Estructura organizacional			
		2-10	Nombramiento y selección del máximo órgano de gobierno		2.1.1. Composición y Órganos de Gobierno; 2.1.2. Asamblea General de Accionistas; 2.1.3. Junta Directiva; 2.1.6. Equipo Directivo			
		2-11	Presidente del máximo órgano de gobierno		2.1.3. Junta Directiva; 2.1.6. Equipo Directivo; 2.2.1. Autoevaluación de la gestión de la Junta Directiva; 2.2.2. Evaluación de la gestión del presidente			ODS 16
		2-12	Función del máximo órgano de gobierno en la supervisión de la gestión de impactos		Sobre este informe; 2.1.3. Junta Directiva, a) Funciones principales que desempeña la Junta Directiva; 7.7. Gestión de Contratación			
		2-15	Conflictos de interés		2.2. Buenas prácticas de gobierno, ética, integridad y transparencia. Mecanismos implementados para la gestión, identificación y administración de conflictos de interés.)			
		2-16	Comunicación de inquietudes críticas		7.4. Gestión de las Comunicaciones; 7.8.3. Procesos Judiciales Findeter;			
		2-18	Evaluación del desempeño del máximo órgano de gobierno		2.2.1. Autoevaluación de la gestión de la Junta Directiva.			ODS 16
		2-19	Políticas de remuneración		2.1.3. Junta Directiva (Estructuras remuneratorias e incentivos dados a los miembros de la junta directiva y a la alta gerencia, junto con la estructura de gobierno que los determinan.)			
	Estrategia, políticas, prácticas	2-22	Declaración sobre la estrategia de desarrollo sostenible		Carta a los accionistas; 4.1. Compromiso con la sostenibilidad; 4.6. Política de Acción Responsable/Sostenibilidad			ODS3, ODS4, ODS5, ODS6, ODS7, ODS8, ODS10 y ODS11
		2-23	Compromisos y políticas		2.2. Buenas prácticas de gobierno, ética, integridad y transparencia; 2.2.1. Autoevaluación de la gestión de la Junta Directiva; 2.2.2. Evaluación de la gestión del presidente; 3.1. Estrategia Empresarial - Direcciónamiento Estratégico; 3.3. Gestión de Riesgos, 3.4.1. Riesgos financieros; 4.4. Acción responsable; 4.6. Política de Acción Responsable/Sostenibilidad			ODS3, ODS4, ODS5, ODS6, ODS7, ODS8, ODS10, ODS11, ODS13 y ODS16
		2-25	Procesos para remediar los impactos negativos		Carta a los accionistas; 3.4.2. Gestión de riesgos no financieros Sistema de Administración de Riesgos de Lavado de Activos y Financiación del Terrorismo (SARLAFT); Sistema de Administración de Riesgos Ambientales y Sociales - SARAS); 4.3. Grupos de Interés ; 4.4. Acción responsable; 4.6. Política de Acción Responsable/Sostenibilidad; 4.11. Gestión ambiental; 7.6. Servicio al cliente; 12.2. ANEXO TEMAS MATERIALES			ODS3, ODS4, ODS5, ODS6, ODS7, ODS8, ODS10, ODS11, ODS13, ODS15 y ODS17
		2-26	Mecanismos para solicitar asesoramiento y plantear inquietudes		7.8. Gestión jurídica			
		2-27	Cumplimiento de la legislación y las normativas		7.8. Gestión jurídica			
2-28		Afiliación a asociaciones		4.12. Alianzas y asociaciones			ODS17	
Participación de los grupos de interés	2-29	Enfoque para la participación de los grupos de interés		2.3. Transacciones con partes relacionadas (TPRs); 2.4. Relación con inversionistas; 4.2. Materialidad; 4.3. Grupos de Interés ; 7.4. Gestión de las Comunicaciones			ODS 3, ODS4, ODS6, ODS7, ODS9, ODS11, ODS13 y ODS17	
	2-30	Convenios de negociación colectiva		7.1.3. Conciliación y desarrollo profesional; 7.1.7. Libre asociación			ODS8	

Estándar GRI	Asuntos Materiales	Indicador	Contenido	Íconos Materialidad	Capítulos del IGS2024	Asuntos Materiales	Objetivos de Desarrollo Sostenible
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GRI 3: Contenidos sobre los temas materiales	Materialidad	3-1	Proceso para determinar los temas materiales		2.1.1. Composición y Órganos de Gobierno; 4.2. Materialidad; 4.3. Grupos de Interés		ODS 3, ODS4, ODS6, ODS7, ODS9, ODS11, ODS13 y ODS17
		3-2	Lista de temas materiales	Mega Materialidad: Economía Popular 1. Transferencia de capacidades hacia entidades territoriales. 2. Medición de impactos ambientales, sociales y económicos. 3. Finanzas responsables. 4. Infraestructura social. 5. Estrategia de relacionamiento 	2.1.1. Composición y Órganos de Gobierno ; 4.2. Materialidad		ODS 3, ODS4, ODS6, ODS7, ODS9, ODS11, ODS13 y ODS17
		3-3	Gestión de temas materiales	Carta a los accionistas; Hechos significativos y logros institucionales; 1.2. Portafolio de productos y servicios; 1.4. Modelo de Gestión Integral; 3.2.1. Avance del Plan Estratégico; 3.4.2. Gestión de riesgos no financieros • Sistema de Administración de Riesgos de Lavado de Activos y Financiación del Terrorismo (SARLAFT); • Sistema de Administración de Riesgos Ambientales y Sociales - SARAS); 4.3. Grupos de Interés ; 4.4. Acción responsable; 4.6. Política de Acción Responsable/Sostenibilidad; 4.11. Gestión ambiental; 4.12. Alianzas y asociaciones; 4.13. Valor económico generado y distribuido; 5.1.1. Ejecución asistencia técnica; 5.1.2. Planificación territorial (Gestión en investigación 2023); 5.2. Financiación; 5.3. Economía popular ; 6. FINANZAS RESPONSABLES; 6.2. Findeter en cifras; 6.3. Captación de recursos; 6.4. Portafolio de inversiones; 6.5. Desempeño bursátil y financiero; 6.6. Administración de la liquidez; 6.7. Gestión de cobertura; 6.8. Posicionamiento internacional; 6.9. Ejecución de recursos internacionales; 6.10. Bonos Sostenibles; 7.5. Clientes y mercado; 12.2. ANEXO TEMAS MATERIALES			ODS3, ODS4, ODS5, ODS6, ODS7, ODS8, ODS10, ODS11, ODS15 y ODS16

Estándares Temáticos

GRI 201: Desempeño económico 2016	Contenidos económicos	201-1	Valor económico directo generado y distribuido	4.13. Valor económico generado y distribuido; 5.2. Financiación • Ejecución de Tasas Compensadas		ODS3, ODS4, ODS6, ODS8, ODS9, ODS10, ODS13 y ODS15
	Cambio climático	201-2	Implicaciones financieras y otros riesgos y oportunidades debido al cambio climático	4.15. Recomendaciones TCFD (Task Force for Climate Related Financial Disclosure)		
	Tasas compensadas	201-4	Asistencia financiera recibida del gobierno	5.2. Financiación		ODS8 y ODS10
GRI 205: Anticorrupción 2016	Gobierno corporativo	205-1	Operaciones evaluadas en función de los riesgos relacionados con la corrupción	3.4.2. Gestión de riesgos no financieros • Sistema de Administración de Riesgos de Lavado de Activos y Financiación del Terrorismo (SARLAFT)		
		205-2	Comunicación y Formación sobre políticas y procedimientos anticorrupción	2.2. Buenas prácticas de gobierno, ética, integridad y transparencia, • Política Antifraude y Corrupción		
		205-3	Incidentes confirmados de corrupción y acciones tomadas	3.4.2. Gestión de riesgos no financieros • Sistema de Administración de Riesgos de Lavado de Activos y Financiación del Terrorismo (SARLAFT)		
GRI 305: Emisiones 2016	Gestión Ambiental	305-1	Emisiones directas de GEI – Alcance 2	4.11. Gestión ambiental		ODS13 y ODS15
		305-2	Emisiones indirectas de GEI al generar energía – Alcance 3	4.11. Gestión ambiental		ODS13 y ODS15
		305-3	Otras emisiones indirectas de GEI – Alcance 4	4.11. Gestión ambiental		ODS13 y ODS15
		305-4	Intensidad de las emisiones de GEI	4.11. Gestión ambiental ; 5.1.2. Planificación territorial		ODS7, ODS11, ODS12, ODS13, ODS14 y ODS15
GRI 401: Empleo 2016	Trabajo decente	401-1	Nuevas contrataciones de empleados y rotación de personal	7.1. Nuestra gente; 7.1.1. Caracterización de los trabajadores		ODS8
		401-2	Prestaciones para los empleados a tiempo completo que no se dan a los empleados a tiempo parcial o temporales	7.1.3. Conciliación y desarrollo profesional ; 7.1.6. Salud y seguridad en el trabajo ; 7.1.8. Beneficios		
GRI 403: Salud y seguridad en el trabajo 2016	Salud y seguridad en el trabajo	403-1	Representación de los trabajadores en comités formales trabajador-empresa de salud y seguridad	7.1.2. Relaciones laborales		
		403-2	Identificación de peligros, evaluación de riesgos e investigación de incidentes	1.3. Cadena de Valor (Proceso y SGI), Sistema de Gestión Integrado		
GRI 404: Formación y educación 2016	Formación	404-1	Promedio de horas de formación al año por empleado	7.1.4. Formación		
		404-3	Porcentaje de empleados que reciben evaluaciones periódicas de su desempeño y del desarrollo de su carrera	7.1.4. Formación ; 7.1.6. Salud y seguridad en el trabajo		

Estándar GRI	Asuntos Materiales	Indicador	Contenido	Íconos Materialidad	Capítulos del IGS2024	Asuntos Materiales	Objetivos de Desarrollo Sostenible
GRI 406: No discriminación 2016	No Discriminación	406-1	Casos de discriminación y acciones correctivas emprendidas		4.5. Derechos Humanos en la Organización		OD5, OD8, ODS11 y ODS16
GRI 407: Libertad de asociación y negociación colectiva 2016	Asociación y negociación colectiva	407-1	Operaciones y proveedores cuyo derecho a la libertad de asociación y negociación colectiva podría estar en riesgo		7.1.2. Relaciones laborales; 7.1.3. Conciliación y desarrollo profesional ; 7.1.7. Libre asociación		OD8
GRI 405: Diversidad e igualdad de oportunidades 2016	Diversidad e Inclusión	405-1	Diversidad de órganos de gobierno y empleados		4.5. Derechos Humanos en la Organización (Diversidad e igualdad de oportunidades)		
FS 6: Porcentaje de las líneas de negocio del portafolio por tamaño y región					5.2. Financiación		OD8 y ODS10
FS 7: Valor monetario de Portafolio de Productos designados al desarrollo específico de proyectos sociales					5.2. Financiación		OD8 y ODS10
FS 8: Valor monetario de Productos designados al desarrollo específico de proyectos ambientales					5.2. Financiación		OD8 y ODS10

9.2. Content Index TCFD Standards

Dimensión	Divulgaciones recomendadas	Contenidos del Informe de Gestión y Sostenibilidad 2023 FINDETER que dan respuesta a la "Divulgación" requerida para cada "Dimensión".
GOBERNANZA		
<p>GOBERNANZA: Divulgar la gobernanza de la organización sobre los riesgos y oportunidades relacionadas con el clima.</p>	<p>a) Describir la función de la administración a la hora de evaluar y gestionar los riesgos y oportunidades relacionados con el clima.</p> <p>b) Describir el control de la Junta Directiva sobre los riesgos y oportunidades relacionados con el clima</p>	<p>TCFD, Gobernanza: Numeral 2.1.3 Junta Directiva, Literal a) Funciones principales que desempeña la Junta Directiva, ".....funciones en relación con el Sistema de Control Interno (SCI)....." literal k)</p> <p>TCFD / Gobernanza: Numeral 2.1.5. Comités de Apoyo a la Junta Directiva, ".....informe de evaluación de riesgos y acciones de mejora implementadas....."</p> <p>TCFD / Gobernanza: Numeral 2.1.6. Equipo Directivo: 1. Funcionamiento de la alta gerencia; 2. Funciones del vicepresidente de riesgos, Manual de Funciones requisitos y competencias, Numeral 6, Funciones 11 y 12.</p> <p>TCFD / Gobernanza: Numeral 4.15. Recomendaciones TCFD (Task Force for Climate Related Financial Disclosure): 1. Gestión de Riesgos No Financiero (SARAS); y 2. "Presentar a la Junta Directiva las propuestas relacionadas con las responsabilidades, atribuciones y límites asignados a los diferentes cargos y áreas respecto de la administración del SCI, incluyendo la gestión de riesgos."</p> <p>TCFD / G. a) y b): Numeral 4.15 Recomendaciones TCFD / Gobernanza • Sistema de remuneración e incentivos; • Capacitación y formación</p> <p>TCFD / G a) y b): Numeral 6.8 Posicionamiento internacional: Asistencia capacitaciones: "Diálogo Regional del GCF en América Latina y al Taller del GCF para Entidades de Acceso Directo en América Latina y el Caribe; 28.ª Conferencia de Las Partes de La Convención Marco de Las Naciones Unidas Sobre El Cambio Climático; entre otros;</p>
ESTRATEGIA		
<p>ESTRATEGIA: Divulgar el impacto actual y potencial de los riesgos y oportunidades relacionados con el clima sobre los negocios, la estrategia y la planificación financiera de la organización, en los casos en los que dicha información sea sustancial.</p>	<p>a) Describir los riesgos y oportunidades relacionados con el clima que ha identificado la organización a corto, medio y largo plazo.</p> <p>b) Describir el impacto de los riesgos y las oportunidades relacionados con el clima sobre los negocios, la estrategia y la planificación financiera de la organización.</p> <p>c) Describir la resiliencia de la estrategia de la organización, teniendo en cuenta los diferentes escenarios relacionados con el cambio climático</p>	<p>TCFD / E, a), b) y c): Hechos significativos y logros institucionales durante 2023</p> <p>TCFD / Estrategia: Numeral 3.4.2. Gestión de Riesgos No Financieros</p> <p>TCFD / Estrategia: Numeral 4.15. Recomendaciones TCFD (Task Force for Climate Related Financial Disclosure): 2. Dimensión Estrategia, "Los cuatro focos de la estrategia son.....";</p> <p>TCFD / E b) y c): Numeral 5.1.2 Planificación territorial</p> <p>TCFD / E b) Numeral 5.2 Financiación, Líneas estructuradas en 2023; 4. Línea de crédito directo con tasa compensada Compromiso Mitigación fenómeno del niño; 6. Línea de redescuento con tasa compensada Reactiva Verde y sostenible</p> <p>TCFD / E, a), b) y c): Numeral 6.9 Ejecución de recursos internacionales</p> <p>TCFD / E, a), b) y c): Numeral 8.2 Perspectivas de la Entidad para 2024</p>
GESTIÓN DE RIESGOS		
<p>Divulgar como la organización identifica, evalúa, y gestiona los riesgos y oportunidades relacionados con el clima</p>	<p>a) Describir los procesos de la organización para identificar y evaluar los riesgos relacionados con el clima.</p> <p>b) Describir los procesos de la organización para gestionar los riesgos relacionados con el clima.</p> <p>c) Describir cómo los procesos para identificar, evaluar y gestionar los riesgos relacionados con el clima están integrados en la gestión general de riesgos de la organización.</p>	<p>TCFD / Gestión de Riesgos: Numeral 3.4.2. Gestión de Riesgos No Financieros, • Sistema de Administración de Riesgos Ambientales y Sociales - SARAS</p> <p>TCFD / Gestión de Riesgos: Numeral 4.15. Recomendaciones TCFD (Task Force for Climate Related Financial Disclosure): 1. ".....(formulario de análisis de riesgos ambientales y sociales FARAS.....)"; 2. 3. Dimensión "Gestión de Riesgos", Principales riesgos gestionados; y 3. Gestión de Riesgos No Financieros</p> <p>TCFD / Gestión de Riesgos: Numeral 5.2. Financiación, • Gestión del Sistemas de Riesgos Ambientales y Sociales - SARAS</p>
MÉTRICAS Y METAS		
<p>Divulgar las métricas y los objetivos utilizados para evaluar y gestionar los riesgos y las oportunidades relacionados con el clima relevantes en los casos que dicha información sea sustancial.</p>	<p>a) Divulgar las métricas utilizadas por la organización para evaluar los riesgos y las oportunidades relacionados con el clima acorde con su proceso estrategia y gestión de riesgos.</p> <p>b) Divulgar el Alcance 1, Alcance 2 y, si procede, Alcance 3 de las emisiones de gases efecto invernadero (GEI) y sus riesgos relacionados.</p> <p>c) Describir los objetivos utilizados por la organización para gestionar los riesgos y oportunidades relacionados con el clima y rendimiento en comparación con sus objetivos.</p>	<p>TCFD / Métricas y Metas: Las métricas y los objetivos utilizados para evaluar y gestionar los riesgos y oportunidades relacionados con el cambio climático están divulgados a lo largo del Informe de Gestión y Sostenibilidad 2023 de Findeter, entre otros, en aspectos tales como:</p> <p>Numeral 4.11. Gestión ambiental: 4.11.1. Huella de Carbono; 4.11.2. Impacto positivo sobre la biodiversidad: Siembra de árboles</p> <p>Numeral 4.15. Recomendaciones TCFD (Task Force for Climate Related Financial Disclosure): 4. Dimensión "Métricas y Objetivos"</p> <p>Numeral 5.1.1. Ejecución asistencia técnica: • Medio Ambiente</p> <p>Numeral 5.2. Financiación: • Desembolsos por sector (Energético, Agua Potable y Saneamiento Básico, Medio Ambiente); • Ejecución de Tasas Compensadas; • Estructuración e implementación de líneas de crédito, Líneas estructuradas en 2023; 4. Línea de crédito directo con tasa compensada Compromiso Mitigación fenómeno del niño; 6. Línea de redescuento con tasa compensada Reactiva Verde y sostenible; • Gestión del Sistemas de Riesgos Ambientales y Sociales - SARAS; • Cartera de Redescuento por Sector Económico (Infraestructura agua potable y saneamiento básico; Infraestructura para el desarrollo energético)</p> <p>Numeral 6.10. Bonos Sostenibles: Principales impactos resultados</p>

