

**MANAGEMENT AND SUSTAINABILITY REPORT 2021**  
**(Consolidated document)**

**February 2022**

## Letter to Shareholders

(102-6), (102-7), (102-14), (103-2) [Material topic water and sanitation projects, Projects aimed at benefiting communities in vulnerable situations, Infrastructure projects for education, Supply of products with a territorial approach, sustainable cities and communities](#)

In accordance with the legal and statutory provisions, we are pleased to present the 2021 management and sustainability report, which includes the most relevant achievements and perspectives for the year 2022.

During the year 2021, Findeter led one of the priorities of the National Government by offering support, not only financial, to the public and private sectors that would allow them to promote the economic reactivation of the country.

To carry out this purpose, as a Development Bank we proposed to make available to local entities, as well as to businessmen, lines of credit such as "Reactivation Commitment", with competitive interest rates at favorable terms, to support initiatives leading to recover the sectors most affected by the public health crisis in the country derived from the pandemic and through this route, contribute to the generation of new jobs.

Hand in hand with the Ministry of Finance and Public Credit, we provided relief to territorial entities and private companies so that they could not only improve their cash flows, but also direct their resources to the execution of priority investments, fulfilling their financial obligations without compromise its operation, for which we had credit resources with a compensated rate, which allows the beneficiaries to have resources at a lower cost.

During the year 2021, in the most critical phase of the pandemic, we consolidated ourselves as the strategic ally of the National Government, supporting the territories, for which we generated competitive financial tools. Such is the case of direct credit, with which it was possible to foster greater dynamics in local economies, as well as the start-up of important projects, especially for category 4, 5 and 6 municipalities, contributing to the closing of historical gaps in these territorial entities.

At the end of 2021, we had coverage in 726 municipalities in the country, that is, we have served 65% of the national territory through the different lines of business. 81% of these municipalities are category 6. Similarly, we have managed to reach 64 of the 102 municipalities that do not have the capacity to structure projects, of which we reached 4 new ones with this condition in 2021, focusing our greatest effort in the poorest and where investment has been very scarce. Our management contributes to their strengthening and to the closing of gaps, empowering them so that from now on they can make some type of investment in infrastructure and allow the country to make greater progress towards the sustainability of the territories.

We are a Development Bank committed to sustainability. We have accompanied the National Government by making available not only our financial products but also our technical knowledge in project structuring, making viable those initiatives in priority sectors that have helped to meet the challenges of the country's economic recovery under the framework of the Development Objectives. Sustainable.

In recent years, the country has had to face the consequences of situations of great impact on environmental issues and climate change, as is the case of the Archipelago of San Andrés, Providencia and Santa Catalina, devastated by Hurricane Iota, as in the case of the which Findeter has been supporting the national government in its reconstruction process.

Our missionary achievements have been based on a vigorous corporate governance that year after year is strengthened by the incorporation of the best management practices in our self-regulatory instruments, such as the Code of Good Governance and the Code of Ethics and Integrity, which have guaranteed us carrying out efficient, integral and transparent management in the administration of public resources.

The results obtained are also the product of the management carried out with the members of the Board of Directors, who with their knowledge and experience have contributed to the achievement of institutional objectives and goals, through permanent support to the management of the Presidency of the Entity and the decisive and successful accompaniment through their participation in the support committees of the Board of Directors.

As a result of all of the above, the Colombian Stock Exchange – BVC, granted us recognition as the only issuer of securities that was positioned in the 5 rankings of said entity, in relation to our governance system, disclosure of information and relationship with investors of IR securities issuers.

Our portfolio of products and services has allowed us to continue being the strategic partner of the National Government in the transformation of the territories and in the financing of infrastructure works, seeking a balance between the economic, the social and the sustainable.

Under our comprehensive model that contemplates four aspects: Planning, Structuring, Financing and Execution, this report distinguishes the main achievements during the advanced management in the year 2021.

In territorial planning, in alliance with the actors of the territory, we work to identify strengths and opportunities to build a roadmap with strategic projects in the short, medium and long term.

Since 2012, when the Sustainable and Competitive Cities (CSC) program began, <sup>1</sup>and until the end of 2021, we have delivered 17 action plans, benefiting 23 cities. On the other hand, since the start of the Emblematic Cities (CE) program <sup>2</sup>in 2013 and until the end of 2021, we have delivered 16 action plans, benefiting 27 cities.

We are currently executing 6 planning projects worth \$3,618 million, in the municipalities of Armenia, Florencia, Arboletes, Ibagué, Villanueva, Tauramena and Mariquita.

In terms of structuring, at the end of 2021, we managed a total of 23 projects for a total value of \$88,242 million, in 48 municipalities and 20 departments.

Likewise, during 2021, we began the structuring of strategic projects prioritized and defined by the National Planning Department - DNP within the framework of the Territorial Pacts planning tool, aimed at strengthening economic, social and environmental development to consolidate the Gulf of Morrosquillo as a top-level tourist destination in the country.

We also highlight, among other projects, the execution of the agreement signed with the Territory Renewal Agency - ART for the structuring of 56 infrastructure projects in 3 sectors: education, health and energy, in the municipalities identified within the Development Program with a Focus Territorial – PDET, which correspond to those municipalities most affected by violence and poverty, proposed within the framework of the 16 Action Plans for Regional Transformation – PATR, for a value of \$8,325 million.

For its part, through the financing service, we seek to correct market failures by bringing economic resources in very favorable conditions to beneficiaries in the national territory. This is how we continue to promote the country's strategic sectors, financing projects that support the comprehensive development of the regions to improve the quality of life of Colombians.

In 2021 we disbursed \$2.44 billion to finance 859 projects in the national territory; Of these resources, we disbursed \$1.47 trillion through rediscount loans and \$972 billion through direct credit. Of the total, \$1.19 billion went to private sector beneficiaries and \$1.25 billion to public beneficiaries. Direct credit

---

<sup>1</sup> Sustainable and Competitive Cities

<sup>2</sup> Emblematic Cities

disbursements impacted 223 municipalities in 25 departments, while rediscount disbursements impacted 194 municipalities in 28 departments, in Colombian territory.

Disbursements were mainly for projects in the transportation, energy development and urban development sectors, which represented 76.36%, while 23.64% went to sectors such as education, drinking water and basic sanitation, sports, recreation and culture. , TIC'S, among others.

We also continued with the structuring and launch of lines of credit that allowed us to attend to the health emergency caused by Covid-19 and support for economic reactivation. In this way, during 2021 we structured and implemented four lines, in addition to the 10 implemented in 2020; disbursements through these 14 lines amounted to \$1.8 trillion at the end of 2021.

Through our project execution service, we support the National Government in the development of its infrastructure programs, working hand in hand with entities such as the Ministries of Housing, City and Territory, Education and Culture; the Colombian Institute of Family Welfare; the Rural Development Agency; the Regional Autonomous Corporation of the Rio Grande de La Magdalena – Cormagdalena and other territorial entities; We accompany the projects from their pre-contractual management to their execution for the contracting of studies, designs, works, inspections and technical and social assistance.

At the end of 2021, we had 333 projects in execution worth \$2.10 billion, of which 207 correspond to social infrastructure, 69 to the water and basic sanitation sector, and 57 to housing and urban development.

Within the framework of the Housing Program for Savers (VIPA) and the Free Housing Program (PVGII), we completed and certified a total of 10 projects worth \$149 billion, represented by 2,891 homes. Regarding the Casa Digna Vida Digna program, we completed the execution of 16 projects corresponding to 5,467 homes.

Regarding social infrastructure, we carried out the execution of 207 projects worth \$719 billion and we finished 119 worth \$317 billion; Among those that we manage, those of consultancy stand out; culture, recreation and sports; education; security and social integration; and transportation and special initiatives.

On the other hand, in support of the Ministry of the Interior, we managed the technical assistance project with the indigenous communities to strengthen their self-government systems at the national level and their institutionality, economic reactivation and access to territorial rights, for a value of \$25 billion.

Regarding the Water and Basic Sanitation issues, we completed 33 projects in the areas of aqueduct, sewage, sanitary landfills, drinking water treatment plants - PTAP, wastewater treatment plants - WWTP, dredging and irrigation districts, with coverage in different municipalities throughout the national territory.

On the other hand, within the framework of technical assistance, projects such as: dredging of the access channel to the Port of Barranquilla, the Canal del Dique and the sector between Barrancabermeja-Pinillos, and the navigable channel of the Brazo de Mompox; Sanitary sewage system of the municipal seat of Mompox, among others.

We also highlight our support for the National Government in the reconstruction of Providencia Island after the passage of Hurricane Iota, achieving by the end of 2021 the repair of 1,090 houses, the Bomboná and Boyacá schools with an advance of 40%; the airport with 50% progress and 8 sports venues with 60% progress. In addition, we finished the dredging of the freshwater dam and the construction of the storage tanks.

Regarding the aqueduct network renovation project in San Andrés Islands, we modernized around 42.39 kilometers of aqueduct networks, with the implementation of 4,694 connections, installation of infrastructure for pressure regulation, macro metering and hydraulic sectorization, improving the conditions of the aqueduct service on the island and incorporating 1,173 new users and reducing the commercial technical losses of the system from 70% to 52%, benefiting approximately 18,700 inhabitants of the Island.

These important achievements obtained thanks to our comprehensive management model, allowed us to achieve very satisfactory results in financial terms, which position us as a solid company, prepared to take on the challenges demanded by the different commitments proposed by the National Government. Some outstanding indicators were: an ROE of 5.92%; an EBITDA of \$101,617 million; a net profit of \$77,179 million, the highest in Findeter's history, and non-financial income that amounted to \$84,525 million.

These figures, which are a reflection of our soundness in the financial market, add to the strengthening of our funding sources. During the year 2021 we captured resources in the order of \$4.52 trillion in CDT issues; We managed a loan for USD84.9 million with the German Development Bank (KFW), among others, to finance projects in a priority sector such as drinking water and basic sanitation.

Regarding risk management, a sign of the confidence of international financial institutions, we were ratified with the Triple AAA risk rating for the long term and F1+ for the short term granted by Fitch Ratings.

In administrative matters, we highlight aspects such as recertification as a family-responsible company by the Mas Familia Foundation; a work environment index of 94.6 points issued by Great Place to Work , being one of the highest at the level of financial entities in both the public and private sectors and which shows the degree of satisfaction and commitment of employees with the company; we have an Institutional Performance Index - IDI of 98.4 advanced by the Administrative Department of Public Function - DAFP for the 2020 period; and we achieved, with the support of our Board of Directors, the incorporation of workers on mission to the Findeter plant, thus strengthening our human team that intervenes in all processes.

Regarding our Integrated Management System, we achieved the renewal of the certifications in the quality standards ISO 9001:2015, ISO 14001:2015 and its strengthening with the obtaining of the ISMS Information Security System certification in the ISO standard. 27001:2013, which makes us a company with high quality standards and permanent continuous improvement.

For the year 2022, we hope to fulfill the goals outlined in our "Flight Plan 2019-2022" and we will continue to strengthen our integrated model, accompanying the territories and clients of the public and private sectors, in the planning, structuring, financing and execution of the projects with the greatest impact on the quality of life of the communities, generating employment and consolidating the economic recovery of the country.

Our challenge is to continue being an articulator of the sustainable development of the country, through the start-up and financial structuring of transcendental projects such as the La Mojana mitigation works, through the issuance of Sustainable Bonds, green CDTs and other innovative financial instruments, which allow us to continue responding to the challenges that the country faces in terms of social infrastructure development.

Additionally, we intend to continue being that strategic partner of the National Government so, together with the Ministry of Finance and Public Credit, to be the vehicle to advance in the "Economic Reactivation of the Regions" project promoted by the Social Investment Law and whose This challenge implies a commitment to support and accompany the territorial entities with a view to economic recovery.

Finally, we state that, strictly adhering to the precepts of current regulations, the information related in this document regarding the Financial Statements obeys criteria of integrity, rights, obligations, valuation, presentation and disclosure, duly verified and obtained from the Financial accounting records, processed in accordance with the accounting standards and principles established in Colombia. In relation to the provisions of numeral 4 of article 47 of Law 222 of 1995, modified by article 1 of Law 603 of 2000, we inform that Findeter complies with all the regulations on intellectual property and copyright contemplated in Colombian law.

Adriana Mazuera Child  
President Board of Directors

Sandra Gómez Arias  
President

## Relevant Facts and Figures Findeter 2021

(102-7)

During 2021, the economic reactivation was the main protagonist since the vaccination plan against COVID-19 was faster than expected. Throughout the year Findeter continued to strengthen its role as Development Bank, being the main ally of the Government, planning, structuring, financing and executing projects in Colombian territory. In this way, we continue to adapt to the new reality with alternating offices and complying with vaccination schedules, without affecting daily operations. Likewise, continuing with the lines that were launched in 2020, \$3.56 trillion is still available to the market, through 8 lines of credit to address the crisis generated by the pandemic and 5 lines of credit that aim to reactivate the economy. In the second year of launching direct credit, we disbursed \$1.38 billion. Below, we present the most relevant facts and figures for 2021.

### Ilustración No. 1 - Cifras relevantes. Año 2021





**BB+**  
Bonos internacionales\*\*



**AAA**  
Largo plazo\*



**590**  
Empleados\*\*\*



**94,6**  
Índice de Ambiente  
Laboral  
Great Place to Work®



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



**Certificado Sello de**  
**Buenas Prácticas de**  
**Innovación**  
Icontec y CCB

**The financial information corresponds to the signature Financial Statements ruled by the Statutory Auditor.**

\* Calificación en escala nacional largo plazo.

\*\* Calificación emisión en escala internacional.

\*\*\* 247 empleados de planta, 335 en misión, 7 aprendices SENA y 1 practicantes universitarios.

Source: Finder, 2021.

## **Significant events and institutional achievements during 2021**

(102-10)

- ✓ We strengthened our position as a strategic partner of the National Government and the territories to promote sectoral planning of the country's metropolitan areas, districts and municipalities; Based on the strategy of accompanying the territories for the implementation of Resolution No. 20203040015885 of 2020, of the Ministry of Transportation, which regulates the Sustainable and Safe Mobility plans, it was possible to consolidate technical assistance businesses with the Metropolitan Area of Bucaramanga, the Metropolitan Area of Cúcuta and the municipality of Villavicencio, for the formulation and/or updating of their mobility plans. Likewise, it has been an opportunity to generate other related businesses, such as the technical, legal and financial structuring of public transportation systems in Cúcuta, Villavicencio and San Andrés y Providencia.
- ✓ We signed inter-administrative contracts with INVIAS, to execute projects such as Vías del Samán, in Risaralda and north of Valle del Cauca, and the Reactivation 2.0 corridors. Findeter will execute the works and for this it will carry out credit operations in order to bring the resources of future terms to present value.
- ✓ We closed a total of 21 new businesses with national entities such as the Ministry of National Education, the Ministry of Sports, the Ministry of Culture, the Ministry of the Interior, the Government of Sucre, the Colombian Institute of Family Welfare, the National Agency for Infrastructure, the National Institute of Roads, SENA, Aerocivil, among others, for a value of \$1.9 billion, of which \$85 billion are earmarked for technical assistance.
- ✓ We completed the aqueduct network renovation project for the island of San Andrés, which included the renovation of 42.39 kilometers of aqueduct networks, the change of 4,694 connections, installation of infrastructure for pressure regulation, macro-metering and hydraulic sectorization; 1,173 new users were incorporated into the system and the system's commercial technical losses were reduced from 70% to 52%, benefiting approximately 18,700 inhabitants.
- ✓ We signed 45 inter-administrative contracts for Non-Financial Products, a fact that represents a

growth of 350% compared to the previous year.

- ✓ During 2021, we started two contracts worth \$25,262.5 million, for the execution of strategic projects prioritized and defined by the National Planning Department - DNP within the framework of the Territorial Pacts planning tool, aimed at strengthening development economic, social and environmental aspects of the region, to consolidate the Gulf of Morrosquillo as a top-level tourist destination in the country.
- ✓ We signed inter-administrative contracts with the Ministry of Sports for the rehabilitation and construction of sports venues such as coliseums and multiple courts, worth \$12,000 million, and with the Special Administrative Unit of Civil Aeronautics - Aerocivil, for the development of the new terminal and platform of the El Embrujo Airport, in Providencia, for a value of \$20,200 million.
- ✓ We were able to financially strengthen the "Regiotram Norte" project (freight and passenger train between Bogotá and the municipalities of Chía, Cajicá and Zipaquirá). The resources available for the project increased by 52%, that is, by an amount of \$17,000 million, thanks to the involvement of the Bogota Mayor's Office and the additional amount provided by the Government of Cundinamarca.
- ✓ We raised resources through CDT issues for \$4.52 trillion, with which Findeter was ratified as a recurring issuer of this instrument in the Colombian stock market, thus reflecting the good position within the local debt market, which allowed us to promote the permanence of resources by investors and satisfactorily serve our clients and contribute effectively to the economic reactivation of the country.

We have new resources, amounting to USD84.9 million, from the German Development Bank KfW, which will allow us to continue financing the execution of projects in the water, basic sanitation, and solid waste sectors.

- ✓ In 2020 we implemented the direct credit process and in 2021 we promoted and strengthened it with technical and risk management components aligned with current regulations, duly audited and endorsed by the Financial Superintendence of Colombia, and we provided access to our services through the Virtual Office of the institutional website to make direct credit requests.
- ✓ The dematerialization of promissory notes with Deceval through Financial Intermediaries and the signing, for this purpose, of the contract with Deceval, allows us to rediscount credit operations with dematerialized promissory notes.
- ✓ The Board of Directors, in a session held in December 2021, approved the update of the Flight Plan in accordance with the goals and indicators of the corporate strategic map for the term 2022.
- ✓ We lead, from Operational Risk, the revision of the international standard Governance, Risks and Compliance - GRC, work that we carry out with the support of the Universidad Pontificia Bolivariana. The results obtained allowed to define the gaps to strengthen the proposed practices. As a result, Findeter achieved an implementation of 90% of the practices defined in the GRC, in accordance with the methodology defined by the University.
- ✓ We work hand in hand with Asobancaria on updating the "ARAS General Implementation Guide" and the TCFD guide: Task Force on Climate-related Financial, incorporating our best practices in the Colombian financial sector.
- ✓ We obtained a score of 98.4 in the Institutional Performance Index – IDI. With this rating, Findeter registers a cumulative increase of 14.5 points compared to the result obtained in the previous period, which was 83.9 points, thus meeting the Government's goal of increasing this rating by 10 points, by the end of the four-year



- ✓ We achieved excellence in the work environment by obtaining a score of 94.6.
- ✓ We obtained an outstanding score in the annual evaluation of Asobancaria SARAS 2021, in which policies, instruments, methodologies, management frameworks, SARAS results, among others, were evaluated, obtaining 9/10 points compared to the average of 4.4/10 of the other entities adhering to the Green Protocol.
- ✓ We measure the impact of projects through the social rate of return (known internally as social IRR). In this way we are able to estimate the value and the environmental, economic and social impact generated through the different projects that we manage throughout the country and we can establish the benefits that we generate to a population for each peso invested.
- ✓ Our President presented at the Asobancaria convention, the use of a specialized instrument, called sustainable bonds, as a financing mechanism to solve the problems of the La Mojana region, a high environmental impact project, through which it will be carried out, over five years, an investment of \$2.5 billion.
- ✓ We reviewed, with the Universidad de los Andes, the impact that as a Development Bank our management has on the Sustainable Development Goals -ODS. The main conclusion indicates that of the 17 SDGs we have a direct impact on 10 of them, on five we have an indirect impact and on two it is recommended to make our actions more visible to see their impact.
- ✓ We develop capacities for the construction of technological applications from the modeling of processes, using for this purpose the methodology adapted from good practices of BPM (Business Process Management). Findeter now has tools to build technological applications that support the business and that have proven to be an innovative and agile method in the development of technological solutions, adapting to changing business conditions. We apply this technique in the automation of the value chain of execution and financing products – direct credit.
- ✓ We renew the agreement with the London School of Economics and its Master's program in Public Administration, through which, through the consulting carried out by final year students ( Capstone ), strategic topics of Findeter are studied and analyzed.
- ✓ We executed the work plan for the value-added exercise carried out on the six (6) prioritized processes of the value chain.
- ✓ We carry out the diagnosis, analysis and adjustment of the battery of indicators of the battery of indicators of the SGI processes to ensure the effectiveness and efficiency of each one of them.
- ✓ We formulate our methodology based on the BPM discipline <sup>3</sup>for process design.
- ✓ Despite the return to work in blended mode, we maintained a significant decrease in paper consumption.
- ✓ Through the execution of the communications plan on environmental and quality issues, we have doubled the participation of Findeter's collaborators in understanding the components of our Quality and Environmental Management System.
- ✓ the certification in the efr model , which ratifies us as a family-friendly company in managing the reconciliation of personal, family and work life, a fact that demonstrates our contribution to the balance of the different areas of people's lives, without lose sight of productivity and results and therefore competitiveness.

### **Significant Events after 2021**

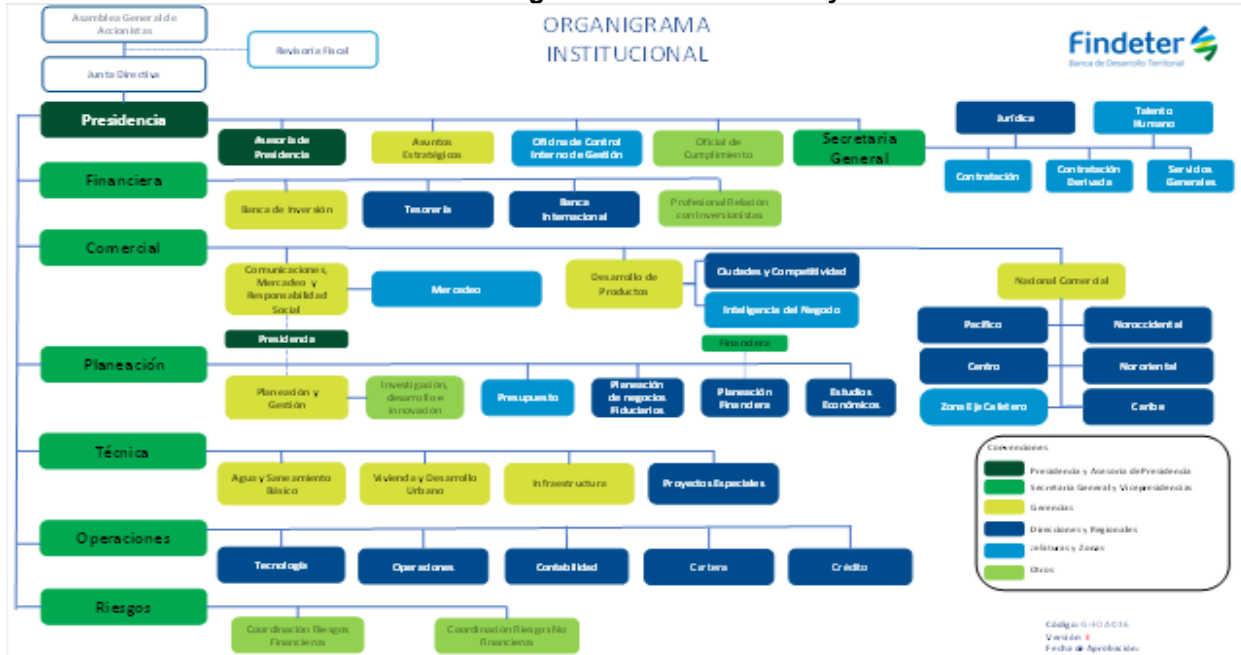
---

<sup>3</sup>BPM: Business Process Management

(102-10)

To comply with what was approved by the Board of Directors in November 2021, in January 2022 the hiring of personnel was carried out in the 358 positions created and the modification of the organic structure was formalized, which is observed below:

Illustration No. 2 Organization chart January 2022



**Commitment to sustainability**

(102-14)

We have focused our commitment to sustainability as follows:

- ✓ In terms of "Integrity", we strengthened fraud and anti-corruption prevention and control mechanisms, implemented management control mechanisms and created a human rights policy and an organizational culture model.
- ✓ Regarding "Responsible Finance", we defined criteria and strengthened products such as Direct Credit and Rediscount, with environmental, social and corporate governance (ASG) criteria; an updated SARAS with good practices (Consulting) and the closing of gaps in climate finance policy, strategy and tracking.
- ✓ In "Impact", we continue to improve the data collection mechanisms for measuring the impacts (global and specific) generated by the projects managed by Findeter; We defined a methodology to measure our Social Profitability and we advanced in the inclusion of the first social management guidelines in our different lines of business.
- ✓ Regarding "Relationship", we updated the mapping and prioritization of our stakeholders and taking the IR-BVC indicators as a reference, we identified opportunities for improvement to continue strengthening our management.

In this context, we also highlight:

- The exchange of knowledge on sustainability issues developed by the different areas of the Entity.
- The articulation and relationship between different areas to strengthen the target products of

2021.

- The learning and dissemination of current topics and of interest, in relation to the materiality issues of the Entity.
- The identification of good sustainability practices within the framework of the Dow Jones.
- The disclosure, through information campaigns, of environmental, social and governance aspects for the relationship with investors within the Entity.
- The gender equity and inclusion workshops in each cell, recognizing the practices inside and outside of Findeter.

#### **Awards, Recognitions and Certifications**

- ✓ In the IV Convocation of impact evaluations carried out by the Development Bank of Latin America -CAF, Findeter was selected for its interest and commitment to the search for excellence in the formulation and execution of public policies in Colombia. Through this advice, we seek to understand how to reach the most needy municipalities through Findeter's direct line of credit.
- ✓ We achieved the renewal of the Seal of Good Innovation Practices, based on the NTC 5801:2018 Standard "Research, development and innovation management" by the Bogotá Chamber of Commerce and ICONTEC.
- ✓ The Ministry of Science, Technology and Innovation, through the Directorate for the Transfer and Use of Knowledge, qualified Findeter's project called "Optimization of commercial management through the design and implementation of a data analysis model that supports the strategy of characterization and segmentation of the organization's clients, supported by advanced analytics models" such as innovation, and granted Findeter access to a tax benefit of \$991 million in income deduction and \$247 million in tax discount.
- ✓ Findeter received from SGS Colombia SAS, the certification of the ISMS Information Security System in the ISO 27001: 2013 standard, as a result of the external audit carried out in the months of November and December 2021 for the processes that support the scope of the system and which corresponds to "Management of information on activities related to customer engagement and the operation of rediscount and direct credit products managed at the headquarters, based on the Declaration of Applicability Version 2 of November 22, 2021 ". The foregoing demonstrates the Entity's commitment and the culture of continuous improvement towards information security and cybersecurity of the organization and allows us to strengthen the credibility and image of the organization towards our stakeholders.
- ✓ We received the Recertification of the efr conciliation model under the efr-10001 ed 5 standard.
- ✓ We achieved the renewal of the certification in the ISO9001 and ISO 14001 version 2015 standards, and ISO 27001 version 2013 granted by the SGS Colombia certifying entity.

#### **About this Report**

(102-3, 102-50)

This report consolidates the management we carried out in 2021 and highlights the most relevant events for our stakeholders and those linked to our sustainability, in their responsible action from the economic, social and environmental dimensions. It also integrates, for the seventh year, the annual report presented to the Board of Directors and the General Assembly of Shareholders, with the Sustainability Report and constitutes a tool for accountability and disclosure of information, before the general public, investors and other interest groups.

This report was developed in accordance with the parameters of the Ministry of Finance and Public Credit and the Financial Superintendence of Colombia, and adopting the guidelines, best practices

and standards of minimum content, disclosure of information on social, environmental and corporate governance (ASG) aspects. , in terms of Sustainability Reports from entities such as the Global Reporting Initiative (GRI); Colombian Stock Exchange (BVC), Transparency Secretariat of the Presidency of the Republic and the Administrative Department of Public Function (DAFP), among others.

## **1. ABOUT FINDETER**

(102-3), (102-4) and (102-5)

We are the Territorial Development Bank, which offers comprehensive solutions to build sustainable territories through the planning, structuring, financing and technical assistance of infrastructure projects, which improve the quality of life of Colombians.

(102-5)

We were created by authorization of Law 57 of 1989 and, by virtue of Decree-Law 4167 of 2011, we are constituted as a national mixed economy company, of the anonymous type, organized as a credit establishment, with a private law, linked to the Ministry of Finance and Public Credit and supervised by the Financial Superintendence of Colombia.

(102-3, 102-4)

Our headquarters are located in the city of Bogotá DC and we have a presence to develop our operations throughout the national territory through five regional offices, one zone and three satellite offices. We have an organizational structure adjusted to our skills in terms of planning, structuring, execution and financing of projects, for which we have certified 30 processes in the ISO 9001, ISO 14001 and 27001 standards . Additionally, we promote the application of the best practices of corporate governance and social and environmental responsibility.

### **1.1. Business Strategy - Strategic Direction**

(102-2, 102-6, 102-16)

and with the aim of reaching more regions, our commitment as a Development Bank was to work hand in hand with the territorial entities to transform the territories through our planning products. , structuring, financing and execution of sustainable projects. In alliance with the National Government, to support the reactivation of the country, given the situation generated by the health emergency, we created new lines of credit focused on the main recovery sectors.

We have been with our 2019-2022 Flight Plan for 3 years; During this journey we have grown, evolved, learned and managed to transform the lives of many communities with our products and strengthen the roadmap outlined in our strategy.

For the updating, monitoring and control of the strategic framework, we continue with the application of the Integral Dashboard - Balanced methodology. Scorecard , which includes the definition of objectives, indicators and corporate projects, aimed at complying with the strategic guidelines and the corporate purpose of the organization, which are contained in the Flight Plan.

### **Review and adjustment to the Flight Plan**

In the second half of 2021, meetings were held with Senior Management to learn about the results achieved in the Flight Plan, the effects generated in the second year of the pandemic and the recovery horizon through economic reactivation; As a result, we defined a plan for the 2022 strategy, with goals that are consistent with the economic, social, and political context of the country and that allow us to address the different organizational challenges in terms of development, finance, budget, and business plan. This is how, on December 20, we submitted the updated flight plan to the Board of Directors for approval.

We eliminated and modified some indicators and formulated new ones, in order to have measurements adjusted to the scope and intention of the strategic objectives and more adequately support decision-making regarding their fulfillment.

## **Tracing**

The Senior Management, committed to the projection of the Entity, constantly created spaces to evaluate the results and define actions that allowed an adequate management of the strategy, in accordance with the established vision. For this, in the different sessions of the Board of Directors, the focus board of the strategy was presented through which the main indicators of the corporate strategic map are monitored and decisions are made to improve the results.

## **Communication**

For Findeter it is important to disclose the results achieved in the development of the strategy, for this purpose we have several channels of communication and participation, through which it is possible to express the expectations and results of our Flight Plan.

Through social networks, website, internal channels, among others, we disclose the results obtained during the 2021 term, with high-value campaigns.

Through communication strategies, such as "Café online" "Ser Findeter" and "Mentores", the Senior Management informed the collaborators of the strategies, processes, projects and their progress. These spaces also allowed to know concerns, observations and suggestions, for better management.

## **Flight Plan Components**

### **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.

### **Vision**

By 2022 we will be the leading Development Bank with comprehensive services, increasing our coverage nationwide, supported by an efficient and profitable structure that promotes the country's sustainable development.

The plan has the following **five strategic guidelines** :

- ✓ We are recognized for being excellent in Comprehensive Project Management.
- ✓ We efficiently manage the resources that guarantee our growth as a Development Bank.
- ✓ We have an integrated, relevant and affordable portfolio of products and services.
- ✓ We have the technology required to generate value for the Entity.
- ✓ We are a profitable and transparent entity that generates value for its stakeholders.

### **Value proposal**

To be recognized for our relevant planning, timely structuring, competitive financing and effective execution.

### **Corporate Strategy Map**

We defined a strategic map with five perspectives, Development, Efficiency, Customers, Comprehensive Management and Capacities that define the Entity's strategy, which group the 17 strategic objectives.

The strategic objectives are displayed in the following illustration: Each one of these objectives has a definition that facilitates its understanding within the Organization, as well as a series of indicators that allow its performance to be monitored.

## **Illustration No. 3: Corporate Strategic Map – Flight Plan 2019 - 2022**



### 1.2. Comprehensive Management Model

In alliance with the territories, we identify the main strengths and opportunities of the region so that, together, we can build a roadmap of strategic projects in the short, medium and long term. Through our comprehensive management model, we offer planning, structuring, financing and technical assistance services in the execution of infrastructure projects that are priorities for the sustainable development of the regions. We seek, then, an efficient and pertinent allocation of economic and technical resources in the national territory.

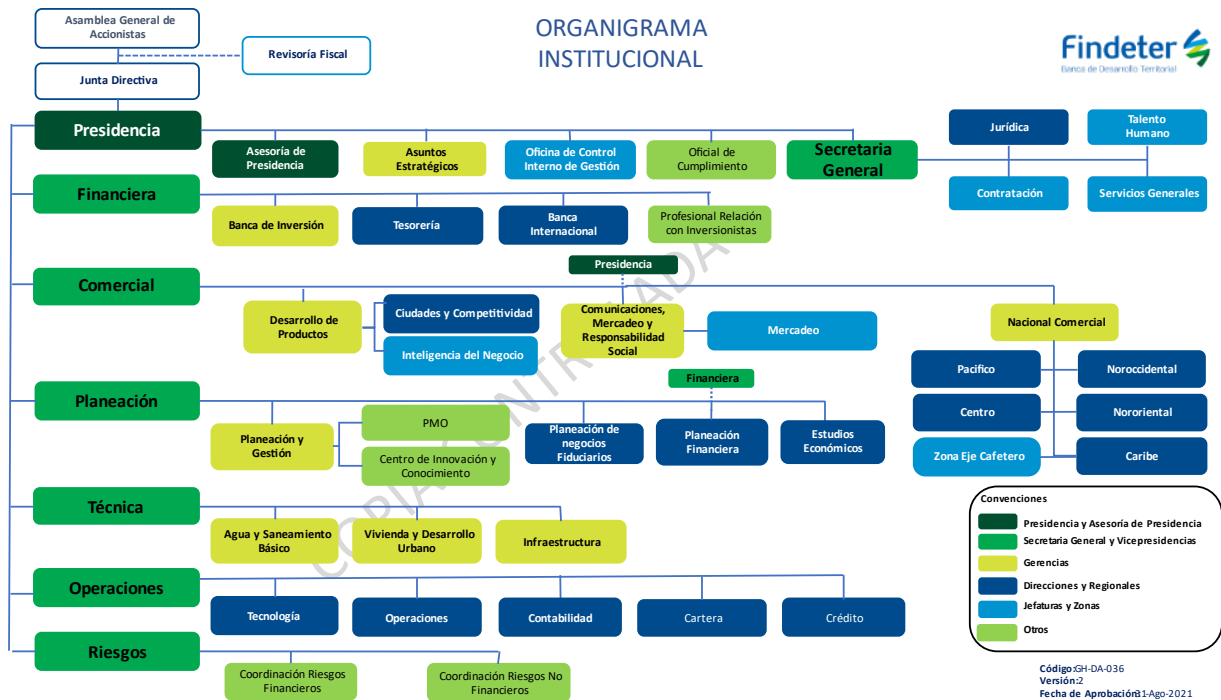
During 2021, we continued with the management of the Comprehensive Sales strategy, we offered products and services to our customers in a uniform and joint manner. We were able to close 4 business opportunities for the Planning and Structuring products, as a result of previous exercises of territorial planning and 2 more with Execution by virtue of the integration between Financing and Technical Assistance, for the execution of projects. Finally, we achieved 17 disbursements marked as integral sale for the execution of projects.

