

## Responsible Finance in FINDETER

RESPONSIBLE FINANCES is the prioritized material issue that is managed through the CELL of the same name and that is part of the RESPONSIBLE ACTION MODEL, therefore, part of the institutional strategies and strategic plan.

In 2020, the cell built for our company the concept of Responsible Finance, which we understand as: *"Financing of investments that contribute to sustainable development, which includes environmental, social and governance criteria in decision-making to grant credit for increase positive impacts, with appropriate market conditions and responsible for the Entity's financial sustainability."* The FINANCE cell is led by the Financial Vice-Presidency and the Commercial Vice-Presidency.

This work cell aligns initiatives from the areas that participate in the processes related to the financial products and services that FINDETER offers to its clients. This contributes to improving sustainability performance, applying Responsible Investment from the perspective of a Responsible Development Bank to irrigate financial resources in the market to help to make investments with greater positive impacts.

FINDETER worked in the year 2022 for the development of new lines with a green approach and with high social impact, which is why it developed a consultancy whose main objective was to strengthen the Environmental and Social Risk Management System (SARAS) with the IFC performance standards to adequately manage the environmental and social risks of the portfolio of financed projects and analyze the current state of international environmental and social risk management. The consultancy lasted 10 months and its results were the following:

- 100% alignment with IFC 1-8 performance standards. Likewise, it was possible to include requirements related to emerging issues of gender and climate change, which will be increasingly demanded by international banks, which allows FINDETER to have a competitive advantage and be prepared for the new market demands.
- Train FINDETER staff on the adjusted SARAS and its different instruments.
- Opportunities for the Colombian financial sector was identified regarding the SARAS regulation, which are also of interest to FINDETER, and the state of maturity of Colombian Financial Institutions was analyzed in relation to the IFC's ND.

This is why FINDETER for the year 2023 bets on financing lines aligned with international standards and with a high social and environmental impact.