TEMA	PARAMETRO DE CONTABILIDAD	DIVULGACIONES	CATEGORÍA	UNIDAD DE MEDIDA	CÓDIGO	Contenidos del Informe de Gestión y Sostenibilidad 2023 FINDER que dan respuesta a la "Divulgación" requerida para cada "TEMA".
Seguridad de los datos	(1) Número de filtraciones de datos, (2) porcentaje que implica información de identificación personal (PII), (3) número de titulares de cuentas afectados	La entidad calculará y declarará (1) el número total de filtraciones de datos identificadas durante el periodo del informe.	Cuantitativo	Número, porcentaje (%)	FN-CB-230a.1	SASB / SD: Numeral 3.4.2. Gestión de Riesgos No Financieros: "Afectación en los estados financieros por la materialización de riesgos operacionales (Interrupciones de la operación)"; "Riesgos de seguridad de la información y de ciberseguridad"; y "Riesgos asociados a protección de datos personales que atentan contra la seguridad y privacidad de los datos"; "Sistema de Seguridad de la Información - SSSI; Programa Integral de Gestión de Protección de Datos Personales"
	Descripción del enfoque para identificar y abordar los riesgos para la seguridad de los datos	La entidad describirá su enfoque para identificar las vulnerabilidades de sus sistemas de información que planteen un riesgo para la seguridad de los datos.	Debate y análisis	n/a	FN-CB-230a.2	SASB / SD: Numeral 4.16. Métricas SASB (Sustainability Accounting Standards Board)
Generación de inclusión y capacidad financieras	1) número y (2) cuantía de los préstamos pendientes cualificados para programas diseñados para promocionar las pequeñas empresas y el desarrollo de la comunidad	La entidad divulgará el número total de préstamos pendientes cualificados para programas diseñados para promocionar las pequeñas empresas y el desarrollo de la comunidad, así como la cuantía total de estos préstamos.	Cuantitativo	Número, divisa para comunicar	FN-CB-240a.1	SASB / GI y CF: Numeral 3.4.1. Sistema de riesgos financieros, "Gestión de Riesgo de Crédito"; SASB / GI y CF: Numeral 4.16. Métricas SASB (Sustainability Accounting Standards Board); SASB / GI y CF Numeral 5.2 Financiación, "Desembolsos por tipo de beneficiario, "Desembolsos en Municipios Categoría 6"
	(1) Número y (2) cuantía de los préstamos vencidos e improductivos cualificados para programas diseñados para promocionar las pequeñas empresas y el desarrollo de la comunidad	La entidad divulgará el número total de préstamos vencidos e improductivos cualificados para programas diseñados para promocionar las pequeñas empresas y el desarrollo de la comunidad, así como la cuantía total de estos préstamos.	Cuantitativo	Número, divisa para comunicar	FN-CB-240a.2	SASB / GI y CF: Numeral 3.4.1. Sistema de riesgos financieros, "Gestión de Riesgo de Crédito"; "Distribución de la cartera por calificación de riesgo" SASB / GI y CF: Numeral 4.16. Métricas SASB (Sustainability Accounting Standards Board)
	Número de cuentas corrientes minoristas sin coste proporcionadas a clientes previamente no bancarizados o infrabancarizados	n/a a Findeter	Cuantitativo	Número	FN-CB-240a.3	N/A
	Número de participantes en iniciativas de educación financiera para clientes no bancarizados, infrabancarizados o desatendidos	La entidad divulgará el número de personas que participaron en iniciativas de educación financiera para clientes sin acceso bancario, con acceso limitado o desatendidos. 1.El alcance de las iniciativas de educación financiera incluye, entre otras cosas, programas educativos, talleres, seminarios, cursos, asesoramiento y asociaciones comunitarias. 2.Los clientes desatendidos son los que no tienen acceso, tienen acceso limitado o sufren cualquier otra limitación para acceder a los servicios financieros generales. 3.El alcance de la divulgación incluirá tanto a los clientes minoristas individuales como a los clientes comerciales pertinentes (por ejemplo, pequeñas y medianas empresas y empresas pertenecientes a minorías).	Cuantitativo	Número	FN-CB-240a.4	SASB / GI y CF: Numeral 3.4.2. Gestión de Riesgos No Financieros / "Sistema de Administración de Riesgos de Lavado de Activos y Financiación del Terrorismo (SARLAFT); SASB / GI y CF: Numeral 4.16. Métricas SASB (Sustainability Accounting Standards Board); SASB / GI y CF: Numeral 5.2 Financiación, 5. Línea de crédito de descuento con tasa compensada Vivienda VIS para el desarrollo regional (urbano y rural), "Desembolsos por tipo de beneficiario Aprobaciones Crédito Directo Entidades Territoriales (Categorías 4,5 y 6), "Cartera de Crédito Directo por Categoría de la Entidad Territorial;
Incorporación de factores ambientales, sociales y de gestión en el análisis crediticio	Exposición crediticia comercial e industrial, por sector	La entidad divulgará su exposición crediticia comercial e industrial.	Cuantitativo	Divisa para comunicar	FN-CB-410a.1	SASB / IFAS y GAC: Numeral 3.4.1. Riesgos financieros (Gestión de Riesgo de Crédito; Gestión de Riesgo de Mercado y Gestión de Riesgo de Liquidez); SASB / IFAS y GAC: SD: Numeral 4.16. Métricas SASB (Sustainability Accounting Standards Board); SASB / IFAS y GAC: Numeral 5.2 Financiación, "Cartera de Redescuento por sector; "Cartera de Crédito Directo por Sector Económico)
	Descripción del enfoque para la incorporación de factores ambientales, sociales y de gestión corporativa (ESG) en el análisis de crédito	1.La entidad describirá su enfoque de la incorporación de factores ambientales, sociales y de gestión (ESG) en su análisis crediticio 1.3El análisis crediticio se define como un método para calcular la solvencia de una empresa u organización, es decir, su capacidad para cumplir las obligaciones de deuda, con objeto de identificar el nivel apropiado de riesgo de impago asociado a la financiación de dicha empresa, organización o proyecto. 2.El alcance de la divulgación incluirá los préstamos comerciales e industriales, así como la financiación de proyectos. 10.La entidad describirá cómo incorpora los factores ESG en su evaluación de perspectivas y cómo influyen en ellas: 10.1Factores macroeconómicos tradicionales, como la situación económica, la política monetaria del banco central, las tendencias sectoriales y los riesgos geopolíticos que afectan a la solvencia de los prestatarios	Debate y análisis	n/a	FN-CB-410a.2	SASB / IFAS y GAC: Numeral 3.4.2. Gestión de Riesgos No Financieros, "Sistema de Administración de Riesgos Ambientales y Sociales -SARAS SASB / IFAS y GAC: Numeral 4.6. Política de Acción Responsable/Sostenibilidad; Numeral 5.2 Financiación, "Gestión del Sistema de Riesgos Ambientales y Sociales - SARAS SASB / IFAS y GAC: Numeral 4.16. Métricas SASB (Sustainability Accounting Standards Board) SASB / IFAS y GAC (FN-CB410a.2, Numeral 2 ("El alcance de la divulgación sobre los préstamos comerciales e industriales, así como la financiación de proyectos"); Numeral 5.2 Financiación; SASB / IFAS y GAC: Numeral 10 ("Factores ESG en la evaluación de perspectivas"). La información relacionada con esta métrica se encuentra desarrollada a través de los siguientes aspectos: Numeral 6.1 Entorno Económico, 6.1.1. Contexto Económico 2023 en retrospectiva SASB / IFAS y GAC: Numeral 6.2 Findeter en cifras, "Principales Indicadores (Subnumeral 1.3: (Análisis crediticio para calcular la solvencia de Findeter)
Ética empresarial	Importe total de las pérdidas monetarias como resultado de los procedimientos judiciales relacionados con el fraude, uso de información privilegiada, antimonopolio, competencia desleal, manipulación del mercado, mala praxis u otras leyes o reglamentos relacionados de la industria financiera	1.La entidad declarará el importe total de las pérdidas monetarias en que haya incurrido durante el periodo del informe como resultado de los procedimientos judiciales relacionados con el fraude, uso de información privilegiada, antimonopolio, competencia desleal, manipulación del mercado, mala praxis u otras leyes o reglamentos relacionados de la industria financiera. 3.Las pérdidas incluirán todas las obligaciones monetarias para con la parte contraria o para con otros (ya sea como resultado de un acuerdo o veredicto después de un juicio o de otro proceso), incluidas las multas y otras responsabilidades monetarias contraídas durante el periodo del informe como resultado de acciones civiles (por ejemplo, resoluciones o acuerdos civiles), procedimientos administrativos (por ejemplo, sanciones, devoluciones o indemnizaciones) y acciones penales (por ejemplo, sentencias, sanciones o indemnizaciones penales) iniciados por cualquier entidad (por ejemplo, gubernamental, empresarial o individual).	Cuantitativo	Divisa para comunicar	FN-CB-510a.1	SASB / EE: Numeral 2.2. Buenas prácticas de gobierno, ética, integridad y transparencia, "Política Antifraude y Corrupción, "Competencia desleal; SASB / EE: Numeral 4.16. Métricas SASB (Sustainability Accounting Standards Board); SASB / EE: Numeral 7.8.3 Procesos judiciales Findeter;
	Descripción de las políticas y los procedimientos de denuncia de irregularidades	1.La entidad describirá los procedimientos y políticas que se definen en su programa de denuncia de irregularidades, incluidos, entre otros, los programas internos de cumplimiento, los detalles de la línea directa de denuncia de irregularidades (por ejemplo, si está gestionada por un tercero independiente), la referencia y la publicación del número de la línea directa (por ejemplo, en los manuales de cumplimiento o el código ético de la empresa), los incentivos para la denuncia de irregularidades y los métodos para presentar denuncias.	Debate y análisis	n/a	FN-CB-510a.2	SASB / EE: Numeral 2.2. Buenas prácticas de gobierno, ética, integridad y transparencia, "Política Antifraude y Corrupción SASB / EE: Numeral 4.16. Métricas SASB (Sustainability Accounting Standards Board)
Gestión del riesgo sistémico	Puntuación en la evaluación de banco de importancia sistémica mundial (G-SIB), por categoría	2.Las puntuaciones como G-SIB se definen y se calcularán según la metodología establecida por el Comité de Supervisión Bancaria de Basilea (BCBS) del Banco de Pagos Internacionales (BPI) para los bancos de importancia sistémica mundial:	Cuantitativo	Puntos de base (bps)	FN-CB-550a.1	De acuerdo con la Carta Circular Externa no. 70 del 23 de noviembre de 2023, el indicador EIS (entidades con importancia sistémica) de Findeter es de 0.023. Para acceder a esta información, consultar el siguiente link: https://www.superfinanciera.gov.co/publicaciones/10112934/normativa-normativa-general-circular-externa-cortas-circulares-y-resoluciones-desde-el-ano-circular-circular-circular-10112934/
	Descripción del enfoque para la incorporación de resultados de las pruebas de resistencia obligatorias y voluntarias en la planificación de la adecuación del capital estrategia corporativa a largo plazo y otras actividades empresariales.			Debate y análisis	n/a	FN-CB-550a.2