**Illustration No. 4: Comprehensive Management Model**



### 1.3. Organizational structure (102-18)

**Illustration No. 5: Organizational Structure Year 2021**



During 2021, we modified the organizational structure, a fact that was approved by the Finder Board of Directors. Below, we present the most relevant aspects that were subject to adjustment:

In May we created 10 jobs, to comply with Decree 2365 of December 2019, which establishes the regulations for State entities to comply with the provisions of article 196 of Law 1955 of 2019, related to the link to the public service of young people between 18 and 28 years old.

In August, we modified the organizational structure, with zero costs for the Entity, in order to continue improving Findeter's business services, as follows:

- ✓ Transfer and change of the name of the position National Commercial Management Zone 2, which reported to the Commercial Vice Presidency, by the Strategic Affairs Management, reporting to the Presidency.
- ✓ Transfer of the position of Head of Comprehensive Urban Management, which depended on the Financial Vice Presidency, to the Procurement Headquarters, formerly the Directorate, under the subordination of the General Secretariat.
- ✓ The vacated position of Contracting Directorate became Credit Directorate, formerly Credit Coordination, which continues to report to the Operations Vice Presidency.
- ✓ Change in the name of the Zone 1 National Commercial Management to the National Commercial Management, which continues to report to the Commercial Vice Presidency.

In November 2021 and at the request of the Board of Directors, we presented to this collegiate body the modification of the personnel of the Financial Company, in accordance with the justification and analysis carried out by the Administration of the Entity. In this way we expanded the staff by 358 positions. With this modification, we achieved the incorporation of the personnel that worked for Findeter through a temporary services company.

The benefits expected with the modification of the personnel plant correspond to the formalization of employment (according to the pronouncement of the Courts and the National Government - Decree 1466 of 2007 and 1800 of 2019); achieve greater commitment and productivity of Findeter's workers, greater stability, and standardization of roles and responsibilities. This proposal implies acting in accordance with the policies of the National Government in terms of honest jobs; equalize the salaries

of the personnel on mission with that of the Findeter workers, so as not to generate differences between the remuneration of the positions in the temporary company and the remuneration established in the Financial Company.

#### 1.4. Our Headquarters (102-4)

Illustration No. 6: Our headquarters. Year 2021

**Findeter**  
Banca de Desarrollo Territorial

**Banca de Desarrollo Territorial**  
Nuestra presencia en las regiones

**REGIONAL CARIBE**  
Atiende los departamentos de Atlántico, Bolívar, Guajira, Magdalena, San Andrés y Providencia.  
**Ofic. BARRANQUILLA**  
Tel: (503) 3834185 + 358.7970  
Cél: 320.490.2593  
regional.caribe@findeter.gov.co  
**Ofic. CARTAGENA**  
Tel: (504) 484.7009 / Cél: 382.4185 / Cél: 358.7970  
Cél: 317.938.0138  
findeter.cartagena@findeter.gov.co  
**Ofic. SAN ANDRÉS**  
findeter.sanandres@findeter.gov.co

**REGIONAL NOROCCIDENTAL**  
Atiende los departamentos de Antioquia, Córdoba, Córdoba y Sucre.  
**Ofic. MEDELLÍN**  
Tel: (504) 504.6570  
Cél: 314.338.4930  
regional.med@findeter.gov.co

**REGIONAL NORORIENTAL**  
Atiende los departamentos de Arauca, Casanare, Norte de Santander y Santander.  
**Ofic. BUCARAMANGA**  
Tel: (507) 930.2043 / 652.6569  
Cél: 321.978.9881  
regional.bucaramanga@findeter.gov.co  
**Ofic. CÚCUTA**  
Tel: 302.989.4939  
findeter.cucuta@findeter.gov.co

**REGIONAL PACÍFICO**  
Atiende los departamentos de Cauca, Nariño y Valle del Cauca.  
**Ofic. CALI**  
Tel: (502) 332.1859 / 332.1800  
Cél: 314.882.4443 / 332.819.2460  
regional.c@findeter.gov.co

**ZONA EJE CAFETERO**  
Atiende los departamentos de Caldas, Quindío, Risaralda y meridiano del norte del Valle del Cauca.  
**Ofic. PEREIRA**  
Tel: (604) 339.8701 / 339.8703  
Cél: 308.489.6522  
regional.pereira@findeter.gov.co

**REGIONAL CENTRO**  
Atiende Bogotá y los departamentos de Amazonas, Boyacá, Casanare, Cundinamarca, Guaviare, Guayana, Meta, Vaupés, Vichada, Iturbide, Putumayo, Tolima y Cauca.  
**Ofic. BOGOTÁ**  
Tel: (601) 825.0213-88 / 745.0199 ext. 2101  
Cél: 316.538.4930  
regional.bo@findeter.gov.co  
**Ofic. NEIVA**  
Tel: (606) 871.0593 + 871.7768  
Cél: 316.454.1283  
regional.neiva@findeter.gov.co

**Convenios:**  
Regional Caribe  
Regional Noroccidental  
Regional Centro  
Regional Nororiental  
Regional Pacífico  
Zona Eje Cafetero

**Dirección General:**  
Calle 105 No. 15-70, Bogotá D.C.  
Línea nacional gratuita:  
01-8000-134422

**Como electrónico:**  
findeter@findeter.gov.co  
**www.findeter.gov.co**

Comprometidos con Colombia

#### 1.5. Portfolio of Products and Services

(102-2), (103-1) Material topic: Water and sanitation projects, Projects aimed at benefiting communities in vulnerable situations, Infrastructure projects for education, Supply of products with a territorial approach, Sustainable cities and communities, lines of businesses with social and environmental criteria (102-9 Supply Chain) (102-6)

Illustration No. 7 Portfolio of products and services. Year 2021

**Portafolio de productos y servicios**

El modelo de gestión Integral que soporta el portafolio de productos, busca dar respuesta a los retos que el país enfrenta en términos de desarrollo de Infraestructura social.

**Planificación territorial**  
Identificamos las fortalezas y oportunidades de los territorios para construir una hoja de ruta con proyectos estratégicos, detonadores del desarrollo.  
● Regional / Local  
● Sectorial

**Estructuración**  
Estructuramos proyectos desde la elaboración de estudios y diseños técnicos, jurídicos, financieros, ambientales, sociales y la evaluación de los riesgos potenciales que permitan su ejecución e implementación. Proyectamos la rentabilidad económica o social, buscando la sostenibilidad en el tiempo del proyecto.  
**Validación APP:**  
Evaluamos y validamos un proyecto estructurado bajo la figura de Asociación Público Privada (APP) en factibilidad, enmarcado en la Ley 1508 de 2012 y el Decreto 1082 de 2015.

**Financiación**  
**Créditos de redescuento:**  
Entrega de recursos a tasas competitivas a bancos comerciales para que las operaciones de crédito financien proyectos de Infraestructura.  
**Crédito Directo**  
Financiación de proyectos de inversión a entidades territoriales en los sectores y subsectores elegibles de Findeter.

**Ejecución**  
Asistencia técnica en la ejecución de proyectos y programas de alto impacto en sectores tan importantes como vivienda, agua y saneamiento básico e Infraestructura, entre otros.  
● Supervisión  
● Administración de recursos

**Alternativas de inversión**  
Compra de cartera de redescuento en inversión en instrumentos que se comercializan en el mercado público de valores.

**Proceso Integral:**  
Planificar  
Ejecutar  
Estructurar  
Administrar

**Soportes:**  
Finanzas  
Tecnología  
Recursos Humanos

#### 1.6. Value Chain (Processes and SGI)

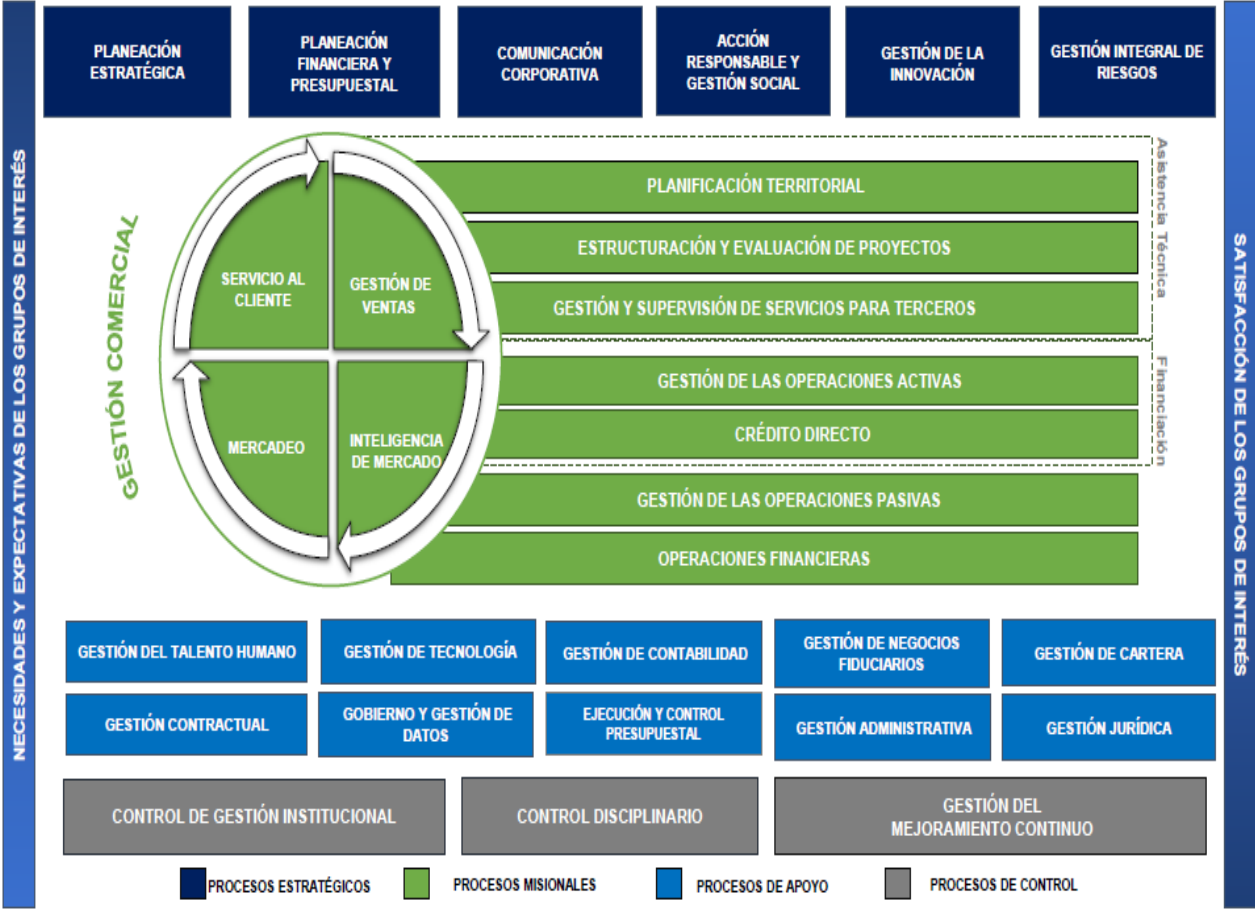
The value chain is based on the Process Map, which has as its starting point, the knowledge and identification of the needs and requirements of customers and interested parties, so that, through an adequate interrelation of strategic, missionary processes, support and control, the results are achieved that allow us to meet the expectations of our customers and stakeholders.

During 2021 we intervened six (6) processes applying the value-added methodology to optimize their documentation, so that there is sufficient and adequate information for its application. Likewise, during the second semester we reviewed the indicators of the processes to ensure the achievement of efficiency and effectiveness through the definition of adequate goals.



Also during this year, we formulated a guide for the design of processes with BPM methodology, through which its application is expected to begin in 2022.

**Illustration No. 8: Value Chain – Process Map**



Source: Finder 2021

**Integrated Management System**

(403-2)

The Integrated Management System continued to be the basic input for maintaining continuous improvement in the Entity's management, internal control and attention to institutional risks. It is made up of: the Quality Management System -QMS, the Environmental Management System- (EMS), the Information Security Management System - SGSI, the Internal Control System - SCI, the Operational Risk Management System - SARO, the model for managing the reconciliation of personal, family and work life - efr , among others.

Findeter received from SGS Colombia SAS, the renewal of the certification for the Quality Management Systems NTC ISO 9001:2015 and ISO 14001:2015, as a result of the follow-up audit carried out in the month of October to all its processes, which that allowed to demonstrate to the certifying entity, compliance with the requirements of these standards. Likewise, the certification for the Information Security System with the ISO/IEC 27001:2013 standard and the renewal of the certification for the efr model were achieved for the first time . The foregoing reinforces the integration of processes, maintains the culture of continuous improvement, strengthens the credibility and image of the organization through products and services, generates trust among customers, the Government, control entities and the community. in general and constitutes a support in the financial market.

The results in terms of efficacy, efficiency and effectiveness ensured compliance with the objectives of the Integrated Management System aligned with the corporate strategy, which by 2021 presented a positive behavior with a level of efficacy and efficiency close to 120% and effectiveness of 100 %.

With regard to efficiency, the outstanding compliance is explained by the high results in the indicators associated with liquidity issues, the evolution of continuous improvement, the management of strategic planning, income from comprehensive sales, compliance with the reserve of direct credit, the opportunity to respond to customer service, the coverage of the training plan, a greater number of man-hours in training. In terms of efficiency, this result is due, among other issues, to the decrease in paper and water consumption, the use of non-hazardous solid waste, the low rate of labor absenteeism, the accounting financial margin, the risk value portfolio and foreign currency and the timely settlement of contracts. Regarding the effectiveness of the System, a good performance is evidenced in the management of direct credit operations for territorial entities, management of information security events, the involvement of Findeter in social networks and the satisfaction of the programs of wellness, among others.

For 2021, we have identified the Non-Compliant Outputs in accordance with the requirements of the NTC ISO 9001:2015 of the mission processes: Management and Supervision of Services for Third Parties (GES), Active Operations Management (GOA), Operations Management Passive (GOP), Project Structuring and Evaluation (EEP) and Territorial Planning (PT), all with favorable results in their control.

**Table No. 1: Non-Conforming Outputs, year 2021**

PROCESS		NON-CONFORMING OUTPUTS	TOTAL OPERATIONS OR PROCESS OUTPUTS	% COMPLIANCE	GOAL
Territorial planning		0	19	120	
Project Structuring and Evaluation		0	0	100	
Active Operations Management		114	986	116	<20%
Direct Credit	2021	4	43	120	
Passive Operations Management		9	958	120	
Management and Supervision of Services for Third Parties		8	42	83	30%

Regarding the Corrective and Improvement Actions (ACM), in 2021, 254 were formulated distributed as follows: 106 corrective (42%) and 148 improvement (58%), showing a decrease in improvement actions by 9% compared to to 2020. 56% of the actions formulated originated in the processes of Management and Supervision of Services for third parties, Risk Management, Commercial Management and Human Talent Management. There were 78 actions pending execution in 2021 (32 corrective and 46 improvement). The processes in its management achieved the closure of 206, corresponding to 75 corrective and 131 improvement, of which 167 were formulated in 2021 and the remaining 39 actions in 2020. The actions derived from both internal audit of the IMS and management were the sources with the greatest participation, since they had 55% of the total actions managed by the System, followed by the findings of control entities with 20% together with actions resulting from management indicators, review by management, survey of internal customer, among others also with 17%.

**1.7. Interest groups**  
[\(102-40\)](#), [\(102-42\)](#), [\(102-43\)](#), [\(102-44\)](#), [\(102-46\)](#)

Findeter's stakeholders, established in the latest update of the Good Governance Code, are as follows:

**Illustration No. 9: Findeter Interest Groups**



### 1.8. **Responsible Action** (102-11) **SDGs (3, 4, 5, 6, 7, 8, 10 and 11)**

The “Responsible Action” model that we implement in the Entity defines our way of acting. To the extent that, through dialogue and collaboration, we understand the needs of the territories, our understanding and ability to offer relevant, differentiated and impactful projects is greater, always acting with integrity and generating trust.

The design and execution of this model seeks to convey to stakeholders the Entity's good sustainability practices and contribute to our position as the leading territorial development bank; from the implementation of three pillars:

- ✓ Social management for planning, structuring and execution projects.
- ✓ Work cells that articulate the culture of integrity, responsible finance, impact and relationships of trust.
- ✓ Flagship program with works for a great country and projects that transform.

#### **Social management**

During 2021, our actions were directed towards strengthening the social fabric through informative strategies and participatory creation, the promotion of appropriation and sustainability by the communities and towards the potentialization of benefits and minimization of impacts caused by Projects.

We support the supervision of the projects that we assist technically, at the level of planning, structuring and execution and we include, in an integral and transversal way, the social and reputational perspective in each one.

Our support had two specific moments: the first, during the pre-contractual process, where the social component was included and the guidelines for the social and reputational management of consultants, contractors and auditors were defined. Then, the second, with the supervision of this component during the execution of the contracts, where we accompany the providers in the implementation of their management plans and in the follow-up carried out in community care.

In 2021 we implemented management and social support in the supervision of 288 projects in execution, completed in the delivery and liquidation process, of which 2 corresponded to planning, 12 to structuring and 274 to execution. We also worked on the pre-contractual consulting, construction and inspection processes and we closed the year with the review of the social component and the presentation of guidelines for the social and reputational management of 85 projects.

It is important to highlight that as part of the support for supervision, we continued with the social traffic light exercise, through which it was possible to classify the risk and alerts that were generated in all the projects. We ended the year with 81% of projects with low social risk and therefore green traffic lights, 16% with alerts and yellow traffic lights, and 3% with red traffic lights, since they present high risks and important alerts.

Social support for supervision was given to projects that are part of the water and basic sanitation, social infrastructure, housing, smart cities and mobility sectors throughout the national territory.

It is important to note that the National Government saw in Findeter an ally and actor, from the technical assistance service, key to designing and executing a large part of the reconstruction works on the island of Providencia and Santa Catalina, after the passage of hurricane IOTA. In 2020, on issues related to housing infrastructure, water and basic sanitation, aeronautics, basic education and recreation and sports.

We then implement processes of social accompaniment through actions and activities such as:

- ✓ Coordination of technical execution processes with social support.
- ✓ Generation of spaces for dialogue and community participation.
- ✓ Supervision of the design and implementation of social management plans by contractors, always with the approval of the auditor.
- ✓ Articulation of the institutional offer in the territory.
- ✓ Monitoring of the linking of local people within the workforce templates.
- ✓ Leadership of awareness and training spaces for the work teams of the contractors and auditors.

It is worth noting that 2021 ended with the following achievements:

- ✓ We hold follow-up meetings between the teams of contractors, auditors and other public and private actors, in order to find solutions in the execution of housing programs.
- ✓ We build intervention routes in construction matters, considering the current conditions in which families find themselves.
- ✓ We support the development of User Manuals for families receiving their new home.
- ✓ We carry out community days of appropriation under the strategy called "New Beginning".
- ✓ We accompany the construction phase to identify details and situations that require different attention.
- ✓ We support entities, at the national and local level, in the processes of recovery and reestablishment of living conditions at the community level.
- ✓ We support families to resolve their situation regarding the required administrative issues.
- ✓ We hold kick-off meetings with the community, with greater emphasis on issues related to construction methods for new homes.
- ✓ We advanced community sessions for the construction of cartographic maps to know the perception of the projects and identify alerts within the same population groups.
- ✓ We carried out a characterization of the homes, with which it was possible to carry out the vulnerability study of the families, to determine the order of intervention.
- ✓ We created Community Attention Points – PAC, as effective information channels for community attention.
- ✓ We set up sustainability committees in the different sectors of the Island.
- ✓ We carry out technical-social visits, at the request of households, to contribute to the administrative procedures of public services.

- ✓ We carry out empowerment activities with the households, through the choice of the color of their homes, through a participatory and binding exercise with the members of the households.
- ✓ We identify alerts under social validation criteria, in order to meet the needs and priorities of families.

### work cells

The work cells are interdisciplinary groups made up of professionals from the different areas of the Entity, under the principles of trust, equality, fairness and respect, and the other values defined in our Good Governance Code and in the Responsible Action/Sustainability Policy.

The work cells formed are the following:

**Table No. 2: Work cells**

 <p><b>Culture and Integrity</b></p>	 <p><b>Responsible Finance</b></p>
<p>Promote a culture based on loyalty, honesty and transparency in the organization and in our stakeholders.</p>	<p>Integrate environmental, social and economic criteria in decision-making and in the supply of financial products and services for territorial development.</p>
 <p><b>Impact</b></p>	 <p><b>Trust relationships</b></p>
<p>Understand the risks, needs and opportunities of the territory to maximize the positive impacts on the communities and ecosystems of our country.</p>	<p>Build an environment of trust and closeness in the relationship with our stakeholders that allows us to fulfill our purpose.</p>

**Culture and integrity:** This objective is achieved through pedagogy, example and zero tolerance for corruption and unethical acts.

**Responsible finance:** It is achieved through the efficient administration of resources and a decision-making process that integrates social, environmental and economic (non-financial) elements.

**Impact:** Objective that is achieved through the development of a model for assessing the social and environmental impacts generated by Findeter.

**Relationships of trust:** This objective is achieved through the execution of a model of authentic and close relationship with stakeholders.

During 2021 we emphasized and worked on the following sustainability issues:

- ✓ Identification of good sustainability practices within the Dow Jones Sustainability framework Index
- ✓ Applicability of gender equity in the Entity.
- ✓ Measurement of the IR-BVC Indicator (Investor Relations).
- ✓ Flagship Program.
- ✓ Workshop to reinforce concepts associated with the Responsible Action strategy.

### flagship program

It is the flagship program that materializes one of the pillars of the Responsible Action model, which seeks to understand the needs of the territories through dialogue and collaboration, to offer relevant, differentiated and positive impact projects, acting with integrity and generating trust.

Taking into account that for Findeter the development of the regions is a priority, this management focuses not only on executing projects that generate impact, but also on leading social actions that allow contributing to the well-being of the communities, for which the projects have allowed to strengthen the social and welfare component of the communities in areas of the country where the Entity has had a presence with social infrastructure projects.

Within the framework of these actions and in compliance with our Responsible Action model, in particular the Flagship Program, we structured two action fronts: Works for a great country and Projects that transform.

- ✓ **Works for a great country:** It consists of the execution of small equipment interventions, based on concepts of social architecture that promote and strengthen community dynamics in the works planned, structured, financed or executed by Findeter.

We prioritize our action in the municipalities of Mocoa, Tierralta, El Socorro and Leticia, in order to contribute and strengthen the recreational and cultural processes of children and young people, through the installation of children's play parks in social infrastructure facilities where Findeter has provided technical assistance. The park in Leticia will be executed in 2022.

Children's play parks contribute to reinforcing recreational activity, strengthening sociocultural and sports alternatives for the prevention of the risks of childhood and youth, such as the consumption of psychoactive substances, vandalism, alcoholism, often caused by not having alternatives positive for the use of free time; In this way, we contribute to the strengthening of the social fabric, equity, inclusion, and the mitigation of deficiencies.

- ✓ **Projects that transform:** It consists of accompanying the structuring of social infrastructure projects in municipalities of category 4, 5 and 6, in the sectors of water and sanitation, energy, education, health and productive urban infrastructure.

Its purpose is the structuring without cost or the financing of infrastructure projects, in the pre-feasibility phases, complying with the requirements established by the different sources of co-financing, in the execution phase. It seeks to support projects in their initial phases so that they can be executed and generate a socio-economic impact in the area or region where said projects will be executed.

During 2021, as mentioned in this report, we made progress in the execution of the project "Studies and designs that allow the recovery of public space and navigability of the Caño-Puerto Waffe" that contributes to mitigating the effects of climate change and to which we contributed \$500 millions. Also, with a non-reimbursable contribution of \$345 million, we advanced, under LED technology, the construction of public lighting networks in the populated centers and the villages of the municipality of Rioblanco (Tolima), and we carried out the expansion and optimization of the lighting infrastructure for townships, populated centers and the urban area of the municipality of Ataco (Tolima), which, with a differential approach, also contributes to mitigating the effects of climate change.

## 1.9. Materiality

(102-44), (102-46), (102-47)

Since 2015, at Findeter we have been adopting good international practices in its integrated management and sustainability reports, such as those established by *Global Reporting Initiative* (GRI).

According to the definition given by said body, material issues are: " *those issues that may be*

*reasonably important because they reveal the economic, social and environmental effects of the organization or because they significantly influence the decisions of interest groups”.*

In that order of ideas, during 2019, 2020 and 2021, we carried out a review process of the broad materiality matrix of 2018, which identified the priority issues on which the Entity would focus its interventions considering the interests and expectations of the stakeholders articulated with the aspects of greatest impact such as Development Banking and its Responsible Action strategy. The exercise allowed us to identify issues that could be incorporated into the Bank's priorities, and, in turn, aligned with the 2019-2022 Corporate Strategic Plan.

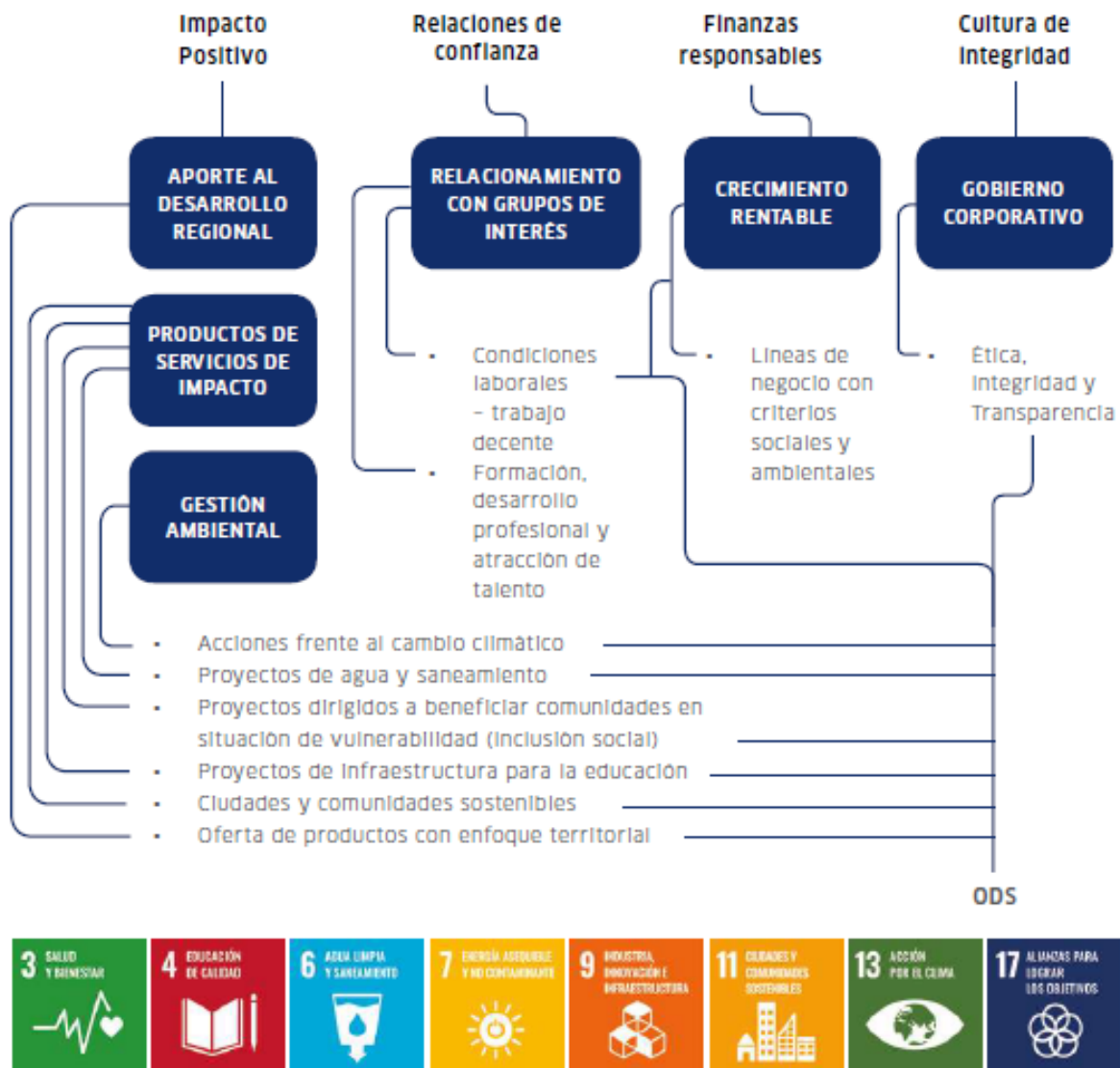
For Finder, all those initiatives and processes that guide the internal and external management of the entity to be the strategic ally of the National Government and the regions, launching projects that generate well-being at the community level, are material issues of interest to corporate sustainability. relevant planning, timely structuring, competitive financing and effective execution.

Taking into account the foregoing and within the framework of the design of the Responsible Action strategy, the materiality review was carried out taking global sustainability frameworks, internal documents and feedback from Senior Management as references, which highlighted the importance of expanding in the development of mission management, aspects such as: innovation in products, change and risk management, sustainable finances, projects supported by robust social management, relationship with interest groups, corporate governance, and climate strategy, among others.

The result of this validation exercise made it possible to confirm and prioritize the following material aspects articulated with the work cells that direct the Responsible Action of the Entity, in the coming years and in alignment with the SDGs:

**Illustration No. 10: Material Aspects**





## 1.10. Corporate governance

### 1.10.1. Composition and Governing Bodies

(102-5;102-44, 102-46, 102-47)

In accordance with the provisions of article 6 of Decree Law 4167 of 2011, Findeter's legal regime is private law and, in any case, it will be subject to the regime of mixed economy companies not assimilated to that of industrial companies and of the State, regardless of the participation of public capital in its assets.

Next, we describe the different governing bodies of Findeter, as well as their composition:

### 1.10.2. general meeting of shareholders

The shareholding composition of the Entity, as of December 31, 2021, was as follows:

**Table No. 3: Shareholding composition as of December 31, 2021**

Shareholders	Percentage
Bicentennial Group	92.5477%
Departments	7.2036%



Shareholders	Percentage
IFINORTE	0.2487%

Source: Finder 2021

### 1.10.3. Board of Directors

Findeter's Board of Directors, in accordance with the provisions of the Corporate Bylaws and its Code of Good Governance, is made up of 5 main members and 5 alternates, who must be elected by the Shareholders' Meeting, for a period of 2 years. At least 3 of them must have the quality of independent.

As of December 31, 2021, the composition of the Board of Directors, chaired by the representative of the Ministry of Finance and Public Credit, was as follows:

**Table No. 4: Composition of the Board of Directors as of December 31, 2021**

Board of Directors	
Principal	Alternate
Adriana Mazuera Child General Director of State Participations of the Ministry of Finance and Public Credit	Ana Maria Palau Alvargonzález Presidential Advisor for the Regions, DAPRE - Presidency of the Republic
Santiago Cortes Leon Independent Member	Leonidas Lara Anaya General Secretary of the Ministry of Housing, City and Territory
Elsa Margarita Noguera de la Espriella Governor of the Atlantic	Jesus Galdino Cedeno Governor of the Amazon
Cesar Negret Mosquera Independent Member	Juan Francisco Espinosa-Palacios Independent Member
Juan Gonzalo Zapata Giraldo Independent Member	Victor Manuel Munoz Rodriguez Independent Member

Source: Finder 2021

During 2021, the appointment of some members was carried out, their possessions were authorized by the Financial Superintendence of Colombia, on the following dates:

- ✓ Víctor Manuel Muñoz Rodríguez, Independent Member, fifth line alternate: January 21, 2021.
- ✓ Leonidas Lara Anaya – Secretary General of the Ministry of Housing, City and Territory, second line substitute: May 6, 2021.
- ✓ Adriana Mazuera Child – General Director of State Participations of the Ministry of Finance and Public Credit, first main line: September 29, 2021 in replacement of Javier Alexander Gutiérrez Rueda, Advisor to the Office of the Minister of Finance and Public Credit, for resignation accepted in Assembly General Meeting of Shareholders on September 22, 2021.

The remuneration of the members of the Board of Directors is established in Resolution No. 1290 of June 23, 2020 issued by the Ministry of Finance and Public Credit and is equivalent to 4.5 Current Legal Minimum Monthly Salaries, for each session and committees. support of this collegiate body.

During 2021, the following conflicts of interest were presented by the members of the Board of Directors: Three by César Negret Mosquera, in sessions on March 26, September 30 and December 26, 2021; one by Víctor Manuel Muñoz Rodríguez, in session on May 25; one by Juan Gonzalo Zapata Giraldo, in session on June 29; one by Adriana Mazuera Child, in a session on September 30 and, finally, one by Elsa Margarita Noguera de la Espriella, in a session on September 30.

#### Participation of Board members in other Boards of Directors:

- ✓ Santiago Cortés León: is part of the Board of Directors of Metro Sabana SAS – Sincelejo Strategic Public Transport System.

- ✓ César Negret Mosquera: participates as a main member of the Board of Directors of Banco Agrario de Colombia and EPS Coosalud.
- ✓ Juan Francisco Espinosa Palacios: participates as main member of the Board of Directors of Coink SA
- ✓ Juan Gonzalo Zapata Giraldo: participates as a main member of the Board of Directors of Transmilenio SA

In 2021, the Board of Directors held ordinary sessions on 12 occasions and one extraordinary session.

**Table No. 5: Attendance at the sessions of the Board of Directors, year 2021**

Main Members	ordinary	extraordinary
Javier Alexander Gutierrez Rueda Advisor to the Office of the Minister of Finance and Public Credit	8	1
Adriana Mazuera Child General Director of State Participations Ministry of Finance and Public Credit	4	0
Santiago Cortes Leon independent member	12	1
Elsa Margarita Noguera de la Espriella Governor of the Atlantic	eleven	1
Cesar Negret Mosquera independent member	12	1
Juan Gonzalo Zapata Giraldo independent member	12	1
Alternate Members	ordinary	extraordinary
Ana Maria Palau Alvargonzález Presidential Advisor for the Regions	12	1
Leonidas Lara Anaya General Secretary Ministry of Housing, City and Territory	8	0
Jesus Galdino Cedeno Governor Department of Amazonas	7	0
Juan Francisco Espinosa-Palacios independent member	12	1
Victor Manuel Munoz Rodriguez independent member	12	1

Source: Finder 2021

#### 1.10.4. Training Members of the Board of Directors

The new members of the Board of Directors, in individual sessions, received training by the directors of the Entity, additionally through the Corporate Governance Institute, workshops were held on the following topics:

- ✓ Program and economic perspectives for Latin America under the conjuncture of challenges, identification and management of conflicts of interest under guidelines of good practices and responsibilities of the members of Boards of Directors in companies with state participation. March 11, 2021.
- ✓ Cybersecurity and strategy and sustainability, ESG Factors. October 8, 2021.

#### 1.10.5. Support Committees for the Board of Directors

For the fulfillment of the functions of the Board of Directors, this collegiate body, as established by the Code of Good Governance, has the advice and support of the following committees:

##### **Audit Committee**

The purpose of this Committee is to support the Board of Directors in making decisions concerning the control and improvement of the Internal Control System; it is also responsible for defining the structure and supervision of the operation of the Internal Control Systems. It acts in accordance with the provisions of External Circular Letter 029 of 2014, issued by the Financial Superintendence of Colombia.

It is made up of four members of the Board of Directors; It meets at least every two months or more frequently when so warranted by the results of the evaluations of the Internal Control System or when deficiencies are detected in it that require urgent evaluation and correction or when there are significant changes in the policies of the Company. Entity or in the regulations that regulate its operations.

In the ordinary session of January 26, 2021 (Minutes 379), César Negret Mosquera, Juan Gonzalo Zapata Giraldo, Elsa Margarita Noguera de la Espriella and Javier Alexander Gutiérrez Rueda were appointed by the Board of Directors as members of the Audit Committee. In the session of September 30, 2021 (Minutes 388), Adriana Mazuera Child was appointed, replacing Javier Alexander Gutiérrez Rueda.

During 2021, non-face-to-face meetings were held due to the Covid-19 pandemic. The Committee met eight times: January 21, February 18, April 20, June 22, August 24, August 30 (extraordinary), October 19 and November 23, chaired by Juan Gonzalo Zapata Giraldo.

**Table No. 6: Attendance at sessions of the Audit Committee, year 2021**

Principal	ordinary	extraordinary
Santiago Cortes Leon Independent Member	1	0
Juan Gonzalo Zapata Giraldo Independent Member	6	1
Cesar Negret Mosquera Independent Member	7	1
Javier Alexander Gutierrez Rueda Advisor Minister of Finance and Public Credit	4	1
Elsa Margarita Noguera de la Espriella Governor of the Department of Atlántico	4	1
Adriana Mazuera Child General Director of State Participations of the Ministry of Finance and Public Credit	two	0

Source: Finder 2021

Among its main activities, we can mention the results of the internal management audits and reports of the Statutory Auditor, monitoring of the observations generated by the Comptroller General of the Republic and the Financial Superintendence of Colombia, the activities carried out by the Management Internal Control Office and by Ernst & Young SAS

Likewise, the Committee learned about the validation of the different Risk Systems, Internal Control Systems and the Accounting Internal Control System and provided recommendations for their sustainability and improvement.

The management of the Audit Committee was carried out through permanent and active supervision of the functions and activities carried out, in order to establish adequate independence in relation to the activities it audits.

#### **Corporate Governance Committee**

This Committee is a management support body regarding the good governance of Findeter. Its purpose is to recommend to the Board of Directors, systems for the adoption, monitoring and

strengthening of best practices in the organization.

The Corporate Governance Committee must meet three times a year and extraordinarily when called.

In the ordinary session of January 26, 2021 (Minutes 379), Javier Alexander Gutiérrez Rueda, Juan Gonzalo Zapata Giraldo, Juan Francisco Espinosa Palacios and Víctor Manuel Muñoz Rodríguez were appointed by the Board of Directors as members of the Corporate Governance Committee. During the session of September 30, 2021 (Minutes 388), Adriana Mazuera Child was appointed, replacing Javier Alexander Gutiérrez Rueda.

During 2021, non-face-to-face meetings were held, due to the Covid-19 pandemic; The Committee met five times, February 8, June 10 and December 7 in an ordinary manner; April 6 and August 20, in an extraordinary way; These sessions were chaired by Dr. Javier Alexander Gutiérrez Rueda and later, due to his resignation, by Adriana Mazuera Child.

**Table No. 7: Attendance of the Corporate Governance Committee, year 2021**

Principal	Ordinary Sessions	Extraordinary Sessions
Javier Alexander Rueda Gutierrez Advisor to the Office of the Minister of Finance and Public Credit	two	two
Adriana Mazuera Child General Director of State Participations of the Ministry of Finance and Public Credit	1	0
Juan Gonzalo Zapata Giraldo independent member	3	two
Juan Francisco Espinosa-Palacios independent member	3	two
Victor Manuel Munoz Rodriguez independent member	3	two

Source: Finder 2021

The main topics discussed by this Committee were the following:

**Table No. 8: Topics addressed by the Corporate Governance Committee, year 2021**

Session	Theme
February	Self-evaluation results Board of Directors and evaluation President 2020
	Comments and approval of the annual Corporate Governance report 2020.
	Conferences focused on quality of life, human rights, gender equity, conflicts of interest, anti-corruption.
April	Senior Management Matrix, Strategic Variable Premium Model.
June	Progress Report Responsible Action FINDETER
	Update and review of new indicators of the Colombian Stock Exchange – BVC, for the IR seal renewal and CESA diagnosis
	Conferences focused on quality of life, human rights, gender equity, conflicts of interest, anti-corruption.
	Modification of the Good Governance Code.
August	2021 Senior Management Matrix Approval – Strategic Variable Premium Model.
	Senior Management Matrix, Strategic Variable Premium Model.
December	Flight Plan Modification 2019 – 2022.
	Self-assessment Board of Directors and Presidency 2021.
	Results of new indicators of the Colombian Stock Exchange – BVC, for the IR seal renewal and CESA diagnosis.

Session	Theme
	Progress Report Responsible Action FINDETER.
	Conferences focused on quality of life, human rights, gender equity, conflicts of interest and anti-corruption.

Source: Finder 2021

### GAP Committee Asset and Liability Management

This Committee is in charge of approving and monitoring the investment strategy of its own investment portfolio, as well as reviewing the structure of assets and liabilities, based on the policies established by the Board of Directors.

The Committee meets ordinarily once a month and extraordinarily when necessary.

In the ordinary session of January 26, 2021 (Minutes 379), Javier Alexander Gutiérrez Rueda, Santiago Cortés León and Juan Francisco Espinosa Palacios were appointed by the Board of Directors as members of the GAP Committee. Adriana Mazuera Child was appointed for the session of September 30, 2021 (Minutes 388), due to the resignation of Javier Alexander Gutiérrez Rueda.

**Table No. 9: Attendance at the GAP Committee, year 2021**

Principal	Ordinary Sessions	Extraordinary Sessions
Javier Alexander Gutierrez Rueda Advisor Minister of Finance and Public Credit	8	3
Adriana Mazuera Child General Director of State Participations of the Ministry of Finance and Public Credit	4	1
Santiago Cortes Leon independent member	12	4
Juan Francisco Espinosa-Palacios independent member	12	4

Source: Finder 2021

In 2021, the Committee met monthly, met twelve times in ordinary sessions and four extraordinary sessions. Javier Alexander Gutiérrez Rueda chaired the sessions between the months of January and August, while Adriana Mazuera Child chaired the sessions between September and December 2021, in which the following topics were discussed:

**Table No. 10: Topics addressed by the GAP Committee, year 2021**

Committee Sessions 2021	Topics
1 ordinary session January 20	Economic and market report; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 ordinary session February 17	Economic and market report; Portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 extraordinary session March 21	Market and situation report; portfolio result and cost report; levels and proposed strategy; risk controls and monitoring.
1 ordinary session March 24	Recurring Topics Investment Committee; economic report; portfolio result and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.

Committee Sessions 2021	Topics
1 ordinary session April 21	GAP analysis; economic and market report; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 extraordinary session May 6	Portfolio result and cost report; market report; reference portfolio; investment strategy available for sale; risk controls and monitoring.
1 ordinary session May 19	Economic and market report; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 extraordinary session June 2	Portfolio result and cost report; market report; reference portfolio; portfolio administration 2021 - II semester; risk controls and monitoring.
1 ordinary session June 23	Economic and market report; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 ordinary session July 21	GAP analysis; economic and market report; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 ordinary session August 25	Economic and market report; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring; background analysis and benchmark construction / reference portfolio and results obtained.
1 ordinary session September 22	Economic and market report; macro and financial assumptions for the 2021-2022 budget; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 ordinary session October 20	Economic and market report; macro and financial assumptions for the 2021-2022 budget; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 extraordinary session November 16	Market analysis; portfolio results and cost report; reference portfolio; risk controls and monitoring.
1 ordinary session November 24	Economic and market report; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.
1 ordinary session December 9	Economic and market report; portfolio results and cost report; reference portfolio; liquidity and deposits; risk controls and monitoring.

Source: Finder 2021

### Support Credit Committee for the Board of Directors

The purpose of the Support Credit Committee for the Board of Directors is to monitor and recommend to the Board of Directors the guidelines and general conditions of the lines of credit.

In the ordinary session of January 26, 2021 (Minutes 379), the Board of Directors appointed César Negret Mosquera, Ana María Palau Alvargonzález and Víctor Muñoz Rodríguez as members of the Committee.

In 2021, the Committee met three times, remotely, due to the Covid-19 pandemic. August 3, October 25 and December 1 in an ordinary way, chaired by César Negret Mosquera.

### Table No. 11: Topics addressed by the Credit Committee in support of the Board of Directors, year 2021

Session	Theme
August 3	Introduction: Board of Directors and Support Credit Committee for the Board of Directors.
	Regulation - Modification of Direct Credit Policies: general, granting, monitoring and control, recovery and Exposure limits.
October 25	Presentation of activities proposed by the Support Credit Committee for the Board of Directors, in a previous session. Additional changes proposed to the regulation.
December 1st	Modification of the Regulation for Rediscount Operations. SARAS Manual Modification, policy applicable to previously disbursed rediscount operations.

Source: Finder 2021

**Table No. 12: Attendance at the Credit Committee, year 2021**

Principal	Ordinary Sessions	Extraordinary Sessions
Cesar Negret Mosquera Independent Member	3	
Ana Maria Palau Alvargonzález Presidential Advisor for the Regions	3	
Victor Manuel Munoz Rodriguez Independent Member	3	

Source: Finder 2021

#### 1.10.6. Management team (102-23)

**Table No. 13: Management Team as of December 31, 2021**

<b>Sandra Gomez Arias Chairwoman</b>	
Liliana Maria Zapata Bustamante General Secretary	Laura Mercedes Pena Rodriguez Planning Vice President
Richard Orlando Martinez Hurtado Financial Vice-President	Leonardo Fabio Ramos Lozada Risk Vice President
Maria Amparo Arango Valencia Commercial Vice President	Ingrid Catalina Giraldo Cardona Vice President of Operations
Juan Jose Oyuela Soler Technical Vice President	

Source: Finder 2021

## 2. CULTURE AND INTEGRITY

### 2.1. Good Governance, Ethics and Integrity and Transparency

(103-1), 103-2, (103-3) Material topic ethics, integrity and transparency), (102-16), (205-2)

In order to reinforce aspects framed in the Code of Good Governance and the Code of Ethics and

Integrity, which describe the values, policies, principles, commitments, mechanisms and instruments, processes and best practices that govern the Entity, the Headquarters of Human Talent, a training plan was established in order to guarantee that Findeter's collaborators continuously strengthen their knowledge and practices in the following topics:

- ✓ Conflicts of interest
- ✓ ethics and integrity
- ✓ fight against corruption
- ✓ Disability and incompatibilities
- ✓ public integrity

During 2021, we held training sessions, as follows:

- ✓ In March we trained 177 people in conflict of interest through a playful video, with real life cases for a better understanding.
- ✓ In April, the training referred to the culture and integrity in Findeter, which included issues of the Code of Ethics and Integrity, integrity policy, conflict of interest; we summoned 582 collaborators and their participation was 87%.
- ✓ In June, we held a capacity-building workshop for the identification and management of conflicts of interest, which included prevention and management in real situations of conflicts of interest, also on Law 2013 of 2019, which seeks to guarantee compliance with the principles of transparency. and publicity through the publication of declarations of assets and income and the registry of conflicts of interest.
- ✓ In September, the subject of training for 485 employees was public integrity and the fight against corruption.
- ✓ In November we also trained 485 collaborators in the regime of disabilities and incompatibilities.

With the previous actions, we fulfilled 100% of the topics included in the work plan proposed to the Corporate Governance Committee, in relation to the training of the Entity's collaborators.

Finally, we highlight that the induction process considered aspects of the aforementioned codes and 135 collaborators signed the adherence to the Code of Ethics and Integrity.

[\(103-1; 103-2; and 103-3\) Ethics, Integrity and Transparency \(Anti-corruption Topics\)](#)

The relevance of the Anti-Fraud and Corruption Policy lies in the transparency and trust generated in interest groups and in the country's population in general, regarding the actions of the Entity's collaborators, preserving its image and reputation.

[\(103-2\)](#)

Findeter has an Anti-Fraud and Corruption Policy, where mechanisms are declared to prevent the improper use of privileged or reserved information. We have complaint channels through email, telephone line and the Entity's website, as well as a procedure, which establishes the treatment against the materialization of fraud and corruption events.

Additionally, the Code of Ethics and Integrity contemplates the principles and commitments that govern the actions of managers and workers with regard to the different interest groups. Includes conflict of interest policies with their respective instances that determine the existence or not of the impediment, policies for the handling of gifts and invitations, donations and the prohibition of participation and financing of political campaigns

[\(103-3\)](#)

We have an integrated risk system, which includes those related to fraud and corruption with their respective controls to manage their potential materialization. It is important to highlight that there was no evidence of any event, or alleged event of fraud or corruption involving the Entity's Senior Management or employees.

## 2.2. **Self-assessment of the Management of the Board of Directors**



(102-16, 102-23, 102-28) **SDG16**

Within the framework of good practices of Corporate Governance, the Board of Directors carried out its self-assessment of advanced management during 2021. The evaluation was valued in a range of 1 (never) to 5 (always) and all the members participated in it. of this collegiate body. The Corporate Governance Committee reviewed and endorsed the self-assessment scheme and the questionnaire made up of 15 individual questions, 24 group questions and 28 for support committees (7 for each one).

The average result was 4.78, higher than that obtained in both 2019 and 2020, which was 4.70 and 4.76, respectively. The Dynamics and Functioning component maintained the rating obtained in 2020, while the remaining three obtained a higher rating

The results, including those obtained in previous years, can be seen in the following table:

**Table No. 14 Self-assessment Result of the Management of the Board of Directors. Year 2021**

Component	2019	2020	2021
	Average	Average	Average
Structure	4.72	4.87	4.80
Dynamics and operation	4.59	4.65	4.65
Role in governance	4.78	4.77	4.78
Financial reporting, auditing and internal control processes	4.83	4.80	4.83
<b>General average</b>	<b>4.70</b>	<b>4.76</b>	<b>4.78</b>

Source: Findeter calculations

### 2.3. Evaluation of the Management of the President

(102-16, 102-23)

Likewise, as a practice of Corporate Governance, the Board of Directors of the Entity carried out the evaluation of the management of the President of Findeter during 2021. The evaluation was made considering a questionnaire of 11 questions and a board of strategic indicators in accordance with the Flight Plan for 2021, with a weight of 50% each.

The questionnaire used was the same as in 2019 and 2020, given its relevance and acceptance. The consolidated result is shown below.

**Table No 15 Result Evaluation of the Management of the President. Year 2021**

Variable	Score	Score obtained	Weighted Percentage
scoreboard	2.50 (50%)	2.31	46.25%
Evaluation of the Board of Directors	2.50 (50%)	2.40	48.00%
<b>Rating out of 5</b>		<b>4.71</b>	<b>94.25%</b>

Source: Findeter calculations

In this regard, it should be noted that in relation to the Dashboard of Indicators variable, the planned goals, with the exception of disbursements, were met, even above expectations.

In this same context, the result of the Labor Climate variable was 94.6, a level of excellence, a fact that shows the effectiveness of the policies regarding human talent and the satisfaction of the collaborators with respect to their working conditions.

## 2.4. Human Rights in the Organization

(103-1); (103-2) Material issue: Labor conditions, decent work, respect for human rights, (406-1 ), (SDG 5, 8, 11 and 16)

At Findeter we are committed to promoting human rights, therefore, through the guidelines set forth in its declaration, which was approved in 2019, the current policy in this regard in the Entity and the Responsible Action policy, we have created a path to strengthen compliance with due diligence and the guiding principles in matters of human rights and business.

We are aware that human rights are inherent to all people, without any distinction of race, sex, nationality, ethnic origin, language, religion or any other condition; We have mechanisms to act against the risks and impacts that people may suffer due to our activities and we understand the need to harmonize the protection of human rights with development, preventing, mitigating and respecting in our actions.

## 2.5. Findeter's Differential Ethnic Approach Strategy

In 2021 we will complete the development of the Entity's human rights policy. The Corporate Governance Committee recommended its presentation to the Board of Directors, which approved it on June 29, 2021 and was later included in the Entity's Code of Good Governance.

As part of the dissemination and awareness strategy, in terms of human rights, several due diligence workshops were held with the participation of the Vice Presidency of Risks, in collaboration with the United Nations Office in Colombia. In this framework, a conference was held on gender and the guiding principles in human rights and business with the international speaker Agustina Pérez, Human Rights Consultant for the United Nations in Geneva, in the responsible business conduct project for Latin America and the Caribbean. .

With all of the above, we comply with the planned schedule in terms of human rights within what was established for the Integrity Culture Cell, which included the actions already described, all as part of Findeter's Responsible Action strategy and the efr Model .

### 2.5.1. Responsible Action/Sustainability Policy

(102-11); (102-14) SDGs (3, 4, 5, 6, 7, 8, 10 and 11)

In 2021, we continued to implement the Responsible Action model, in order to contribute to the sustainable development of the country through the execution of activities, projects and initiatives around the pillars of social management, work cells and the flagship program ; with clear objectives, guidelines and actions to ensure and continue projecting internal and external sustainability.

These objectives, guidelines and actions are planned to articulate the identification, execution and transversal monitoring of all those aspects and practices related to the sustainability of the organization in relation to our lines of business, at a social, environmental, economic and governance level, issues which are specified through:

- ✓ Social responsibility.
- ✓ Environmental management.
- ✓ Relationship with interest groups.
- ✓ Human rights.
- ✓ Gender equity and social inclusion.
- ✓ Sustainable purchases.

Each of these aspects is dynamic and changing due to the demands of the different interest groups, as well as the feedback derived from the good practices within Findeter; with other development banks and multilaterally from regional and international organizations and institutions.

It is worth noting that, during 2021, the chapter associated with gender equality and social inclusion was one of the ones that presented the most novelties due to the social management implemented in the projects that have international banking as a client; secondly, to the sectoral requests and

commitments that some multilateral organizations have explicitly demanded in order to access financing sources, receive technical assistance or to continue the affiliation processes, alliances and regional and international subscriptions.

In consideration of the recommendations received during 2021, we have lessons learned to continue strengthening ourselves on issues such as Citizen Participation; Social inclusion of indigenous peoples, NARP communities, minorities and ROM; Social inclusion of people and population groups that have some type of disability, whether related to relationships, cognitive, communicative or mobility, and gender equity.

## **Material Topics**

(SDG 10, 11, 12, and 13)

### **Projects aimed at benefiting communities in vulnerable situations (social inclusion)**

103-1 (Importance of the topic)

The inclusion of a differential approach in the planning, structuring, financing and execution projects allows identifying the characteristics of people and population groups in a situation of vulnerability, so that it is possible to promote differential actions and materialize the effective enjoyment of their rights, as well as how to deliver projects that truly respond to territorial realities.

103-2 (How it is managed)

Projects that have guidelines for social and reputational management within contractual obligations are assured of a detailed action plan, which brings together a set of inter-institutional and community activities that define strategies to create conditions that strengthen the social fabric, the interrelation of the population with the territorial administrations, and the promotion of contexts of participatory creation, empowerment and sustainability.

103-3 (How it is evaluated and monitored)

With the support of project supervision, we carry out, for each project, a social support plan that verifies compliance with the social management plans presented by the consultants and builders.

These plans seek to recognize the particularities and diversity that exist in the territories, the population and the minority groups, as well as the needs and citizen alternatives, the socio-cultural, economic, environmental, political and governance practices, as well as the traditional practices and the worldviews.

Once the territorial reading is clear and the communication, dissemination and social support strategies have been established, the social managers accompany the different interest groups linked to the projects, so as to ensure participatory processes that facilitate appropriation and sustainability.

### **Projects aimed at benefiting indigenous peoples (social inclusion)**

103-1 (Importance of the topic)

Within the portfolio of technical assistance services, Findeter has the structuring and execution of programs that are specifically aimed at indigenous peoples:

- ✓ With the Ministry of the Interior, through the Directorate of Indigenous, ROM and Minority Affairs, technical assistance and administration of resources related to the structuring of the project bank of indigenous communities are carried out, strengthening their self-government systems at the national level.
- ✓ With the Ministry of Education, technical assistance and administration of resources related to the execution of studies, designs and construction of works to improve educational infrastructure for rural educational establishments located in indigenous communities and NARP communities are carried out.

103-2 (How it is managed)

At the pre-contractual level, it has been key to ensure the scope of these projects and, in a timely manner, the social component seeks to strengthen their own governments and indigenous

communities. The recovery and strengthening of ancestral knowledge on agriculture, in relation to planting practices, maintenance and harvesting of indigenous products, as well as:

- ✓ Strengthen the self-government systems of indigenous peoples and communities.
- ✓ Facilitate the implementation and guarantee of actions associated with good living.
- ✓ Strengthen the institutions of indigenous peoples.
- ✓ Improve the quality of life of the entire population that lives within the reservation through the financing of projects.
- ✓ Strengthening of the various cultures.
- ✓ Access to the territorial rights of indigenous peoples.
- ✓ Entrepreneurship and economic development of indigenous peoples (economic reactivation).

Subsequently, at the execution level, social management supports supervision through close accompaniment for the following purposes:

- ✓ Establish community recreation goals.
- ✓ Reactivate community planting.
- ✓ Improve the quality of life of communities.
- ✓ Identify possible risks that threaten the well-being of the community.
- ✓ Identify an adequate methodology to implement the different projects to be executed.
- ✓ Empowerment of women, family and generations of indigenous peoples.

#### 103-3 (How it is evaluated and monitored)

The guidelines for social and reputational management include a monitoring and evaluation component, and by means of monthly reports and management meetings, the traceability of the activities carried out and all those news that have been presented with the community or others are carried out. interested actors. Additionally, the following actions are available:

- ✓ Follow-up through a schedule of activities during the execution of the project, which allows control over the programming, execution and delays in the processes.
- ✓ Fortnightly virtual meetings on internet platforms attended by the technical and social part.
- ✓ Follow-up by phone calls or failing that by text message.
- ✓ Visits, if necessary, to review the progress of the work, the status of the work and the position of the community regarding the project.

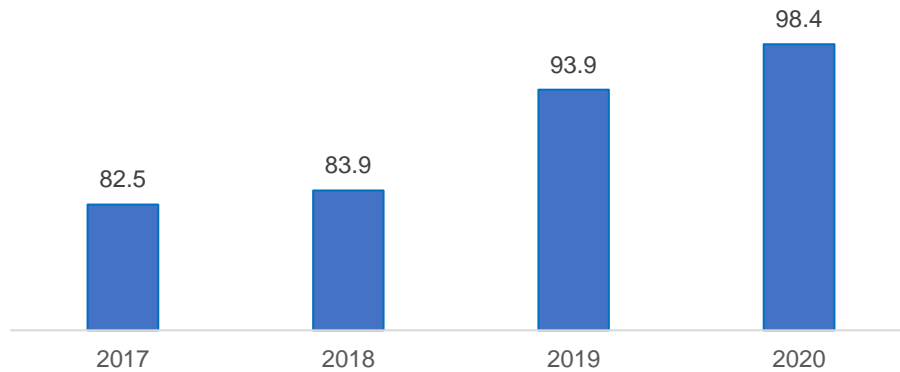
## 2.6. Institutional Performance (FURAG)

The Institutional Performance Index - IDI, measures the capacity of public entities and organizations to guide their institutional management processes towards a better production of goods and provision of services, with quality criteria, meeting the needs of citizens and in the framework of legality, efficiency and transparency. This index also evidences the status and progress of the operation of the Comprehensive Planning and Management Model - MIPG, with which entities direct, plan, execute, monitor, evaluate and control their activity, with the aim of meeting the needs of their public interest, with integrity and quality of service.

The IDI, is obtained through an annual exercise carried out by the Administrative Department of the Public Function - DAFP, for all public entities, of the national and territorial order, for which the Single Management Progress Report Form is completed. – FURAG, in accordance with the provisions of Decree 2482 of 2012.

In Findeter, we obtained, for the 2020 term, measured in 2021, a rating of 98.4, according to the latest measurement carried out by the Administrative Department of the Civil Service through FURAG, which represents an increase of 4.5 points with respect to the result of 2019, which stood at 93.9, and 14.5 points compared to that obtained in 2018, which was 83.9, thus meeting the Government's goal of increasing by 10 points this rating.

### Graph No. 1: Evolution of Findeter's Rating Management and Performance Index - IDI



With this result, Findeter ranks as the second entity among the 19 that are part of the Treasury sector and the ninth among more than 5,000 national and territorial entities and the first within the Development Banks of Colombia.

The dimensions evaluated in the FURAG that showed the greatest growth were: Knowledge and innovation management, which went from 92.3 to 98.5; Management with values for results, which went from 93.1 to 98.4, and Internal Control, which varied from 94.9 to 98.6.

### 3. POSITIVE IMPACT

#### 3.1. Positive Impact (Comprehensive Management)

##### 3.1.1. Territorial planning

**(103-1) (103-2) (103-3) Offer of products with a territorial approach, Sustainable cities and communities; Promotion of environmentally responsible practices in the projects to be financed; Business lines with social and environmental criteria; Education and training in environmental matters; Actions against climate change; 305-4 (SDG 7, 11, 12, 13, 14 and 15)**

##### (103-1)

Our planning products seek to generate tools for the proper management of the territory. Likewise, we seek to help the National Government to achieve the goals of the National Development Plan.

The importance of these products lies in the fact that they are the first phase of preparation of the territory, which facilitate a holistic understanding, establish strategic issues at different levels (social, economic, urban, environmental) and prioritize investments, so that from there the municipalities can continue with the structuring, financing and execution of these, having a defined north.

In the part of territorial management tools, we have the programs of Sustainable and Competitive Cities (CSC) and Emblematic Cities (CE). From there, we help the territories to prioritize strategic investments, and to generate roadmaps with actions in the short, medium and long term to obtain sustainable development. This tool, which is built with all the municipal or regional actors, allows us to have that territorial vision that goes beyond a period of government, and with projects whose materialization can be managed by the community, the public sector and the private sector, among others.

Likewise, among the goals that this Government set for itself is to have 100% of the national territory with its updated cadastre by 2025, to strengthen decentralization by updating the Land Management Plans (POT), and to encourage the Orange Economy as an engine of economic development.

For this, the Entity has created the strategies of: i) Multipurpose Cadastre, ii) Land Management Plans, iii) DNA Action Plans and iv) Cultural and Heritage Tourism Plan.

On the one hand, the cadastre constitutes a powerful tool for the administration of the territory as it is the basis for the calculation of the Industry and Commerce Tax (ICA), and the Unified Property Tax (IPU), as well as serving as an input for the calculation of other taxes such as valuation, surplus value,

and surcharges, that is to say that it directly affects municipal and even national income. A cadastral update, therefore, allows an increase in national and municipal income.

On the other hand, having an updated management plan in accordance with the territorial reality is an agreement between the population on how they want to live over time and seeks to resolve the needs of the common and reduce social and territorial inequalities. A relevant POT promotes local development through projects considered strategic while guaranteeing risk mitigation in the face of natural disasters and promoting the conservation of natural and cultural heritage.

Finally, the ADN and tourism action plans with a focus on heritage and culture are a roadmap to create a favorable environment in which initiatives from all subsectors of the cultural and creative economy converge, strengthening enterprises, new productive chains, economic reactivation, cultural employment, the recovery, conservation and resignification of the built cultural heritage, the restoration of historic city centers or old industrial environments in decline, the conservation of the environment, the transfer of knowledge, the sense of belonging, the inclusion and the access of the citizens to the cultural and creative offer.

During 2021, at Findeter we continue to strengthen our actions as a Development Bank, accompanying territorial planning and development processes at regional, supra-municipal and municipal scales. Due to the above, we have consolidated the strategy of comprehensive solutions in the short, medium and long term, which seeks to assist the territorial entities in their territorial planning processes with vision.

#### (103-2)

To manage these issues, during 2021 we carried out promotion and dissemination campaigns for the products of the Multipurpose Cadastre, Land Management Plans - POT, and Sustainable and Competitive Cities and Emblematic Cities. For each of these campaigns, and once the target audience has been established, we use a brochure, a video and a microsite. Both the brochure and the video were short promotional pieces in which the territories could have general information. However, the microsite had more detailed content and gave the customer the possibility to request more information or request an appointment for the explanation of the products.

Likewise, we built a business tube, in which some territories were identified that were interested in acquiring the products offered in the planning topics.

Thanks to these efforts, during the second half of the year we signed the Sustainable and Competitive Cities project for Armenia, the application of the Emblematic Cities-Basic Nucleus methodology for Arboletes and Florencia, the development of the economic development public policy, based on the CSC exercise for Ibagué and the Territorial Ordering Plan for Mariquita. As mentioned above, these projects contain roadmaps to deal with climate change, have a territorial approach and seek to generate sustainable territories and communities.

### **Local Planning**

#### **Sustainable and Competitive Cities (CSC), Emblematic Cities (CE), Multipurpose Cadastre and Land Use Plans (POT)**

At the end of 2021, we were implementing the CSC program for Armenia and the formulation of public policy for Ibagué, based on the Action Plan previously formulated for that city. It is worth noting that, since 2012, the year the CSC program began, and until the end of 2021, 17 action plans have been delivered, which have benefited cities such as Barranquilla, Bucaramanga, Manizales, Montería, Pasto, Pereira, Valledupar, Santa Marta, Villavicencio, Cartagena, Ibagué, Neiva, Popayán, Rionegro, Riohacha, and on a supra-municipal scale the territories of Sincelejo-Corozal, and Cúcuta and its metropolitan area (Cúcuta, Los Patios, El Zulia, Puerto Santander, San Cayetano and Villa Rosary).

Likewise, as of December 2021 we were in the process of closing the CE exercises - Basic Nucleus for Arboletes and Florencia. Since the beginning of this program in 2013, 16 CE action plans have been delivered with which we have benefited 27 cities: Galapa, San Gil, Quibdó, Tumaco, Buenaventura, Sabana Centro (11 municipalities: Gachancipá, Chía, Cajicá, Cogua, Cota, Nemocón, Sopó, Tabio, Tenjo, Tocancipá and Zipaquirá.), Magangué, La Dorada, Aracataca, Barrancabermeja, Santa Cruz de Lorica, La Calera, Chinchiná, Villanueva, Anapoima and Villa de Leyva.

With regard to multipurpose Cadastre and Territorial Planning Plans, during 2021 we carried out important commercial management and technical advice to territorial entities; Since January, we have carried out more than 100 meetings and 45 technical proposals in matters of Cadastre; Regarding the POT, about 30 meetings and 24 proposals for technical assistance; We closed the year with the signing of the inter-administrative contract and the start-up act to develop the first phase of the revision and adjustments of the Mariquita Basic Territorial Planning Plan (Threat, Risk and Vulnerability Studies, Enlistment, Follow-up and Evaluation of the PBOT and Diagnosis).

#### (103-3)

Since the CSC exercise in Armenia, we have some complementary studies that seek to generate a roadmap for mitigation and adaptation to climate change. In this sense, Greenhouse Gas (GHG) Generation studies are being carried out, the threats of landslides, windstorms and the eruption of the Cerro Machín Volcano are being studied, as well as the growth of the urban footprint of the municipality.

We have a management indicator that measures the effectiveness of territorial planning instruments, based on the number of contracts initiated over the number of contracts planned. We also have a goal established annually to measure the income generated by the area by making a projection of projects that are intended to be developed during the year. The foregoing is carried out with the aim of continuing to accompany the territories in their territorial planning processes, and in the establishment of roadmaps that help mitigate and adapt to climate change and obtain sustainable territories.

### **Regional Planning**

During 2021 we continued with the execution of the Territory of Opportunities program for Villanueva and Tauramena, municipalities of Casanare where the company Geopark SA Colombia operates, which contracted Findeter in 2019 to develop a tactical route for the economic diversification of said municipalities. After a 15-month suspension due to the economic and social emergency that the world experienced, this project restarted in August 2021 with the final validation phase of the proposed strategy and its projects. With the foregoing, we hope that these communities can count on a roadmap for long-term sustainability and economic development.

### **Sector Planning**

Within the framework of Law 1834 of 2017 and regulatory decree 0935 of 2018, we are part of the National Orange Economy Council (CNEN).

During 2020 we participated in the joint work with the Ministry of Culture and other actors within the CNEN, in the design of the Action and Follow-up Plan -PAS for the orange economy policy.

In this sense, for 2021, we accompany different work groups with the municipalities of Barrancabermeja, Valledupar, Bucaramanga, Riohacha, Envigado, El Banco, Girardot, Villa del Rosario, Sincelejo and Puerto Colombia. that have Orange Development Areas for their reactivation, offering their portfolio of services such as their product **Orange-ADN Development Areas Action Plan** (product accompanied by the Ministry of Culture and its **Cultural and Heritage Tourism Plan**).

In its methodological design, the Action Plan for Orange Development Areas includes the development of three major phases:

- i. Characterization.
- ii. Action plan.
- iii. Implementation Model.

On the other hand, in its methodological design, the Cultural and Heritage Tourism Plan includes the development of three general phases that develop:

- i. An Enlistment.
- ii. A sector diagnosis.
- iii. A Roadmap.

### **Comprehensive Urban Management (GUI)**

(103-1; 103-2; and 103-3) [Promotion of environmentally responsible practices in the projects to be financed; Business lines with social and environmental criteria; Actions against climate change; Offer of products with a territorial approach; Sustainable cities and communities](#)

(103-1)

In order to fulfill our mission objective, we seek sustainability in all the projects that are worked on, both in the planning stage and in the structuring stage.

This is how we have managed cooperation resources to support and promote environmentally responsible projects, such as NAMA initiative projects, Colombia TOD, Electric Mobility (MovE) and Solid Waste.

In the same way, the environmental component has an important weight in all structured and formulated territorial projects, where the guidelines of the Entity and international organizations are followed, as well as in projects financed with the cities' own resources, projects in which the environmental chapter seeks to mitigate climate change, reduce GHG, reduce climate risk, contribute to the NDC, support compliance with the Paris Agreement, promote clean energy and green financing, among others.

One of the sectors we serve is the Environment, a crucial issue incorporated into the National Development Plan included, among others, in the "Pact for sustainability: produce while conserving and conserve by producing." As strategic partners of the National Government and the regions, advancing, promoting and executing actions that mitigate the consequences of climate change is a primary factor in taking action and, in particular, supporting the NDC that Colombia has proposed to the international community.

Within the need to plan, structure, finance and implement projects that are grounded in the needs of the communities, the opportunity has been found to validate the best conditions for the execution of initiatives in line with the social groups they serve, and the surrounding environmental environment; In this way, sustainable and long-lasting actions are obtained with the ownership of actors and beneficiaries.

Thus, both in the formulation of master plans for mobility, public space or parking, as well as in the structuring of transport systems and Smart Cities solutions, participatory construction has been essential to generate the best appropriation of projects by cities, both from the administrations and the communities themselves. Likewise, it should be noted that these are projects that seek environmental sustainability, favoring the mitigation of climate change and resilient management.

We accompany the territories in the construction of technical solutions, oriented towards sustainability and intelligent management, as their strategic partners. Currently, there are still significant gaps in terms of technical and administrative robustness in the institutional scaffolding of territorial entities, so from our sectoral products (mobility and urban development), we accompany processes, share knowledge and technically support the formulation and structuring of initiatives that make viable the local development plans of our clients.



At Findeter we propose solutions for municipalities from planning on urban planning and mobility issues. One of the main objectives of these planning strategies is to seek more and more sustainable cities and communities, so the core of our products proposes solutions that promote sustainable mobility, the use of information to generate efficiencies in planning and improvement of social, environmental and economic conditions from comprehensive urban initiatives.

(103-2)

We try to promote environmentally responsible practices in urban and mobility projects. In this sense, the guidelines are implemented so that, based on the structuring of the projects, environmentally sustainable initiatives, proposals and practices are strengthened.