9.4. Content Index Circulars 031 of 2021 and 012 of 2022 of the Colombian Financial Superintendence

TEMA	Temática / Respuesta Directa 2023
CIRCULAR 012 DE 2022	
7.1 Portada	INFORME DE GESTIÓN Y SOSTENIBILIDAD 2023
(i) Título "Informe Periódico de Fin de Ejercicio"	INFORME DE GESTIÓN Y SOSTENIBILIDAD 2023
(ii) Datos de identificación básica del emisor: a) el nombre o razón social, b) la ciudad de domicilio principal, y c) la dirección del domicilio principal	1.PERFIL DE FINDETER •Identificación Básica de Findeter como Emisor del RNVE
(iii) Una breve descripción de las emisiones de valores vigentes, en la cual se identifique, como mínimo: a) la clase de valor, b) sistema de negociación, c) bolsas de valores en que están listados los valores, si aplica, d) monto de la emisión, e) monto colocado y f) saldo pendiente por colocar, si aplica.	1.PERFIL DE FINDETER •Identificación Básica de Findeter como Emisor del RNVE •Emisiones de valores vigentes de Findeter Tabla No. 1: Emisiones vigentes de bonos Tabla No. 2: Emisiones vigentes de Certificados de Depósito a Término (CDT)
7.3 Glosario	RESUMEN EJECUTIVO •Glosario
7.4. Contenido del informe periódico de fin de ejercicio por categoría de emisor	
7.4.1. Contenido mínimo para los Emisores Grupo A	
1. Primera parte - Aspectos Generales de la Operación	
7.4.1.1. Descripción del objeto del negocio del emisor	
(i) La evolución del plan de negocios en el corto, mediano y largo plazo.	Carta a los accionistas 1.PERFIL DE FINDETER •Identificación Básica de Findeter como Emisor del RNVE. 3.2.1.Avanche del Plan Estratégico
(ii) Las actividades, productos o servicios generadores de ingresos.	5.1. Asistencia técnica 5.1.1. Ejecución Asistencia Técnica 5.1.2. Planificación Territorial 5.2. Financiación 6.4. Portafolio de Inversiones
(iii) Las condiciones comerciales competitivas, tales como: participación en el mercado nacional e internacional, condiciones de la demanda, entre otras.	5.1.2. Planificación Territorial 5.2. Financiación 5.2. Financiación (•Gestión de Operaciones (Redescuento y Crédito Directo) 6.1.3. Análisis de Findeter frente a otras bancas de desarrollo 6.1.1. Contexto Económico 2023 en retrospectiva 6.1.2. Análisis del Sistema Financiero – Bancos 6.3. Captación de recursos 6.8. Posicionamiento internacional 6.9. Ejecución de recursos internacionales
(iv) El desarrollo de nuevos de productos o servicios, sus mejoras, las condiciones de la demanda y las condiciones competitivas.	5.1. Asistencia técnica 5.1.1. Ejecución Asistencia Técnica 5.1.2. Planificación Territorial 5.2. Financiación
(v) Relación de las patentes, marcas comerciales, licencias, franquicias y otros derechos de autor que posea la entidad y sean materiales para el desarrollo de su actividad económica identificando los riesgos asociados y sus controles correspondientes.	1.6. Patentes, marcas comerciales, licencias, franquicias y otros derechos de autor de Findeter 3.1.1. Estrategia de Marca 10. ESTADOS FINANCIEROS Y DICTAMEN DEL REVISOR FSICAL (Ver -Activos Intangibles -Derechos de Autor)
(vi) Si los ingresos de las actividades se reciben de manera estacional, cíclica u ocasionalmente, se debe indicar el período en el cual se reciben dichos ingresos, e incluir una breve explicación de las razones por las cuales se reciben de manera estacional, cíclica y ocasionalmente.	N/A
(vii) El número total de trabajadores, así como la variación en el número y porcentaje respecto del año anterior.	7.1. Nuestra Gente 7.1.1. Caracterización de los Trabajadores
7.4.1.1.2. Litigios, procesos judiciales y administrativos en los que sea parte el emisor y que tengan la capacidad de afectar materialmente su operación, situación financiera y/o los cambios a su situación financiera	
(i) las pretensiones del demandante, así como las excepciones planteadas por parte del demandado y demás involucrados	7.8.3. Procesos Judiciales Findeter
(ii) el detalle del estado en que se encuentra el respectivo proceso,	7.8.3. Procesos Judiciales Findeter
(iii) la probabilidad del resultado favorable o no favorable de la decisión,	7.8.3. Procesos Judiciales Findeter
(iv) un análisis de la potencial afectación material que tendría la decisión del proceso	7.8.3. Procesos Judiciales Findeter
Se deben incluir las provisiones y pasivos contingentes	7.8.3. Procesos Judiciales Findeter Ver Estados Financieros, Notas a los estados financieros y el Dictamen del Revisor fiscal -NIIF 3 Combinaciones de negocios -NIC 37 Pasivos Contingentes
7.4.1.1.3. Riesgos relevantes a los que está expuesto el emisor y los mecanismos implementados para mitigarlos	
(i) una descripción de la naturaleza de dichos riesgos	3.4 Gestión de Riesgos 3.4.1. Riesgos Financieros 3.4.2. Gestión de Riesgos No Financieros

TEMA	Temática / Respuesta Directa 2023
CIRCULAR 012 DE 2022	
(ii) los procedimientos para evaluar y medir su grado de exposición a los mismos	3.4 Gestión de Riesgos 3.4.1. Riesgos Financieros 3.4.2. Gestión de Riesgos No Financieros
(iii) los mecanismos implementados por la alta gerencia para su gestión, monitoreo y mitigación, así como las estimaciones cuantitativas del impacto probable que le permitan a los inversionistas evaluar la magnitud y los efectos que podrían tener sobre la entidad	3.4 Gestión de Riesgos 3.4.1. Riesgos Financieros 3.4.2. Gestión de Riesgos No Financieros
<p>El emisor puede tener en cuenta, entre otros, los siguientes factores para la revelación de los riesgos:</p> <p>(i) factores macroeconómicos que afecten al emisor, tales como: devaluación, inflación, evolución económica del sector, situación económica del país, entre otros</p> <p>(ii) diversificación en los segmentos de negocio</p> <p>(iii) interrupción de las actividades del emisor ocasionada por factores diferentes a las relaciones laborales</p> <p>(iv) ocurrencia de resultados operacionales negativos, nulos o insuficientes,</p> <p>(v) incumplimientos en el pago de pasivos</p> <p>(vi) riesgos generados por carga prestacional, pensional o sindical</p> <p>(vii) riesgos asociados al desarrollo del objeto social del emisor,</p> <p>(viii) variaciones en la tasa de interés o tasa de cambio,</p> <p>(ix) asuntos relacionados con la situación interna de los países en donde opera el emisor, o sus filiales, que puedan afectar su situación financiera, tales como: inestabilidad social, disenso social, estados de emergencia o excepción, entre otros,</p> <p>(x) adquisición de activos distintos a los del giro normal del negocio del emisor cuyo costo resulte material para el emisor, e</p> <p>(xi) impacto en los cambios en las regulaciones que afecten el desarrollo de la actividad económica del emisor y sus subordinadas, si aplica.</p> <p>tiene menú contextual</p>	3.4 Gestión de Riesgos 3.4.1. Riesgos Financieros 3.4.2. Gestión de Riesgos No Financieros
2. Segunda parte – Desempeño bursátil y financiero	
7.4.1.2.1. Comportamiento y desempeño de los valores en los sistemas de negociación en que se encuentren inscritos	6.5. Desempeño Bursátil y Financiero
7.4.1.2.2. Información sobre la participación en el capital del emisor y otros asuntos materiales relativos a su estructura propietaria del capital	2.1.2. Asamblea General de Accionistas
7.4.1.2.3. Información financiera del ejercicio reportado comparándola con el ejercicio inmediatamente anterior	
(i) dictaminados por el revisor fiscal o auditor externo, según aplique, en los términos del art. 38 de la Ley 222 de 1995, y	Ver Estados Financieros, Notas a los estados financieros y el Dictamen del Revisor fiscal
(ii) certificados por el representante legal en los términos del art. 37 de la Ley 222 de 1995 y del art. 46 de la Ley 964 de 2005, atendiendo las excepciones previstas en el art. 48 de la mencionada ley.	
7.4.1.2.4. Comentarios y análisis de la administración sobre los resultados de la operación y la situación financiera del emisor de manera individual, separada y/o consolidada, según aplique, en relación con los períodos que comprende la información financiera reportada en el subnumeral anterior, incluyendo los principales indicadores financieros y su respectivo análisis, sobre:	Carta a los Accionistas 6.2. Findeter en cifras -Principales Indicadores 6.10. Bonos Sostenibles
7.4.1.2.4.1. Las variaciones materiales de los resultados de la operación	6.2. Findeter en cifras -Principales Indicadores 6.6. Administración de la Liquidez 6.10. Bonos Sostenibles
7.4.1.2.4.2. Comentarios y análisis de la administración sobre los resultados de la operación y la situación financiera del emisor de manera individual, separada y/o consolidada, según aplique, en relación con los períodos que comprende la información financiera reportada en el subnumeral anterior, incluyendo los principales indicadores financieros y su respectivo análisis, sobre:	6.2. Findeter en cifras •Estado de Situación Financiera 6.10. Bonos Sostenibles
7.4.1.2.4.3. Tendencias, eventos o incertidumbres que tengan la capacidad de impactar materialmente las operaciones del emisor, su situación financiera o los cambios sobre su situación financiera; así como los supuestos utilizados para elaborar estos análisis	8.2. Perspectivas de la Entidad para 2024
7.4.1.2.4. Comentarios y análisis de la administración sobre los resultados de la operación y la situación financiera del emisor de manera individual, separada y/o consolidada, según aplique, en relación con los períodos que comprende la información financiera reportada en el subnumeral anterior, incluyendo los principales indicadores financieros y su respectivo análisis, sobre:	6.2. Findeter en cifras 6.14. Operaciones efectuadas por fuera de balance. Ver Estados Financieros, Notas a los estados financieros y el Dictamen del Revisor fiscal
7.4.1.2.4.4. Operaciones efectuadas por fuera de balance que puedan impactar materialmente las operaciones del emisor, su situación financiera o los cambios sobre su situación financiera	-Operaciones por fuera de balance
7.4.1.2.5. Análisis cuantitativo y cualitativo del riesgo de mercado al que está expuesto el emisor como consecuencia de sus inversiones y actividades sensibles a variaciones de mercado	
7.4.1.2.5.1. Análisis cuantitativo del riesgo de mercado	
<p>El emisor debe incluir un análisis cuantitativo del riesgo de mercado, de conformidad con los siguientes lineamientos:</p> <p>El emisor debe identificar cuáles de sus instrumentos e inversiones están expuestos a riesgo de mercado. Se entiende por riesgo de mercado la posibilidad que el emisor incurra en pérdidas asociadas a la disminución del valor de sus inversiones por efecto de variaciones en su precio. El emisor debe clasificar dichos instrumentos en:</p> <p>(i) celebrados con fines de negociación y</p> <p>(ii) celebrados con fines distintos de negociación. De igual manera, debe indicar el factor de riesgo de mercado al cual se encuentran expuestos dichos instrumentos, por ejemplo: tasa de interés, tipo de cambio, precio de acciones, entre otros.</p> <p>Adicionalmente, el emisor debe revelar las condiciones generales de los instrumentos expuestos al riesgo de mercado. Dichas condiciones generales corresponden a:</p> <p>(i) el valor razonable,</p> <p>(ii) los términos contractuales que permitan estimar los flujos de efectivo de los instrumentos en los próximos 5 años, y</p> <p>(iii) la fecha estimada de su vencimiento.</p>	3.4. Gestión de Riesgos •Gestión de riesgo de mercado •Procedimientos asociados a medición y control del riesgo de mercado •Gestión de riesgo de liquidez