As a clear example, we can indicate that in the Smart Cities projects, the structuring and design of the Integral Control and Operations Center (CICO) has been carried out with a vision of intelligent and bioclimatic buildings, in order to optimize the use of resources such as water and energy, encouraging consumption reduction strategies, reuse of rainwater, use of solar energy, green facades, among others. In the mobility plans, we carry out formulation exercises that seek sustainable and safe mobility in the country's metropolitan areas, districts, and municipalities.

Through its business lines, we contemplate both the social and environmental components for projects. For the first, we develop participation and awareness processes with the community and other direct and indirect actors. Likewise, in the second, we set objectives that seek guidelines, guidelines around environmental sustainability. This can be validated in the processes developed, to name a few, in the structuring of the Manizales Transportation System and in the Smart Cities project for the Historic Center of Santa Marta, completed in 2021.

(103-3)

In all the projects developed, methodologies are created or recommended for the evaluation and monitoring of environmental practices from each of their objectives. Thus, in the case of NAMA TOD projects, a proprietary methodology has been created to measure and monitor GHG reduction, among other impact indicators, which would be achieved with the implementation of urban and mobility actions. raised from the technical, financial, legal and social aspects. This methodology is a pioneer in the country and serves as an example for other related initiatives.

With respect to the social component, in the different projects in execution, follow-up and control is carried out on each of the technical, financial, legal, social and environmental components.

Regarding our products with a territorial approach, through close articulation with our commercial force, our technical teams and consultants, we generate spaces for socialization and feedback in the monitoring and execution of our products, linking the main actors in the territories and policyholders of decisions to ensure the alignment of our deliverables with the requirements and needs of the territories.

In this way, spaces for agreement and feedback are generated in the construction of terms of reference, receipt of products (consultations through technical monitoring committees in contracts) and socialization of results.

103-1 (Importance of the topic); 103-2 (How it is managed); 103-3 (How it is evaluated and monitored) – Business Lines with social and environmental criteria.

During 2021, we continued working on different urban development and management projects in the territory, as shown below:

- ✓ We finished in February 2021, the supervision of the Technical, Legal, Financial and Social Structuring of the Strategic System of Public Transportation of passengers of Manizales financed with resources from the Prosperity Fund. The execution of this activity began in April 2019. In June 2020, the contract was added to carry out the structuring of an Integrated Public Transport System, in order to seek co-financing resources from the Nation for the intermodal solutions of the city.

- ✓ Regarding the Inter-administrative Agreement 042/2020, signed between Findeter and Villavicencio, "Update of the formulation of the Mobility Master Plan and the Technical, Legal, Financial and Social Structuring of the Villavicencio Public Transport Strategic System", during the last quarter From 2021 we advance the selection process of the consultant and its respective auditor. This project will be supported by resources from the Prosperity Fund and the municipality.
- ✓ In April 2021, we signed the Inter-administrative Contract 0070, with the Bucaramanga Metropolitan Area, in order to "Provide technical assistance service to carry out the formulation of the update of the Metropolitan Mobility Master Plan in its phase 1". Within this framework, the project began advancing the phases of diagnosis and construction of the vision and objectives of the plan. is estimated his termination in 2022.
- ✓ In July 2021, we signed the Interadministrative Contract 1988, with the Metropolitan Area of Cúcuta, to "Provide Technical Assistance and Resource Management for the formulation and preparation of the Master Plan for Mobility and Structuring of the Public Transportation System of the Metropolitan Area of Cúcuta - AMC". During the last quarter of 2021, we advanced the selection process of the consultant who will develop the aforementioned object in 2022.
- ✓ We signed in September 2021, the Interadministrative Contract DNP-891-2021, with the National Planning Department, in order to "Provide technical assistance and resource management services for the updating of technical, environmental, legal feasibility studies and financial of the Public Transport System of San Andrés and Providencia". During the last quarter of 2021 we advanced the selection process of the consultant who in 2022 will develop the aforementioned object

### **Center for Urban Interventions for Advanced Transportation Development – CIUDAT**

[103-1 \(Importance of the topic\); 103-2 \(How it is managed\); 103-3 \(How it is evaluated and monitored\) – Actions against climate change](#)

Next, we highlight the advances in the management of CIUDAT projects in 2021:

- ✓ During 2021 we worked on the design of the financial instrument that will allow leveraging the implementation of the pilot projects of the Colombia TOD NAMA, whose financial component is worth EUR11.7 million, resources that will be focused on the development of feasibility studies and the financing of the DOTS pilot projects, which are attached to the program. The term of execution of this contract was extended until the end of 2023, on the occasion of the addendum that additionally modified the budget of the component, which was signed in December 2020.
- ✓ During 2021 we executed Phase II of the detailed design of the proposal (DPP) to support the NAMA MovE (electric mobility). In this way, the agreed inputs were completed to generate the detailed proposal for the implementation of the NAMA Support Project, which was sent to the NAMA Facility (International Cooperation Fund for the support of NAMA initiatives) in October 2021. Said entity is evaluating the aforementioned proposal that seeks the implementation of a NAMA Support Project to generate a regulatory and market environment that promotes electric mobility in the country.
- ✓ We have developed the NAMA Solid Waste consultancy. Towards the end of January 2021, the formulation of the NAMA, the definition of the model for the final disposal of household solid waste and the structuring of the economic models under which the final disposal of waste will be carried out were delivered. With these inputs, the alternatives available for the implementation of the project are evaluated.

#### **3.1.2. Formulation, Structuring and Validation of Projects**

[\(103-1; 103-2; and 103-3\) Promotion of environmentally responsible practices in the projects to be financed; Business lines with social and environmental criteria; Actions against climate change](#)

(103-1)

We carry out the structuring of infrastructure projects in sectors with high social impact with environmental criteria, such as: basic sanitation (aqueduct and sewage); infrastructure for hazard and risk mitigation; modernization of the electric power grid and promotion of renewable energy sources, sustainable and efficient mobility; housing, public space and basic social facilities for community development (with an emphasis on health and education).

Within this framework, in coordination with the Territory Renewal Agency (ART), we have been structuring projects that will impact communities affected by violence in Colombia, providing infrastructure that allows overcoming the social gaps and inequities accentuated by the armed conflict:

- ✓ **Structuring of a hybrid solar/conventional energy scheme in Miraflores - Guaviare** , which will allow service provision 24 hours a day, 7 days a week and a 50% reduction in conventional energy consumption.
- ✓ **Modernization of rural public lighting in the municipalities of Planadas and Rioblanco in Tolima**, which will improve the conditions of accessibility, safety and quality of life of its population, as well as lower energy consumption and lower greenhouse gas emissions, due to the change of sodium lights due to the use of LED technology.
- ✓ **Improvement and adaptation of 50 educational centers in rural areas**, which generate opportunities for early training and improve the living conditions of the inhabitants of 15 PDET municipalities, for the construction of a better future.
- ✓ **Expansion, adaptation and/or generation of three hospital infrastructures**, which provide a better health service to the populations of Istmina (Chocó), Santa Bárbara de Iscuandé (Nariño) and Puerto Asís (Putumayo), also strengthening the network of services health at the regional level.

Findeter, through the Investment Banking team, has also been working on the adaptation of the territories to climate change. The Coastal Erosion project in municipalities of the Gulf of Morrosquillo seeks to recover the coastline (beaches) in this area, which is being affected by the relative rise in sea level caused by this phenomenon.

Likewise, for Cartagena we structured the modernization of public lighting, a project that is already being implemented, generating significant reductions in emissions and in user fees.

Likewise, during 2021, we advanced in the structuring of important transportation infrastructure projects with an environmental focus, minimizing the emission of pollutants, such as Regiotran Norte, the Caribbean Regional Train and the Rionegro Train, which have as a common denominator that they are electric.

(103-2)

We carry out the structuring of projects based on compliance with national, departmental and municipal regulations, as appropriate to each sector, including environmental and social parameters in accordance with our mission and vision, seeking to support the development of sustainable projects that improve the quality of life of Colombians.

Within the framework of the structuring of each of these projects, we defined a series of guidelines for the construction of a social management plan that includes the inclusion of the methodologies that will be used in each of the components and their corresponding activities, with the in order to generate a strengthening and/or reconstruction of the social fabric around it, technically assisted by Findeter directly or indirectly depending on how it is constituted.

The social management guidelines collect a set of inter-institutional and community activities that define the action strategies to create the conditions that allow strengthening and/or rebuilding the social fabric; the interrelation of the population with local and regional administrations within a context of participatory creation, empowerment and sustainability, and the opportunity to enhance the benefits and minimize the negative impacts expected on the occasion of the project and/or program to be structured.

In this way, social management frames a series of activities and processes that ensure the conservation of communities from the social, economic, cultural and environmental points of view, this contemplated within the clear policies of corporate sustainability determined by Findeter and which is an integral part of their sense of mission and vision.

In order for said guidelines and structuring to comply with the criteria established at the regulatory level, the selection of consultants and auditing plays a preponderant role from the hiring of qualified personnel and expert consultants in each subject.

In this way, the selection of projects is based on the PDET methodology, in which initiatives are identified and executed in such a way that effective progress is made in solving the needs prioritized by the community. Thus, the respective diagnoses, financial, technical and legal structuring, and compliance with requirements are carried out in accordance with the regulations issued by the Governing Commission of the General System of Royalties, applicable sectoral technical annexes and what is contemplated in the regulations that apply to each prioritized sector.

In terms of energy efficiency, we use a methodology developed jointly with the IDB, which allows an adequate structuring and subsequent implementation of these projects. The social management guidelines, which we developed for this project, consider the identification of the area of influence, the characterization of the population, the generation of spaces for dialogue with the community to identify needs and problems, as well as permanent communication and dissemination. of the project, in favor of strengthening the capacities of the community.

Finally, within the comprehensive structuring process, we accompany the entities in the identification and management of financing sources, depending on the agreed scope, so that the structured projects materialize, offering transversal technical assistance to the territories that allow supplying existing institutional weaknesses in these that prevent them from carrying out the procedures and meeting the requirements to access different sources of financing.

(103-3)

The key indicator of projects with environmental and social impact is their progress. Compliance with the execution schedule and the generation of components and products that meet the expectations of our customers is the best way to evaluate and monitor the initiatives that are structured. In this way, in accordance with the proposed social management guidelines, the consultants who carry out the structuring of each project are urged to include within the schedule and work plan, the planning of the activities required to comply with the management Social.

Similarly, in the initial feasibility stage, the results indicators that account for their social and environmental impact, as appropriate, are identified for each project. These are defined according to the sector and particularity of each project to be structured.

(103-2) [Material topic: Promotion of environmentally responsible practices in the projects to be financed and actions against climate change](#)

### **Project structuring**

#### **Preinvestment Fund**

#### **Social Responsibility Subaccount - Preparation of Studies and Designs**

In 2021, the resources of the social responsibility subaccount were made available, for a value of \$345 million to carry out the financial, legal, and technical structuring in the pre-feasibility phases for energy projects, identified within the PATR, of the PDET, prioritized by the Territorial Renewal Agency.

- **Strategic Preinvestment Subaccount**

At the end of 2021, the Preinvestment Fund has two projects that are in the process of liquidation and two more in the development stage. All the current projects are being executed with contributions made by the clients of each one of them, which implies that the resources initially allocated by Findeter for the creation of the strategic pre- investment sub-account (\$9,000 million) have not yet been used. For the development of these studies, Findeter receives the resources contributed by the municipalities or decentralized companies of the State to manage them through a fiduciary operator.

**Table No 16: Projects managed through the Preinvestment Fund**

project object	Location	Value (Million \$)	Condition
Structuring of the studies and designs that allow the recovery of the public space and navigability of the Caño Puerto Waffe, in the District of Turbo - Antioquia	Turbo - Antioquia	3,447	Developing
Detailed engineering studies and designs for the section of road on Calle 60 that will connect Carrera 13 with Avenida Ambala in the Municipality of Ibagué	Ibague Tolima	285	On sale
Studies and detailed designs for the new physical plant of the ESE Hospital Departamental Universitario Santa Sofia de Caldas	Manizales - Caldas	3,966	Developing
<b>Total</b>		<b>7,698</b>	

Source: Finder 2021

#### **Technical assistance in project structuring**

We accompany, during 2021, the technical and financial development of different projects and programs, among which the following activities stand out:

- ✓ Continuity in the execution of the financial, legal and technical structuring of infrastructure projects, identified within the Action Plans for Regional Transformation (PATR), within the framework of the implementation of the Development Programs with a Territorial Approach (PDET) , worth \$8,325 million.

It is about the structuring of 56 infrastructure projects in the education, health and energy sectors, in municipalities identified within the PDET, with greater affectation by violence and poverty, proposed from the initiatives defined within the 16 PATR. The structuring process includes carrying out verification visits, pre-feasibility, feasibility, loading, presentation, feasibility and approval of projects before the Collegiate Body of Administration and Decision (OCAD PAZ).

Together, these projects will benefit 19 municipalities, that is, 11.17% of the PDET municipalities. The goal is to positively impact these territories with the construction of infrastructure works identified as interventions to achieve stability and transformation of these territories.

- ✓ Financial and legal supervision of the projects derived from the International Cooperation between the Embassy of the United Kingdom and Findeter through the Prosperity Fund 4.
- ✓ Technical, legal and financial supervision of the contracts derived from the International Cooperation between the Embassy of the United Kingdom and Findeter through the Prosperity Fund in the Feasibility Studies project for the freight and passenger train between Bogotá and Zipaquirá, worth \$15,828 million.

---

○ <sup>4</sup> Design of collectors in Ibagué - Tolima and the Sewerage Master Plan in populated centers of Valledupar - Cesar.

- ✓ The technical assistance of the structuring of projects continues, to elaborate the studies and designs that allow the recovery of public space and navigability of the Caño - Puerto Waffe in the District of Turbo - Antioquia.
- ✓ Project supervision: studies for the selection of the alternative in the construction of the Caribbean Regional Train, between the departments of Bolívar, Atlántico and Magdalena, which is financed with resources from the General System of Royalties and for which Findeter was appointed as executor by the OCAD Caribbean Region.
- ✓ Development of the strategic project for the municipality of Popayán, studies and designs of the Malecón Río Molino, worth \$612 million.
- ✓ Comprehensive, technical, legal, financial and social structuring in the pre-feasibility, feasibility and support phases for the construction project, fixed equipment and endowment of the Hospital del Golfo de Morrosquillo in Coveñas, Sucre.
- ✓ Comprehensive, technical, legal, financial and social structuring in the pre-feasibility, feasibility and support phases for the optimization projects of the supply systems and the drinking water treatment plant; optimization and expansion of the aqueduct networks and optimization and expansion of the sanitary sewage system, wastewater treatment and the pluvial drainage system. All of the above for the urban area of Coveñas, Sucre.
- ✓ Comprehensive technical, legal, financial and social structuring in the pre-feasibility, feasibility and support phases for the project to build and equip a fire station in Santiago de Tolú, Sucre, worth \$475.7 million.
- ✓ Technical assistance for the comprehensive structuring at the pre-feasibility and feasibility level of the project called: "Prevention and mitigation of coastal erosion in the Gulf of Morrosquillo" for a value of \$17,123 million.
- ✓ Technical and administrative assistance of resources for Risaralda - Ministry of Health, in development of the Supervision for the studies and designs of the High Complexity Regional Hospital of the Coffee Growing Region -Caldas, Quindío, Risaralda and Choco-, worth \$696 million.
- ✓ Technical assistance and administration of resources for the updating of the Bucaramanga Metropolitan Mobility Master Plan.
- ✓ Provision of the Consulting service for the projection of the institutional reorganization of the Health Promotion Entity Convida EPS.

Other outstanding aspects in our management, in relation to project structuring correspond to:

- ✓ During 2021 we managed to close important deals with national and territorial entities that have allowed us to start the execution for the structuring of different projects throughout the country. Likewise, we continue with the execution of projects initiated in previous years. To date, we have already executed 12 contracts that are equivalent to 23 projects nationwide.
- ✓ We contribute to the improvement of quality in the provision of health services in the regions of the country, through the structuring of highly complex level III hospital projects <sup>5</sup>. We obtained the approval of the studies by the auditor and prepared the delivery to the sectoral authorities.

---

<sup>5</sup>Case of the Hospital of the city of Manizales and the Hospital of High Complexity of the Coffee Region Caldas, Quindío, Risaralda and Chocó that will be built in the city of Pereira.

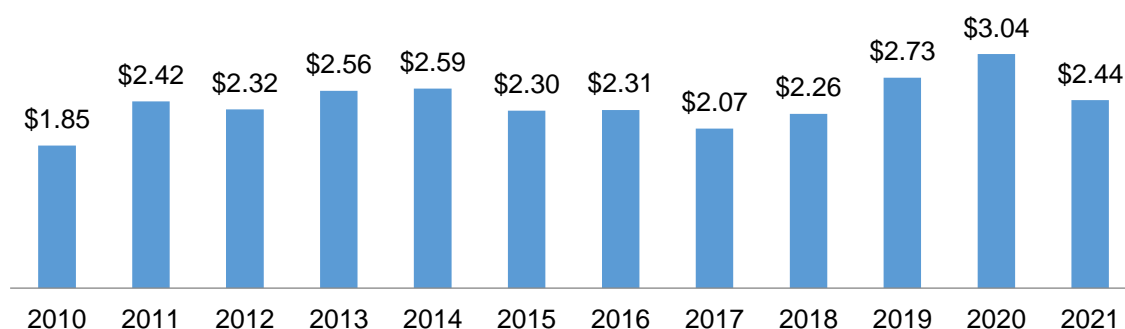
- ✓ We carry out detailed studies and designs for 50 projects in the feasibility phase in the education sector, corresponding to 50 educational venues; the documentation of 4 of these venues has already been filed for financing via works for taxes; the remaining 46 are in the viability process before the DNP and the Ministry of Education, for their subsequent filing with the sources of financing. The foregoing, in accompaniment of the "Road Map" of the Ministry of Stabilization and Consolidation.
- ✓ In the health sector, we made progress in the structuring of three infrastructures: Hospital ESE Eduardo Santos de Istmina, Chocó; Santa Bárbara de Iscuandé Medical Center, Nariño, and Puerto Asís Local Hospital.
- ✓ In the energy sector, we made progress in the technical, legal and financial structuring of the Photovoltaic Solar Electric Power Generation Hybrid System project in Miraflores, Guaviare. The main impacts of this project have to do with the reduction of greenhouse gases due to the decrease in diesel consumption, a reduction in operation and maintenance costs and the improvement in the continuity of service provision when going from 16 to 24 hours.
- ✓ We made progress in identifying two initiatives to modernize rural public lighting in the municipalities of Rioblanco (534 luminaires) and Planadas (514 luminaires), Tolima, limiting the scope of the intervention with the territorial entities.
- ✓ We advanced the structuring of the studies for the construction and equipping of a Fire Station in the municipality of Santiago de Tolú, which will provide security to the resident population and visitors to the Gulf of Morrosquillo and thereby contribute to converting this region of the country into an important Turistic center.
- ✓ We support Popayán, in complying with the "Biohealthy Linear Parks and/or Botanical Gardens" subprogram of its Municipal Development Plan "I Believe in Popayán" 2020 – 2023.

### 3.1.3. Financing

(FS 6), (FS 7), (FS 8), (201-1), (103-2) Material topic: Actions against climate change; promotion of environmentally responsible practices in the projects to be financed) (SDG 8 and 10)

In 2021 we disbursed COP 2.44 billion, of which COP 1.47 billion were through rediscount credits and COP 972,013 million in direct credits to territorial entities. Of the total disbursed, \$1.19 billion were allocated to private projects and the remaining \$1.25 billion to beneficiaries and/or public projects, which were distributed in 859 projects located throughout the national territory.

**Graph No. 2: Disbursements 2010 – 2021**

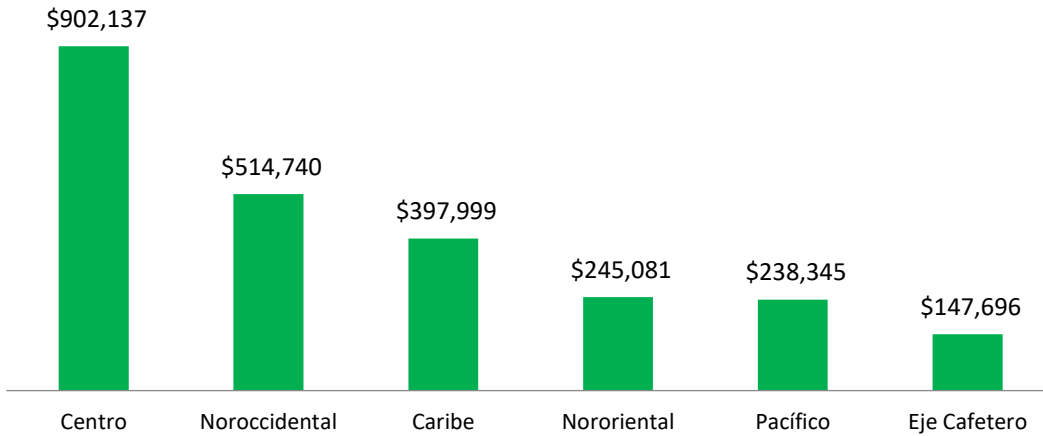


Figures in Billions of Pesos  
Source Finder 2021

### Disbursements by Regional/Zone

The \$2.44 billion that were disbursed in 2021 reached all regions of the country, thus helping the sustainable development of the departments and municipalities of Colombia.

**Graph No. 3: Disbursements by Zone. Year 2021**



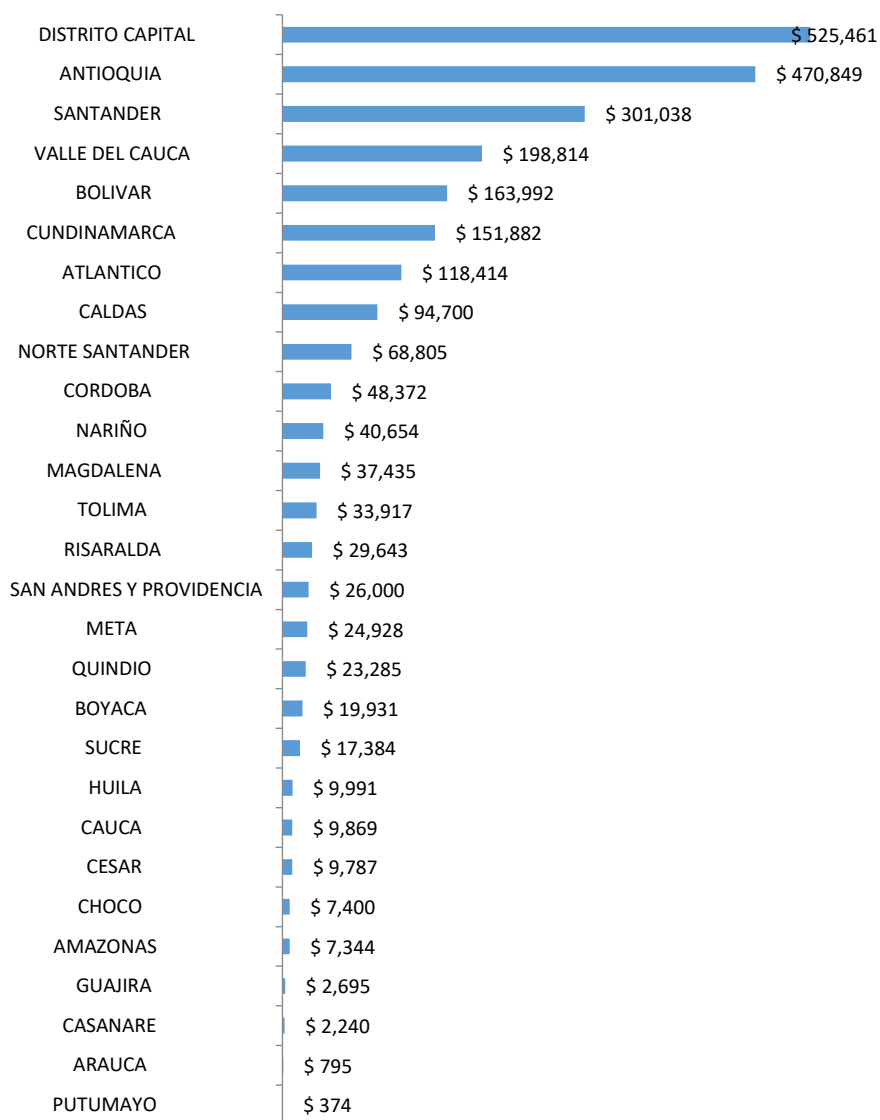
Source: Financianet – Values in Millions of Pesos

### **Disbursements by department**

In 2021, direct credit disbursements impacted 223 municipalities and 25 departments, including territorial entities that had not accessed our lines of credit, such as Putumayo, Arauca, Casanare, Guajira, Amazonas, Chocó, Cesar and Cauca, among others . Through rediscount credits, 194 municipalities and 28 departments were impacted. The highest amounts of disbursements were made to the Capital District and the departments of Antioquia and Santander. We promote, support and finance sustainable projects throughout the Colombian territory to continue being the leading Development Bank and strategic ally of all regions.



**Graph No. 4: Disbursements by Department. Year 2021**

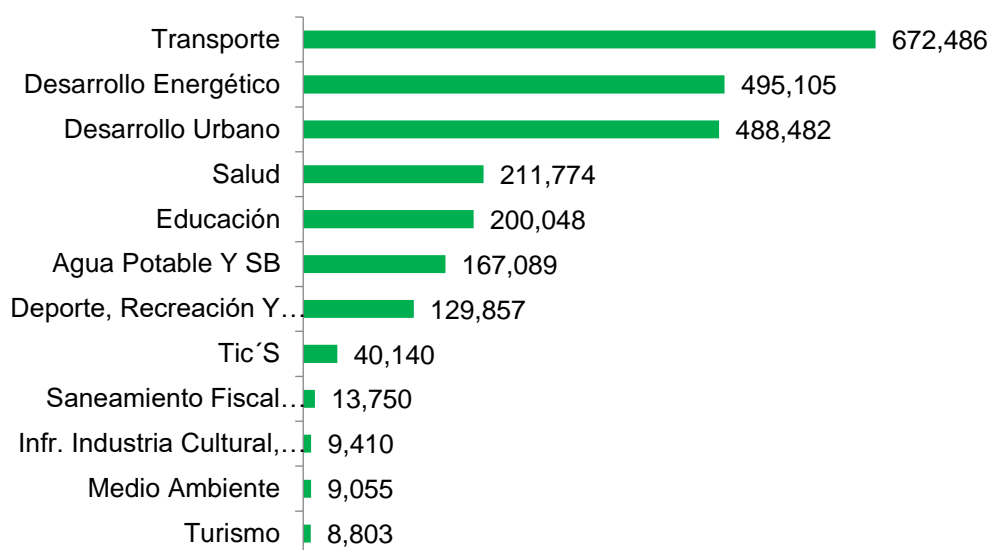


Source: Financianet – Values in Millions of \$

**Disbursements by sector**

We promote the strategic sectors of the country, financing projects that support the integral development of the regions to improve the quality of life of Colombians. In 2021 we finance projects in 12 sectors, of which Transportation, Energy Development, Urban Development and Health have the highest shares.

**Graph No. 5: Disbursements by Sector. Year 2021**



Source: Financianet – Values in Millions of \$

#### Disbursements by Intermediary

During 2021, the most important intermediaries for Findeter were: Bancolombia with 47 operations, followed by Davivienda with 549, BBVA with 136 and Banco de Bogotá with 61.

**Table N.17: Disbursements by Intermediary. Year 2021**

Intermediary	Amount	%part
Bancolombia	366,082	15.0%
Dahousing	342,312	14.0%
BBVA	185,150	7.6%
Bogota	179,901	7.4%
Itau Corpbanca Colombia	120,777	4.9%
West	83,221	3.4%
GNB Sudameris	45,935	1.9%
Bancoomeva	42,026	1.7%
Popular	39,332	1.6%
Others (6)	1,041,262	42.6%
<b>Total</b>	<b>2,445,998</b>	<b>100%</b>

Source: Financianet – Values in Millions of \$

#### Execution of Compensated Rates

With the aim of promoting strategic sectors for infrastructure in the regions, in 2021, Findeter, together with the National Government and the territorial entities, disbursed \$1.24 billion through lines of credit with an offset rate, as follows:

**Table No. 18: Execution of Compensated Rates. Year 2021**

Compensated Rates	Amount	% Part.
TC Reactivation Commitment Colombia Tranche II	857,420	69%
TC Providers SPD Energy and Gas Tranche II Stratum 3 and 4	108,332	9%
TC Providers SPD Energy and Gas Tranche 1 Stratum 1 and 2	63,594	5%

Compensated Rates	Amount	% Part.
Reactivate Colombia Section 1 Mixed Sustainable Infrastructure	57,533	5%
TC Health Liquidity Decree 1681 - T5 - EPS - IPS	51,700	4%
TC Water and Basic Sanitation Decree 1300 Tranche 2	44,921	4%
TC Education Commitment - IES	29,695	two%
TC Mixed Sustainable Infrastructure	23,028	two%
TC Water Sewerage and Cleanliness - Stratum 3 and 4 - Year 2020	7,786	1%
<b>Total</b>	<b>1,244,010</b>	<b>100%</b>

Source: Financianet – Values in Millions of \$

The Colombia Reactivation Commitment Compensated Rate, Tranche II, was of great importance for the financing of urban infrastructure projects and social impact:

- ✓ Department of Cundinamarca, 2 investment projects of the development plan aimed at economic reactivation, for \$121,870 million.
- ✓ Municipality of Rionegro - Antioquia, financing of three road construction projects and contributing to the reactivation of the economy, for \$110,000 million
- ✓ Department of Valle del Cauca, financing of 6 projects of the development plan, to generate employment and thus reactivate the economy, for \$87,112 million.

The main sectors to which resources were disbursed through lines of credit with an offset rate were:

- ✓ Transportation: 26%
- ✓ Urban Infrastructure: 23%
- ✓ Energy: 16%
- ✓ Education: 13%
- ✓ Sports, recreation and culture: 10%

The result of the management, with respect to the other compensated rates, can be seen in the following table:

**Table No. 19: Compensated Rate Lines according to Sector. Year 2021**

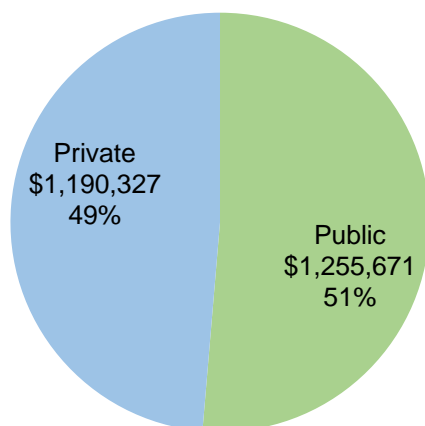
Sector	TC Reactivation Commitment Colombia Tranche II	TC Providers SPD Energy and Gas Tranche II _ Stratum 3 and 4	TC Providers SPD Energy and Gas Tranche 1 _ Stratum 1 and 2	Others	Total	% share
Transport	302,746	0	0	19,119	321,866	26%
Urban Development	281,948	0	0	0	281,948	
energy development	10,800	108,332	63,594	13,860	196,586	16%
Education	80,000	0	0	77,277	157,277	13%
Sport, recreation and culture	122,600	0	0	0	122,600	10%
Basic sanitation	35,929	0	0	52,708	88,636	7%
Health	3,298	0	0	51,700	54,998	4%

Sector	TC Reactivation Commitment Colombia Tranche II	TC Providers SPD Energy and Gas Tranche II _ Stratum 3 and 4	TC Providers SPD Energy and Gas Tranche 1 _ Stratum 1 and 2	Others	Total	% share
Territorial fiscal consolidation	12,000	0	0	0	12,000	1%
Environment	8,099	0	0	0	8,099	1%
<b>Total</b>	<b>857,420</b>	<b>108,332</b>	<b>63,594</b>	<b>214,664</b>	<b>1,244,010</b>	<b>100%</b>
<b>% share</b>	<b>69%</b>	<b>9%</b>	<b>5%</b>	<b>17%</b>	<b>100%</b>	

Source: Financianet – Values in Millions of \$

### Disbursements by type of beneficiary

**Graph No. 6: Disbursements by Type of Beneficiary. Year 2021**



Source: Financianet – Values in Millions of \$

Regarding the disbursements by type of beneficiary, it is observed that the majority are in the public sector with a participation of 51%; for the private segment, disbursements amounted to \$1.19 trillion.

We highlight:

- ✓ The financing of activities of the "Bolívar Primero" Departmental Development Plan aimed at economic reactivation and job creation, in order to ward off the effects of the crisis caused by Covid-19.
- ✓ The construction of the linear park - urban public lighting system - expansion of sewage system networks - maintenance, adaptation and provision of health centers and construction of sanitary batteries in institutions.
- ✓ The financing of the investment project New Substation 34.5/13.8 KV, 6MVA, located in the municipality of Mogotes, with outlets for 5 distribution circuits.
- ✓ The construction of 2 small run-of-the-river hydroelectric plants, each of 20 MW, on the Oiba River, in the municipality of Oiba in Santander.

**Disbursements in PDET municipalities (Territorial Approach Development Program).**

In accordance with the PDET prioritization of the 170 municipalities prevailed by the National Government within the post-conflict period, Findeter disbursed resources to 18 of these municipalities, reaching areas of interest to the National Government. The percentage share of disbursements in PDET municipalities was 3.3%

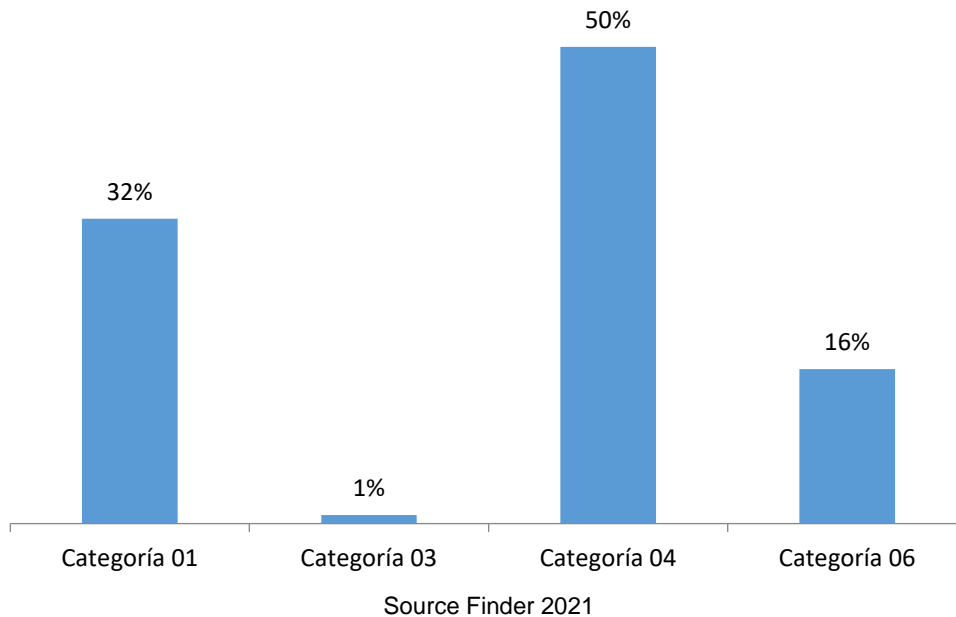
**Table No. 20: Percentage of participation of disbursements in PDET municipalities. Year 2021**

Department	Municipality PDET	Private	Public	Total
Antioch	pulled apart	226	0	226
Antioch	Caceres	0	549	549
Antioch	Caucasus	41,112	0	41,112
Antioch	Murindo	0	844	844
Antioch	necocli	0	600	600
Antioch	San Pedro de Uraba	0	208	208
Antioch	Valdivia	0	793	793
Antioch	Fort Watch	0	900	900
Arauca	Saravena	600	0	600
Arauca	Tame	104	0	104
Bolivar	Carmen de Bolivar	0	8,200	8,200
cease	Iberian Jagua	500	0	500
cupcake	Foundation	twenty	0	twenty
cupcake	Santa Marta	2,400	22,500	24,900
Putumayo	Mocoa	374	0	374
Tolima	Planned	114	0	114
Cauca's Valley	Bonaventure	1,377	0	1,377
Cauca's Valley	Meadow	twenty	0	twenty
<b>Total</b>		<b>46,848</b>	<b>34,594</b>	<b>81,441</b>

Source: Financianet – Values in Millions of \$

**Graph No. 7: Participation of disbursements according to the**

### category of the PDET municipality. Year 2021



With this management we contribute to post-conflict and society issues, a fact that allows us to find business opportunities that imply development and improvements for all regions, especially those that need more social support.

#### **Structuring and implementation of Credit lines in the face of the Health Emergency**

Within the framework of the Economic Reactivation Policy of the National Government "New Commitment for the Future of Colombia" <sup>6</sup>, we adopted measures aimed, among others, at developing capacities in the different productive sectors and in the institutional framework so that, in the short term, the country can return to the development path it was following when it was hit by Covid-19 and that, in the long term, move towards more sustainable and inclusive growth, which can also respond adequately to future high-impact shocks.

In this sense, as strategic partners of the National Government and, especially, of the territorial entities, we have been designing and implementing financing lines with favorable rates and terms in the different eligible sectors, to face the social and economic effects produced by the Covid-19 pandemic, and leverage compliance with the 2018-2022 National Development Plan, as well as the Government Policy for Economic Reactivation and the departmental, district and municipal development plans.

In this context, during 2021 we made 15 lines of credit available to the market, through which more than \$1.8 trillion were disbursed.

It is important to point out that, during 2021, an important allocation of resources was carried out to continue mitigating the economic and social effects of the pandemic generated by Covid-19, as well as to reactivate the economy. This placement was made through the lines structured and implemented in 2020.

The lines available in 2021 are listed below:

---

<sup>6</sup>CONPES 4021 OF 2021: "Policy for reactivation, repowering and sustainable and inclusive growth: new commitment for the future of Colombia".

**Table No. 21: Findeter lines available in response to the crisis generated by Covid-19. Year 2021**

Line	type of credit	Line type [1]	Amount COP MM	Disbursement 2021
Colombia Commitment - Investment	rediscount	YOU	352,000	156,066
Commitment Territories	rediscount	CT	300,000	39,750
Commitment Health Liquidity Tranche 5 - EPS_IPS	rediscount	CT	308,765	51,700
PPSPD Public Services	Direct	CT	403,609	114,593
Water Commitment	rediscount	CT	200,000	7,786
Commitment Energy	rediscount	CT	300,000	171,926
Commitment Education	rediscount	CT	200,000	29,695
Reactivation Commitment Tranche I	rediscount	YOU	200,000	18,250
Reactivation Commitment Tranche II	Direct	CT	3,150,000	857,420
Reactivation Commitment Tranche III	rediscount	YOU	150,000	43,643
Reactivation Commitment Tranche IV	rediscount	YOU	200,000	119,340
Multisector Reactivation Commitment	rediscount	YOU	573,000	210,524
KFW Water II	rediscount	YOU	\$84.9	0
Valle del Cauca Commitment	Direct	CT	50,000	0
<b>Total</b>				<b>1,820,693</b>

Source: Finder 2021

4 lines of credit were structured and implemented in 2021, 10 were structured in 2020 and developed in 2021

The disbursements in 2021 of direct credit lines and rediscount lines by sector are listed below:

**Illustration No.11: Disbursements for rediscount and Direct credit, by Sector. Year 2021**

---

<b>Salud</b>  \$211.774 millones	<b>Agua</b>  \$167.089 millones	<b>Educación</b>  \$200.048 millones	<b>Energía</b>  \$495.105 millones
<b>Fiscal y Territorial</b>  \$13.750 millones	<b>Vivienda</b>  \$488.482	<b>TIC</b>  \$40.140 millones	<b>Medio Ambiente</b>  \$9.055 millones
<b>Turismo</b>  \$8.803 millones	<b>Transporte</b>  \$672.486 millones	<b>Economía Naranja</b>  \$9.410 millones	<b>Deporte y RC</b>  \$129.857 millones

Below are 4 lines of credit that we structured and implemented in 2021; 4 lines that we structured in 2020 and that in 2021 we strengthened with additional resources and adjusted to respond to the dynamics and needs of the market and 3 lines structured in 2021 to implement in 2022.

#### Lines Structured and implemented in 2021

##### ✓ **Rediscount line of credit Commitment Reactivation Multisectorial**

We launched this line in March 2021, with available resources of \$573 billion for working capital, debt substitution and investment, with a term of up to 36 months, to meet the demand for resources for the economic reactivation phase. generation of employment and the necessary support for companies in the public and private sectors, which are part of the eligible sectors and subsectors. Its validity was extended until September 2021.

**Table No. 22: Disbursements of the multi-sector reactivation commitment rediscount line of credit. Year 2021**

Sector	2021
Development of urban infrastructure, construction and housing	95,889
health infrastructure	30,766
ICT infrastructure	21,926
Infrastructure for energy development	18,262
Drinking water and basic sanitation infrastructure	15,008
transport infrastructure	13,587
Cultural and creative industry infrastructure and orange economy	8,260
education infrastructure	2,943
Touristic infrastructure	2,323
environment infrastructure	860
Infrastructure for sport, recreation and culture	700
<b>Total</b>	<b>210,524</b>

Source: Findeter 2021. – Values in Millions of \$

##### ✓ **Rediscount line of credit Commitment Reactivation Tranche IV**



Launched in April 2021, with available resources of \$200 billion to finance working capital, debt substitution and investment and a term of up to 5 years, with the purpose of continuing to offer territorial entities and public and private sector companies, financial credit instruments that would allow meeting the demand for resources to maintain operations and management, protect employment and reactivate the business fabric within the framework of the government's Economic Reactivation policy. Its validity was extended until December 2021.

**Table No. 23: Rediscount line of credit disbursements: Tranche IV Reactivation Commitment. Year 2021**

Sector	Total
Development of urban infrastructure, construction and housing	34,129
Infrastructure for energy development	24,791
health infrastructure	23,117
ICT infrastructure	13,599
transport infrastructure	12,429
Drinking water and basic sanitation infrastructure	7,750
education infrastructure	2,052
Touristic infrastructure	1,128
Cultural and creative industry infrastructure and orange economy	200
environment infrastructure	96
Infrastructure for sport, recreation and culture	fifty
<b>Total</b>	<b>119,341</b>

Source: Findeter 2021. – Values in Millions of \$

✓ **Direct line of credit Commitment Valle del Cauca**

We launched this line in conjunction with the department of Valle del Cauca, in November 2021, as part of the strategy to make alliances with the country's departments to create direct credit lines with an offset rate that respond to investment needs in a scenario post pandemic. The line has available resources for \$50 billion, destined for investment and its associated expenses and with a term of up to 7 years; It allows the municipalities of the jurisdiction to access resources that make it possible to carry out projects that boost local economies, reactivate the social fabric and generate employment. Its validity is until December 2023 or until resources are exhausted.

In December 2021, we approved the first loan for \$2.6 billion, which will be disbursed in 2022.

✓ **Special rediscount line KFW Agua II**

Launched in September 2021 with available resources of USD84,931,000, within the framework of an official financial cooperation agreement between the governments of Germany and Colombia "Municipal Environmental Protection Program II", Findeter and the German Development Bank KFW. It has resources destined to finance investment, with terms that range between 8 and up to 15 years, to promote the financing of investments with climatic or environmental importance, in the sector of drinking water, basic sanitation and solid waste in Colombia. Its validity is until March 2026 and/or until resources are exhausted.

Through this line, resources are made available to improve the quality of life of Colombians in the country's territories, helping to improve health, generate economic development, and protect the environment and the country's natural resources. At the end of 2021 there were no disbursements.

**Structured Lines in 2020 developed and implemented in 2021**

**Table No. 24: Credit lines structured in 2020 and implemented. Year 2021**

Line	Type of Credit	Line Resources	Beneficiaries	Resource Destination
Compensated health commitment rate (*)	rediscount	\$256,753 million	IPS or EPS	Working Capital
Colombia Commitment - Investment	rediscount	\$352 billion	Territorial entities	Investment
Compensated rate for the financing of Infrastructure for Sustainable Development	rediscount	\$4.15 billion	Territorial and private law entities	Investment
Compensated rate Commitment Reactivation Tranche II	Direct Credit	\$3.15 billion	Territorial entities	working capital

(\*) Disbursements in 2021: \$51.7 billion.

Source Finder 2021

### Direct Credit

In 2021 we received 79 direct credit requests from territorial entities for COP 2.7 billion.

**Table No. 25: Direct Credit Requests Territorial Entities. Year 2021**

Entity Type	Quantity	Requested Amount (\$)
Departmental	12	1,061,181
Municipal	67	1,636,241
<b>Total</b>	<b>79</b>	<b>2,697,422</b>

Source: Findeter 2021. – Values in Millions of \$

Of the operations presented, we approved 49 for \$1.8 trillion; Of these, we approved 21 credit applications to territorial entities of categories 1, 2 and 3 for \$1.4 billion, 25 to those of categories 4, 5 and 6 for \$173,938 million and 3 to special category entities for \$255,488 million, of which 11 desisted from continuing with the credit process.

**Table No. 26: Direct Credit Approvals Territorial Entities. Year 2021**

Category	Approved	Approved Value (\$)
1	14	1,199,987
two	5	178,000
3	two	70,964
4	3	37,700
5	4	65,000
6	18	71,238
ESP	3	255,489
<b>Total</b>	<b>49</b>	<b>1,878,378</b>

Source: Findeter 2021. – Values in Millions of \$

We signed 34 loan contracts for \$1.35 billion and additionally, we prepared 9 addendums to the contracts.

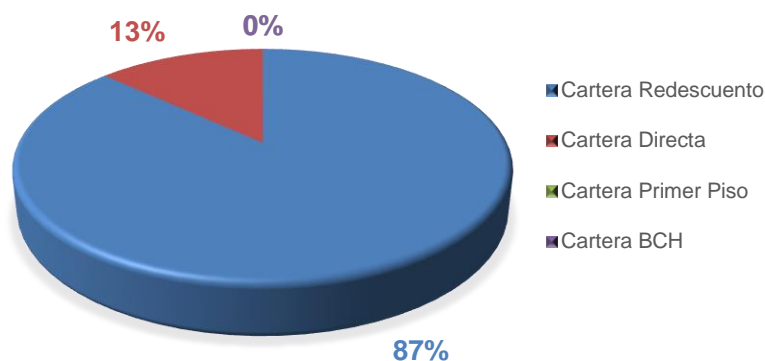
We approved the new direct credit line called Valle del Cauca Reactivation Commitment for \$50,000 million; We made an addition to the direct credit line Compromiso Reactivación Colombia Tramo II, for the sum of \$850,000 million.

### Finder Wallet

The most representative item of the Entity's assets is made up of the loan portfolio, which amounts to \$9.54 trillion: the rediscount portfolio represents 86.88% and 24.12% corresponds to other portfolios managed by the Entity. The portfolio decreased by 4.73% in the last year, compared to the

previous year . This behavior responds to a lower dynamic in the placement of the rediscount portfolio and a high volume of prepayments registered during 2021, which amounted to \$1.38 trillion.

**Graph No 8: Types of Portfolio. Year 2021**



Source: Finder 2021

The rediscount portfolio has no delinquency at the end of 2021. In the case of the other portfolios, a delinquency of 0.02% is identified compared to the Entity's total portfolio.

#### rediscount portfolio

97.49% of the rediscount portfolio is placed through 15 banks, while the rest is distributed among other types of financial intermediaries.

**Table No. 27: Rediscount Portfolio Balance by type of Financial Intermediary. Year 2021**

Intermediary Type	Portfolio Balance (Millions of \$)	% Participation
Banks	8,086,881	97.49%
Special Official Institutions	113,615	1.37%
infis	76,697	0.93%
Financial Cooperatives	9,325	0.11%
Financing Companies	7,758	0.09%
Cooperatives of saving and credit	767	0.01%
Compensation Funds	280	0.00%
Employee Funds	126	0.00%
<b>Total</b>	<b>8,295,449</b>	<b>100%</b>

Source: Findeter 2021. – Values in Millions of \$

#### Rediscount Portfolio by Economic Sector

The Education, Transportation, Health, Urban Development, Energy Development and Drinking Water and Basic Sanitation sectors represent 94.1% of the total rediscount portfolio.

**Table No. 28: Rediscount Portfolio by Sector. Year 2021**

Portfolio Type	Balance 2021 (Millions of \$)	% Participation
Education Infrastructure	1,629,393	twenty%

Transport Infrastructure	1,627,682	twenty%
Health Infrastructure	1,359,804	16%
Development of Urban Infrastructure, Construction and Housing	1,133,955	14%
Infrastructure for Energy Development	1,070,613	13%
Drinking Water Infrastructure and Basic Sanitation	1,028,782	12%
Others	445,220	5%
<b>Grand Total</b>	<b>8,295,449</b>	<b>100%</b>

Source: Findeter 2021. – Values in Millions of \$

### Direct Credit Portfolio

Findeter maintained an adequate quality of the Direct Credit portfolio, through collection strategies, permanent contact with the client and effective collection channels, achieving a single loan in arrears as of December 31, 2021, due to an intervention by the of the Superintendence of Public Services, through which the payments of the credits of the intervened company are temporarily suspended.

As of December 31, 2021, the direct credit portfolio amounted to \$1.25 trillion, placed in 252 credit operations, which are distributed as follows:

**Table No. 29: Direct Credit Credit Balances. Year 2021**

Direct Portfolio	Balance 2021 (Millions of \$)	% Participation
ESPD	975,679	78%
Territorial Entities	275,801	22%
Others	869	0%
<b>Grand Total</b>	<b>1,252,349</b>	<b>100%</b>

Source: Findeter 2021. – Values in Millions of \$

### 3.1.4. Execution Technical Assistance

(103-2) Material issue: Water and sanitation projects, projects aimed at benefiting communities in vulnerable situations, and infrastructure projects for education. (SDG-4; SDG-6; SDG-10; SDG-11; SDG-12; SDG-13)

Regarding the Technical Assistance that we offer our clients for the execution of projects, at the end of 2021 we had 333 projects in execution, worth \$2.10 billion, distributed in its three business lines: Housing and Urban Development, 57 projects; Social Infrastructure, 207 projects, and Water and Basic Sanitation, 69 projects.

### Illustration No. 12: Execution of Technical Assistance, year 2021

## Asistencia Técnica

**333**

proyectos supervisados  
por valor de

**\$2,10** billones



**69**

Agua y Saneamiento Básico



**57**

Vivienda y Desarrollo Urbano



**207**

Infraestructura Social

Fuente: Findeter, 2021

### Housing and Urban Development

Thanks to the work of evaluation and supervision of the housing projects included in the programs led by the National Government, we managed to help a greater number of Colombians access better living conditions in most of the national territory.

The experience we have acquired since 2002, in the evaluation of urban social interest housing plans, has allowed us to be part of the public policy for the development of housing of priority interest and has consolidated us as the tool and strategic partner of the Government National, for the fulfillment of the goals set and promoting better living conditions in Colombian homes.

We have participated in the evaluation of public properties presented by the territorial entities for the free housing programs Phase I, Phase II and the Housing for Savers program (VIPA), in the evaluation of calls for the selection of private projects and builders, and in project monitoring.

Despite the health emergency caused by the Covid-19 pandemic during the years 2020 and 2021, we managed to maintain the proper management of the projects that were being monitored, carrying out official communications with the builders and virtual work tables with the Ministry of Housing, City and Territory, to define biosecurity measures and protocols in remote information management, in order to resume their execution and guarantee the correct execution of the contracts in charge.

### VIPA Program and Free Housing Program (PVG) second phase

During 2021 we issued 2,370 certificates of existence in 17 projects for \$312,731 million. 4 Phase 2 PVG projects (124 homes) and 13 VIPA projects (2,246 homes).

**Projects executed within the framework of the PVG2 program:**



**SAN JAVIER URBANIZATION**  
Inirida - Guainia  
PVG Phase 2 Program

Likewise, we carried out construction supervision for 8 projects, worth \$224,267 million, which in total include 3,686 homes: 3 PVG phase 2 projects, 523 homes, and 5 VIPA projects, 3,163 homes.

We have carried out follow-up work on 35 projects selected in the private scheme, totaling 6,399 homes. To date, we have issued 5,970 certificates of existence and we have pending certification of 429 homes in the PVGII program.

**Completed projects PVG Phase 2 and VIPA**

We 100% certified 10 projects worth \$149,328 million, which in total consider 2,891 homes: 568 PVG homes, 3 projects, and 2,323 VIPA homes corresponding to 7 projects.

**Dignified House Program Dignified Life**

This program was formulated by the National Government in response to the need that Colombians in vulnerable situations have to carry out works to improve their homes and reduce the qualitative deficit, improving sanitary conditions, public services and the quality of the structure of the homes of beneficiary households.

In development of this initiative, we support the start-up management of the housing improvement projects contracted in the calls opened by the Fiduciaria Bogotá for this program. Thus, we have provided supervision services to the control of the selected projects, in two phases: categorization and diagnosis and execution of improvement works. Currently, we supervise the inspection of 32 construction contracts, which we manage in 2021 based on inter-administrative cooperation agreements with different municipalities in the country. Of these contracts, 11,153 housing improvement quotas have been awarded.

As of December 31, 2021, we had executed the following contracts in the framework of supervision of the auditor:

- ✓ 15 projects started for the execution of 5,274 home improvements.
- ✓ 5,920 certified improvements in 20 contracts executed in the national territory.
- ✓ 3 contracts are being executed that only contemplate the development of Phase I (categorization and diagnosis), which are being executed with resources from the General System of Royalties, and that to date has 60 effective diagnoses reported to the client.

Findeter carries out activities in the different stages of program development:

In the household registration and application stage, we have made a web platform available to the territorial entities in which they can advance the registration and application process of beneficiary households of the program based on the requirements established by the Ministry of Housing, City and Territory, and the form designed by said entity. As of December 31, 2021, we have 32,306 households registered in the system, with a result of 18,591 households enabled to continue with the process of assigning subsidies and carrying out improvement works.

**Table No. 30: Home Application Status**

Department	Municipality	Registered Households	postulated households	Postulate pending evaluation	In process of evaluation	not enabled	Enabled by Fonvivienda
Antioch	Rionegro I	1,130	1,130	0	0	590	540
Arauca	Arauca I	391	391	0	0	191	200
Atlantic	Solitude I	1,482	1,482	0	0	397	1,085
Bolivar	Cartagena I	1,598	1,598	0	0	542	1,056
Bolivar	Cartagena II	1,057	1,054	1	0	24	1,029
Boyaca	Tunja I	590	590	0	0	298	292
cease	Valledupar I	780	780	0	0	385	395
huila	Neiva I	2,254	2,254	0	0	1,318	936
La Guajira	Riohacha I	286	286	0	0	89	197
cupcake	Saint Martha I	586	586	0	0	259	327
Narino (*)	Pasture I	2,036	1,851	1	0	588	1,262
Tolima	Ibague I	2,557	2,557	0	0	1,080	1,477
Tolima	Ibague II	1,735	968	180	0	400	388
Cauca's Valley	Cali	1,459	1,105	0	0	613	492
Cauca's Valley	Bonaventure I	283	283	0	0	55	228
Cordova	Ayapel	923	792	0	0	117	675
<b>Total</b>		<b>19,147</b>	<b>17,707</b>	<b>182</b>	<b>0</b>	<b>6,946</b>	<b>10,579</b>
<b>IMPROVEMENTS II</b>							
Antioch	Itagui	637	617	0	0	185	432
Antioch	Beautiful	826	783	0	0	349	434
Antioch	The star	648	634	0	1	220	413
Atlantic	Barranquilla	656	642	0	0	191	451
Cauca	Popayan	550	542	eleven	0	279	252
Cundinamarca	Chia	469	438	38	0	216	184
Cundinamarca	Cajica	489	480	eleven	0	273	196
Cundinamarca	Fusagasuga	491	485	0	0	127	358
Santander	Bucaramanga	492	477	8	0	184	285
Sucre	sincelejo	533	517	0	0	179	338
Cauca's Valley	Tulua	312	311	0	0	38	273
Goal	Villavicencio	497	479	4	0	190	285
Putumayo	Mocoa	411	390	1	0	229	160
Atlantic	Solitude II	722	722	0	0	221	501
Narino (*)	Pasture II	312	279	3	0	55	221
Antioch	Rionegro II	568	489	twenty	3	241	225
<b>Total</b>		<b>8,613</b>	<b>8,285</b>	<b>96</b>	<b>4</b>	<b>3,177</b>	<b>5,008</b>
<b>ROYALTIES</b>							
huila	Neiva III	1,241	975	0	0	8	967
Atlantic	Loneliness III	1,487	1,061	46	0	215	800
Arauca	Arauca III	384	2. 3. 4	0	1	18	215
cupcake	Saint Martha III	450	374	0	0	0	374
Boyaca	Tunja III	184	157	1	0	47	109
cease	Valledupar III	401	366	two	two	99	263
La Guajira	Riohacha III	368	316	0	0	53	263
Cauca's Valley	Bonaventure III	31	17	two	0	two	13
<b>Total</b>		<b>4,546</b>	<b>3,500</b>	<b>51</b>	<b>3</b>	<b>442</b>	<b>3,004</b>
<b>Total</b>		<b>32,306</b>	<b>29,492</b>	<b>329</b>	<b>7</b>	<b>10,565</b>	<b>18,591</b>

### Pre-contractual stage

We prepared the document of Previous Studies and Terms of Reference, which was approved by the Casa Digna Trust, for the following calls that were published in 2021, for contracting the audit that contemplates the execution of home improvement works. Next, we detail the calls awarded:

**Table No. 31: Calls Managed**

No.	Auditing Contract	Work Contract	Department	Municipality	No. Diagnostics	No. Improvements
1	2021-I-012-Bucaramanga	2021-O-011-Bucaramanga	Santander	Bucaramanga	0	274
two	2021-I-010-Itagüí	2021-O-009-Itagui	Antioch	Itagui	0	325
3	2021-I-013-Arauca-Santa Marta-Riohacha-Neiva	2021-O-001-Arauca	Arauca	Arauca	0	183
4	2021-I-013-Arauca-Santa Marta-Riohacha-Neiva	2021-O-005-Neiva	Neiva	huila	25	183
5	2021-I-013-Arauca-Santa Marta-Riohacha-Neiva	2021-O-007-Riohacha	La Guajira	Riohacha	35	919
6	2021-I-015-The Star	2021-O-014-The Star	Antioch	The star	0	325
7	2021-I-017-Tuluá	2021-O-016-Tuluá	Cauca's Valley	Tulua	0	274
8	2021-I-019-Sincelejo	2021-O-018-Sincelejo	Sucre	sincelejo	0	274
9	2021-I-021-Barranquilla	2021-O-020-Barranquilla	Atlantic	Barranquilla	0	325
10	2021-I-025-Bello	2021-O-024-Bello	Antioch	Beautiful	0	325
eleven	2021-I-023-Soledad	2021-O-022-Solitude	Atlantic	Loneliness	0	325

Source: Findeter, 2021

### Audit supervision

In the following table we detail the status of the construction and supervision contracts as managed in the 2021 term.

**Table No. 32: Project Execution Status**

No.	Project status	Department	Municipality	No. Certificates	No. Diagnoses	Final Goal Contract	%Advance
1	liquidated	Arauca	Arauca	178	0	178	100%
two	On sale	huila	Neiva	442	0	442	100%
3	On sale	huila	Neiva	414	0	414	100%
4	Finished	Narino	Pasture	236	0	275	86%
5	On sale	Narino	Pasture	286	0	286	100%
6	On sale	Tolima	Ibague	444	0	444	100%
7	On sale	Tolima	Ibague	443	0	443	100%
8	On sale	cease	Valledupar	314	0	314	100%
9	On sale	Antioch	Black river	341	0	341	100%
10	On sale	La Guajira	Riohacha	171	0	171	100%
eleven	Finished	Cauca's Valley	Cali	358	0	359	100%
12	Finished	Atlantic	Loneliness	420	0	445	94%
13	On sale	Atlantic	Loneliness	445	0	445	100%
14	On sale	cupcake	Santa Marta	274	0	274	100%
fifteen	In action	Bolivar	Cartagena	142	0	438	32%
16	In action	Bolivar	Cartagena	240	0	441	54%
17	On sale	Boyaca	Tunja	169	0	169	100%



No.	Project status	Department	Municipality	No. Certificates	No. Diagnoses	Final Goal Contract	%Advance
18	In action	Cauca's Valley	Bonaventure	66	0	174	38%
19	On sale	Cordova	Ayapel	532	0	532	100%
twenty	In action	Santander	Bucaramanga	5	0	274	two%
twenty-one	In action	Antioch	Itagui	0	0	325	0%
22	In action	Bolivar	Cartagena	0	0	418	0%
	In action	Bolivar	Cartagena	0	0	418	0%
24	In action	Arauca	Arauca	0	0	183	0%
25	In action	huila	Neiva	0	25	183	14%
26	In action	La Guajira	Riohacha	0	35	919	4%
27	In action	Antioch	The star	0	0	325	0%
28	In action	Cauca's Valley	Tulua	0	0	274	0%
29	In action	Sucre	sincelejo	0	0	274	0%
30	In action	Atlantic	Barranquilla	0	0	325	0%
31	In action	Antioch	Beautiful	0	0	325	0%
32	In action	Atlantic	Loneliness	0	0	325	0%
<b>Grand Total</b>				<b>5,920</b>	<b>60</b>	<b>11,153</b>	

Source: Findeter, 2021

### Status of Projects Casa Digna Vida Digna Program:

During the 2021 term, the execution of 16 projects was completed, which are detailed below:

**Table No. 33: Status of Projects Casa Digna Vida Digna Program**

No.	Project status	Department	Municipality	No. Certificates	Final Goal Contract
1	Finished	Atlantic	Loneliness	420	445
two	Finished	Narino	Pasture	236	275
3	Finished	Cauca's Valley	Cali	358	359
4	On sale	Antioch	Black river	341	341
5	On sale	Atlantic	Loneliness	445	445
6	On sale	Boyaca	Tunja	169	169
7	On sale	cease	Valledupar	314	314
8	On sale	Cordova	Ayapel	532	532
9	On sale	La Guajira	Riohacha	171	171
10	On sale	cupcake	Santa Marta	274	274
eleven	On sale	Narino	Pasture	286	286
12	On sale	Neiva	huila	442	442
13	On sale	Neiva	huila	414	414
14	On sale	Tolima	Ibague	444	444
fifteen	On sale	Tolima	Ibague	443	443

No.	Project status	Department	Municipality	No. Certificates	Final Goal Contract
16	liquidated	Arauca	Arauca	178	178
<b>GRAND TOTAL</b>				<b>5,467</b>	<b>5,532</b>

Source: Findeter, 2021

## Material Topics

(SDG 10, 11, 12, and 13)

### Projects aimed at benefiting communities in vulnerable situations (social inclusion)

#### 103-1 (Importance of the topic)

The projects carried out by Findeter in terms of Housing and Urban Development focus mainly on reducing the high quantitative and qualitative deficits in terms of housing needs in the most vulnerable sectors of Colombian society. The lack of resources for the purchase of housing is a problem that has a multidimensional impact on the country's economy and the generation of opportunities for people with limited resources, it is for this reason that at Findeter we have been involved in the execution of the housing policy promoted by the National Government for the generation of new and better housing.

#### 103-2 (How it is managed)

Findeter, through the Housing and Urban Development business line, is the strategic ally of the National Government and local administrations to formulate programs and projects that promote the generation of new housing projects that meet the quality standards required by the national regulations, that are spaces that dignify households in vulnerable situations and are the impetus for opening new opportunities for access to complementary services that benefit the community. From Findeter we support the execution of housing projects, monitoring and controlling those that are selected from the formulation of the programs and we are the ones who guarantee that the final product delivered to the beneficiaries meets expectations.

#### 103-3 (How it is evaluated and monitored)

In order to measure its impact, monthly we advance the review of the progress in the execution of works of each one of the projects supervised in the programs that we are in charge of, as well as the contrast with the programming presented by the contractors at the beginning of each one. In those cases in which deviations arose, work groups were held to support the management of issues that were delaying the projects and in some cases the management was shared with the client.

### Social Infrastructure

We provide technical assistance and resource management to national and decentralized entities such as the Administrative Department of the Presidency of the Republic, Ecopetrol, the Temporary Administration for the Educational Sector in La Guajira, the Ministry of Labor, the Ministry of Education, the Ministry of Sports, Ministry of Culture, Ministry of the Interior, Ministry of Information Technologies and Communications, Ministry of Housing, Fonvivienda, Cormagdalena, Government of Sucre, Government of San Andrés, the District Secretary of Culture, Recreation and Sports of Bogotá; the District Secretary for Social Integration, the District Secretary for Security, Coexistence and Justice; Colombian Family Welfare Institute, the National Road Safety Agency, the National Infrastructure Agency, the National Road Institute, the National Apprenticeship Service, the Special Administrative Unit for Civil Aeronautics, among others.

In order to meet the objectives defined by our clients and, in particular, with Findeter's policies, we have the participation of the community in the design of infrastructure solutions, a turnkey contracting scheme that tends to minimization of risks associated with contractual modifications, inter-institutional articulation for the optimization of land use, management of public services and procedures for permits and licenses and the use of non-conventional construction systems.

As of December 2021, our management accounted for 743 social infrastructure projects in 351 municipalities for more than \$1.7 billion, through the signing of 62 inter-administrative contracts. Of

the 743 social infrastructure projects that were in place at the end of 2021, 382 are settled, 172 are finished, delivered and in the process of being settled, 88 are underway and 101 are yet to start.

The execution of these 743 projects has allowed Findeter to continuously support the territorial entities in solving the most felt needs of the population. In 2021, the execution of 207 projects was carried out in the Infrastructure Management, for a value of \$719 billion pesos.

As a result of Findeter's management in the execution of the projects, derived from the inter-administrative contract signed with the Ministry of the Interior, during 2021, with indigenous communities throughout the national territory, at the end of December 2021, a second contract to continue with the execution of projects of a diverse nature with indigenous communities at the national level, which shows the strengthening of the contractual relationship between both entities that ratifies us as strategic partners of the National Government.

#### **Completed social infrastructure projects 2021:**

During the year 2021, 119 projects were completed in the Infrastructure Management, worth \$317 billion.

Some emblematic projects of social infrastructure are the following:

- ✓ **CIJ+CAE Campo Verde – Bogotá.** Delivery of justice infrastructure with an intervention of 12,625m2 in built area. It consists of a Comprehensive Justice Center and Attention Center. It is estimated to impact approximately 1,500 people. Value: \$71,214 million,
- ✓ **COL + CDI Las Gardenias 2 – Barranquilla.** Educational infrastructure (School and CDI) and recreational, with capacity for 1,240 students and a beneficiary population of approximately 1,260 families. Value: \$13,622 million.
- ✓ **Ministry of the Interior Program 1273.** Strengthening of the institutions of indigenous communities, economic reactivation and access to territorial rights. Projects executed within the framework of the Lines of Action: A) Access to the territorial rights of indigenous peoples. B) Entrepreneurship and economic development of indigenous peoples (economic reactivation). C) Strengthening of the institutionality of the indigenous peoples of Colombia. D) Infrastructure and public services. E) Empowerment of women, family and generations of indigenous peoples. Value: \$25,382 million.
- ✓ **MINTIC-Sell Online Program.** Strengthening projects that impacted 3,500 merchants throughout the country through the Vende en Línea program that allowed the consolidation of online commerce and digital payment strategies by Colombian merchants, businessmen and entrepreneurs. Value: \$23.4 billion.

**Table No. 34: Summary of social infrastructure projects, year 2021**

Project Type	to start	In action	Finished	liquidated	Total
Consultancy		1	5	7	13
Culture, Recreation and Sports	27	8	29	59	123
Education	38	54	63	214	369
Special projects	19	18	63	49	149
Security and Social Integration		3	8	53	64
Transport	17	4	4		25
<b>TOTAL</b>	<b>101</b>	<b>88</b>	<b>172</b>	<b>382</b>	<b>743</b>

Source: Findeter, 2021

**Table No. 35: Social infrastructure projects by type of projects, year 2021**

Project Type	to start	In action	Finished	liquidated	TOTAL
<b>Consultancy</b>		<b>1</b>	<b>5</b>	<b>7</b>	<b>13</b>
Consultancy			3		3
Credits			two		two
Design				3	3
designs				3	3
Specialization		1		1	two
<b>Culture, Recreation and Sport</b>	<b>27</b>	<b>8</b>	<b>29</b>	<b>59</b>	<b>123</b>
dance house			1	1	two
House of Culture				two	two
playful house			1		1
Construction of sports venues		4	3		7
Cultural Equipment			4	1	5
sports arena	twenty-one				twenty-one
cultural infrastructure	1				1
Pier				1	1
Museum	1		1		two
Park	1				1
sports recreation park	3	4	19	54	80
<b>Education</b>	<b>38</b>	<b>54</b>	<b>63</b>	<b>214</b>	<b>369</b>
library			5	14	19
Child Development Center	two	eleven	two	37	52
Center SHAKE YOU	9	fifteen			24
College	4	8	two	5	19
School + Child Development Center		1	4	8	13
School + Sports Recreation Park			1	two	3
Music school				1	1
educational infrastructure	two				two
Educational institution	two	two	twenty	123	147
Educational Institution + Sports Recreation Park			1		1
Internship			7	4	eleven
Kinder garden			3		3
Kindergarten for Children with Disabilities			1		1
mega college				10	10
Educational headquarters improvement	19	4	17	10	fifty
Reinforcement of educational headquarters		13			13
<b>Special projects</b>	<b>19</b>	<b>18</b>	<b>63</b>	<b>49</b>	<b>149</b>
Clinic	1		1		two
Endowment			1		1
Children's home				1	1
Institutional infrastructure	4				4
environment infrastructure	1				1
Interventions Road Safety Measures				7	7
Logistics		1			1
Hydraulic Dredging Maintenance				two	two

Project Type	to start	In action	Finished	liquidated	TOTAL
Maintenance Hydraulic and/or mechanical dredging			two	two	4
home improvement		10	7		17
Comprehensive Neighborhood Improvement		1	3	1	5
Market			1		1
Indigenous community projects	13	1	43		57
Telecommunications projects			3	3	6
Restoration				6	6
Administrative Headquarters		3	1		4
Security		two			two
telecommunications				27	27
Surveillance			1		1
<b>Security and Social Integration</b>		<b>3</b>	<b>8</b>	<b>53</b>	<b>64</b>
Specialized Care Center		1	8	16	25
Citizen Integration Center				37	37
Comprehensive Center for Justice and CAE		1			1
military infrastructure		1			1
<b>Transport</b>	<b>17</b>	<b>4</b>	<b>4</b>		<b>25</b>
Airport expansion		two			two
Tertiary road construction		1			1
rail infrastructure		1	3		4
national roads	10				10
National roads	6				6
pedestrian pathways			1		1
tertiary roads	1				1
<b>TOTAL</b>	<b>101</b>	<b>88</b>	<b>172</b>	<b>382</b>	<b>743</b>

Source: Finder 2021

## Material Topics

(SDG 10, 11, 12, and 13)

### Projects aimed at benefiting communities in vulnerable situations

103-1 (Importance of the topic)

#### (Social Inclusion)

Through the execution of the projects, in compliance with its Mission, Institutional Commitment and the Strategic Plan, we have managed 743 projects, in 31 departments of Colombia, within which works have been carried out to improve rural and border, indigenous and NARP schools. , comprehensive improvement of neighborhoods, projects with indigenous communities, thus contributing to the development of communities and generating a positive impact on low-income populations and social problems. Additionally, and derived from the IOTA hurricane that greatly impacted the islands of San Andrés, Providencia and Santa Catalina, during 2021, the execution of housing rehabilitation projects, reconstruction of schools and sports venues was carried out.