TEMA	Temática / Respuesta Directa 2023
CIRCULAR 012 DE 2022	
<p>7.4.1.2.5. Análisis cuantitativo y cualitativo del riesgo de mercado al que está expuesto el emisor como consecuencia de sus inversiones y actividades sensibles a variaciones de mercado</p> <p>7.4.1.2.5.2. Análisis cualitativo de riesgo de mercado</p> <p>El emisor debe incluir un análisis cualitativo del riesgo de mercado, el cual debe contener:</p> <p>(i) el grado de exposición del emisor al riesgo de mercado</p> <p>(ii) una breve descripción de cómo el emisor gestiona su exposición al riesgo de mercado. Dicha descripción debe contener, además, los objetivos, estrategias e instrumentos para gestionar dicha exposición, si aplica</p>	<p>3.4. Gestión de Riesgos</p> <ul style="list-style-type: none"> +Gestión de riesgo de mercado Procedimientos asociados a medición y control del riesgo de mercado +Gestión de riesgo de liquidez
<p>7.4.1.2.6. Operaciones materiales efectuadas con partes relacionadas al emisor</p>	<p>2.3. Transacciones con partes relacionadas – TPRs</p> <p>2.4. Relación con inversionistas</p>
<p>7.4.1.2.7. Descripción y evaluación de los controles y procedimientos utilizados por el emisor para el registro, procesamiento y análisis de la información requerida para dar cumplimiento oportuno a la obligación de reportar ante el RNVE el informe de fin de ejercicio de que trata el presente Anexo.</p> <p>(i) La certificación expedida por el representante legal del emisor en la cual certifique que la información comprende todos los aspectos materiales del negocio;</p> <p>(ii) Un informe suscrito por el representante legal del emisor sobre los resultados de la evaluación a los sistemas de control interno y de los procedimientos de control y revelación de la información financiera, en cumplimiento del art. 47 de la Ley 964 de 2005, y atendiendo a las excepciones previstas en el art. 48 de la mencionada ley; y</p> <p>(iii) Una certificación emitida por el revisor fiscal mediante la cual confirme la efectividad de los controles sobre el reporte de información financiera.</p>	<p>Carta a los accionistas</p> <p>3.3.1. Ejercicio del Control Interno</p> <p>3.3.1.2. Sistema de Control Interno (SCI)</p>
Tercera parte - Prácticas de sostenibilidad e inversión responsable del emisor	
<p>7.4.1.3.1. Un capítulo de análisis del Gobierno Corporativo</p> <p>En esta sección se debe incluir la información que se relaciona a continuación:</p> <p>7.4.1.3.1.1. Una descripción de la estructura de la administración del emisor, en la que se incluya:</p> <p>(i) Una descripción general de los esquemas remuneratorios e incentivos dados a los miembros de la junta directiva u órgano equivalente, y a la alta gerencia, junto con la estructura de gobierno que los determinan. Prácticas de sostenibilidad e inversión responsable del emisor</p>	<p>2. GOBIERNO CORPORATIVO</p> <p>2.1.3. Junta Directiva</p> <p>2.1.6. Equipo Directivo</p> <p>2.2. Buenas prácticas de gobierno, ética, integridad y transparencia.</p> <p>2.2.1. Autoevaluación de la Gestión de la Junta Directiva</p> <p>2.3. Transacciones con partes relacionadas – TPRs</p> <p>2.4. Relación con inversionistas</p> <p>3.3.1. Ejercicio del Control Interno</p>
<p>7.4.1.3.2. Un capítulo dedicado a las prácticas, políticas, procesos e indicadores en relación con los criterios ambientales y sociales implementados por el emisor</p>	<p>4.1. Compromiso con la sostenibilidad</p> <p>4.4. Acción Responsable</p> <p>4.6. Política de Acción Responsable/Sostenibilidad</p> <p>5.1.1. Ejecución Asistencia Técnica</p> <p>5.1.2. Planificación Territorial</p> <p>5.2. Financiación (+Gestión de Operaciones (Redescuento y Crédito Directo; + Gestión del Sistema de Riesgos Ambientales y Sociales - SARAS)</p> <p>4.11. Gestión Ambiental</p> <p>4.11.1. Huella de Carbono</p> <p>6.10. Bonos Sostenibles</p> <p>3.4.2. Gestión de riesgos No Financieros (+Sistema de Administración de Riesgos Ambientales y Sociales - SARAS)</p>
Anexo 2	
<p>5.1. Revelación de información por parte de los Emisores Grupo A</p> <p>5.1.1. Los Emisores Grupo A deben incluir una breve descripción de los procedimientos implementados para la identificación de la información material en un lenguaje claro, sencillo y de fácil entendimiento para el público en general. Adicionalmente, deben revelar la información material identificada y las razones que sustentan su materialidad.</p> <p>5.1.2. Los Emisores Grupo A deben incluir la información relacionada con los asuntos climáticos, en los términos de las recomendaciones del <i>Task Force for Climate Related Financial Disclosure</i> (TCFD, por sus siglas en inglés), o cualquier marco o estándar que lo sustituya. Sin perjuicio de lo anterior, será facultativo para los Emisores Grupo A la utilización de análisis de escenarios para describir la resiliencia de la estrategia de su organización a los diferentes escenarios relacionados con el cambio climático.</p> <p>5.1.3. Los Emisores Grupo A deben incluir la siguiente información relacionada con los asuntos sociales y ambientales, diferentes a los climáticos:</p>	<p>4.4. Acción Responsable</p> <p>4.2. Materialidad</p> <p>4.3. Grupos de Interés</p>
<p>(1) Las métricas ambientales y sociales previstas en los Estándares SASB de la Value Reporting Foundation (VRF, por sus siglas en inglés), o cualquier estándar o marco que lo sustituya, conforme a la industria a la que pertenecen. En caso de que no revelen alguna de las métricas pertenecientes a su industria, deben incluir los motivos que sustentan dicha decisión.</p>	<p>4.11.1. Huella de Carbono</p> <p>3.4.2. Gestión de Riesgos No Financieros (+Sistema de Administración de Riesgos Ambientales y Sociales - SARAS)</p>
<p>(2) Una descripción cualitativa sobre las métricas reveladas, que debe incluir, como mínimo, un análisis de los siguientes elementos, en línea con lo dispuesto en los Estándares SASB de la VRF, o cualquier estándar o marco que lo sustituya:</p> <p>a) la gobernanza del emisor frente a los impactos, positivos y negativos, que generan los asuntos sociales y ambientales, atendiendo el rol de la junta directiva, sus comités de apoyo y la alta gerencia en la evaluación y gestión de estos impactos;</p> <p>b) la estrategia del emisor para gestionar los asuntos sociales y ambientales en su negocio y planeación financiera; y</p> <p>c) la identificación, evaluación y gestión de los riesgos sociales y ambientales.</p> <p>tiene menú contextual</p>	<p>3.4.2. Gestión de Riesgos No Financieros</p> <p>+Sistema de Administración de Riesgos Ambientales y Sociales - SARAS</p>
<p>5.1.4. Verificación externa</p>	
7.4.1.4. Cuarta parte - Anexos	
<p>El emisor debe anexar al informe periódico de fin de ejercicio los siguientes documentos:</p> <p>(i) Los estados financieros de fin de ejercicio individuales o separados y consolidados, según aplique, de conformidad con lo previsto en el subnumeral 7.4.1.2.3. del presente Capítulo.</p> <p>(ii) Las entidades públicas territoriales nacionales, las entidades públicas extranjeras y los gobiernos extranjeros deben anexar la información financiera, de acuerdo con su naturaleza.</p> <p>(iii) Cualquier cambio material que haya sucedido en los estados financieros del emisor entre el período cubierto por el informe de fin de ejercicio y la fecha en que se autoriza su divulgación al público.</p> <p>En el caso de que sus emisiones estén avaladas o garantizadas por entidades que no sean emisores inscritos en el RNVE, o que dejen de serlo, se deben anexar los estados financieros de fin de ejercicio del garante.</p>	<p>Para Literal (i): Ver Estados Financieros, Notas a los estados financieros y el Dictamen del Revisor fiscal</p>

TEMA	Temática / Respuesta Directa 2023
CIRCULAR 031 DE 2021	
Anexo 2 Circular 031 de 2021	
5.1. Revelación de información por parte de los Emisores Grupo A	
<p>5.1.1. Los Emisores Grupo A deben incluir una breve descripción de los procedimientos implementados para la identificación de la información material en un lenguaje claro, sencillo y de fácil entendimiento para el público en general. Adicionalmente, deben revelar la información material identificada y las razones que sustentan su materialidad.</p>	4.2. Materialidad
<p>5.1.2. Los Emisores Grupo A deben incluir la información relacionada con los asuntos climáticos, en los términos de las recomendaciones del <i>Task Force for Climate Related Financial Disclosure</i> (TCFD, por sus siglas en inglés), o cualquier marco o estándar que lo sustituya. Sin perjuicio de lo anterior, será facultativo para los Emisores Grupo A la utilización de análisis de escenarios para describir la resiliencia de la estrategia de su organización a los diferentes escenarios relacionados con el cambio climático.</p>	4.15. Recomendaciones TCFD (Task Force for Climate Related Financial Disclosure)
<p>5.1.3. Los Emisores Grupo A deben incluir la siguiente información relacionada con los asuntos sociales y ambientales, diferentes a los climáticos:</p> <p>(1) Las métricas ambientales y sociales previstas en los Estándares SASB de la Value Reporting Foundation (VRF, por sus siglas en inglés), o cualquier estándar o marco que lo sustituya, conforme a la industria a la que pertenecen. En caso de que no revelen alguna de las métricas pertenecientes a su industria, deben incluir los motivos que sustentan dicha decisión.</p> <p>(2) Una descripción cualitativa sobre las métricas reveladas, que debe incluir, como mínimo, un análisis de los siguientes elementos, en línea con lo dispuesto en los Estándares SASB de la VRF, o cualquier estándar o marco que lo sustituya:</p>	4.16. Métricas SASB (Sustainability Accounting Standards Board)

10. FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

11. APPROVAL OF THE REPORT (BOARD MINUTES)

The Management, Sustainability, and Financial Results Report for the year 2023 of Financiera de Desarrollo Territorial S.A. Findeter, also referred to as the “Periodic End-of-Year Report,” pursuant to the requirements of External Circular 012/2022 issued by the Colombian Financial Superintendence, was approved by the Legal Representative and by the majority of the votes of the members of Findeter’s Board of Directors during their Regular Session on February 16, 2024, and is recorded in Minutes No. 423.

12. APPENDICES

12.1 OUR PEOPLE

Table No. 103: Total number of employees by type of employment contract (permanent or temporary) and by gender.

Gender	Fixed-term or Permanent	Temporary	Total
Men	275	0	275
Women	320	0	320
Other*	0	0	0
Total	595	0	595

Source: Findeter

* Gender as self-declared by employees.

Table No. 104: Total number of employees by type of employment contract (permanent or temporary) and by region.

Region	Fixed-term or Permanent	Temporary	Total
Atlántico	17	0	17
Bogotá	526	0	526
Santander	6	0	6
Valle del Cauca	9	0	9
Bolívar	4	0	4
Antioquia	10	0	10
Córdoba	3	0	3
Huila	4	0	4
Risaralda	6	0	6
Magdalena	1	0	1
Sucre	0	0	0
Meta	3	0	3
Norte de Santander	1	0	1
Caldas	1	0	1
Nariño	1	0	1
Putumayo	0	0	0
Cauca	0	0	0
Chocó	0	0	0
San Andrés	1	0	1
Guajira	1	0	1
Tolima	1	0	1
Total	595	0	595

Source: Findeter

* Gender as self-declared by employees.

Table No. 105: Total number of employees by employment contract type (full-time or part-time) and by gender.

Gender	Full-time	Part-time	By non-guaranteed hours	Total
Men	275	0	0	275
Women	320	0	0	320
Other*	0	0	0	0
Total	595	0	0	595

Source: Findeter

* Gender as self-declared by employees.

Table No. 106: Distribution of employees by educational level and gender.

Education level	Men	Women	Other*	Total
Master's	61	57	0	118
Postgraduate	127	157	0	284
Undergraduate	62	71	0	133
Technologist	16	22	0	38
Technician	4	16	0	20
High School	11	11	0	22
Total	281	334	0	615*

Source: Findeter

* Gender as self-declared by employees.

* Nota: This table includes, in addition to the 595 employees of Findeter (594 employees; 1 freely appointed and removed), 18 SENA apprentices and 2 university interns, for a total of 615.

Table No. 107: Distribution of executive roles by gender.

Position	Men	Women	Other*	Total
CEO	1	0	0	1
General Secretary	0	1	0	1
VPs	2	4	0	6
Managers	4	2	0	6
Directors	9	7	0	16
Heads	6	6	0	12
Total	22	20	0	42

Source: Findeter

* Gender as self-declared by employees.

Table No. 108: Distribution of employees by job title and gender.

Position	Men	Women	Other*	Total
Professional	219	249	0	468
Analysts	19	30	0	49
Administrative Assistant	11	11	0	22
Secretary	1	10	0	11
Driver	2	0	0	2

Courier	1	0	0	1
Total	253	300	0	553

Source: Findeter

* Gender as self-declared by employees.

Table No. 109: Distribution of employees by vice presidency.

VP	Men	Women	Other*	Total
CEO	12	24	0	36
General Secretary	46	82	0	128
Financial	6	7	0	13
Commercial	36	46	0	82
Technical	101	95	0	196
Planning	26	25	0	51
Risk	11	7	0	18
Operations	37	34	0	71
Total	275	320	0	595

Source: Findeter

* Gender as self-declared by employees.

Table No. 110: Employee training by gender and job category.

Employee category	No. Female Participants	No. Male Participants	Total No. Participants	Female Training Hours	Male Training Hours	Total No. Hours
University intern and SENA trainee	9	7	16	79	54	133
Administrative assistant, secretary, driver and courier	22	17	39	663	462	1.125
Analyst and professional	319	289	608	8.948	7.458	16.406
Directors	9	12	21	229	345	574
Managers	5	9	14	137	437	574
Heads	7	7	14	142	107	249
General Secretary - CEO	1	1	2	304	26	330
VPs	4	2	6	585	121	706
TOTAL	376	344	720	11.087	9.010	20.097

Source: Findeter

* Gender as self-declared by employees.

12.2 MATERIAL TOPICS

GRI. 3-3



Material topics prioritized by Findeter and its Stakeholders for the year 2023:



In alignment with the Global Reporting Initiative (GRI) standards, Findeter has managed its prioritized material topics for the year 2023 by responding to the following requirements:

GRI 3-3: Material Topics of the Global Reporting Initiative.16

GRI.3-3, a): Description of the topic's importance to the organization:

GRI.3-3, b): Report whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships.

GRI.3-3, c): Describe the organization's policies or commitments regarding the material topic.

GRI.3-3, d): Describe actions taken to manage the topic and related impact.

GRI.3-3, e): Report information about tracking the effectiveness of the actions taken.

GRI.3-3, f): Describe how engagement with stakeholders has informed the actions taken (3-3-d) and how it has informed whether the actions have been effective (3-3-e)

- **Material Topics:**

MEGA-MATERIALITY "PEOPLE'S ECONOMY"

GRI.3-3, a

To determine the importance of this topic for Findeter, we will approach it from various angles:

➤ **Derived Contracting:**

The Policy for Contracting Solidarity and People's Economy Organizations of the Project Bank, approved on May 24, 2023, serves as a tool for implementing development plans of both the national government and territorial entities, in specific projects aligned with policy guidelines across various sectors of public investment. This planning instrument provides guidelines for the programs and projects formulated by organizations of the solidarity and people's economy, including community action boards, solidarity economy bodies, indigenous councils, associations of indigenous traditional authorities, community councils of black communities, grassroots organizations of Afro-Colombian, Raizal, and Palenquero populations, and other organizational forms and expressions that have been technically, legally, financially, and environmentally validated.

These projects aim at community development through territorial, economic, political, environmental, cultural, and social processes that integrate the efforts of the population, their organizations, and the state to improve community quality of life and strengthen their construction.

Moreover, this policy is the regulatory framework that reflects Findeter's commitment to actively support the people's economy as a fundamental pillar for national progress. Findeter recognizes that strengthening the people's economy not only contributes to economic well-being but also triggers significant social and environmental impacts.

In this context, throughout 2023 and to date, under the inter-administrative contract signed with Artesanías de Colombia, Findeter has provided technical assistance and resource management for

¹⁶ Standards GRI (Global Reporting Initiative)

the maintenance and fitting-out of properties owned by Artesanías de Colombia S.A. – BIC nationwide, including in Bogotá, Ráquira (Boyacá), and San Jacinto (Bolívar). Solidarity agreements for the project development were signed with three community action boards which have been successfully carrying out the maintenance and adaptations.

Also, under the inter-administrative contract No. 1205 of 2023, signed between Findeter and the Ministry of Housing, City and Territory - MVCT, four solidarity agreements were signed with indigenous associations to develop diagnostics in La Guajira to determine infrastructure interventions for the utilization of water resources, in response to the ruling T-302-2017.

It is important to note that the people's economy is more than an economic approach; it is a comprehensive catalyst for positive change in communities. Findeter recognizes that its active support of the people's economy is crucial for forging an inclusive and sustainable future for Colombia. This vision is evident in a series of positive impacts that highlight the significance of the people's economy in Findeter's operations and will be mentioned below:

The people's economy is a driver of entrepreneurship and job creation, so Findeter values and supports initiatives that promote sustainable growth at the regional level, fostering job creation and strengthening local economies. Moreover, the entity recognizes the people's economy's ability to bridge financial and social gaps by supporting projects that facilitate access to financial services and promote the inclusion of traditionally excluded communities. Under this context, Findeter is contributing to building more inclusive and equitable societies.

Environmental sustainability is another positive impact as Findeter commits to people's economy projects that incorporate sustainable practices respectful of the environment. These projects not only generate economic benefits but also promote environmental conservation, thus supporting sustainable development goals. Additionally, the people's economy provides opportunities for the development of local capacities and community empowerment, supporting projects that strengthen skills, knowledge, and leadership, allowing people to be protagonists in their own progress.

Lastly, innovation and economic diversification are aspects that the entity recognizes as essential; the people's economy is an innovation and economic diversification engine by supporting ventures and projects in diverse sectors, thereby contributing to building a more dynamic and resilient economy.

Findeter's comprehensive approach to the people's economy extends beyond the implementation of the Policy for the Contracting of Solidarity and People's Economy Organizations approved on May 24, 2023, and is realized in concrete actions like the pilot project with Artesanías de Colombia and the solidarity agreements signed with indigenous associations under the inter-administrative contract No. 1205 of 2023 to execute in La Guajira.

The entity continues to set a precedent in driving development that is not only economic but also socially and environmentally sustainable.

Lastly, it is noted that, to date, there have been no potential or actual negative impacts in the execution of these projects, thus, progress is satisfactory and according to the adjustments and maintenance scheduled for the three properties owned by Artesanías de Colombia.

Regarding the solidarity agreements signed with the indigenous associations, under the inter-administrative contract No. 1205 of 2023 for execution in La Guajira, they have been proceeding according to the schedule and agreed conditions.

➤ **Integrated Management System**

Stakeholders, or interest groups of the entity, consist of groups of individuals and organizations with which Findeter interacts in the exercise of its social purpose. The Quality Management System establishes the requirements (needs and expectations) and commitments for their attention.

Actors in the people's economy are now a new group of interest, and to provide them with proper attention, it was necessary to document and update the following documents in the Quality Management System:

- Policy for the Contracting of Solidarity and People's Economy Organizations - Project Bank, identified with the code "CON-DA-006" V1 of May 24, 2023, belonging to the Contractual Management process.

- Procedure for Design, Development, and Modification of Products, identified with the code "GC-PR-039" V2 of November 23, 2023, belonging to the Commercial Management process.

➤ **Responsible Action**

GRI.3-3, a), c) (People's Economy / Engagement Strategy)

○ **Support in the organization's pre-contractual processes (technical assistance):**

We strengthened the pre-contractual process for the contracting of third parties (technical assistance) by including, in the preliminary studies, clauses focused on social responsibility aimed at protecting human rights, prohibiting child labor, promoting decent work conditions, and complying with Findeter's internal policies on social responsibility, environmental management, sustainable procurement, among others; by those actors in the people's economy who will execute the projects.

○ **Strengthening social management (technical assistance):**

We strengthened social and reputational management for projects directly executed by communities, community action boards, grassroots social organizations, and other actors in the people's economy. For this, we have undertaken the following actions:

- Creation of social management guidelines for those projects whose nature is purely community-based.
- Updating the social management guidelines to apply them in projects whose nature is directed towards developing or building community infrastructures by the population itself.

○ **"Transforming Regions" Fund**

We established a fund using Findeter's own resources to co-finance projects aimed at enhancing the quality of life for Colombians, particularly those aligned with the National Development Plan, the Sustainable Development Goals (SDGs), local development plans, and sectoral or population-based public policies, which enable the effective realization of human rights within communities. Among the diverse partners are community action boards, grassroots social organizations, and other actors in the people's economy.

➤ **Technical Assistance**

As a development bank, Findeter prioritizes a comprehensive and sustainable approach to support economic growth, with a special focus on the people's economy. In line with the National Development Plan (2022-2026), the institution has adjusted its policies, programs, projects, and goals since 2023 to meet government requirements. These actions are part of the Public Policy on Reindustrialization (CONPES 4129 of 2023), aimed at strengthening the country's people's economy through workshops and collaborations with various government entities.

These initiatives have a range of impacts. Economically, they promote the development of productive units and SMEs, creating jobs and reducing economic inequalities. Environmentally, mobility initiatives have positive effects by reducing emissions and promoting sustainable projects. Socially, they enhance the quality of life through greater equity and access to essential services, especially in rural and remote areas.

Findeter has implemented a shift in focus aligned with the PND, materialized through its “Transforming Regions” Strategic Plan. This plan aims to strengthen community development models by leveraging economies of scale and productive potential to close regional gaps. Including people’s economy implementers in projects ensures they align with local needs and expectations, fostering local employment and strengthening the economy in pursuit of project sustainability.

In 2023, we initiated projects in collaboration with the Ministry of the Interior, Ministry of Agriculture, Inviás, and Artesanías de Colombia, signaling the start of the collaborative strategy that requires resilience to benefit all involved parties.

➤ **Economic Studies**

Through financing activities (rediscount and direct loan) and technical assistance provided by Findeter as a public development bank, various types of impact are generated in the territories. Assessing the environmental, social, and economic impact increases the likelihood of effecting real and measurable change in the communities’ conditions, benefiting the management, operation, and institutional image of the entity.

Under this logic, Findeter has successfully implemented the Social and Environmental Risk System (SARAS). This process identifies risks associated with project execution that could have financial and reputational implications for the entity. Internally, this mechanism applies to large infrastructure projects and works requiring an environmental license. By integrating social and environmental sustainability standards into operations, Findeter aims to be a benchmark in financing projects that comply with these standards nationally and internationally. Additionally, incorporating criteria beyond financial profitability allows for selecting projects to finance that are aligned with community needs in the territories.

Furthermore, Findeter is advancing the application of a methodology (social profitability methodology) to measure the social, economic, and environmental effects and externalities of its management in an aggregated manner using proxy variables. The main input for the calculation is the financial resources mobilized by the entity. The results of this exercise enable us to continue advancing towards the execution and financing of projects that are viable and sustainable from a social, economic (welfare theory), and environmental perspective, improving its corporate image and reputation.

➤ **Technology**

With the goal of promoting financial inclusion for actors in the solidarity economy and in line with our corporate sustainability strategy, we developed a website for the registration and application of projects from the Project Bank for Social Organizations of the Ministry of the Interior. This aims to strengthen the participation and progress of population groups such as community action organizations, organizations for people with disabilities, peasant organizations, citizen oversight bodies, youth and women’s organizations, and sixth-category municipalities, applying a differentiated approach in a public, transparent, and participative manner.

This website positively contributes to the growth of solidarity/people’s economy organizations, improves the quality of life for Colombians, and implements the provisions set forth in Article 288, paragraphs 1 and 2 of Article 270 of Decree 663 of 1993.

GRI.3-3, b)

Next, reference is made to "... whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships," from different institutional approaches.

➤ **Derived Contracting**

So far, there have been no potential or actual negative impacts in the implementation of projects by community action boards on the three properties owned by Artesanías de Colombia, or in the execution of solidarity agreements signed with indigenous associations under the inter-administrative contract No. 1205 of 2023 in La Guajira. Progress is in accordance with the work schedule.

➤ **Technical Assistance**

In the context of its activities and business relationships, the organization has faced some challenges, particularly in projects involving indigenous communities. These challenges, although not significantly affecting the development and execution of the projects, have required special attention. The adopted strategy to address these issues has included discussions, assistance, and training.

Working with small-scale companies, in particular, has demanded constant support to ensure effective execution and optimal resource investment.

➤ **Economic Studies:**

Although the entity does not perform an impact measurement for each financed and executed project (technical assistance), it does use a methodology, as seen, to measure in aggregate the effects and externalities associated with its mission activity. There is evidence indicating that infrastructure projects generate negative environmental impacts (CO2 emissions and biodiversity destruction). This is particularly true for road works. There is also a negative externality associated with occupational accidents during the construction and operation of the works.

However, these infrastructure works also have positive effects and externalities. They generate an increase in local income through the temporary creation of jobs, and improve living conditions (reducing unmet basic needs and decreasing child morbidity and mortality).

GRI.3-3, c)

Below is a description of the organization's policies or commitments in relation to the material topic, from various institutional perspectives:

➤ **Derived Contracting**

In May 2023, Findeter created the Policy for the Contracting of Entities from the Solidarity and People's Economy - Project Bank, a significant initiative that reflects the entity's commitment to promoting and strengthening the people's economy in Colombia. This policy covers various aspects that solidify Findeter's position as a key player in supporting the solidarity and people's economy.

The policy is based on the recognition of the importance of the people's economy as a driver of inclusive and sustainable development. In this sense, it establishes clear guidelines for contracting

entities operating within this economic sphere, focusing on promoting projects that not only generate economic benefits but also contribute to positive social and environmental impacts.

Key aspects of the policy include:

- The policy emphasizes Findeter's commitment to social inclusion by supporting projects that can be executed by entities of the solidarity economy. It also promotes equity by strengthening the participation of various actors in the economy.
- The policy addresses the importance of sustainable projects that are environmentally respectful. Findeter commits to supporting initiatives that not only promote economic growth but also contribute to environmental conservation and the achievement of sustainable development goals.
- As an integral part of the policy, Findeter conducts a rigorous due diligence process in project evaluation. This includes a legal analysis to ensure regulatory compliance, financial and technical evaluation to analyze long-term viability, and an environmental and social study to assess impacts and adherence to ethical and sustainable standards.

The Policy for the Contracting of Entities from the Solidarity and People's Economy - Project Bank of Findeter represents a strategic framework that drives positive community transformation through active support of the people's economy in Colombia.

Regarding commitments, in 2023, the indicator "number of projects generated by the solidarity contracting policy in the year" was established, with a target of two solidarity agreements to be signed. However, in the context of the provision of technical assistance services, three solidarity agreements were signed for the execution of improvement works at the locations in Bogotá, Ráquira, and San Jacinto, fully meeting the indicator and the target.

➤ **Technical Assistance:**

For 2024, the entity aims to consolidate its partnership with the national government, focusing on housing improvement strategies in rural areas and populated centers. This approach includes the implementation of self-management models and housing projects that are differentiated by region, respecting community traditions and promoting the integration of housing with productive activities.

Moreover, according to Act 2294 of 2023 and the National Development Plan (NDP) 2022-2026, Findeter is authorized to provide direct loans to communal organizations. This is carried out for the development of investment projects in public service infrastructure, particularly in water and sewage. This reflects the entity's commitment to promoting the people's economy, focusing on remote municipalities and those traditionally excluded in terms of social infrastructure and transport, with a commitment to the comprehensive and equitable development of the country's most disadvantaged regions.

➤ **Economic Studies**

With the aim of improving institutional operations and achieving environmental, social, and economic objectives in the territories, Findeter has taken on two challenges related to measuring the impact of its activity.

First, it is appropriate to progress in adjusting the methodology for calculating the aggregate social profitability. In this regard, it is necessary to improve the information that serves as input for this calculation of effects and externalities: characteristics and objectives of the financed projects/technical assistance, adjustment and validation of multipliers, and conducting quarterly and semi-annual exercises to validate the transmitted information. This must be developed as part of a cross-departmental effort within the entity.

Second, there are initiatives to advance in measuring the impact of some of Findeter's flagship projects.

In this context, it is necessary to identify the projects and select adapted calculation methodologies to precisely understand the impact of the institutional action, particularly in the territories.

This approach will advance the inclusion of environmental, social, and economic profitability criteria for projects, from their planning and execution stages to post-contractual operations.

GRI.3-3, d)

The following is a description of the measures adopted to manage the topic and the associated impacts, from different institutional approaches:

➤ **Derived Contracting**

To date, no potential or actual negative impacts have been observed in the implementation of the solidarity agreements. However, we list below some measures that could be adopted should any real or potential negative impacts arise:

- Findeter conducts a comprehensive evaluation of projects from the outset, addressing legal, financial, technical, environmental, and social aspects. This analysis helps identify and prevent potential risks before they occur.
- The entity establishes clear criteria in the selection of people's economy projects, prioritizing those that demonstrate a real commitment to sustainability, inclusion, and respect for human rights.
- If potential negative impacts are identified, Findeter will develop specific mitigation plans; these plans include concrete measures to reduce or eliminate negative impacts and to address underlying causes.
- In situations where feedback is required, Findeter will actively collaborate with involved organizations and affected communities.
- Findeter implements a continuous monitoring system during project execution. This monitoring addresses technical, financial, legal, social, and environmental aspects, ensuring that the terms of the agreement are met and that negative impacts are managed in a timely manner. When the complexity or scope of a project justifies it, an audit will be conducted to provide specialized monitoring.
- The appointed auditor will ensure that the project is executed according to the agreement, without relieving contractors of their responsibilities.

These measures reflect Findeter's commitment to responsibly managing the impacts associated with the people's economy by adopting a preventive and proactive approach. The entity aims to ensure that its projects not only generate economic benefits but also contribute positively to sustainable, social, and environmental development in Colombia.

➤ **Technical Assistance**

To manage the topic and associated impacts, we have implemented a series of measures focused on three key areas:

- To **prevent or mitigate potential negative impacts**, a integrated risk analysis has been developed involving all project stakeholders. This risk matrix uses best practices in risk assessment to identify and mitigate potential adverse impacts in social, environmental, and economic domains. In addition, closer accompaniments have been made with indigenous communities, considering processes with insurers that usually do not occur.

- As for measures to **address potential negative impacts in order to remedy them**, technical follow-ups are established weekly with interdisciplinary teams, including legal and technical areas, to define action plans. In the pre-contractual stage, to expedite the process, support is provided to the implementer in the establishment of guarantees to ensure start-up times agreed with the strategic partner.
- To **manage real and potential negative impacts**, technical and trust committees are held where the background and alternatives to the issues that have arisen in the projects are presented and discussed, seeking solutions together with strategic allies. The monitoring is continuous, including the updating of policies during the execution of the contract, to ensure effective management in case of any arising issues.

These measures reflect a comprehensive and proactive approach to risk management and mitigation of negative impacts, both potential and real, to ensure the success and sustainability of projects.

➤ **Economic Studies:**

To mitigate the negative impacts generated by institutional activity, Findeter has implemented the Environmental and Social Risk System (SARAS). This system aims to identify the risks associated with financing and technical assistance to projects from environmental, social, and economic perspectives. Under this policy, financing and technical assistance apply to projects that have identified environmental and social risks and can support environmental management plans/measures, social management plans/measures (may include evidence of discussions, PQRs, neighborhood agreements, resettlements, as applicable), Integrated Solid Waste Management Plan (PGIR), hazardous or construction waste, and a Manual for the Occupational Health and Safety Management System (SG-SST).

In line with the country's environmental commitments, Findeter finances projects classified as green or sustainable. Resources are available through a line of credit benefiting private and public companies, municipalities, governorships, and national and regional decentralized entities, which can invest in initiatives in the sectors of energy, transport, urban development, construction and housing, education, and ICT. With these resources, the entity contributes to mitigating and adapting to the phenomenon of climate change.