It is important to mention that during the execution of these projects, the inclusion of labor from the intervened sectors was encouraged, thereby generating a sense of belonging in the people involved and benefited by them.

#### (Education)

Findeter has managed more than 360 projects related to educational infrastructure, within which 1,039 rural, indigenous, NARP and border educational centers have been involved, in projects with the Ministry of National Education and the temporary administration of education in La Guajira; In addition, the construction of Schools, CDI (Child Development Center), Kindergartens, structural

reinforcements has been carried out, which have allowed the Entity to continue contributing to the development of the territories in the improvement of educational infrastructure coverage in the country.

For Findeter, the execution of projects in the education sector are works of great importance, due to the great positive impact that they generate, thus allowing the improvement of the existing initial conditions of the physical spaces for teaching, or even the construction of missing spaces for vulnerable populations, thus contributing directly to improving the quality of education in the country and improving the living conditions of the beneficiary population.

**(Promotion of environmentally responsible practices)**

As a Territorial Development Bank, we generate environmental awareness in all the direct and indirect actors in the development of infrastructure projects (leaders, managers, supervisors, contractors, workers), by including good practices to reduce energy, water and stationery consumption, to optimize the use of resources.

Likewise, the projects that Findeter develops contemplate within their deliverables, in a mandatory manner, the implementation of environmental management plans, with which it is sought to mitigate and control the negative effects that may be generated due to the interventions carried out through the activities developed in each project.

In each case, the contractors are required to submit and comply with the Environmental Management Plan established and approved for the project; likewise, Findeter's auditors and supervisors are in charge of strictly monitoring compliance.

Compliance with the implementation of these environmental management plans is of great importance, among others, because it guarantees that the projects that we develop in the Entity are carried out with a brand seal of the least possible impact on the environment.

**(Business lines with social and environmental criteria)**

Findeter, through the execution of the different projects, seeks to involve the community of the benefited areas as a primary agent, thus generating an appropriation of the executed works, in order to increase the positive impact, in terms of benefits for the populations and tending towards the sense of belonging towards the investments generated, which in turn allows the durability and care of them; Likewise, the projects are always executed under quality criteria that allow minimizing the negative environmental and social impact as much as possible.

At Findeter we promote good environmental and social practices that have been implemented to date to continue strengthening them from the pre-contractual, contractual and post-contractual stage, thereby guaranteeing social inclusion and care related to the environment.

[103-2 \(How it is managed\)](#)

Findeter, through the products offered as an Entity, executes sustainable projects that seek to transform the territories. Findeter, among others, offers the product of Technical Assistance and resource management, through which the Entity supports different clients from the pre-contractual stage, execution and settlement of projects, all within the applicable regulations, and framed in the policies, processes and procedures of the Entity.

As of 2021, Findeter has managed and executed projects derived from inter-administrative contracts signed with the Ministry of Culture, the National Institute of Roads - INVIAS, the National Learning Service - SENA, the Ministry of the Interior, the Ministry of National Education - MEN, among others. others, programs in which a positive social impact is generated, social inclusion and tends to avoid generating a high environmental impact.

[103-3 \(How it is evaluated and monitored\)](#)

**(Social Inclusion)**

The follow-up of the execution of the projects is based on the policies, processes and procedures of the Entity, that is how during the initial stage plans such as social management and environmental management are generated, which must be complied with during the execution of contracts. The supervision carried out by Findeter, through the periodic reports of the Auditors and different monitoring committees, in the corresponding cases, carries out the monitoring and control of compliance with these plans.

#### **(Education)**

Findeter carries out permanent monitoring, with periodic reports, which allow knowing the progress of the projects, the processes associated with new calls, progress during the execution and closure of the same.

During 2021, the Comptroller General of the Republic requested Findeter to carry out a monthly documentary report on educational infrastructure projects, in which the contractual documents signed in the previous period and the audit reports generated in the same period, as appropriate.

#### **(Promotion of environmentally responsible practices)**

At Findeter, the monitoring and control of compliance with environmental practices in the projects that are developed is carried out by the Entity's supervisor, through the auditing of the projects, who in their periodic reports inform the progress and compliance with environmental management plans, in each case.

#### **(Business lines with social and environmental criteria)**

As reported in the previous points, the monitoring and control of compliance with the social management plans and environmental management plans is carried out by the supervisor through the auditing of the projects, who report their progress and compliance.

#### **Water and Basic Sanitation**

This line of business includes the execution of projects for the programs of the Ministry of City and Territory Housing, the Rural Development Agency, the municipality of Jamundí, Cormagdalena and the Attorney General's Office, providing technical assistance services for carry out all pre-contractual, contractual, execution and closing procedures.

During 2021, 5 new inter-administrative contracts were signed, two with the Attorney General's Office for the construction of a single headquarters in Popayán and for the construction of the new headquarters in the municipality of Providencia; another with the municipality of Jamundí for rehabilitation of roads and replacement of aqueduct and sewage networks in the rural and urban areas of the municipality of Jamundí, and two contracts with the Regional Autonomous Corporation of the Río Grande de la Magdalena-Cormagdalena, for the dredging of the Access Channel to the Port of Barranquilla, the Canal del Dique and the sector between Barrancabermeja and Pinillos and the navigable channel of the Brazo de Mompox.

#### **Completed Water and Basic Sanitation Projects, 2021.**

We are currently executing 69 projects in different municipalities throughout the national territory, in the areas of aqueduct, sewage, sanitary landfills, drinking water treatment plants - PATP, wastewater treatment plants - PTAR, dredging and irrigation districts, of which we can highlight the following, due to their impact and complexity of the works:

- ✓ **Construction, expansion and optimization of the sanitary sewage system of the municipal capital of Mompox.** Wide coverage of the sewage system and wastewater treatment at 100%. The beneficiary population is 46,876 inhabitants. The value of the project is \$65,656 million.
- ✓ **Optimization of the La Esmeralda drinking water treatment plant for the city of Villavicencio.** System continuity increased from 90% to 98%. There was also an increase in the production capacity of drinking water at the La Esmeralda PTAP, by 0.4 m<sup>3</sup>/s, going from 1.6 m<sup>3</sup>/s to 2.0 m<sup>3</sup>/s; decrease in the vulnerability of the treatment system to turbidity peaks; and

environmental improvements through the management of the sludge generated, improving the quality of life of 447,709 inhabitants. The value of the project is \$59,555 million.

- ✓ **Design, supply and installation of a new desalination plant, with an effective capacity for desalinated drinking water of 50 l/s and design, supply and construction of a 1,000 m3 storage tank, a pumping system and conduction from the plant to the new tank on San Andres Island. operation and maintenance for 4 months.** The supply of treated water from the aqueduct system was expanded, increasing its storage capacity, improving the quality, frequency and continuity of the supply of drinking water, and improving the quality of life of 65,627 inhabitants. The value of the project is \$83,285 million.

**Material Topics**

(SDG 10, 11, 12, and 13)

**Projects aimed at benefiting communities in vulnerable situations (social inclusion)**

103-1 (Importance of the topic)

Our management, in terms of Water and Basic Sanitation, focuses on planning, structuring, financing and executing sustainable projects improving the quality of life of the territories, reducing the gap of unsatisfied basic needs in access to drinking water and basic sanitation.

103-2 (How it is managed)

FINDETER, in matters of Water and Basic Sanitation, manages projects that are of high social impact, environmentally sustainable and functional, which make it possible to improve people's quality of life through water and basic sanitation services; through the signing of contracts and agreements with entities of the National and territorial Government, and multilateral banking entities.

103-3 (How it is evaluated and monitored)

To meet the objective of the projects, the business line has an interdisciplinary team through which the management and supervision of projects and programs is carried out, implementing monitoring and control mechanisms through collegiate bodies within Findeter (technical committees, fiduciary and financial), follow-up committees with the client, territorial entities, contractors and other actors involved in the projects.

**Findeter in the Reconstruction of Providencia**

In November 2020, as a consequence of the natural disaster generated by the passage of Hurricane Iota in the Archipelago of San Andrés and Providencia, inter-institutional efforts were made to guarantee the reconstruction not only of the affected homes but of all the infrastructure required in the archipelago and especially on the island of Providencia, which was the place that suffered the most from the Hurricane.

Thus, on January 28, 2021, a contract for the provision of technical assistance and resource management services was signed between Findeter and Fiduciaria La Previsora SA as spokesperson and administrator of the Autonomous Patrimony National Fund for Disaster Risk Management , in order to advance the activities related to all the contracts required in the legal framework that defined the parameters for the reconstruction of the Island.

Within the scope of the contract, Findeter is responsible for managing the activities related to the construction of new homes in accordance with the goals established by the National Government. The progress and activities carried out as of December 31, 2021 are shown below:

**Table No. 36: New Housing Construction Progress Status**

New Housing	Number of houses	Typologies	Exercise	Total % Progress
	330	Typology 2 and Typology 4	Studies and Designs	100%



815	Housing Adapted to Lot	Implementations	100%
		Plays	fifty%
		Studies, Designs and Diagnostics	44.17%
		Construction site	44.17%

Source: Findeter

As of the date of this report, we have 1,090 fully habitable dwellings of the different types that are being built in Providencia.

**Providencia Reconstructed Homes:**



Due to the fact that in Providencia the rate of destruction due to the passage of Hurricane Iota was 98%, we are rebuilding 1,800 houses. The interventions carried out range from comprehensive repair, which consists of recovering the effects of the different dwellings, to new construction that considers three different types of dwelling and, finally, the Dwellings Adjusted to the Lot (VAL).

**Table No. 37 State of Progress Repair and Rehabilitation**

Repairs and Covers	Number of houses	Typologies	Exercise	Total % Progress
	688	Comprehensive Repair	Construction site	91.57%

	872	Covers <sup>(1)</sup>	Construction site	100%
--	-----	-----------------------	-------------------	------

(1) Findeter signed agreements with the Armed Forces (Police and National Navy) to combine physical, technical, financial and human efforts that allow the rehabilitation, recovery and implementation of housing roofs affected by Hurricane Iota on Providencia Island and Santa Catalina.



### 3.2. Positive Impact (Processes)

#### 3.2.1. Environmental management

(305-1; 305-2; 305-3 , 305-4) (103-3) Sustainable cities and communities, education and training in environmental matters (103-1) (103-2) (103-3) Actions against to climate change, Promotion of responsible environmental practices in the programs to be financed. (SDG 13 and 15)

We advance our environmental management through the execution of the following programs:

- ✓ Efficient use of water.
- ✓ efficient use of energy.
- ✓ Efficient use of paper.
- ✓ Comprehensive waste management.
- ✓ Sustainable practices.

Illustration No. 13 Environmental programs



The execution of our 5 programs was 100%. We work on the environmental campaign “Be Conscious” with the motto: “With your feet on the ground”, in order to disseminate and promote the environmental culture of our Entity, through different activities and internal communication channels.

The results in meeting the goals established for 2021 for each of the programs are reflected in the environmental indicators:

- ✓ For the Efficient Use of Water program, the indicator shows average consumption, as of November, of 0.69 m<sup>3</sup>/year, over a goal of 1.35 m<sup>3</sup>
- ✓ In the Efficient Use of Energy program, we were able to fully comply, since the goal was 125 KWh/month per capita and the result was 56.13 KWh/month.
- ✓ Paper consumption was 4.47 sheets on average per person, which allowed the goal to be met by 197%. Although the pandemic had an impact on low consumption, due to the virtuality that characterized the development of the work, strategies were also implemented so that some documents could continue to be worked on electronically, among which we can mention electronic payments, studies of need and acceptance of commercial offers and digital signatures, among others.
- ✓ As for the hazardous waste generated, it was properly disposed of and delivered in its entirety to the managers authorized by the competent environmental authority, complying with the program indicator by 100%, recycling 168 kilos this year.
- ✓ In terms of usable waste, we managed to recycle approximately 39%, equivalent to 50.9 kilos on average per month, with which we exceeded the national goal by 4 percentage points. These results were possible thanks to the periodic inspections of the temporary waste storage sites at the central headquarters, the training of general services personnel on the handling of hazardous waste, the audits and monitoring of the District Secretary of the Environment, and the environmental campaigns. carried out with all the Entity's collaborators.
- ✓ The Sustainable Practices program, which aims to generate environmental awareness and promote the efficient use of natural resources to help reduce the carbon footprint generated by the Entity, was successfully completed. We carry out the programming of environmental campaigns and, in the framework of the Covid-19 pandemic, we carry out environmental awareness work for work at home, informing workers of the different practices to recycle there, and training on ecological points for proper disposal of waste, contests and environmental challenges.

(103-1)

For us, it is important to include within its environmental programs, all those actions and strategies that contribute to mitigating damage in the face of climate change, which is why we consider the environmental aspects and impacts associated with each of the activities it carries out, since It allows to have knowledge about the points to be controlled and strategies are determined to mitigate the impacts that are significant in the operation.

We have a matrix for the identification of aspects and evaluation of environmental impacts, as well as the procedure for the identification, evaluation, measurement and monitoring of environmental aspects and impacts where the activities, policies or conditions, controls, decisions and formats that must be established are established. diligence to identify, evaluate and monitor the environmental aspects and impacts related to the Entity's activities, products and services, taking into account the life cycle perspective.

Thanks to the interest in maintaining its environmental management, strategies and developing actions against climate change, we have the ISO14001:2015 certification, which is the international

standard that provides the reference framework to protect the environment and respond to changing environmental conditions in balance with socioeconomic needs; Likewise, this standard specifies the requirements that allow an organization to achieve the expected results that it has established for its Environmental Management System.

(103-2)

We have an environmental policy within its Integrated Management System, with the orientation: "We manage good environmental practices to generate awareness and promote the efficient use of resources in Findeter's activities, which guarantee compliance with legal requirements, preservation of the environment and sustainable development".

We also have environmental objectives that are consistent with the strategic direction and the Policy of the Integrated Management System, as follows:

- ✓ Manage good practices to generate environmental awareness among Findeter's collaborators to promote the efficient use of natural resources.
- ✓ Properly dispose of waste considered hazardous.

To meet these objectives, we have environmental programs that seek environmental awareness throughout the company and integrate employees into a culture of responsible use of natural resources, leveraged by all the environmental campaigns carried out throughout the year.

We highlight campaigns such as the efficient use of energy, which promotes better environmental practices to save this resource, restrictions on printing to achieve considerable savings in the use of paper, proper separation of waste, among others. We have the environmental program of sustainable practices, in which we promote actions against climate change and highlight actions such as the use of eco-efficient means of transport, carbon footprint measurement and compensation through tree planting.

(103-3)

The Environmental Management System has some indicators with which the efficiency of each program and its activities and strategies are evaluated; According to the monitoring and analysis of the behavior of the indicators, the activities and campaigns associated with are intensified to correct and achieve the expected behavior.

Similarly, internal and external audits evaluate the environmental management system, in which aspects to be improved are reviewed and successful activities are highlighted.

A success story is the one concerning carbon footprint compensation, which is an additional and value-added activity that we carry out; In the last three years, we have planted 3,759 trees in the Great Indigenous Reservation of Vaupés for the conservation of the Amazon, where indigenous communities take care of trees through ancestral wisdom .

### 3.2.2. Carbon footprint

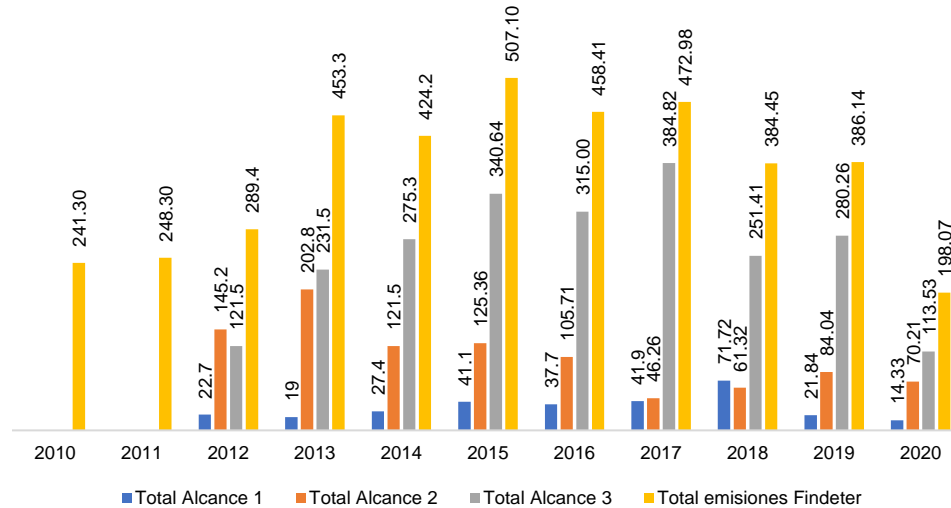
The measurement of the Corporate Carbon Footprint includes the inventory of Greenhouse Gases - GHG emissions and the calculation of environmental performance, allowing the identification of the emissions caused throughout the entire cycle of the operation and provision of the service. The measurement is carried out in 2020, so the data in this report corresponds to what happened in 2020.

Since 2010 we have measured the carbon footprint for the development of our activities, as a good sustainable practice, and we have offset emissions through different mechanisms such as planting trees and purchasing carbon certificates. The following has been the scope of the latest measurements:

- ✓ **Scope 1.** Fuel for mobile sources, fuel for stationary sources, refrigerant gas leaks.
- ✓ **Scope 2.** Emissions associated with the consumption of electrical energy.

- ✓ **Scope 3.** Emissions from flights, emissions from printing supplies (paper, toner), emissions from handling and disposal of waste, and emissions from outsourced transportation.

**Graph No. 9: Evolution of Findeter's carbon footprint**



Source: Finder 2021

For 2020 our carbon footprint was 198.07 tons of CO<sub>2</sub>e. The emissions generated in 2020 had a decrease of 49% compared to those of 2019.

This was mainly due to the fact that, due to the contingency generated by the Covid-19, the consumption of energy and water in the offices (due to working at home), the number of impressions was significantly reduced, and more importance was given to the media. virtual and cellular.

Our Entity stands out for being an organization with an active corporate sustainability strategy, with extensive experience in the planning and execution of environmental policies and programs that promote the efficient use of resources.

Compared to 2019, scope 1, which corresponds to direct emissions of greenhouse gases, had a notable decrease thanks to the timely maintenance of the equipment and little use of it.

Regarding scope 2, which corresponds to electrical energy, it decreased by 16% for 2020. Our Entity consumed a total of 345,285 kWh. The generation of this electrical energy implied emissions for a value of 70.21 tons of CO<sub>2</sub>e, which represents 35.45% of the GHG inventory.

Regarding scope 3, which corresponds to corporate flights, outsourced ground transportation, printing supplies (paper consumption and toner generation), use and disposal of waste, it is observed that:

- ✓ Corporate flights emitted 98 tons of CO<sub>2</sub>e, which corresponds to 86.32% of scope 3 emissions and 49.48% of Findeter's total emissions. These emissions are calculated from the average emissions per passenger on each route, according to the city of origin and destination.
- ✓ The outsourced transport that we use for our operation emitted 10.34 tons of CO<sub>2</sub>e, which corresponds to 9.11% of scope 3 emissions and 5.22% of the Entity's total carbon footprint.
- ✓ Printing supplies, which refer to the consumption of paper and toner or cartridges. generated 4.08 tons of CO<sub>2</sub>e, equivalent to 3.59% of emissions in scope 3 and 2.06% of emissions in Findeter's total carbon footprint. Paper consumption represents 65.22% of the emissions in the category of printing supplies, while the consumption of toner or cartridges is 34.80%.

- ✓ In waste management, we emit 1.12 tons of CO<sub>2</sub>e, corresponding to 0.56% of the total.

### 3.2.3. Technology Management

We successfully completed 8 projects, among which the implementation of the Digital Ecosystem, the Strengthening of the Virtual Office, Data Governance, New Ways of Working in Digital, Use and Appropriation 2021, Optimization of IT Capabilities stand out. We are also executing 6 additional projects, among which we can point out the Implementation of the Data Analytics strategy, Implementation of the first RPA, Strengthening of the direct credit system, Implementation of the Technical Core and CRM for non-financial products.

Our management contributes to:

- ✓ Improve the functionalities of the CRM tool, thereby increasing the quality and reliability of the information filled out on the commercial management of rediscount and direct credit.
- ✓ The construction of ERP integration services with the Financial Core, the regulatory development of electronic invoicing for third parties, as well as the development of new functionalities for integration with the new fixed assets system.
- ✓ Adapt the Dynamic AX information system, through the development of services that allow integration with the Financial Core.
- ✓ Implement the cognitive boot chat and a complementary virtual assistant, available to visitors to our website to improve the experience and interaction, offering answers to their queries in real time and at any time.
- ✓ Implement a tool for the automation of marketing processes, using cloud application technology and business analytics (BA) solutions, which helps us better understand customer segmentation in order to improve cross-selling strategies.

Additionally, within the 2021-2022 Digital Transformation Plan, we successfully closed projects such as Customer Experience, Sandbox and BPM Process Optimization, among others, which strengthen the capabilities of our Entity, to leverage its digital transformation and the use of emerging technologies, through the reinvention or modification of processes, products or services and ensure the generation of value.

### Technological platform

We maintained a technological platform availability of 99.96%, which allowed us to operate efficiently.

We updated the servers and the system of switches, network elements of the regional offices and 579 computers for the Entity's users, providing optimal tools that strengthen our computer security.

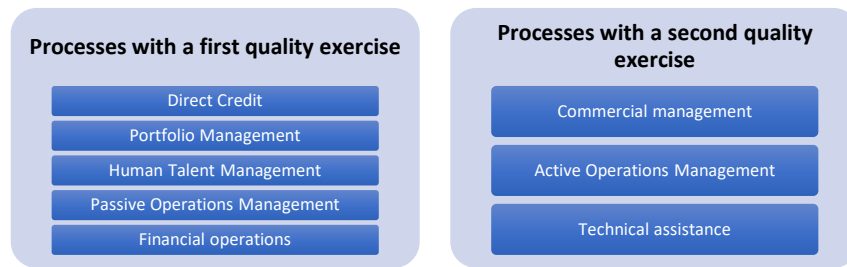
### 3.2.4. Data Governance Management

In 2018, the map for the implementation of the Findeter Governance and Data Management Model was proposed. In 2021 we develop the fourth phase. Within this framework, we carry out the survey and characterization of the information components, developing diagnostic exercises and proposals to improve the quality of the data, publishing open data and taking the first steps for the management of master data in the Entity.

### Data Quality

In 2021 we made improvements to the data quality indicators, through diagnostic and improvement exercises for the following processes:

### Illustration No. 14: Data quality



These diagnostic and improvement exercises involved the development of activities that begin with the review and analysis of the process procedures and definition interviews with the owner of the data, up to the review and validation of data correction results by IT.

### **Open Data**

In terms of open data, we established the strategy of opening, improving and using data for the year 2021. This strategy has been developed in 3 stages: identification, analysis and prioritization and programming, in accordance with the Guide for the use and exploitation of Open Data in Colombia.

The activities defined for open data in the Entity were: Identification and documentation of Technical Assistance data, Structuring of Technical Assistance data, Definition of the architecture, Requirement of publication of open data of Technical Assistance and Publication of open data of Assistance Technique

Thus, we identify and characterize the information and data sets of the Active Operations Management, Technical Assistance, Direct Credit, Portfolio Management, Human Talent Management, Liability Operations Management and Financial Operations processes.

### **Use and Appropriation**

We had the active and constant support of the use and appropriation team to publicize the progress of the project in 2021, especially in terms of data governance policies, to familiarize Findeter collaborators with what it means and implies govern the data.

For this purpose, we develop the following high-level activities defined to make use and appropriation of data governance:

- ✓ Campaigns about Data Management and Governance policies
- ✓ Training for data owners in the exercise of government policies and data management.
- ✓ Publication of the Circular for Data Owners.
- ✓ Infographic about data governance policies.

Likewise, and with the aim of generating a culture around the good management of the Entity's data, we created some indicators of the exercise of Use and Appropriation for the governance and management of data.

Finally, we have a file of indicators, which were prepared to monitor the use and appropriation of government services and data management in our Entity.

### **3.2.5. Innovation and Knowledge**

At Findeter we have traveled an important path in the implementation of our Innovation Management System and 2021 was a great year for its consolidation. We continue to enable new capabilities in our collaborators, which allows us to quickly create value for our stakeholders.

“Innovation Journey” was our flagship program for the term, focused on strengthening and recognizing our culture of innovation, enabling experimentation and taking the transformation of our Entity to another level.

Together with Findeter's collaborators and the management team, we managed to define six strategic innovation challenges to be resolved together with our group of "Innovation Heroes" through a systemic and guided process, involving several work sessions. We carry out the transfer and appropriation of new methodologies focused on agility and digital transformation, methodologies that allowed us to build prototype solutions to the challenges posed. As a result of this exercise, our Presidency Committee selected three innovative projects that will be implemented in 2022, giving continuity to our innovation culture strategy and demonstrating once again that innovation is part of our DNA at Findeter.

We launched the "Findeter Mentors" program through which we developed our strategy for the use, appropriation and transfer of knowledge; All this thanks to the collaborators who decided to contribute all their knowledge to share it with 32 new talents who joined the Entity, and who, in addition, were catalysts of experiences through 7 specific mentorships, in which we achieved the participation of approximately 300 collaborators. .

Understanding that the country's Science, Technology and Innovation (CTeI) ecosystem is becoming stronger, we do a great job participating in an open innovation process with the ecosystem of entrepreneurs of the National Learning Service - SENA, where we seek to find ideas for solve an internal challenge of our contracting model. In addition, promoting the growth of alliances and value relationships, we participated in and were winners of the Bogotá Innovation Systems call, led by the Ministry of Science, Technology and Innovation, in alliance with the National Association of Industrialists - ANDI, where, through After an intensive 6-month program, we are strengthening our innovation system, with the support of an expert consultant.

Thanks to our continuous management to develop innovation actions, for the third consecutive year the National Council of Tax Benefits in Research, Development and Innovation (R+D+i), approved us a project within the framework of the call for deduction and discount for investments in innovation; Thus, we obtained a profit of around \$200 million.

### 3.2.6. **Communications Management**

(102-33), (102-42), (102-43)

Communication is a fundamental aspect for the execution of the Strategic Plan, since it cuts across the entire company and requires the involvement of all employees. For this reason, in 2021, despite the virtuality and the impacts of the pandemic, at Findeter we managed to put corporate communication at the service of all the organization's processes, facilitate internal and external information flows, manage relationships with different interest groups and accompany the Entity's areas in the assertive communication of institutional messages.

In 2021, the communications plan focused on making the positive impact of Findeter's management visible, on priority issues for the organization such as direct credit, the reconstruction of the Providencia and Santa Catalina archipelago, the Entity's contribution to the economic reactivation of the country and the results of the different business areas; in positioning digital communication issues, supporting the strengthening of the organizational culture, connecting all collaborators and achieving a greater presence in regional and national media.

In addition, new strategies were generated that made it possible to impact the Entity's stakeholders.

#### **Internal communication:**

- ✓ The image of Findeter es Noticia was renewed, the main means of internal communication that reaches all collaborators daily through email. In this same strategic line, the digital platform of channels was strengthened and the network of correspondents was consolidated.
- ✓ Employees were kept informed about the management carried out in Providencia, through 58 publications.



- ✓ Construction of work plans and creation of internal communication campaigns, with which relevant topics were internalized for the strengthening of the organizational culture and climate, digital transformation, innovation as a strategic competence, information security and information systems. control, among others.
- ✓ To reinforce leadership, we created a special newsletter for managers, in which the 3 most important news of the week are summarized, and
- ✓ We strengthened the profile of the internal social network on Instagram, with the issuance of close messages about the collaborators and their work environment, which allowed us to increase the number of followers and interactions.

#### **Disclosure and press:**

- ✓ To position the Entity and make management visible, through free press strategies, we send the media and opinion leaders relevant Findeter information: credit lines (direct credit, Commitment line package, and Reactivation), planning products ( sustainable cities, multipurpose cadastre, POT), socialization events with territorial entities, project financing, project structuring (trains, mobility plans, hospitals) and transversal products and services such as the Health Route.
- ✓ Dissemination and promotion plans were structured for 4 lines of credit and three non-financial products.
- ✓ The strategy of approaching journalists was continued, so that they will find an ally in Findeter for their publications. To this end, interviews were arranged with journalists from national and regional media.
- ✓ As a result of this work, in 2021 the media published 5,489 news about Findeter, 32% in national media and 68% in regional media. The publication of this information represented for Findeter an advertising saving of \$26,269 million.

#### **Communication and digital marketing.**

**Website:** The Transparency Law section was redesigned, simplifying the information (it went from 13 items to 9). Page views increased by 23.01% and the number of pages viewed during user visits increased by 8.47%.

**SEO:** A better positioning of the content in search engines was achieved and the indexing of 99.99% of all pages or documents in Google, as well as better quality of traffic: 35.97%, better than the previous period.

Website loading speed increased by 37.13% and users find faster and better information on the website: 36.48% reduction in bounce.

**Marketing Automation:** With this strategy, potential deals/quotes were generated for nearly \$2 billion, generated by digital campaigns and the acquisition of potential customers (leads): 117 leads between March and November 2021. In addition, we created a functional database of more than 45,000 contacts in Microsoft Dynamics of the public sector and multisectors.

**Social media:** This work focused on conceiving social networks as a strategic channel of communication with interest groups and establishing an editorial methodology that would allow capturing, selecting and publishing information that would add value to our daily activity.

**Table No. 38: Main figures of Social Networks**

	2020	2021	Variation	Goal	Compliance
Twitter	2,048,500	3,519,000	72%	2,840,448	124%
Facebook	254,853	416,638	63%	0	0
LinkedIn	No data	166,915			

Source: Findeter

**Table No. 39: Interactions**

	2020	2021	Variation	Goal	Compliance
Twitter	2.17	2.45	13%	1.50	162%
Facebook	11,962	19,939	62%	0	0
LinkedIn	No data	7,566	0	0	0

Source: Findeter

### editorial production

We created 2 new editorial products in order to continue supporting the Entity's corporate and positioning strategy. In February we launched "United for the Archipelago", to inform the Providencia community weekly about the progress of the different projects that were being carried out to recover the infrastructure affected by the passage of Hurricane Iota.

In July, with the support of the Department of Economic Studies, we published the first edition of the "Economic Context" newsletter, in which we present key information to stakeholders for understanding movements in the economy every fortnight.

We also work on the concept, research, design and layout of the book: "Providencia, an island for the future", which gives an account of an unprecedented act in Colombia, such as the reconstruction of an island, and which will be released in the first semester of 2022.

In 2021 we also publish the following products:

- ✓ Third issue of the magazine "Territorios" (printed and digital editions).
- ✓ Management and Sustainability Report 2020.
- ✓ Manizales SITP card.
- ✓ Booklet of the Providencia and Santa Catalina new housing repair and construction programs (information for contractors and their collaborators).
- ✓ Institutional brochure.
- ✓ Fortnightly update of the Findeter blog with relevant information for our clients.

### 3.2.7. Legal Management

(102-17)

The Legal Management process is responsible for providing legal support to the Entity in all aspects related to the development of its corporate purpose; Likewise, it exercises judicial and extrajudicial representation of institutional interests; in the same way, it exercises the administration and collection of the balances derived from the liquidations of the co-financing agreements; attends seizure requests and is responsible for managing the entire institutional insurance package.

For the development of the above, it has the following procedures:

- ✓ Administration and collection
- ✓ Conceptualization and advice
- ✓ Judicial and Extrajudicial Representation
- ✓ Processing of embargoes
- ✓ Administration insurance policies.

The following numbers present the most relevant figures of the main activities in terms of legal aspects inherent to our Entity.

### 3.2.7.1. Judicial Processes Findeter

(102-34)

As of December 31, 2021, we have 154 judicial processes as follows:

**Table No. 40: Judicial Proceedings against Findeter**

Class of Process	No. Processes	claims	EKOGUI Indexed Claim	Sum of Provisions
Direct repair action	twenty	8,392,908,567	8,996,050,869	0
Insolvency	two	344,268,723	416,968,595	0
Labor Ordinary	18	5,797,857,806	7,644,809,874	2,133,067,914
group action	5	44,155,169,329	17,733,459,563	0
Direct repair action	16	9,495,354,346	7.825.347.4110	0
people's action	eleven	51,261,850	0	0
current controversy	14	72,664,322,936	80,085,860,801	0
Declaration of membership	1	211,782,000	241,420,419	0
Monitoring	1	0	0	0
Nullity and restoration of the right	1	134,514,920	0	0
Labor Ordinary	19	205,615,386	41,465,729	0
Simple Nullity	1	0	0	0
Extracontractual Civil Liability	1	90,000,000	0	0
<b>Total</b>	<b>110</b>	<b>141,543,055,863</b>	<b>122.985.383.261</b>	<b>2,133,067,914</b>

Source: Findeter, Figures expressed in pesos

**Table No. 41: Processes Promoted by Findeter**

process class	No. Processes	claims	EKOGUI Indexed Claim	Sum of Provisions
Contract dispute	1	100,400,000	105,278,426	0
Executive	16	1,153,250,418	1,768,717,665	0
civil ordinary	two	5,933,702,288	4,556,040,869	0
Contract dispute	5	3,086,311,992	22,958,082	0
Executive	18	2,574,372,311	3,297,229,007	0
Insolvency	1	58,333,339	0	0
Ordinary Civil - Payment by Consignment	1	16,060,365	0	0
<b>Total</b>	<b>44</b>	<b>12,922,430,713</b>	<b>9,750,224,049</b>	<b>0</b>

Source: Findeter, Figures expressed in pesos

## Guardianships

We were notified of 48 protection actions against the Entity, related to the alleged violation of the fundamental rights of petition, health, decent life, due process, decent housing, among others. 47 of them were answered, while in the constitutional process 2021-00170, no answer was given because the plaintiff withdrew and the Court accepted the request. We emphasize that, in all cases, we obtained favorable sentences, without any ruling against their interests. Nor was there any intervention in incidents of contempt.

### 3.2.7.2. Administrative processes and coercive collection Findeter (102-34)

Table No: 42: Administrative Processes and Coercive Collection Findeter

No.	TIN	Entity	Department	New Commandment Value
1	800095978	Padilla	Cauca	120
two	800100134	Natagaima	Tolima	Four. Five
Total				165

Source: Findeter

### Other relevant aspects of advanced management in legal matters

- ✓ 13 final favorable judicial decisions were issued in processes in which we were defendants; Thus, we achieved a procedural success rate of 100%.
- ✓ Through the procedures related to payments and proof of allocation of resources to the displaced population, we managed to reduce the coercive collection processes to the sum of \$165 million.
- ✓ In 2021, 28 Judicial Defense and Conciliation Committees were held, in which decisions were analyzed and made on 40 issues, managing to consolidate defense arguments such as the lack of legitimacy in the passive case with respect to Findeter, against claims related to derivative contracting.
- ✓ The National Agency for Legal Defense of the State certified Findeter for the formulation of Policies for the Prevention of Unlawful Damage for the periods 2022 - 2023.
- ✓ The National Agency for Legal Defense of the State certified Findeter with the implementation of the Optimal Management Model - MOG, the result of complying with the execution of the 10 planned tools. This Model guides the way of working towards the achievement of a sustained reduction in litigation activity against us, a reduction in the number and amount of compensation recognized or imposed on us and an improvement in our judicial performance and in the recovery of the sums paid for conciliations or convictions.
- ✓ Finally, we participated in the issuance of 3 decrees through which direct credit lines and rediscount lines with compensated rates were implemented, destined for territorial entities for investment projects and strengthening of State Social Enterprises and financial support for Promoter Entities of Health and Health Provider Institutions.