Additionally, in June 2019, Findeter made the first issuance of sustainable bonds in the country, aiming to finance projects that generate environmental and social benefits and contribute to the construction of sustainable territories. The issuance placed sustainable bonds worth COP 400 billion on the Colombian securities market, with terms of 5 and 7 years at a rate of CPI +2.54% and CPI +2.90%, respectively. Demands were received for COP 1.03 trillion.

GRI.3-3, e)

Below, we present information on the effectiveness of the measures taken from various institutional perspectives:

➤ **Derived Contracting**

Findeter employs a monitoring process focused on the indicator "number of projects generated by the solidarity contracting policy in the year," which refers to those solidarity agreements signed by the parties. Effectiveness is assessed in relation to progress towards established goals and objectives, especially in terms of increasing the number of solidarity agreements signed. The target for 2023 was to sign two solidarity agreements, which was fully met as we signed three agreements

for the execution of improvement works at the Artesanías de Colombia facilities located in Bogotá, Ráquira, and San Jacinto.

Lessons learned from managing this indicator allow us, for this year, to consider signing a greater number of solidarity agreements than in 2023, taking into account that more inter-administrative contracts have been signed related to projects that can be executed by actors in the popular and solidarity economy.

➤ **Technical Assistance:**

To ensure the effectiveness of the measures implemented in project execution, a detailed monitoring and evaluation process is followed:

- **Monitoring Processes:** Monthly follow-ups are conducted to compare actual project progress with the scheduled plans, using a traffic light alert system. Additionally, there is constant monitoring of policies with trustees and a weekly report on the percentages of execution.
- **Goals, Objectives, and Indicators:** The aim is to keep project delays below 5%, with a 10% threshold to identify issues requiring special attention. Management and compliance indicators are reviewed monthly. Additionally, as goals, it is ensured that projects meet the required quality and safety standards, minimizing environmental impact and seeking the social and economic benefit of the local community. For objectives, in addition to controlling schedule deviations, an evaluation of strategic partner satisfaction is carried out.
- **Effectiveness of Measures:** Weekly monitoring has proven effective in early identification of problems and the implementation of corrective measures, thus ensuring progress towards the goals and objectives established between the implementer and Findeter's technical team.
- **Lessons Learned:** Past experiences have led to the implementation of immediate action plans such as improved risk management, effective communication with the contractor and strategic partner, realistic planning, effective change management, training for the technical and supervisory team, and effective community involvement to prevent issues, resulting in a significant decrease in incomplete and non-viable projects. These lessons have been integrated into the organization's policies and operational procedures to improve project management.

➤ **Economic Studies**

Findeter's strategic plan ("Transforming Regions") includes a goal associated with the outcome of the calculation of the aggregate social profitability indicator. For the 2023 and 2024 periods, the target for this indicator, exclusively for internal use, should be above 1.50. For 2021 and 2022, the indicator was 1.82 and 1.71, respectively. These results indicate that Findeter's activity, in addition to being financially profitable, generates positive aggregate externalities in the territories.

GRI.3-3, f)

Below, we describe how stakeholder participation has influenced the measures adopted (3-3-d) and how it has informed their effectiveness (3-3-e) from various institutional perspectives:

➤ **Derived Contracting**

Through continuous dialogue processes, a collaborative environment has been fostered that allows understanding the needs and expectations of the various actors involved in the people's economy.

During the execution of the solidarity agreements, permanent support has been provided to assist the actors with any questions they may have, which has proven to be satisfactorily effective.

The contributions and experience gained from signing the solidarity agreements have directly influenced the definition of goals, objectives, and the structuring of monitoring processes, ensuring that the adopted measures are relevant and effective. The experience with these projects and ongoing dialogue with these actors has allowed for adjustments to strategies to improve contracting processes and expedite internal procedures.

Therefore, open communication with stakeholder groups has been crucial for gaining more experience in people's economy projects and streamlining Findeter's internal contracting processes. This continuous interaction reflects Findeter's commitment to continuous improvement and aligning its actions with the expectations and needs of the various stakeholder groups involved in the people's economy.

➤ **Technical Assistance**

Stakeholder participation at all stages (pre-contractual, contractual, and post-contractual) ensures direct knowledge of progress by all parties and transparency in project execution. It allows for a comprehensive understanding of needs and expectations, ensuring that decisions are informed and well-directed, with continuous interaction to guarantee real-time monitoring of measures, facilitating quick and efficient adjustments.

This collaboration has ensured that projects progress within established timelines and reinforces trust in project management for all involved.

➤ **Economic Studies**

Implementing impact measurement methodologies is an institutional challenge. By conducting these types of exercises, management practices can be improved by incorporating environmental, social, and economic dimensions. The goal is to effectively and quantifiably improve people's living conditions through the projects developed by the entity in the territories.

The challenge lies in implementing impact assessment methodologies tailored to the type of product and the impacted stakeholder group, as well as selecting the projects to which these measurement exercises could be applied. For direct loan and technical assistance, the methodologies adopted by Findeter can be applied directly, taking into account local governments and the communities present in the evaluation. For rediscount credit and fiduciary activity, the criteria for delivery and impact evaluation must be subject to the sustainability guidelines that Findeter provides to financial intermediaries.

CAPACITY TRANSFER TO LOCAL GOVERNMENTS

✓ **Capacity Transfer to Territorial Entities**

GRI.3-3, a)

Relevance of the Topic to Findeter:

In the various programs and projects carried out by Findeter through its technical assistance product, the transfer of skills and knowledge to local government entities and strategic partners has been critical. This is done through comprehensive technical assistance services, supporting all phases of a project's lifecycle. This approach allows projects to be executed efficiently, transparently, and technically in line with national and sector-specific regulations. Successful capacity building

processes depend on the involvement of all stakeholders, including local government officials according to their roles and the community as direct beneficiaries of our projects.

GRI.3-3, b)

Next, reference is made to “... whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships,” from different institutional approaches.

From the management performed by Findeter in the provision of technical assistance services, we have been able to establish a degree of difficulty with the changes advanced by the administrations regarding the rotation of personnel due to the change of local governments on duty, as well as due to the administrative variations arising from these processes, which has a direct impact on an incomplete learning curve by the officials of the territorial entities and/or the communities participating in the processes, which may affect the development of the projects and the achievement of the objectives.

GRI.3-3, c)

The following is a description of the policies or commitments of the organization in relation to the material topic:

Within the framework of the strategic plan Transformed Regions 2023-2026, the areas executing Findeter’s technical assistance processes have aligned and committed to the objective of strengthening such assistance and the transfer of capabilities to the territories to provide better knowledge bases and encourage empowerment in relation to the projects executed, thereby ensuring the establishment of tools that are useful for improving the competitiveness of the territorial administrations and communities that are part of the processes.

GRI.3-3, d)

The following is a description of the measures adopted to manage the topic and the associated impacts:

From Findeter’s technical assistance process, we have implemented measures to manage the impacts associated with the transfer of capacities to the territorial entities such as periodic trainings to officials according to their role, accompaniment in the pre, post and contractual processes, linking all stakeholders and community to the discussion processes and work tables. With this, it will be possible to obtain transformations, improvements and/or maintenance of the knowledge, skills and practices necessary to achieve their objectives, facilitating the appropriation of the programs and/or projects.

GRI.3-3, e)

Below we present the information on the follow-up of the effectiveness of the measures adopted:

The technical assistance executing units in Findeter have been aligned to the goals and objectives of the entity’s strategic plan with the transfer of capacities to the territorial entities by sharing knowledge, skills and practices necessary to consolidate the appropriation of the programs and/or projects and foster continuous improvement by the territorial entities, as well as by the communities involved in the development and continuity of the projects. This has enabled the territorial entities to acquire the necessary competencies to efficiently and effectively manage their projects, which has contributed to improving the quality of life of the beneficiary communities.

GRI.3-3, f)

Below we describe how stakeholder participation has influenced the measures adopted (3-3-d) and how it has informed whether these have been effective (3-3-e):

Findeter, through the units executing the processes associated with technical assistance, has sought to have the participation of all stakeholders and project stakeholders, thus maintaining constant communication and information with the beneficiaries to carry out the projects. In this way, we are able to structure the measures adopted by our partners in all phases and/or stages of the contracts, thus providing the best service.

MEASURING ENVIRONMENTAL, SOCIAL, AND ECONOMIC IMPACTS

✓ Measuring Environmental, Social, and Economic Impacts

GRI.3-3, a)

To determine the importance of this topic for Findeter, we will address it from different institutional approaches:

➤ **Technical Assistance:**

The measurement of environmental, social, and economic impacts is fundamental in project management. This process involves applying various strategies such as early identification of the beneficiary population and job creation, among others. Additionally, each project undergoes environmental management and efficient use of resources provided by partners to maximize the benefits and sustainability of the projects.

To achieve this, the executing areas have professionals specialized in the evaluation of social and environmental impacts and financial issues. From the very start of the call for proposals, these professionals incorporate sustainable criteria aimed at minimizing negative impacts during project execution. These impacts are continuously validated by Findeter's comprehensive technical assistance.

➤ **Responsible Action**

To measure impacts, particularly social ones, we rely on three indicators that allow us to: i) identify and manage potential negative impacts arising from our operations through citizen service points; ii) ensure citizen participation, involvement, and empowerment through the development of community meetings; and iii) facilitate bidirectional communication to reduce potential negative impacts related to reputational risks by developing sustainability committees.

GRI.3-3, b)

Next, reference is made to "... whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships," from different institutional approaches.

➤ **Technical Assistance:**

In the management of technical assistance provided by Findeter, there is an inclusion of identifying opportunities for improvement in defining and selecting projects that our partners seek to execute

through the financial institution. In this process, we have identified that some of the executed projects have not been profitable due to their low social IRR (Internal Rate of Return). Likewise, Findeter's timely management has identified projects that lacked necessary environmental permits or could incur environmental damages after being prioritized.

Thanks to the timely intervention by the execution teams, these negative impacts have been mitigated, and timely decisions have been made to ensure sustainable project management.

➤ **Responsible Action**

In terms of social management, we have established indicators aimed at foreseeing, avoiding, or mitigating negative impacts that may arise during our interventions. These include:

- Citizen service points established
- Community participation meetings held
- Sustainability committees formed

Additionally, we have strengthened the reputational approach in the actions developed by our contractors (consultants, contractors, supervisory bodies) along with those actors from the people's economy responsible for executing the works.

GRI.3-3, c)

The following is a description of the organization's policies or commitments in relation to the material topic, from different institutional approaches:

➤ **Technical Assistance:**

Throughout all stages of projects executed via technical assistance, Findeter incorporates sustainability guidelines, ensuring that the technical team adheres to the established commitments for sustainable project management, thus mitigating any negative environmental and social impacts.

➤ **Responsible Action**

○ **Strengthening Social Management (Technical Assistance)**

We have enhanced our social management guidelines for project development within the framework of technical assistance. Preliminary studies now incorporate a social responsibility perspective, creating social guidelines tailored to the nature, duration, value, and location of each project, aligning them with specific needs and characteristics.

Additionally, we require the creation, delivery, and maintenance of a Social and Reputational Management Plan (SRMP) which includes methodologies for each activity within the social management guidelines, such as:

- Territorial analysis
- Communication strategy
- Citizen participation
- Capacity building, appropriation, and empowerment
- Development of technical-social activities

- Economic sustainability of territories
- Monitoring and follow-up

The guidelines and the SRMP are mechanisms through which we aim to prevent, avoid, or mitigate risks arising from construction activities. These initiatives are designed to facilitate community engagement, two-way communication, project empowerment, job creation, and monitoring by both Findeter and the involved community.

In the same vein, as part of the implementation of these social management guidelines for each project, the following requirements are mandated for subcontractors (consultants, contractors, actors in the people's economy, and supervisory bodies):

- Obligations of the Social Professionals Involved:
 - Continuous communication with Findeter's social supervisor.
- Monitoring and Reporting Component:
 - Submission of the project's Social and Reputational Management Plan.
 - Monthly/weekly reports (as applicable).
 - Final report.
 - Social management committees (if applicable).
 - Technical committees (if applicable).
 - Compliance with established outputs and deliverables (outcome indicators).
 - Maintenance of a social data database.

In the same context, activities related to the Citizen Participation Component have been established as indicators of the Integrated Planning and Management Model (MIPG) of the entity, which include:

- Citizen Participation Component
 - Installation and activation of the Community Service Point (CSP).
 - Community participation meetings.
 - Sustainability committees established for projects.

- **“Transforming Regions” Fund**

Findeter's own resources allocated to territorial entities in categories 3, 4, 5, 6, and PDET, community action boards, grassroots social organizations, and other actors in the people's economy who wish to implement social responsibility initiatives or projects that improve the quality of life for Colombians.

- **Flagship Program**

Through ongoing supervision of the assigned oversight for the execution of these projects, compliance in their development and completion is ensured. The aim is to manage as many initiatives as possible, in order to maximize the impact across all territories where a need has been identified, whether directly or indirectly.

GRI.3-3, d)

The following is a description of the measures adopted to manage the topic and the associated impacts, from different institutional approaches:

- **Technical Assistance:**

Environmental, social, and economic impact assessments of projects executed by Findeter are essential and conducted at every phase of the project lifecycle. To ensure timely results, various measures have been adopted to mitigate the negative impacts of the projects.

i. Measures to prevent or mitigate potential negative impacts:

The comprehensive technical assistance model used by Findeter includes necessary strategies to mitigate or avoid potential risks that could materialize and negatively impact sustainability in the regions where projects are implemented. These measures for timely risk management are implemented from the pre-contractual stage and maintained up to the project's completion.

ii. Measures to address potential negative impacts, including measures to facilitate or collaborate in their remediation:

As part of the risk assessment conducted within the technical assistance model, if any identified risks materialize, a project evaluation process is carried out to determine the project's viability. Once a project is deemed viable and execution has begun, weekly project monitoring committees and technical meetings with partners are held to timely track the projects and identify potential risks that could generate negative impacts.

iii. Measures to manage actual and potential negative impacts:

Should the identified risks materialize, Findeter evaluates and determines alternatives to mitigate these risks. Following this, an action plan is developed to implement the response to these risks, ensuring that the negative impacts have been mitigated.

➤ **Responsible Action**

(Measuring social, environmental, and economic impacts / Engagement Strategy)

We conduct monthly monitoring, supporting technical supervision, of the social component in each project during the execution phase to identify early warnings regarding potential or actual impacts. Likewise, we monthly assess the impact on population and territorial aspects to gather key inputs to enhance our current and future interventions. Findeter utilizes a "technical core" tool that monitors the operation of various teams and generally accounts for the social impact and the effectiveness of the inclusion of social guidelines. The results for 2023 were:

- Direct impact: 3,645,016 people.
- Indirect impact: 1,553,581 people.
- Territorial characterizations: 46,523, identifying operational context risks and potential project-related impacts.
- Community discussion meetings: 91,313, which supported our premise of engaging with stakeholder groups to share public and transparent information and build trust and efficient relationships.
- Employment generated: 2,497 jobs for both women and men in unskilled labor, promoting economic growth and development in communities.

MIPG (Integrated Planning and Management Model): Quarterly measurement indicators established by the Social Responsibility area have been effective in identifying petitions, complaints, claims, and suggestions (PQRS), as well as participation meetings and sustainability committees developed during the execution of the work or consultancy. Compliance has been 100%.

GRI.3-3, e)

The following is information on the monitoring of the effectiveness of the measures adopted, from different institutional approaches:

➤ **Echnical Assistance:**

To ensure the effectiveness of the implemented strategies for impact mitigation, Findeter has adopted a series of processes that are consistently applied to ongoing projects.

i. Processes used to monitor the effectiveness of the measures:

Weekly monitoring of projects, aimed at identifying delays and risks, has resulted in fewer than 10% of projects exhibiting alerts for delays and/or risks. Similarly, management and monitoring indicators have been implemented that are evaluated weekly or monthly to ensure that the adopted measures are effective and efficient during their implementation.

ii. Goals, objectives, and indicators used to evaluate progress:

It has been established that fewer than 10% of the projects should present risk alerts, which is achieved thanks to continuous monitoring and timely action by the technical teams.

iii. Effectiveness of the measures, including progress towards achieving goals and objectives:

Weekly tracking of projects allows for detailed control over them and ensures that key milestones in the schedule are met and potential risks are identified before they materialize. Similarly, this monitoring provides up-to-date information to Findeter's strategic partners, enabling them to make informed decisions promptly.

iv. Lessons learned and how they have been incorporated into the organization's policies and operational procedures:

Within the technical assistance processes is the review of lessons learned after a project concludes. This has allowed Findeter to gather information from previous projects and use it as input for formulating new projects, increasing the reliability of future calls and subsequent project executions.

➤ **Responsible Action**

(Measuring social, environmental, and economic impacts / Engagement Strategy)

The participation of stakeholder groups has influenced the adopted measures as we maintain bidirectional communication, which has allowed us to understand their needs through:

- A Community Attention Point (CAP), discussion meetings, sustainability committee, and active communication between the community, contractors, supervisory bodies, and Findeter on site.
- Virtual and face-to-face communication channels: social media, email, Findeter offices, and correspondence.

- Annual satisfaction survey: This helps gauge the satisfaction level of various stakeholder groups.

Internal and external audits: These generate opportunities for improvement aimed at strengthening internal processes in relation to stakeholder groups.

GRI.3-3, f)

The following is information on the monitoring of the effectiveness of the measures adopted:

Ensuring continuous involvement of various stakeholder groups impacted by our projects has been instrumental in mitigating environmental, economic, and especially social impacts. Effective, efficient, and timely management of stakeholder groups for each project has facilitated the successful execution of contractual stages, providing our partners with transparency and reliability in the management process.

RESPONSIBLE FINANCE

✓ Responsible Finance

GRI.3-3, a)

To determine the importance of this topic for Findeter, we approach it from various institutional perspectives:

➤ Technical Assistance

In line with Findeter's policy of responsible action/sustainability, the component of responsible finance has been progressively integrated into projects with two main focuses. The first is through effective and efficient management of financial resources allocated by partners, ensuring the realization of expected benefits and completion of the stipulated scope.

The second focus relates to the impact on the local economy of the regions where projects are executed. This approach has enabled economic mobility in communities through the hiring of local labor and procurement of raw materials at construction sites. Furthermore, projects like roadways have achieved interconnection between municipalities, strengthening commercial activities and promoting economic growth.

➤ Economic Studies

Findeter's operations as a territorial development bank are grounded not only in financial sustainability but also in social and environmental responsibility associated with financing and technical assistance for territorial development projects. In this context, informed decision-making is a cross-cutting process that sustains operations, leverages financing, and strengthens the entity's reputational position.

To this end, the entity regularly performs analyses of the economic environment, monitoring economic figures and projecting major national macroeconomic variables (GDP, monetary policy rate, CPI, COP/USD exchange rate, among others). It also conducts and publishes economic research, sectoral reports (on sectors served by Findeter), and economic context newsletters. Various research and reports are presented in internal committees and shared with the entity and stakeholders through Findeter's website and the podcast "Economía en un 2*3". Additionally,

decisions related to resource mobilization (e.g., issuance of sustainable bonds), liquidity management, fiduciary business management, and investment portfolio monitoring require analysis of both national and global financial markets.

➤ Risk Management

Negative impacts:

Financing projects can entail potential negative impacts on the environment, social aspects, and occupational health and safety. Operations outside the scope of the SARAS system may have potential unmitigated impacts; however, in 2023, none materialized.

Positive impacts:

Through the Environmental and Social Risk Management System, we incorporate aspects related to occupational safety, community health and safety, land acquisition and involuntary resettlement management, biodiversity conservation, sustainable management of renewable natural resources, climate change, gender, indigenous peoples, cultural heritage, and human rights into financed projects. This encompasses, but is not limited to, discrimination, gender equality, forced labor, fair labor compensations, freedom of association, grievance mechanisms for workers, child labor, occupational health and safety, affiliation to ARL, EPS, and pensions.

GRI.3-3, b)

Next, reference is made to "... whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships," from different institutional approaches.

➤ Technical Assistance

In the management of projects, it has been identified that strengthening support for contractors executing the projects is essential. With the support of the community and the supervision of Findeter's technical team, the continuity and sustainability of the projects can be ensured. Additionally, there is an effort to increase the participation of local contractors in projects, without limiting the participation of other firms, thereby stimulating the local economy and continuing to create value in the regions.

➤ Economic Studies

Financing and providing technical assistance to projects that may be financially viable but undesirable from a social and environmental perspective poses a significant reputational risk for Findeter. To mitigate this, we rely on the Environmental and Social Risk System (SARAS). As mentioned, potential negative impacts on financial activity are also mitigated through ongoing analysis and review of the economic and financial context.

➤ Risk Management

Financing projects can involve potential negative impacts on the environment, social aspects, and occupational health and safety. Operations outside the scope of the SARAS system may have unmitigated potential impacts; however, during 2023, none materialized.

GRI.3-3, c)

The following is a description of the organization's policies or commitments in relation to the material topic, from different institutional approaches:

➤ **Technical Assistance**

A key objective of Findeter's responsible action/sustainability model is the responsible and transparent use of resources allocated by partners for projects. This is achieved by maintaining continuous financial monitoring of the execution of resources to avoid mismanagement of capital. Additionally, constant working groups are promoted that allow for effective and transparent communication with all stakeholders involved in project execution.

➤ **Economic Studies**

The Economic Studies team is committed to providing relevant and timely information and analysis to the entity's decision-makers. To reduce the risk of negative impacts associated with responsible finance, this department regularly produces various products: economic research documents, economic and financial situational analysis, projection of macroeconomic variables, sector reports, and economic context newsletters. Additionally, it actively participates in the preparation of technical notes and presentations to contribute to technical and financial analysis.

➤ **Risk Management**

We have the SARAS chapter in the IRMS manual, approved by the Board of Directors, which establishes policies, objectives, scope, guidelines, responsible parties, and other associated management measures. Environmental and social risk analysis, including climate change and gender issues, is performed on projects or investments financed, corresponding to the use of investment and/or debt substitution for sectors defined in credit regulations.

The management of SARAS at Findeter has been voluntarily undertaken since 2015, as part of the commitment with the national government to promote best environmental and social practices and as members of the Asobancaria Green Protocol Committee.

The analysis is carried out according to the current Colombian environmental and labor regulations and international standards such as those of the International Finance Corporation (IFC) and safeguards from the Inter-American Development Bank (IDB).

GRI.3-3, d)

The following is a description of the measures adopted to manage the topic and the associated impacts from different institutional approaches:

➤ **Technical Assistance**

Ensuring responsible finances for projects that receive technical assistance from Findeter is a process carried out at every stage of the project lifecycle. To ensure transparency and reliability in monitoring, various measures have been adopted that have helped mitigate negative impacts.

i. Measures adopted to prevent or mitigate potential negative impacts:

To ensure responsible financial management of the projects under its purview, Findeter has incorporated necessary tools into its processes and procedures to perform ongoing monitoring of the resources executed by management. This has enabled the timely identification of potential risks that could impact the project.

ii. Measures adopted to address potential negative impacts, including measures to facilitate or collaborate in their remediation:

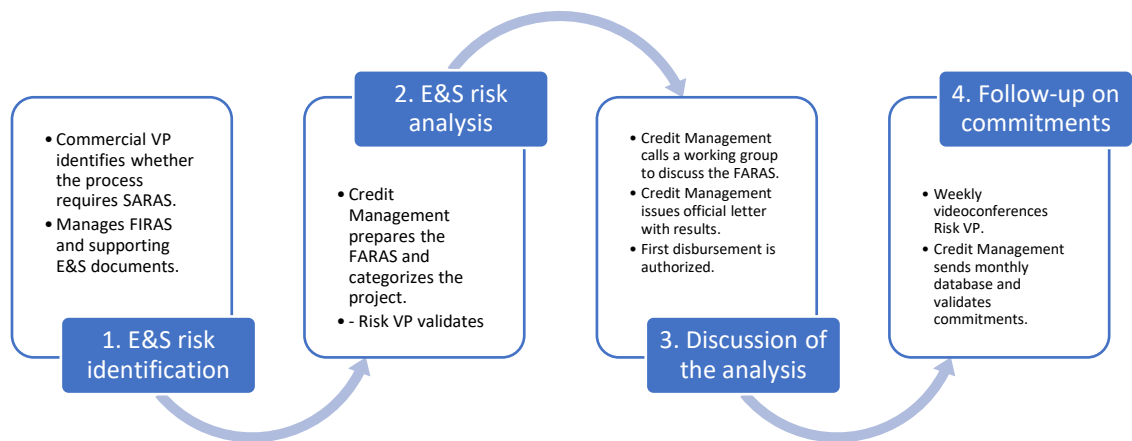
Measures have been adopted to timely identify financial risks in the projects being executed, providing reassurance to Findeter's strategic partners that their resources are being used appropriately. This is complemented by weekly monitoring of the projects.

iii. *Measures adopted to manage actual and potential negative impacts:*

Ongoing monitoring of projects and weekly technical committees have enabled effective management of the financial negative impacts that have arisen. This has allowed Findeter to increase the degree of trust from its strategic partners regarding resource management and the efficiency of implementing action plans should any risks arise.

➤ **Risk Management**

SARAS: To prevent or mitigate potential negative impacts in credit operations, our SARAS system establishes commitments or action plans linked to the credit cycle and disbursements of the operation.



GRI.3-3, e)

The following is information on the monitoring of the effectiveness of the measures adopted, from different institutional approaches:

➤ **Technical Assistance**

To ensure the effectiveness of implemented strategies for responsible finance, Findeter has adopted a series of processes that are consistently applied across projects:

i. *Processes for monitoring the effectiveness of measures:*

Weekly monitoring committees review the percentage of project execution progress, maintaining a high degree of reliability in the management of resources provided by partners. Additionally, the implementation of tracking tools within Findeter's technical area has increased the reliability of the information recorded for each project.

ii. *Goals, objectives, and indicators used to evaluate progress:*

Goals and indicators for monitoring the budget execution of projects include ensuring there are no cost overruns and minimizing contractual modifications such as additions. This has been achieved thanks to careful and well-structured project formulation in the pre-contractual phase, achieving fair and reliable cost estimates.

iii. Effectiveness of measures, including progress toward achieving goals and objectives:

Implementing these measures has allowed Findeter to significantly reduce the number of projects executed with cost overruns, which is part of Findeter's Responsible/Sustainable Action Model concerning responsible finance. Improving the project formulation process has also contributed to reducing the deviation margin between the actual executed budget and the baseline, increasing their reliability.

iv. Lessons learned and how they have been incorporated into the organization's policies and operational procedures:

A permanent practice at Findeter is the collection of lessons learned once projects conclude. This has been crucial, especially for ensuring responsible finance, as historical information from projects executed across the country has not only guaranteed responsible resource execution during the project but also significantly reduced the margin of error in defining project budgets from the formulation process.

➤ **Economic Studies**

In 2023, the Economic Studies team produced the following products to support the institutional strategy for responsible finance:

- Six research documents: a. 2022 Sector Report b. Popular and Solidarity Economy c. Diagnostic of the Pacific Region and La Guajira d. Impact of the El Niño Phenomenon on Public Utility Energy Companies e. Financial Inclusion of the People's Economy f. Challenges and Perspectives of the Mining Sector in Colombia
- Five sector reports: a. Renewable Energy b. Mining c. Housing d. Health Infrastructure e. Educational Infrastructure
- One technical note: Colombian Economic by Sector.

13 economic context bulletins

➤ **Risk Management**

From SARAS, projects analyzed are managed according to appropriate measures based on the associated environmental and social impacts. Nonetheless, Findeter established legal commitments for 17 of the 25 evaluated and approved projects to mitigate environmental and social risks. Requests were made for evidence of required legal documentation for project execution, incorporation, strengthening, and monitoring in the Environmental and Social Management Plans, community engagement, photographic evidence of compliance with some established management measures, among others.

This management is conducted with monthly control for monitoring the compliance of action plans, as well as field visits.

GRI.3-3, f)

Next, we describe how stakeholder engagement has influenced the actions taken (3-3-d) and how it has informed whether these have been effective (3-3-e), from different institutional approaches:

➤ **Technical Assistance**

By ensuring continuous participation from various stakeholder groups affected by the projects, Findeter has been able to foster greater trust and credibility with its strategic partners. This engagement ensures the effectiveness of processes and the transparency expected by partners, especially in sensitive areas such as financial resource management. The feedback and involvement from these groups directly contribute to refining operational strategies and confirming that the measures in place address the real needs and expectations, thereby enhancing the overall efficacy of the projects.

➤ **Economic Studies**

Targeted at both internal teams and external stakeholders, the Economic Studies team has disseminated financial analyses through the production of four “Economía en un 2*3” podcasts, which covered topics such as: a) National economic outlook for 2023; b) Changes in consumer habits; c) Competitiveness indicators; and d) People’s economy.

Additionally, this team supports the technical strengthening of the entity through academic partnerships with national and international entities. In 2023, the research conducted with the London School of Economics titled “How can Colombia strengthen its carbon tax scheme through public policy?” was presented.

SOCIAL INFRASTRUCTURE

GRI.3-3, a)

Determining the Importance of This Topic for Findeter from Various Institutional Perspectives:

➤ **Technical Assistance**

At Findeter, we have successfully implemented projects that contribute to the sustainable social development of territories in line with the national government’s public policies. In this regard, we have maintained a comprehensive, transparent, timely, inclusive, and respectful relationship with stakeholders, which has facilitated an effective exchange of ideas, thoughts, and positions on projects aimed at consolidating positive impacts in the medium and long term.