### 3.2.8. Contract Management

(102-31)

Our contractual management is governed by the provisions of private law and the principles of the Administrative Function and Fiscal Management. We organize contracting by types of purchase governed by two internal policies: a) Findeter goods and services and b) goods and services for third parties; Within the latter we have the contracts made through Autonomous Trusts and the contracts signed directly by the Finance Company in compliance with its commitments with cooperation and international banking.

### Purchasing and Acquisitions Plan

The purchasing plan is Findeter's control and monitoring tool for contracting goods and services.

Day by day we consolidate this important planning tool, implementing and improving the application

of indicators and support for the Entity's technical areas, with the generation of early warnings regarding compliance with contracting schedules.

We committed \$74,350 million with which we carried out the contracting of 486 lines or needs, with an execution of 100% of the resources available for the period. The follow-up and control allowed us to identify budget savings worth \$15,669 million.

We have as the most representative figure, the contracting of temporary services that represents 52% of the total investment, in order to guarantee the talent and human resources essential in the provision of the different services available to our clients. Likewise, we highlight the investment of 18.53% of the committed resources, in terms of technology and specialized consultancies, such as adequate and forceful response to the challenges posed within a new reality where the digital is preponderant in daily work.

### **Goods and services Findeter**

This type of purchase is governed by the internal policy for the contracting of goods and services and its objective is to guarantee the acquisition of the works, goods and services contemplated in the purchase plan, essential for its operation, strengthening and promotion, based on compliance of its legal and strategic purposes.

We celebrated 153 commercial offer acceptances, 70 contracts, 26 expenditure orders affecting the purchasing plan and 48 contractual modifications. In total we committed \$74,350 million.

One of the main indicators is the efficiency in the contracting process, reflected in the average of 17 business days from the publication of the minimum requirements to the award.

### **Goods and services for third parties**

This type of purchase is regulated by the contracting policy for goods and services for third parties. Within the framework of this policy, consistent with the particularities of the current situation, we have been adapting the terms of reference, managing to legally strengthen the selection processes with full respect, application and promotion of the principles of the Administrative Function and Fiscal Management, in order to prevail, among others, the plurality of bidders and healthy competition.

We awarded 249 contracts through Autonomous Trusts with a budget of \$849,159 million and entered into 20 direct third-party contracts worth \$27,521 million, for a total of \$876,680 million committed.

As a significant indicator of the efficiency and effectiveness of the process, we can point out that the average time for the selection of the contractor, from publication to award, is 25 business days. Through this type of purchase, we materialize the commitments acquired with our national clients and with international banking and cooperation, with high standards of quality and transparency.

### **Contract settlements**

We managed 541 liquidation requests, of which 470 completed their processing and 71 are in process.

We highlight the achievement of having exceeded the figure of 400 settlements established as a goal for 2021. During this period, we carried out a campaign through the Entity's digital media, in order to train and raise awareness among contract supervisors regarding management and responsibility for this activity. Follow-up is maintained, with regular meetings with infrastructure and water management, to ensure continuity in the timely filing of liquidation requests for completed projects.

### **The Hiring Committee**

We held, virtually, 250 sessions of the Hiring Committee in which 1,238 topics were discussed. The consolidation of the Contracting Committee as the governing body and guarantor of the selection processes within the Entity gives agility, control and monitoring to the contractual management process.

We reviewed and approved 291 terms of reference and minimum requirements, 610 evaluation reports within the selection processes and 337 procedures such as contractual modifications, direct contracts and addenda, among others.

#### **Update of the support elements of the contractual management process.**

Continuous improvement is a relevant aspect in the Entity's processes and procedures and even more so in a subject as dynamic as contractual management has been.

This led us to start updating the supporting elements of the process. We have updated and published in the Integrated Management System - SGI, 4 procedures, 14 formats and the new instructions for the completion and processing of the contractual management report in SIRECI were launched. The process of review, adjustment and approval of the elements of the contractual process is a permanent challenge.

Finally, in compliance with institutional values and in order to generate trust in our stakeholders regarding our actions, we adapted the technological platforms to publish the offers submitted within the contractual selection processes on the website. During the 2021 term we published 670 offers .

#### **3.2.9. Management administrative**

It consists of the management, supply and administration of resources in Findeter, aimed at generating welfare mechanisms for employees, providing quality services in an efficient, safe and timely manner.

From this front, we carry out work to attend to basic needs such as the provision of services, logistics and supplies. During 2021, the work carried out in aspects such as: Administration and maintenance of physical infrastructure; Document Management; Employee travel commissions; office leasing; Asset management, and Administration and automation of fixed assets.

#### **Administration and maintenance of physical infrastructure**

With the arrival of the new reality in times of pandemic, we identify the need to adapt the work spaces of our collaborators to comply with all biosafety regulations. Due to the public health emergency situation, we encourage both teleworking and office work to be complementary, which is why, during 2021, spaces were set up and conditioned for internal collaborators, as well as for visitors to the entity.

We made adjustments to the physical infrastructure that would allow us to include the new protocols and biosafety standards in aspects such as disinfection areas; additional water points for constant hand washing; air conditioners; reorganization to maintain the minimum distance, among others. All these improvements incorporate experiences that make it possible to maintain suitable and versatile sites for any other change that is required in the redistribution of spaces.

The adaptation of the lobby of the building managed to transform and refresh the first image that the external clients and workers of the Entity had, in a friendly and sober image, which invites everyone to enter a unique and incomparable place and that from the moment of Entering the facility feels like home. The design of the space fulfills the proper function of the place.

Antes

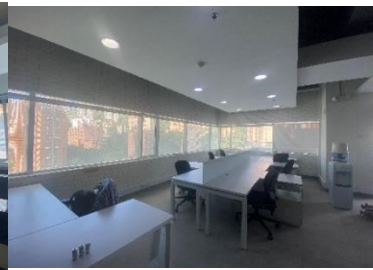


Después



In the offices located in the cities of Cali, Medellín and Barranquilla, we carry out the change of the floor, meeting a priority health need, replacing the mat with an optimal, aesthetic, healthy and functional material. Additionally, we managed to renovate the spaces, and prepare them for the return of the workers to the headquarters.

### Remodeled Offices Barranquilla Cali and Medellín



We carried out the change of furniture in most of the management offices of the central headquarters, which had already completed its useful life. We achieve much friendlier environments, which make our workers feel like a modern space when they return to face-to-face presence.

### New furniture



The advanced management deepened the preparation of the infrastructure and adaptation of the biosafety devices, complying with the protocols required for the return of the workers in the different stages that were proposed. We also carry out space optimization work to be able to occupy the maximum number of workstations on each of the floors.



### Hand washers



### Document Management

During 2021, the Documentary Administration Center - CAD advanced its management at the main headquarters and through the institutional email [Correspondencia@findeter.gov.co](mailto:Correspondencia@findeter.gov.co), registering the following figures:

**Table No. 43: Types of Document Management. Year 2021**

Concepto	Número	Tipo Documento	Promedio Mes
Radicación correspondencia	22.201	Documentos	1.850
Clasificación, ordenación, foliación, encarpetao, rotulado, levantamiento del Fuid y codificación	6.529	Unidades	544
Préstamos de forma digital	4.833	Unidades	403
Transferencia físicas recibidas	9.143	Unidades	762
Inclusiones de forma electrónica (*)	5.532	Expedientes electrónicos	461
Imágenes de digitalización	61.423	Imágenes	5.119
Carga en aplicación documenta	236	Carpetas	20
	8.023	Archivos digitales	669

(\*) *Contingencia por pandemia*

On the other hand, in order to strengthen the capacities of the collaborators in terms of document management, we carried out 14 training sessions related to archival processes for 79 collaborators, 13 training sessions on the DOCUMENTA document manager for 127 collaborators, and we prepared 20 informative pieces alluding to the Documentary Manager and Archival processes.

Likewise, in order to preserve the institutional memory, the accumulated fund was intervened, in order to allow a better conservation of the physical files by reducing the handling of the files, improving response time in the query, complete availability to the interest groups, preservation and recovery of information over time.

Finally, in order to prepare ourselves for the return to the Entity, we carried out several campaigns so that the workstations were free of boxes and folders of documentary files.

### Employee travel expenses commission

In order to carry out the supervision, coordination, support of the activities for the repair and construction of homes in Providencia and Santa Catalina, we processed 329 commissions for 55 employees. We generated accumulated savings in the area of per diems for accommodation equivalent to \$672 million, derived from a total of \$936 million for accommodation due to \$264 million in rent paid for leased properties in San Andrés and Providencia, for the service of workers who they are participating there in the execution of the projects.

### office leasing

We closed the offices in Santa Marta, San Andrés and Floor 5 of Tower 104 of the alternate headquarters in Bogotá, a fact that generated a reduction in rental expenses of \$25 million for 2021 and that for 2022 will generate a reduction of spending in this area for \$562 million.

### Asset Management

We wrote off 297 fixed assets in Bogotá and San Andrés, as follows:



**Table No. 44: Derecognition of assets**

Quantity	Modality	Place
204	Donation	Bogota
47	Destruction	Bogota
46	Donation	San Andres islands

With this sick leave by donation, we contribute to the social purpose of the Health Workshop Funstall Foundation , attached to the ICBF, which, for twenty years, has provided services to vulnerable children from all over the country and migrants, who have chronic or catastrophic illnesses and reach Bogotá, seeking medical treatment; This foundation received a donation of 204 items.

Regarding the discharge due to destruction, we carry it out at zero costs and receive a final disposal certification, complying with environmental regulations on waste disposal.

Finally, the cancellation by donation in San Andrés benefited 5 non-profit or government entities of this Archipelago; We also evidenced significant savings by avoiding the transportation of the canceled elements to Bogotá.

#### **Fixed asset management and automation**

We started the implementation of an asset management automation project through a technological platform that allows us to know the history of movements (creation, allocation and removal) of assets. Workers will be able to be clear about what assets they have assigned through virtual certificates, promoting the use of zero papers.

This tool will make it possible to control the entry and exit of assets from the use of radiofrequency readers and will be interacting with MICROSOFT DYNAMICS AX to keep the records updated in this tool: It will be possible to have better control of unassigned elements, unify the assignment and registries of own assets as well as those of third parties.

## **4. RESPONSIBLE FINANCES**

### **4.1. Around Economic**

#### **4.1.1. Context Economic 2020 in retrospective**

During 2021, the world was recovering after the shock experienced by the Covid-19 pandemic. Although the world economy performed better during the year, the consequences of the pandemic have been evident in the main world economies. A clear example of this is the uncertainty of the new variants of Covid-19, the energy crisis and the change in global supply chains. However, the return to attendance at jobs and schools gradually reactivated the economy. This was possible thanks to the vaccination days that were held in the world.

Last year, the dynamics of the global economy had an improvement in the Gross Domestic Product (GDP). For example, the United States went from contracting 3.4% in 2020 to growing 5.7% so far this year with a cut to the third quarter of 2021 <sup>7</sup>. This reactivation was essentially due to the fiscal aid granted by the government and stimulated internal demand. Similarly, the International Monetary Fund (IMF) estimates that economic growth to close 2021 will be 6% and 5.2% in 2022 <sup>8</sup>. For its part, the Euro Zone also saw good growth compared to the previous year: GDP registered an annual variation of 3.9% in the third quarter of 2021. For the year as a whole, the IMF estimates that the growth is 5% and 4.3% in 2022.

<sup>7</sup>Economic Outlook 2021- Fedesarrollo

<sup>8</sup>World Economic Outlook, October 2021-IMF

Regarding inflation, the United States had an annual variation of 6.8% in November 2021, in line with analyst projections. This figure represented a record of 39 years. For this reason, the Federal Reserve (FED) decided to begin the reduction of monetary stimuli with cuts of USD15 billion in November and December. Now, at their meeting on December 15, 2021, they announced the acceleration of these cuts starting in January, increasing the rate to USD30 billion per month. The Committee highlighted that the supply and demand shocks that have occurred in recent months have helped economic recovery, but have been reflected in the high inflation in the United States. They also highlighted the decrease that has been observed in the unemployment rate, which encourages the FED to take a stronger position to fight inflation, since inflation is no longer considered transitory and the labor market has continued to improve.

For its part, inflation in the Euro Zone stood at 4.9% in November 2021, reaching the highest level in history <sup>9</sup>. This inflation is mainly explained by the energy crisis experienced in Europe, which significantly increased energy prices there. Despite this, for now the European Central Bank (ECB) has decided to keep the intervention rate at 0%. Likewise, interest rates on loans and deposits will remain at 0.25% and 0.50%, respectively.

Thus, we can see that the rapid recovery in demand, the increase in fuel costs and the crisis in the international supply chain led to an upward trend in global inflation. Although initially the central banks, particularly in developed economies, thought that this would be transitory, as the months went by and they saw that inflation did not subside, they decided to make changes in the expansionary stance of monetary policy and begin a normalization, many times faster what they valued.

In the national case, we have seen how the economic reactivation was progressive with the return to schools, jobs and universities due to the rapid vaccination plan against Covid-19, despite the public order situation that was experienced in the months of May and June during the national strike.

Colombian GDP grew by 13.2% in the third quarter of 2021, this growth is mainly explained by internal demand, since it represents close to 70% of Colombian GDP.

On the one hand, the item that has mostly explained the progress is private consumption; however, much of this has been due to the use of household savings accumulated during the closures: total household savings at the end of 2020 were estimated at \$25 billion. By June this had decreased to \$1 billion.<sup>10</sup>

On the other hand, inflation in Colombia behaved in a growing way, especially in the months that the roads were blocked due to the national strike. The lack of supply in many parts of the country caused the price of many products in the family basket to increase and, therefore, inflation to rise in the same way. However, the international factors mentioned above, such as the increase in energy prices and the crisis in the supply chain, also temporarily affected Colombian inflation.

For this reason, the Banco de la República decided to start the monetary policy normalization process in September by increasing the interest rate by 25 basic points, reaching 2%; in October it increased 50 basic points, to reach 2.50% and in its last meeting in December, the rate reached 3%, that is, it increased 50 basic points more. For the Board of Directors of the Central Bank, this decision was based on 3 important factors: i) annual inflation in November surprised on the rise, registering an increase of 68 basic points with respect to that registered in October, which stood at 5, 26%; ii ) the dynamics of economic reactivation that presents production levels above pre-pandemic levels, and iii ) in 2021, the current account deficit would reach a level of 5.6% of GDP, explained by the growth in domestic demand <sup>11</sup>.

#### **4.1.2. Analysis of the Financial System – Banks**

---

<sup>9</sup>Economic Outlook 2021- Fedesarrollo

<sup>10</sup>Economic growth 2021: rebound that runs out- Corficolombiana

<sup>11</sup>Press Conference- Banco de la República

During 2021, the portfolio of the financial system grew annually by 0.3% in August and 1.4% in September, which indicates a reduction of 5 percentage points and 2.6 percentage points, compared to the same months of 2020 <sup>12</sup>. The wallet, so disaggregated, presented variations important, like this:

- ✓ The housing portfolio has a 15% share of the total portfolio and registers an annual variation of 8.1% in September.
- ✓ The consumer credit portfolio, which has a 31% share of the total portfolio, also has a growing trend with a variation of 4.8% in September.
- ✓ Lastly, the commercial portfolio, which accounts for 52% of the total portfolio, showed a decrease for the month of September (-2.4%). It should be noted that this fact is mainly due to the base effect, since in the same period last year the commercial portfolio grew 6.7% on average.

As for disbursements, so far this year, to September, the highest amount in nominal values was achieved (\$47.8 billion), which translates into an annual growth of 30.9% compared to the same period of the previous year. Likewise, in November (which is the last data recorded) it closed with disbursements of \$34.6 trillion and the consumer portfolio was the one with the highest participation with 26.3% of the total, disbursing \$9.1 trillion <sup>13</sup>.

Finally, we can show that the quality of the total portfolio (measured as the percentage of the total past due portfolio) during 2021, showed a constant recovery, since it was at pre-pandemic levels. This means that credit institutions are improving their risk profiles when applying for credit. But this rebound began to fall in November, since it registered the lowest value in the year, a situation that had not been registered since July 2020 (3.9%). The housing portfolio is the one with the lowest quality (3.19%) compared to the total portfolio and is still 0.08 percentage points below pre-pandemic levels.

#### 4.2. Finder in figures (102-45)

In the first year of economic reactivation, we achieved a net profit of \$77,179 million, a record in our Entity, even higher than that registered in 2019, a pre-pandemic year.

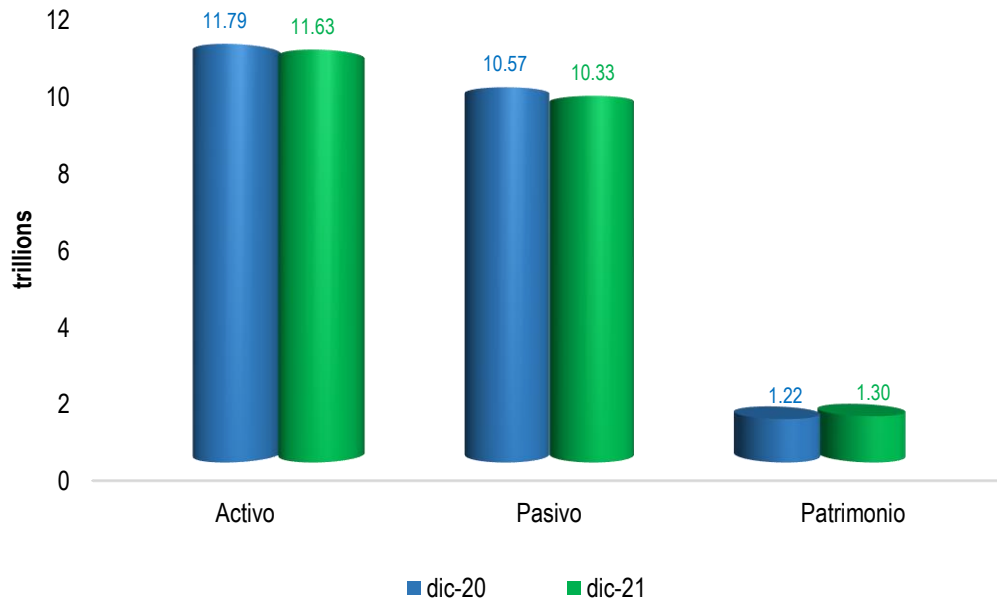
During 2021, two of the three main accounts of the Statement of Financial Position showed a contraction compared to 2020. The Entity's total assets stood at \$11.42 trillion, decreasing 3.03% compared to the previous year, the liability for its part showed a negative annual variation of 4.14%, closing the year at \$10.11 billion and equity increased by 6.52%, reaching \$1.30 billion.

### Graph No 10: General Balance. Year 2021

---

<sup>12</sup>Economic Outlook 2021- Fedesarrollo

<sup>13</sup>Disbursements by credit modality- Financial Superintendence

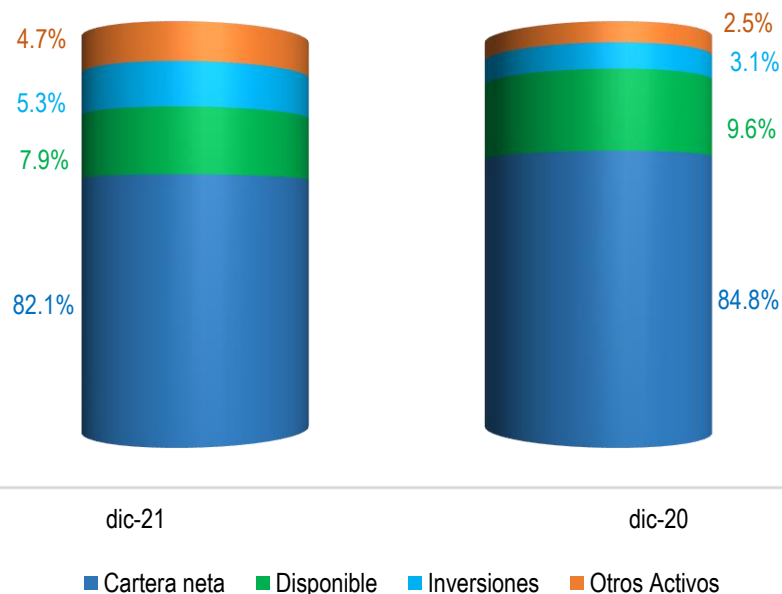


Source: Finder. year 2021

In the case of assets, the main items continue to be the portfolio, with a participation of 83.86%, cash and its equivalents with 8.08% and investments with 5.41%. Cash had a negative annual variation of 18.61% and closed the year 2021 at \$922,741 million, the foregoing due to the fact that at the end of 2020 the entry of FOME securities was recorded for \$853,367 million, which increased liquidity levels in his moment; Current liquidity levels consider the potential increase in placements, short-term maturities and the high volume of prepayments registered at the end of 2021.

Regarding investments, these grew 70.87% and ended the year at \$618,156 million, a behavior derived from the growth of the investments of the own portfolio in TES and CDT, repurchase of FOME issues for \$121,391 million and the increase in the valuation of forward contracts, product of a greater average devaluation of the exchange rate which went from 1.82% to 3.23% from one year to another.

**Graph No. 11 Asset Structure**



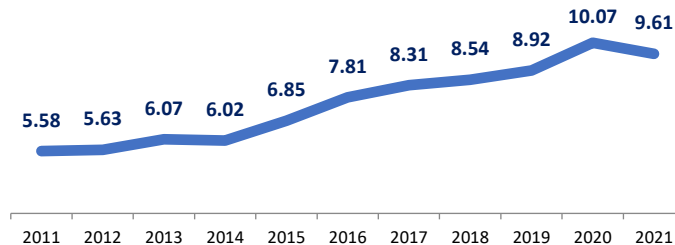
Source: Finder. Year 2021

Findeter's gross portfolio decreased 4.59% in the last year, that is, a decrease of \$462,136 million and stood at \$9.61 billion at the end of December 2021. The behavior of the total portfolio is explained by the 13.68% decrease in the rediscount portfolio, that is, a decrease of \$1.31 trillion; This situation arose due to the greater impulse given to the direct credit portfolio, which experienced a strong growth of 67.48%, equivalent to \$844,439 million, however, it was not enough to compensate for the drop in rediscounts.

Another determining factor in the result of the portfolio is that associated with prepayments, which amounted to \$1.46 trillion, a behavior similar to the volume presented in 2019 and 2020 of \$1.49 trillion and \$1.36 trillion, respectively. Finally, it is worth noting that 85.99% of the rediscount and direct credit portfolio corresponds to lines with special financial conditions, among which are those corresponding to compensated rates, special lines and mixed lines, which reflect the Entity's commitment to the economic development of the country and even more so in a year marked by an economic recovery process that was conditioned by a second period of restrictions due to Covid-19, an internal environment convulsed by the unemployment contingency national, turbulence in the markets, among other factors that had a direct impact on the Entity's management.

Although it is true that the decrease in disbursements during 2021 plays an important role in the figures explained above, it should be noted that they continue to be one of our main engines to support the economic growth of the country with the gradual opening of the different sectors of the economy and thus combat the ravages caused by the pandemic. In accordance with the above, we highlight the excellent performance registered in direct credit placements, which reached \$972,014 million, exceeding the goal of \$900,000 million. Similarly, during 2021 we disbursed \$1.47 trillion through rediscount, that is, total disbursements of \$2.44 trillion.

**Graph No. 12: Gross Portfolio. Year 2021**

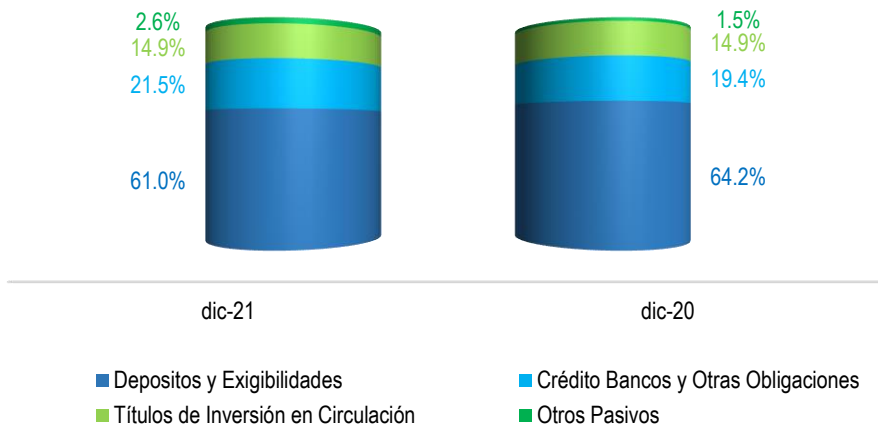


Source: Finder. Figures in billions of \$

Regarding the capital structure, liabilities represented 88.59% and equity 11.41% at the end of 2021; Within liabilities, the most representative item corresponds to CDT, with a participation of 61.23% equivalent to \$6.19 trillion and showing a decrease of 8.63% compared to the previous year, a fact explained by the higher volume of CDT maturities compared to a lower volume of deposits; Total issues amounted to \$4.53 trillion, showing an increase of 4.64% compared to 2020, a figure that demonstrates the support of investors for the Entity's management. In second place of participation within the total liabilities were the financial obligations, which represent 22.06% equivalent to \$2.23 billion, of which 58.06% corresponds to the IDB <sup>14</sup>, 20.53% to KFW <sup>15</sup>, 17.15% to AFD <sup>16</sup> and the remaining 4.26% to CABEL <sup>17</sup>; Within this category, the resources disbursed by the IDB to Findeter stand out, which amounted to USD32.30 million during the year; There was also a minor disbursement of resources by KFW for USD0.85 million in the power line.

Another important item within liabilities corresponds to investment securities in circulation which represented 15.58% of the liabilities account; It is made up of 3 Bond issues, an international one made in 2014 for USD500 million, another subordinated one issued in 2017 for \$203,680 million and the issue of sustainable bonds made in 2019 for \$400,000 million.

**Graph No. 13: Structure of Liabilities. Year 2021**

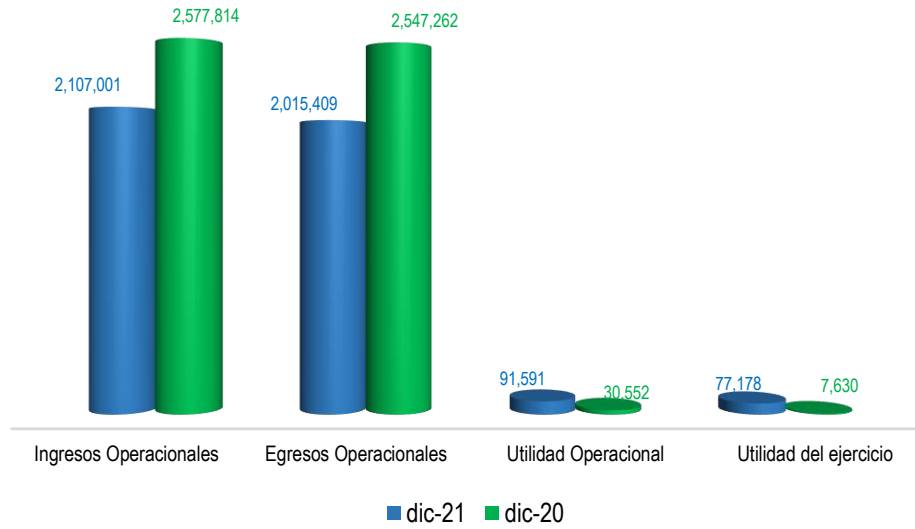


Source: Finder. Year 2021

As for the equity of 2021, it had an annual variation of 6.52% equivalent to \$79,801 million, as a result of the ordinary increase in the profit account for the year in accordance with the excellent results obtained in operational and administrative matters.

**Graph No. 14: Income Statement. Year 2021**

14 Inter-American Development Bank  
 15 Kreditanstalt für Wiederaufbau. German Development Bank  
 16 Agence Française de Développement  
 17 Central American Bank for Economic Integration



Source: Finder. Year 2021. Figures in millions of \$

Our operating revenues, although they presented a reduction of 18.26% compared to 2020, were mainly leveraged by those from commissions and fees, which are broken down into 3 large lines of business (territorial planning, structuring and execution of projects) that allowed the Entity to obtain resources of the order of \$84,525 million during 2021. All the business lines experienced a good performance, however, it is important to highlight the generation of income of \$76,972 million from the execution of projects.

Another factor that has a positive impact on the generation of income is that associated with the reimbursement of the recovery of the water bonds managed by Findeter, for a total value of \$12,941 million. In contrast, one of the factors that explains the decrease is that referring to the behavior of financial income, which experienced a fall of 16.06%. Within these we find those inherent to the valuation of investments, which contemplate those corresponding to the own investment portfolio, which generated gross income of the order of -\$327 million, that is, a 103.15% decrease compared to the result of the year 2020; Although the value of the investment portfolio increased, closing December 2021 with \$351,522 million, the uncertainty evidenced in the national and international markets led to the TES titles showing a considerable level of volatility during 2021, as a result of the appearance of new strains associated with Covid-19, the political uncertainty in Colombia and in the region, as well as the inflationary trend experienced worldwide, situations that impacted the generation of income.

On the other hand, portfolio interest income showed a decrease of 13.91% as a result of a low volume of disbursements and a high level of prepayments. Additionally, these revenues did not grow due to the behavior of indexed rates, which experienced a sharp drop compared to 2020, due to the recession in the national economy caused by the Covid-19 pandemic, a situation that led the Banco de la República to maintain your repo intervention fee<sup>18</sup> at its lowest historical level of 1.75% from September 2020 to the end of September 2021, impacting the other market references such as IPC<sup>19</sup>, DTF<sup>20</sup> and IBR<sup>21</sup>, which had a direct impact on the generation of income in this period of time. However, it should be noted that revenues for Q4 2021 showed a slight rebound due to the increase

18 Intervention rate of monetary policy of the Bank of the Republic

19 Consumer's price index

20 Fixed Term Deposit: Rate paid to savers, banks, savings and housing corporations, financial corporations and commercial financing companies

21 Reference Banking Indicator

in the Repo rate by 125 bp, reaching 3.00% at the end of 2021, as a result of the measures taken by the Issuer to contain the high inflation evidenced in the national economy.

Next, the composition of the rediscount portfolio is broken down (it does not include the portfolio of employees and former employees) according to its classification by type of rate. It can be seen how the composition of this changed in 2021, once again reducing the portfolio's participation in DTF and increasing the amount of resources tied to the IBR and IPC. The increase in the participation of the IBR indicator by 2 percentage points compared to 2020 stands out.

**Table No. No. 45: Composition of the Rediscount Portfolio by Rates**

Indexes	Balance 2021	Part.	Balance 2020	Part.
DTF	1,124,044	13.6%	1,589,005	16.5%
CPI	1,468,260	17.7%	1,525,967	15.9%
IBR 1 Month	4,270,953	51.5%	4,596,702	47.8%
IBR 3 Months	1,277,925	15.4%	1,629,326	16.9%
IBR 6 Months	25,826	0.3%	12,576	0.1%
FIXED	15,329	0.2%	46,574	0.5%
UVR	3,611	0.0%	4,421	0.0%
Libor 1 Month	0	0.0%	0	0.0%-
3 Month Libor	0	0.0%	108,374	1.1%
6 Month Libor	109,500	1.3%	101,670	1.1%
<b>Total Balance</b>	<b>8,295,449</b>	<b>100%</b>	<b>9,614,615</b>	<b>100%</b>

Source: Findeter Year 2021. Figures in millions of \$

For its part, the direct credit portfolio closed with a balance of \$1.25 trillion, with the following composition:

**Table No. 46: Composition of the Direct Credit Portfolio. Year 2021**

Briefcase	Indexes	Balance 2021	Part.	Balance 2020	Part.
Commitment Reactivation Section II	IBR 1 Month IBR 3 Months	937,554	74.9%	90,000	22.1%
Home Public Service Providers		275,801	22.0%	278,916	68.5%
Commitment Integrated Mass Transportation Systems	IBR 3 Months	38,125	3.0%	38,125	9.4%
<b>Total balance</b>		<b>1,251,480</b>	<b>100%</b>	<b>407,041</b>	<b>100%</b>

Source: Findeter Year 2021. Figures on millions of \$

Finally, there is evidence of a 13.52% decrease in income from the valuation of derivatives, equivalent to \$207,884 million, the foregoing taking into account that the liquidation of active positions of these instruments in 2021 did not reach the historical levels obtained during the year 2020. It is important to highlight that its settlement was positive for the Entity, due to the continuous increase experienced by the TRM, which began the year at \$3,432.50 and ended at \$3,981.16, that is, with an upward trend so far in the period.

On the other hand, the decrease in operating expenses in 2020 was 20.88%, a figure that is mainly explained by the behavior of financial expenses, with the decrease due to the valuation of forward hedges being one of the most representative (explains the 81 .87% of the total decrease in operating



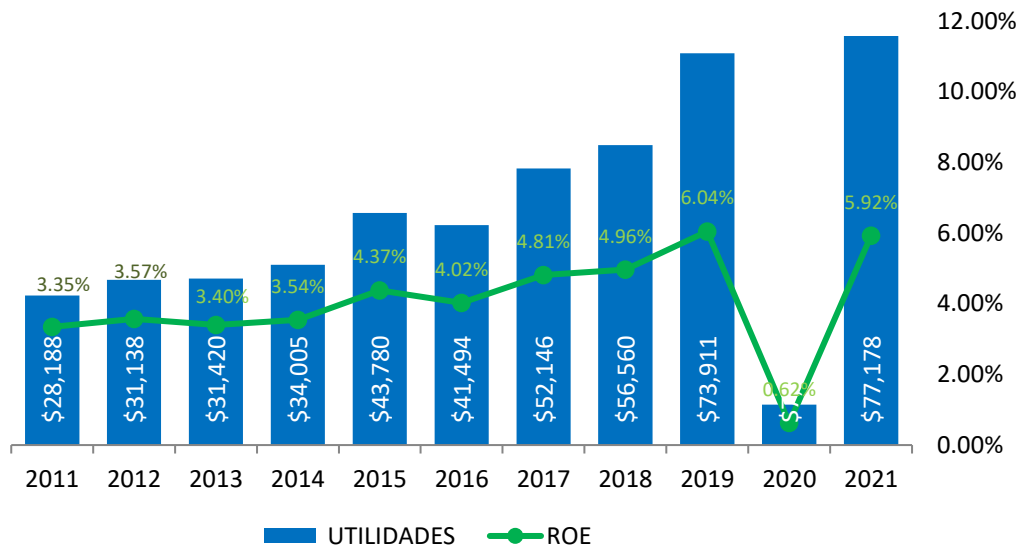
expenses), which was impacted as a result of the volatility experienced by the TRM so far during the term.