➤ **Responsible Action**

Under the premise of “supporting the development of projects that improve the quality of life in the country’s territories through our daily management,” we have strengthened the social and reputational management for projects directly executed by communities, community action boards, grassroots social organizations, other actors in the people’s economy, and subcontractors (consultancies, contractors, and supervisions). As a mechanism for impact management and mitigation, the guidelines for social and reputational management have been enhanced, which are constructed and defined for each project or program. This allows for assessing their relevance, enhancing interaction with communities, strengthening social fabric, and encouraging citizen participation, all of which contribute to creating a sense of belonging and empowerment in the communities resulting from our intervention and serve as a mechanism for addressing and monitoring actual and potential social impacts.

➤ Fiduciary Business

Article 289 of Act 2294 of 2023, which issues the National Development Plan 2022-2026 “Colombia, a Global Powerhouse of Life,” grants Findeter exceptional authorization to provide direct loans to trust funds created by Findeter for the purpose of developing investment projects in infrastructure and other eligible sectors. The importance of this topic for Findeter lies in its ability to drive regional and urban development through the financing and advising of investment projects, aligning with its corporate purpose established in the Organic Statute of the Financial System.

Here is a description of the importance of this matter, considering aspects such as:

Positive impacts:

1. **Regional and Urban Development:** The authorization allows Findeter to finance infrastructure projects, contributing to economic and social development in regions and urban areas.
2. **Job Creation:** The execution of projects drives job creation, benefiting local communities.
3. **Productive Specialization:** Contributes to the development of competitive advantages and productive specialization, increasing productivity in various sectors.

Potential impacts:

1. **Social and Regional Equality:** Investment in infrastructure can have potential impacts on social and regional equity, reducing disparities.
2. **Attraction of External Investment:** Strengthened infrastructure can attract external investments, benefiting the national economy.

Process of Impact Identification:

1. **Participation of the National Government:** The need for participation of the National Government suggests a joint evaluation of impacts.
2. **Findeter’s Technical Assistance:** Findeter’s involvement in project execution through trust contracts implies technical and financial supervision, positively impacting the new way infrastructure projects are executed and financed in Colombia.

Stakeholder Expectations and Interests:

1. **Local Communities:** Local communities are expected to benefit from improved infrastructure projects and job creation.
2. **Investors:** Investors might have expectations of long-term returns due to improved infrastructure.

Due Diligence:

1. **National Development Plan Regulations:** The law highlights that operations must comply with the conditions of the National Development Plan, ensuring alignment with national policies.

2. **Integrated Risk Management Systems:** The importance of verification by the Colombian Financial Superintendence regarding compliance with integrated risk management systems for granting direct loan, which Findeter obtained at the end of 2023, is emphasized.

In summary, the exceptional authorization to grant direct loans to trust funds has a significant impact on territorial development, job creation, and investment attraction. As Findeter assumes this role, it must conduct ongoing due diligence, considering the real and potential impacts on various aspects, including credit, market, and specific risks related to the financed and executed works. Transparency and compliance with regulations and standards are crucial to ensuring sustainable and equitable development.

Moreover, direct lending to trust funds, aimed at developing investment projects, allows for the creation of strategic financial mechanisms to strengthen the infrastructure sector for the benefit of the territories. Similarly, it promotes the execution of investment projects through large-scale projects and works that involve substantial investments beneficial to the community. Additionally, it revitalizes and generates employment, as well as promotes regional and urban progress, contributing to the development of territories and boosting the national economy.

It is important to note that the direct loan granted to trust funds established by Findeter is provided under the guarantees it offers to the Development Banking system. These can come from the National General Budget, the General Royalty System, future resource flows, or other public or private sources directed toward financing infrastructure investment projects that the trust aims to undertake, pursuant to the contracts or inter-administrative agreements that Findeter signs with its strategic allies for the development of these projects.

Thus, the trust funds constituted by Findeter will become the ideal financial vehicle for executing projects, as this will allow them to be carried out more quickly than it would take the entity providing the resources for the execution of the works. This is guaranteed by the credits financing the infrastructure works, which will be disbursed according to the planning of each project, supported by proper technical assistance and resource management by an expert, prudent, and diligent team in the execution of such projects.

GRI.3-3, b)

Next, reference is made to "... whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships," from different institutional approaches.

➤ **Technical Assistance**

At Findeter, we are responsible for managing, adopting, and promoting best practices, raising awareness, sharing responsibility, and impacting stakeholders in relation to the entity's social policies. For this reason, the social focus of our programs and/or projects is a cross-cutting axis of our management, ensuring that the actions we develop positively impact the quality of life of Colombians.

➤ **Responsible Action**

Additionally, in the process of strengthening our social guidelines, we have included various elements to be implemented by our subcontractors (consultancies, contractors, and supervisions) as follows:

- We reinforce and reiterate the importance of the reputational element within the actions, activities, and endeavors carried out during the execution of the projects.

- Rights-based, social inclusion, differential, rural, territorial, community, gender, capability, do no harm, agency, and sustainability approaches to be applied in the execution of project activities.
- Communication: Initiatives aimed at creating communication strategies for sustainable development during project execution, allowing for bidirectional implementation between subcontractors and communities.
- Citizen Participation: Actions aimed at involving the community during project execution.
- Capacity Building: Actions to be applied with the communities benefiting from our projects, which seek involvement, self-management, empowerment, and community ownership.
- Economic Sustainability of Territories: Actions aimed at boosting the local economy through job creation, community action boards, grassroots social organizations, and other members of the people's economy.
- Monitoring and Tracking: We continuously update our monitoring and tracking tools for each social activity developed, allowing for the analysis and measurement of impact regarding our interventions with beneficiary communities.

GRI.3-3, c)

The following is a description of the organization's policies or commitments in relation to the material topic, from different approaches:

As a strategic partner of the national government and territorial entities to formulate programs and/or projects that drive sustainable development in the country, Findeter is committed to providing a comprehensive offering of technical assistance products characterized by their relevance and capacity to generate positive impacts; focused on economic growth, social welfare, and environmental respect. In this way, our social responsibility involves developing socially responsible strategies to manage, adopt, and promote best practices, raising awareness, sharing responsibility, and creating impacts on stakeholders, acting committedly and transparently within our spheres of influence.

➤ **Fiduciary Business**

A fundamental commitment for Findeter lies in preventing potential conflicts of interest in the context of the new operation of direct loan to trust funds established by Findeter. This is crucial because Findeter plays a dual role by selecting, through the trust committees of each trust fund it constitutes, the implementers of the infrastructure projects and simultaneously financing the trust funds of the Development Bank that execute these projects, which is supported by guarantees provided by the trust. These guarantees may come from various sources, such as the National General Budget, the General Royalty System, future resource flows, or other public or private sources directed towards financing infrastructure investment projects that are the object of the trust, in accordance with the contracts and inter-administrative agreements signed by Findeter with its strategic allies for the development of these projects.

GRI.3-3, d)

The measures adopted to manage the topic and the associated impacts are described below:

At Findeter, we have established a social management policy for executing projects at the national, regional, and local levels, framed by comprehensive technical assistance focused on ensuring the quality of life in communities. As part of this, through the implementation of the Social and Reputational Management Plan (SRMP), we present proposals, strategies, methodologies, and additional inputs that will enable proper execution and supervision of projects, prioritizing the social interests of the territories.

GRI.3-3, e)

We now provide information on monitoring the effectiveness of the measures adopted, from different perspectives:

At Findeter, we have implemented standardized protocols for the social supervision of projects to ensure proper technical assistance. This involves regular monitoring of activities throughout all phases of a project with the aim of controlling any positive or negative changes that occur during the projects. This structured approach ensures that we not only adhere to our goals but also respond effectively to any challenges that arise, thereby maximizing the social benefits of our initiatives.

➤ **Fiduciary Business**

Monitoring the Effectiveness of Adopted Measures: Processes Used for Monitoring Effectiveness:

1. Continuous Monitoring Systems:

- Findeter implements continuous monitoring systems to assess the performance of funded projects. This allows for direct loan disbursements from Findeter to trust funds once progress on the works is evidenced in scheduled proportions and according to the execution plan of the work.

2. Audits and External Evaluations:

- Internal and external audits are conducted, including those by the Financial Superintendence of Colombia, to ensure compliance with the requirements for managing and administering the Integrated Risk Management Systems. These audits help mitigate potential conflicts of interest that may arise from Findeter providing technical assistance and establishing the trust fund that requests financing for infrastructure investment projects.

These processes and approaches ensure constant monitoring, systematic evaluation, and continuous adaptation of the measures at Findeter's disposal. Transparency in communication and the incorporation of lessons learned into the policies and procedures of the entity and the trust funds it establishes are fundamental to maintaining and enhancing the effectiveness of impact management associated with the financed infrastructure projects.

GRI.3-3, f)

Here's how stakeholder participation has influenced the measures adopted (3-3-d) and informed their effectiveness (3-3-e), from various perspectives:

Findeter ensures engagement with all stakeholders involved in projects to maintain two-way communication that allows for clear and dynamic interaction with territorial actors. This aims to consider the integration of stakeholders into the proposed developments and empower society to successfully achieve the goals set by the projects.

➤ **Fiduciary Business**

The participation of stakeholder groups has been crucial in defining, implementing, and continuously adjusting the measures adopted by Findeter in relation to financing trust funds that the entity has established for executing infrastructure projects. The interaction with these stakeholders has influenced the measures in the following ways:

1. Regulatory Bodies (Internal Audit, External Audit, Colombian Financial Superintendence):

The involvement of regulatory bodies ensures that the measures adopted are aimed at the effectiveness of the direct loan process to trust funds, in accordance with established standards and regulations.

2. National Government – Ministry of Finance and Public Credit:

This ministry is crucial for deploying the strategy and presenting the reasons that led to the approval by the Congress of the Republic of Article 289 of Act 2294 of 2023, thereby allowing the direct financing of trusts established by Findeter.

3. Governing and Oversight Bodies (Board of Directors, General Shareholders' Meeting):

The governing and oversight bodies of Findeter have been key in developing the strategic plan and setting the objectives that enabled the implementation of the direct loan operation to trust funds established by Findeter. This bidirectional interaction contributes not only to the strategy's effectiveness but also to transparency, accountability, and achieving the shared goals of sustainable development and implementation of the solidarity economy. The continual feedback from the governing and oversight bodies has been essential for adjusting the measures as necessary to ensure a positive impact on all stakeholders of the Development Bank.

ENGAGEMENT STRATEGY

✓ Engagement Strategy

GRI.3-3, a)

The importance of this material topic for Findeter:

At Findeter, the strategy for engaging with stakeholders is a crucial pillar in addressing challenges of housing and urban development, aligned with the National Development Plan (PND) 2022-2026 and its focus on strengthening regional ties. This strategy involves creating spaces for dialogue and collaborating with communities to actively participate in the development of their environments, ensuring the sustainability and acceptance of projects. This reflects a commitment to socioeconomic and environmental progress.

The entity has ensured access to new partners, such as higher education institutions and government entities, and has established strategies with existing allies to ensure the successful execution of projects and impacts in areas such as: 1) economic, where collaboration with communities and allies fosters local economic development, generating employment and improving infrastructure; 2) environmental, with projects focused on sustainability, integrating environmentally respectful practices, contributing to resource conservation and reducing the ecological footprint; 3) human rights, with community participation in decision-making reinforcing respect for human rights, ensuring equity and access to essential services, especially in vulnerable communities; 4) stakeholder expectations, through continuous and open communication to better align with needs and expectations, increasing the acceptance and effectiveness of the projects.

GRI.3-3, b)

Next, reference is made to “... whether the organization is involved with the negative impacts through its activities or as a result of its business relationships, and describe the activities or business relationships”.

Engaging with implementers and allies on people’s economy projects, although highly beneficial, presents certain challenges that must be properly managed, including: 1) unrealistic expectations about the outcomes or benefits of the projects, leading to disappointments or conflicts; 2) a lack of training, experience, or necessary resources among implementers to implement the projects which can cause delays or results below expectations; 3) communication difficulties due to linguistic, cultural, or technological barriers with some communities; 4) potential tensions between the goals of the project and those of the implementers; 5) resistance to the adoption of new practices or technologies within the community; 6) regulatory challenges from national or local regulations; and 7) negative environmental impacts.

GRI.3-3, c)

The following is a description of the organization’s policies or commitments in relation to the material issue:

Within the framework of the “Transforming Regions” Strategic Plan, the entity focuses on a relationship strategy that seeks to create collaborative spaces with new leaders and implementers of the people’s economy to align their government plans with the PND. This strategy aims to strengthen territories with participative spaces to align programs, products, and strategies responding to local needs and promoting development across all sectors. There will be a focus on municipalities that currently do not generate operations recurrently with Findeter, to review needs and possible projects with technical assistance. This approach promotes equitable development, enhancing community inclusion and participation in decision-making and in the effective execution of projects, with greater impact on communities.

GRI.3-3, d)

The measures adopted to manage the topic and the associated impacts are described below:

The engagement strategy focuses on creating collaborations with stakeholders to strengthen territories, implementing effective measures to manage the impacts associated with the projects as follows:

Prevention and Mitigation of Potential Negative Impacts: We provide comprehensive assistance to projects from the start to identify and mitigate risks in advance, which may include training and empowering the implementers.

Addressing Potential Negative Impacts: In the case of identified risks, the viability of the project is assessed, and decisions are made regarding its continuation or termination. Continuous monitoring and evaluation committees are held with partners and implementers to review progress, define, and adjust action plans.

Management of Real and Potential Negative Impacts: Each project undergoes a diagnostic aligned with its risk matrix to assess and manage potential impacts. Decisions are made jointly with territorial entities, always seeking the best solution for the continuity and success of the project.

GRI.3-3, e)

Information on the monitoring of the effectiveness of the measures adopted is presented below:

Findeter emphasizes the importance of creating collaborative spaces with stakeholders to ensure the effectiveness of the measures, as follows:

- **Monitoring Measures:** Monthly evaluations and weekly reports on project progress, using an alert system to detect and correct deviations, generating feedback meetings, and managing respective technological tools.
- **Goals and Objectives:** Focused on the development of capabilities, community impact, and participation indicators of the implementers of the people's economy.
- **Effectiveness Evaluation:** A proactive approach is applied in the identification and resolution of issues, which has resulted in a significant reduction of incomplete or non-viable projects, coupled with studies of social and economic impact, future feedback from beneficiaries, and adaptability and flexibility of the projects.

GRI.3-3, f)

How Stakeholder Participation Has Influenced the Measures Adopted and Informed Their Effectiveness:

By involving these groups in all stages of the contract, we ensure not only their direct knowledge of the project development but also promote transparency in its execution. This collaboration with allies, technical teams, and implementers of the people's economy has ensured that the adopted measures align with the real needs and expectations of those involved. Feedback from the groups has been essential for assessing the effectiveness of the implemented measures and for making timely adjustments, thereby ensuring that projects are completed within the established deadlines, generating a positive impact on the territories.