Regarding the expense generated by the funding sources, we found that the accrual of interest on the CDT decreased by 26.97% during the year, a fact that is mainly explained by the downward variation that the average deposit interest rates presented. due to the contraction of the repo rate until September 2021. Similarly, interest on financial obligations decreased by 18.02%, a situation that is justified by the adjustment of the FED rate made since the end of 2019 until the end of Q1 2020 as a result of the Covid-19 pandemic (decrease in the range of 1.75% - 1.50% to 0.25%-0.00%) remaining at said level until the end of 2021, which gave some stability to the LIBOR rate<sup>22</sup> (London Interbank Offeret Rate ) and thus impacting the interests of all the obligations contracted in dollars.

Regarding administrative expenses, there was a decrease of 4.24% compared to 2020, leveraged by the non-recurrence of expenses associated with legal proceedings and by the decrease in maintenance and repair expenses, supplies and stationery, among others. Likewise, the administration carried out a strict follow-up and control of expenses, always looking for efficiencies that would allow the optimization of resources.

According to the behavior evidenced in operating income and expenses, profit before taxes increased 199.79% from one year to another, reaching \$91,591 million. It is important to bear in mind that in fiscal year 2021 the Entity applied Law 2155 of 2021, on income tax, which represented a positive impact of \$16,311 million due to the recovery of the deferred tax due to the closing of the rate gap. future taxes. The operating result together with the recovery of the deferred tax allowed the net income to reach a record level of \$77,179 million, which resulted in an annual variation of \$69,548 million compared to 2020, equivalent to a growth of 911.46%.

**Chart No. 15: Income vs. ROE**



Source: Findeter

### Leading indicators

The profitability indicators present a positive result and are in line with the process of gradual recovery of normality, although they are still being impacted by the effects caused and derived from the Covid-19 pandemic. The "ROE" indicator presented a result of 5.92% with a growth of 5.3 percentage points

<sup>22</sup> Interest rate determined by the rates that banks, participating in the London market, offer each other for short-term deposits. The data corresponds to the 3-month Libor.

compared to 2020, as a result of the performance of the financial margin, which increased by 12.61% from one year to another, a situation that is due to the proper management of the Entity's lending and deposit rate differential; Likewise, the proper management of non-financial income and expenses lead to extraordinary results that leverage the 6.52% growth in equity and have a direct impact on the result of the indicator.

Regarding EBITDA <sup>23</sup>, this met the expectations set in the strategic direction, increasing by \$45,746 million compared to 2020 and reaching a result of \$101,617 million, the above evidencing the excellent performance in terms of technical assistance income, lower execution of commission expenses and adequate control of administrative expenses.

**Table No. 47 : Profitability Indicators**

Indicator	Dec-21	Dec-20
ROE ( Net Income/ Equity )	5.92%	0.62%
EBITDA	\$101,617 million	\$55,871 million

Source: Findeter

The solvency ratio presented an increase of 11.45% from December 2020 to December 2021, mainly due to the coupling of the calculation to the Basel III methodology since January 2021, which has already been reviewed and adjusted according to a technical visit carried out by of the Financial Superintendence of Colombia. The result obtained by the Entity at the end of 2021 is attributed to the increase in the value of market and operational risk of 148.31% as a result of the variation in the TRM, which has had a direct impact on coverage and, in consequently, the interest rate and exchange rate modules. On the other hand, the technical equity presented a growth of 3.21%, which is due to the behavior of the profits obtained since the assets weighted by level of risk decreased by 48.02% as a result of the decrease in both the value of the ordinary portfolio as well as the contingency for approved credits not disbursed.

**Table No. 48: Solvency Indicators. Year 2021**

Indicator	Dec-21	Dec-20
Total Solvency Ratio _	31.01%	19.56%

Source: Findeter

Efficiency showed a result that is in line with the performance of the Entity's financial business throughout the term. The " Operating Efficiency" indicator <sup>24</sup>stood at 1.65%, presenting an increase of 23 basic points compared to 2020; the adequate execution and control of administrative expenses contributed positively to efficiency, which presented a decrease of 4.24% from one year to another, thus reflecting a successful policy of our Senior Management, in terms of management and control of expenditures in a year of economic recovery where a greater normalization of activities and therefore a greater consumption of resources is observed; however, a 2.30% decrease in productive assets was observed due to the low level of placements and a high volume of prepayments, leading to the indicator being below the expectations outlined in the strategic plan and with inferior results. to those registered in 2020.

**Table No. 49 : Efficiency Indicators**

Indicator	Dec-21	Dec-20
Efficiency operative	1.65%	1.42%

Source: Findeter

<sup>23</sup> Earnings Before Interest, Taxes, Depreciation and Amortization. Indicates the Entity's profitability before deducting expenses associated with debt and taxes, that is, it reflects Findeter's ability to generate profits, taking into account exclusively its productive activity.

<sup>24</sup> Administrative Expenses / Productive Assets

Below, we present the consolidated result of the main components of the Entity's Financial Statements:

**Table No 50: Main Components Financial Statements**

Indicator	Dec-21	Dec-20	Var.
Total assets (trillions)	11.42	11.77	-3.03%
Total liabilities (trillions)	10.11	10.55	-4.14%
Total wealth (billions)	1.30	1.22	6.52%
Total net income (Millions)	77,179	7,630	911.46%

Source: Findeter

#### 4.3. Risk Exchange

As part of our strategy to reduce exchange risk, we carry out operations with derivative financial instruments and make disbursements in dollars as a natural hedge for liabilities in foreign currency, in accordance with the regulations of the Banco de la República and the SFC. As of December 31, 2021, we reached USD518,923,482 and EUR14,964,931 in forward contracts and USD27,504,501 in rediscount loans. As a consequence of this, we monitor our positions in foreign currency by monitoring the value at risk in foreign currency, which has remained at tolerable levels with respect to the 95% limit defined by the Board of Directors.

By the end of the reporting period, the Entity's liability coverage program presented a foreign exchange coverage of 99.98%.

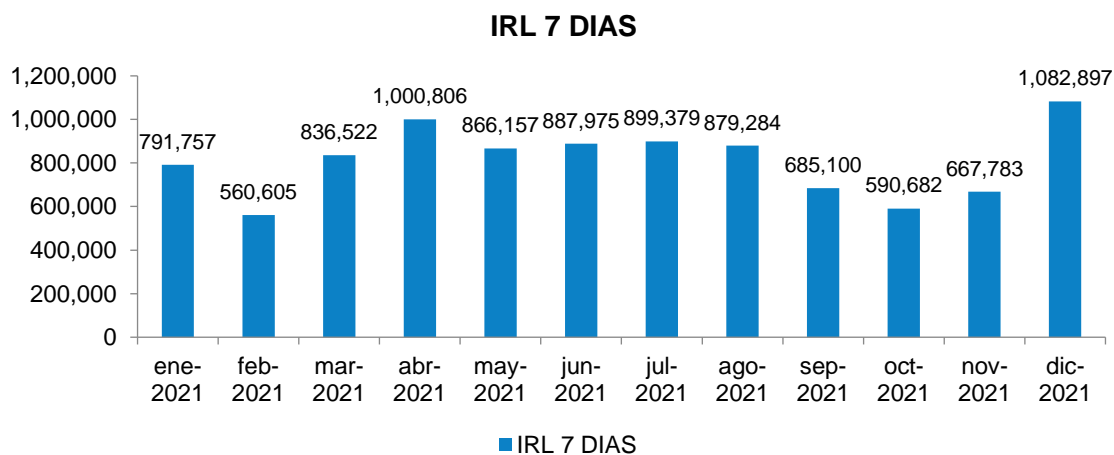
#### Liquidity Risk Management System - SARL

The main indicator that we use for monitoring in this system is the Liquidity Risk Index - IRL, in accordance with the definition of External Circular Letter 042 of 2009 of the SFC.

During 2021, we continued with the weekly monitoring activities of liquidity management, as well as projecting the IRL liquidity indicator of up to 90 days, calculated weekly, in order to anticipate changes in the indicator and know the impact generated by the daily dynamics of disbursements or deposits in the Entity's liquidity.

Next, we observe the liquidity levels according to the IRL for the monthly cuts, for the 7 and 30 day bands, in which we show that the result is positive:

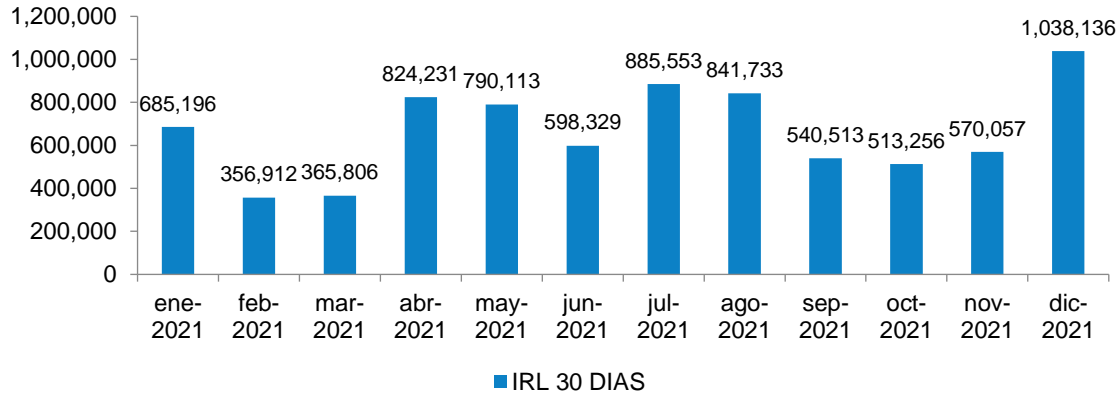
**Graph No. 16: IRL 7 days**



Source: Vice Presidency of Risks, 2021

**Graph No. 17: IRL 30 days**

### IRL 30 DIAS



Source: Vice Presidency of Risks, 2021

At the end of December 2021, the IRL was \$ 1,082,897 million for the 1 to 7 day band and \$ 1,038,136 million for the 1 to 30 day band, reflecting that we maintained an adequate level of resources to comply with our obligations and activities.

In this way, in coordination with the Financial team, it was possible to adequately program the fundraising necessary for the payment of contractual obligations.

#### 4.4. Risk Rating \_ Standard & Poor's

On May 20, 2021, the rating agency S&P published a press release by which it reduced Findeter's credit rating to "BB+" with a stable outlook from "BBB-" with a negative outlook. What is expressed in said document indicates that the decrease in The rating was due to the same fact in the rating of the sovereign and highlighted the important role of Findeter in supporting the National Government, in the development of sustainable urban infrastructure with the aim of promoting regional and urban progress in Colombia.

Findeter's rating is completely linked to that given to the Nation. Thus, the declarations of stability in Colombia's rating are immediately transmitted to the Financial Company. In accordance with this precedent, Standard & Poor's reaffirmed the "BB+" rating with a stable outlook for both the Entity and the international bonds issued in 2014.

Both ratings were reviewed again on December 16, 2021 and we obtained their certification from the rating agency.

On the other hand, on July 21, 2021 BRC Standard & Poor's ratified the following ratings:

- ✓ National Long-Term Rating affirmed at 'AAA'
- ✓ National Short-Term Rating affirmed at 'BRC1+'

#### Fitch Ratings

On July 9, 2021, the rating agency Fitch Ratings reduced Findeter's rating to "BB+" with a stable outlook from "BBB-" with a negative outlook. According to what was reported by the rating agency, this reduction was due to the fact that Findeter's rating is aligned with that of the sovereign, however, the rating continues to reflect the willingness and capacity of the National Government to support the Finance company in case of be necessary. Additionally, Fitch considers Findeter to be an important player for the State to finance part of the National Development Plan in regards to regional and urban infrastructure.

Taking into account the above, on October 22, 2021 Fitch Ratings ratified the following ratings:

- ✓ International rating affirmed at 'BB+' with a stable outlook
- ✓ National Long-Term Rating affirmed at 'AAA'
- ✓ National Short-Term Rating affirmed at 'F1+'

#### Multi-asset securitization risk rating

On December 27, 2021, Fitch Ratings affirmed the rating at AAA, to series A and A-, to series B, which make up the credit content titles issued by the universality TER IPC R-1 for \$233,900 million.

This ratification, given by the Fitch agency, was based on the quality of the securitized portfolio, the credit improvement mechanisms, coverage, operational capacity, Findeter's management and the legal and financial structure of the transaction.

#### Subordinated bond rating

Fitch Ratings assigned the long-term rating "AA+(col)" to the issue of subordinated bonds which was carried out by Findeter. This rating was lower than that of the Entity since it reflects its subordinated nature and the potential for a lower recovery with respect to senior liabilities in the event of default by Findeter or its liquidation.

#### Sustainable bond rating

The Standard & Poor's technical committee affirmed in July 2021 the "AAA" long-term rating for the sustainable bond issue. This rating was supported by factors such as competitive business position, high levels of solvency, profitability, asset quality reflected in lower risk exposure and a positive evolution in terms of diversification of funding sources.

#### 4.5. Budget

The Entity's sources budget as of December 31, 2021 amounted to \$777,089 million, while that of Applications, on the same date, totaled \$762,375 million.

##### 4.5.1. Running Fonts

The execution of sources as of December 31, 2021 was \$762,398 million, an amount equivalent to 98% of the budget, mainly due to a lower execution in financial income that was \$674,676 million, that is, 97% of what was forecast.

**Table No. 51: Execution of Sources**

Sources	Current Budget (1)	Initial Goal (2)	Income Year (3)	Difference Execution (4) = (3) - (1)	% Compliance (5) = (3) / (1)
Income financial	698,614	698,614	674,676	-23,938	97%
Income Agreements and/or Programs	62,023	62,023	76,183	14,159	123%
Others Income Operational	16,392	16,392	10,952	-5,440	67%
Others Non - Operating Income	60	60	588	528	980%
<b>Total Sources</b>	<b>777,089</b>	<b>777,089</b>	<b>762,398</b>	<b>-14,691</b>	<b>98%</b>

Source: Findeter - Figures in Millions of \$

**Financial income** . The interest collection of the rediscount portfolio was \$249,798 million corresponding to 72% of what was projected, a fact motivated by lower disbursements than expected

(-21%), prepayments and lower base rates. Likewise, the collection for the Compensated Rate, \$235,403 million, which is equivalent to an execution of 86%, was a fact mainly due to a lower repo rate. The foregoing was partially offset by the good performance in the collection of derivatives, which reached \$147,145 million, an amount equivalent to an execution of 279%.

**Income from agreements and/or programs.** It presented an execution of 123%, \$76,183 million, that is, \$ 14,159 million more than projected. The collection of the portfolio from previous periods of the infrastructure and water programs, a greater volume of supervised housing projects, as well as the extension of some contracts and the signing of new agreements had an impact on this greater execution.

**Other operating income.** Item that shows an execution of \$10,952 million equivalent to 67%. The collection below the estimate in Project Structuring stands out, which presented a closing of \$1,599 million equivalent to 15% compared to what was projected, mainly due to the fact that the new business initiatives did not materialize. The foregoing was partially offset by the higher amount collected in commitment fees of \$5,002 million, that is, 343% compared to what was planned, mainly due to the fact that the Neiva-Girardot Connection contractor varied the disbursement schedule since Conexión Norte was extended until June 2022.

#### 4.5.2. Running Applications \_

As of December 31, 2021, our Applications budget presented an execution of \$589,349 million, that is, 77% of the initially projected amount of 762,375 million, a situation that is observed in the following table:

**Table No. 52: Execution Applications**

Applications	Current Budget (1)	Initial Goal (2)	commitments Cumulative (3)	Uncommitted Value (4) = (1) - (3)	% Compliance (5) = (3) / (1)
Expenses financial	493,103	493,103	402,554	90,549	82%
Tax Expenses and Contributions	115,164	116,875	52,251	62,913	Four. Five%
General Operating and Administrative Expenses	152,024	150,313	132,557	19,467	87%
Asset Acquisition _	2,085	2,085	1987	97	95%
<b>Total Applications</b>	<b>762,375</b>	<b>762,375</b>	<b>589,349</b>	<b>173,026</b>	<b>77%</b>

Source: Findeter - Figures in Millions of \$

**Financial expenses.** Its execution was \$402,554 million, equivalent to 82%, compared to what was planned, due to the cancellation of interest and commissions, which presented an execution of \$380,162 million, equivalent to 93%, as well as the lower execution given by expenses of derivatives due to the volatility observed in the exchange rate during 2021. To the above is added a lower cancellation of interest on CDTs, bonds and loans from Multilateral Banking associated with base rates below estimates, placements below expected and a lower expected average TRM.

**Operating and administration expenses.** This item closed with an execution of \$132,557 million, equivalent to 87%, in which the following concepts stand out: administrative expenses with \$64,529 million corresponding to 93%, personnel expenses for \$51,907 million equivalent to 93%, expenses of travel with \$3,884 million equivalent to 84% and fees for \$12,237 million corresponding to 54%.

It is important to highlight the management and monthly monitoring carried out by the administration to rationalize spending and generate savings that allowed mitigating the drop in collection, which

generated savings of \$16,532 million, in fees worth \$10,364 million, in administrative expenses of \$4,847 million, \$867 million in personnel expenses and \$363 million in travel expenses.

Regarding the acquisition of assets, an execution of \$1,987 million was presented, equivalent to 95%, mainly due to savings obtained in the amount of \$91 million.

The budget execution of the term was based on the efficient use of the resources that are managed in the Entity, which is periodically presented to the Budget and Accounting Sustainability Committee, which contributed to the fulfillment of the indicators projected by the Entity at the closing of 2021.

#### 4.6. Fundraising \_ \_

We managed to capture resources for \$4.52 trillion through CDT issuances, which represented an increase in the amount issued in relation to 2020, due to the greater demand for resources to face the economic reactivation of the country.

Direct issuances in the primary market reached \$2.84 trillion, renewals were made for \$1.68 trillion, which meant an increase of 88% compared to 2020. The amounts issued in the primary market and the volume of renewals show the confidence of investors in our Entity and its importance in contributing to the development of the country.

**Table No. 53 Issuances in the stock market**

Guy	2020	% share by type of issue	2021	% share by type of issue	Var %
CDT Primary Issuance	3,431,128	79%	2,842,381	63%	-17%
CDT Renewal	897,512	twenty-one%	1,686,905	37%	88%
bonuses	0	0%	0	0%	0%
<b>Grand Total</b>	<b>4,328,640</b>	<b>100%</b>	<b>4,529,286</b>	<b>100%</b>	<b>5%</b>

Source Findeter 2021 - Figures in millions of \$

In terms of the distribution by type of indicator, the issuances were led by those presented in IBR, which represented 50% of the total with \$2.28 trillion, while the shares of CDTs indexed to the IPC and at a fixed rate were 23%. and 26% respectively.

**Table No. 54: Emissions by indicator**

Indicator	2020	% participation	2021	% participation	Var%
DTF	0	0%	0	0%	0%
Fixed Rate	2,709,728	63%	1,196,042	26%	-56%
IBR	1,404,892	32%	2,284,544	fifty%	63%
CPI	214,020	5%	1,048,700		390%
<b>Total</b>	<b>4,328,640</b>	<b>100%</b>	<b>4,529,286</b>	<b>100%</b>	<b>5%</b>

Source Findeter 2021 - Figures in millions of \$

#### 4.7. Investment Portfolio \_

We manage our Investment Portfolio according to the guidelines issued by our Board of Directors, with the proper supervision of the Investment Committee. The objective of the Investment Portfolio is to generate income through the creation of a portfolio of fixed-income securities, consistent with the Entity's risk profile, the investment horizon and the cost of the Bank's resources.

Findeter's portfolio is made up of TES Treasury Securities, Class "B", fixed rate or indexed to the UVR, and Term Deposit Certificates in banking establishments supervised by the Financial Superintendence of Colombia. The weighted duration of the portfolio does not exceed six (6) years.

The gross return of the Investment Portfolio in 2021 was -0.108% EA, without taking into account securities classified as available for sale; thus, the own investment portfolio generated a loss of -\$327 million in the period; on the other hand, the return generated by the portfolio taking into account the securities classified as available for sale was -1.47% EA

In 2021 we adequately face the challenges generated by the global pandemic and the extreme volatility that occurred in local fixed income; the risks inherent to the Investment Portfolio were properly managed.

On the other hand, we maintain the participation in the Ashmore Private Equity Fund, term deposit certificates from local issuers and the TER IPC B titles as a result of the securitization of the rediscount portfolio.

#### **4.8. Liquidity Management \_**

We manage the liquidity resources necessary for the operation of the business and to be able to achieve the fulfillment of the disbursement goals. With these resources we were able to timely honor the debt obligations, the Entity's administrative expenses and the liquidity requirements demanded by the supervisory bodies. These surpluses were managed mainly in savings and interbank accounts with establishments of good credit quality, trying to rent above the Repo rate levels.

#### **4.9. Coverage Management \_**

Throughout 2021, we maintained close to 100% coverage of foreign currency liabilities, through the use of derivative instruments such as *forwards* and natural coverage, in order to mitigate the exchange rate risk in a year with a high volatility in the price of currencies worldwide. The hedging strategy through the use of *Forward operations* was coupled to changing market conditions, given the stimulus received by the world economies to face the reactivation after a year of confinement, where we saw asset purchase programs in Europe and the United States and intervention mechanisms such as interest rate reduction. In the second semester, we witnessed the consequences of the paralysis of world trade, where the main ports of the world have been saturated due to the lack of efficiency in maritime transport and new confinements in some parts of the world, which has caused a great impact in the price of basic and complementary supplies (strong upward inflationary pressures), the price of *commodities* and, as a consequence, a strong devaluation of the currencies of emerging countries.

#### **4.10. positioning International**

Maintaining Findeter's presence in international dialogue spaces has been our challenge in the last 2 years, as a consequence of Covid-19 and due to the mobility restrictions imposed by the global public health situation. However, international banking management has focused on achieving the Entity's presence in highly relevant virtual spaces, promoted by its main international partners and allies. Some of the main events and initiatives in which we participated in 2021 were:

- ✓ In March, the IDB Annual Assembly took place in Barranquilla, where the President was invited to participate as a panelist together with Susana Correa (Director of the DPS and Manager for the Reconstruction of San Andrés) in the discussion "*The impact of hurricanes Iota and Eta in the Colombian Caribbean*" whose objective was to make visible the situation of San Andrés and Providencia, show the progress of the reconstruction project and make the participants aware of the importance of investing in climate resilience.



- ✓ In April, the President participated as a panelist in the Launch of the Alliance of Subnational Banks for Development, which emerged as a regional initiative at the 2020 Common Finance Summit, where several banks in the region discussed how they can act as creators of public policies. and market to help territorial development.
- ✓ In May we participated in the 51st Ordinary Meeting of the General Assembly of ALIDE, the annual summit of the Development Bank of Latin America and the Caribbean, virtually, to which more than 800 representatives of the development finance community were invited , public and private sector. The President of Findeter participated in this space as a member of the ALIDE Board of Directors, to which she has belonged since 2019. This year, the purpose was to analyze the role played by development banks in the countercyclical financing of the triple health, economic and climate crisis. , focusing on support for the productive sectors and SMEs, financing for gender equality and sustainable development.
- ✓ In October we were also present, virtually, at the sessions of the Annual Assembly of the World Bank and the International Monetary Fund. Governments, multilateral agencies, the private sector, academia and civil society were convened, to address debt, climate change, Covid-19 and trade barriers, all key obstacles facing countries today, to find innovative solutions and achieve a resilient global recovery.
- ✓ In December, our Financial Vice President participated as a panelist in the Eighth edition of the 2021 Climate Finance Event, where challenges and opportunities for national development banks were identified in the mobilization of resources for climate change adaptation projects. The SISCLIMA "*Climate Finance Event of the Financial Management Committee*" has positioned itself as one of the most important in the region, due to the quality of the spaces for conversation, relevance of the topics discussed, prospective signals regarding climate financing and generation and appropriation of concepts that inspire decision-making and the call to action for the transformation of companies and sectors, with a view to the adoption of environmentally responsible and socially inclusive growth models.
- ✓ We also participated virtually in the COP26 sessions, parallel events and virtual workshops organized by leading entities on Climate Change issues, in which proposals and problems faced by countries on their way to achieve carbon neutrality were discussed. through mitigation and adaptation.

Finally, we lead missions and work meetings with multiple international actors such as the German Credit Bank for Reconstruction - KfW, the Inter-American Development Bank - IDB, the World Bank - WB, the French Development Agency - AFD, the Nama Facility , the German Agency for Cooperation - GIZ, the Green Climate Fund - GCF (for its acronym in English), the Embassy of Belgium, the Korean International Cooperation Agency - KOIKA, the Swiss Cooperation Agency - SECO, the DAI (USAID Resource Implementation Agency,) among others. These days served as a space to explore possible credit operations or to promote existing programs. Likewise, opportunities for mutual cooperation were studied or progress was made in existing projects.

#### **4.11. Resource Execution \_ international**

[\(103-2\) Material issue: Actions against climate change, promotion of environmentally responsible practices in the projects to be financed.](#)

##### **Credit Operations with International Entities**

- ✓ Within the framework of the loan contracts that we have signed with the IDB and KfW , in 2021 we executed USD33.1 million. The projects financed through these lines contribute to the urban development of the country, to the continuity and improvement in the provision of public and social services, and to the development of the energy sector and energy efficiency in the different regions.

- ✓ Likewise, in February we signed a new credit agreement with KfW, to finance projects in the Water and Basic Sanitation sector, for an amount of USD84.9 million. The financial conditions of this operation were very favorable for Findeter.
- ✓ Finally, in the second half of the year, Findeter was given an endorsement to access a National Guarantee to support credit operations with multilateral and international banks, for a quota of up to USD300 million.

### **Non-Reimbursable International Cooperation**

In terms of international cooperation, in 2021 we made progress on the following fronts:

- ✓ We approved a strategy for obtaining non-reimbursable cooperation resources, whose main objectives are: i). Strengthen Findeter's capacities and contribute to the consolidation of its role as a Development Bank; ii ). Diversify your partners and strengthen your relationship with existing partners; iii ). Mobilize resources to support the departments and municipalities of Colombia in their efforts to generate conditions for sustainable development.
- ✓ We obtained GBP500,000 from the UKPACT British Fund, through the management of the International Banking team at the British Embassy, which will be used to finance the Feasibility Study for the Updating of the Mobility Master Plan and the Technical, Legal, Financial and Social Structuring of the Villavicencio Public Transport Strategic System.
- ✓ We subscribe Addendum No.5 to the Memorandum of Understanding signed between the Fund for the Development of Abu Dhabi and Findeter. This addendum formalizes the delivery of USD12 million for the construction and equipping, by Findeter, of 13 Sacúdete Centers of the Family Welfare Institute - ICFB.

We also successfully executed non-reimbursable international cooperation resources in the following programs and initiatives:

- ✓ We execute non-reimbursable cooperation resources from the NAMA Facility, within the framework of the Transportation Oriented Development (TOD) NAMA. This project aims to transform the country's public transport model, from one oriented to private vehicles to one focused on a "TOD" vision. This model seeks to improve the quality of service, support the financial sustainability of public transport systems and generate a reduction in the emission of greenhouse gases associated with the use of fossil fuels.
- ✓ From the resources managed before the Foreign and Commonwealth Office of the United Kingdom, within the framework of the execution of the Prosperity Fund in Colombia, we have achieved:
  - The adhesion of Bogotá and the delivery of its financial contributions to the project for the *"Structure of a Freight and Passenger Train between Bogotá and Zipaquirá"* . It should be noted that Bogotá's adhesion to the project was the result of a joint strategy between the British Embassy in Colombia, the Government of Cundinamarca and Findeter. In addition to the initial contributions to the project, worth \$16.5 billion, made by the United Kingdom Property Fund and the Government of Cundinamarca, in 2021 an additional \$12.8 billion was delivered by the Mayor's Office of Bogotá. Likewise, the delivery of an additional amount was formalized by the Cundinamarca Government, for a value of \$4,200 million. These contributions meant a 52% increase in the resources available for the project.
  - We contracted the design of the Water Sanitation Plan of the Municipality of Ibagué, as well as its respective supervision. It should be noted that this project is financed with resources from the Prosperity Fund of the United Kingdom, with a contribution of \$2,643 million.
  - We contracted the design of the Valledupar Sewerage Master Plan, as well as its respective supervision. This project will benefit 13 rural and urban districts of Valledupar and is financed with non-reimbursable cooperation resources from the Prosperity Fund of the United Kingdom.

Kingdom, which makes a contribution of \$3,912 million.

- We also contracted the updating of the Mobility Master Plan and the technical, legal, financial and social structuring of the Villavicencio Public Transportation Strategic System. The project has contributions from the Prosperity Fund of the United Kingdom, worth approximately \$3,300 million, and from the Villavicencio Mayor's Office, worth \$300 million, for a total of \$3,600 million.
  - Within the framework of the Santa Marta "Smart City" Project, financed with non-reimbursable cooperation resources from the Prosperity Fund of the United Kingdom, we delivered to the city the detailed designs for the creation of the Intelligent Command Center - CICO and the five solutions for the implementation of a "Smart City" in the Historic Center of Santa Marta. this project It was worth \$1.7 billion .
  - We finished the technical, legal, financial and gender equity and social inclusion structuring for an integrated transportation system in the city of Manizales. This project was financed with non-reimbursable cooperation resources from the Prosperity Fund of the United Kingdom, in addition to contributions from the Municipality of Manizales, for a total of \$2,742 million. Additionally, in 2021 the commitment of the municipality was achieved, with the approval of the local government and through a CONFIS document, to advance in the execution of the Project, appropriating resources as of the year 2023.
- ✓ Nama MoVE : In December we signed an International Cooperation Agreement with GIZ, for the execution of the Detailed Preparation Phase – DPP, of the NAMA MovE project, for a value of EUR338 thousand. This project supported the construction of a regulatory and market environment to develop electric mobility in the country. The project has the collaboration of the Ministry of Transport, the Ministry of Environment and Sustainable Development, the Mining-Energy Planning Unit and the World Wild Fund (WWF).

In 2021, Phase II of the project was developed, executing non-reimbursable cooperation resources for EUR169 thousand. In this sense, the definitive proposal for the implementation of the cooperation for the NAMA MovE was completed, which was shared with the respective cooperant (NAMA Facility) in October.

As a result of the DPP, among others, we obtained the following main products :

- Design of financial instruments that will support initiatives to replace vehicle fleets with electric propulsion technologies in the segments of taxis, light-duty vehicles and official vehicles, which were prioritized as a result of technical analysis. Among the financial instruments proposed are soft lines of credit, partial guarantees and direct subsidy.
- Analysis of the replacement model and final disposal of batteries.
- Analysis of energy rate structure for mobility.
- Methodology for the analysis of environmental and social impacts, and proposal for the articulation of the MovE NAMA with the country's greenhouse gas monitoring, reporting and verification system.
- Communications strategy proposal for the implementation of the MovE NAMA support project.

We are waiting for the approval, by the NAMA Facility, of the products made in this design phase, if so, we would receive a grant of approximately EUR19 million. All these inputs, developed in the DPP, will serve as support for the implementation of the technical and financial components of the NAMA MovE, which will be completed and updated according to the specific context of execution of the implementation stage.

- ✓ Abu Dhabi: In November 2017, a Memorandum of Understanding (MoU) was signed between the Abu Dhabi Fund for Development and the Presidential Agency for International Cooperation (APC-Colombia). The MoU's fundamental objective is to transfer non-reimbursable cooperation resources for development projects in Colombia. In 2021, disbursements worth USD3 million

have been received for the construction of the CDIs of Condoto (Chocó), Curillo (Caquetá), Mitú (Vaupés), Tibú (Norte de Santander), Palmira (Valle del Cauca) and Acandí ( crashed).

- ✓ KfW: Within the framework of the Municipal Environmental Protection Program, which has non-reimbursable international cooperation resources granted by KfW, we are advancing in the stages required to achieve the hiring of an international firm that can support our Entity in strengthening the System. of Environmental and Social Risks - SARAS. This contract has a value of EUR200,000 and its main objective is to strengthen the SARAS, taking as a reference the Performance Standards of the International Finance Corporation - IFC and the complementary guides of the World Bank Group, to adequately manage the environmental and social risks of the company. portfolio of projects to be financed by Findeter. This consultancy is expected to start in the first quarter of 2022.
- ✓ Additionally, within the framework of this same program, we began the process of contracting consulting services for the comprehensive analysis of technical-operational, environmental and social risks in water and basic sanitation projects and the definition of measures and/or complementary studies required to mitigate them, for a value of EUR200 thousand. This consultancy is expected to start in the second or third quarter of 2022.

During the year we developed and executed, in a timely manner, the resources granted for the Solid Waste NAMA Program, which sought to support the start-up of the Project, whose objective is the reduction of methane and other GHG emissions in the waste sector. , through the advancement of the implementation of policies and projects that contribute to a sustainable and integrated management of solid waste.

The formulation of the NAMA, the definition of the model for the final disposal of household solid waste and the structuring of the economic models under which the final disposal of waste will be carried out, were delivered in January. With these inputs, the alternatives available for the implementation of the project were evaluated.

This project was financed by the Green Climate Fund, with an initial budget of USD310,002, of which USD217,000 was finally executed thanks to better contracting rates and a more favorable dollar for the process. The project was finally delivered in July and the financial audit of the process was delivered in September, with a favorable opinion for the entire process.

Other aspects to be highlighted in the management carried out by Findeter to deepen its line of work in the field of international banking in relation to cooperation correspond to:

- ✓ In December we signed Addendum No. 5 to the MoU between the Abu Dhabi Development Fund and APC – Colombia, for a value of USD12 million. This Addendum seeks to finance, through Findeter together with the ICBF, the studies and designs, construction and equipping of 13 Sacúdete Centers in Barranquilla, Manizales, Yopal, Popayán, Mocoa, Inírida, Maicao, Villavicencio, Tumaco, Pereira, Bucaramanga, Cali and Jamundi.
- ✓ In October we finished the project financed by the Nama Facility through the GIZ, which seeks to create a regulatory and market environment to promote electric mobility in the country. In particular, Findeter, with the support of the Ministry of Transport, WWF and other entities of the National Government, concluded the preparatory phase of the project, executing non-reimbursable technical cooperation resources worth EUR \_300,000 and presenting the Nama Facility with a proposal for the implementation of the developed scheme.
- ✓ In 2021 we began the process of structuring and negotiating two potential lines of credit, as well as the construction of a CONPES document, which would accompany the execution of said resources with international and multilateral banks, and which should serve as the basis for accessing to a sovereign guarantee.

- ✓ By 2021, we committed a total amount of GBP6 million, within the framework of the Memorandum of Understanding signed between Findeter and the Embassy of the United Kingdom in 2017, for the execution of the resources of the Prosperity Fund. In projects of great importance and relevance at the national level, such as the Bogotá - Zipaquirá train project, and with a gender and inclusion approach, such as the Manizales integrated system project and the Santa Marta Historic Center Smart City project.
- ✓ Within the framework of the Memorandum of Understanding (MoU) signed between the Abu Dhabi Fund for Development and APC-Colombia, in which Findeter is in charge of the construction, equipping and expansion of 37 Child Development Centers. By 2021, USD2.7 million have been executed under the Project, which corresponds to 26% of cooperation resources.

4.12. **Economic Value Generated and Distributed**  
(201-1)

**Illustration No. 15: Economic value generated and distributed. Year 2021**



Source: Findeter

The direct economic value generated and distributed for the 2021 term is **\$653,504 million**. One of its main components is the economic value distributed, which presented an increase in its performance compared to 2020 by \$101,323 million, due to the reduction in operating costs, positively impacted by the downward trend in CDT deposit rates, stability of Libor rates, among other factors; A considerable reduction in taxes was also presented, as a result of the application of Law 2155 of 2021, on income tax. Similarly, derived from the good behavior in operational matters (reduction of costs and taxes), the retained value increased by 76.65% compared to 2020.

4.13. **Trust Business Planning Management**

For the technical assistance service, conceived as support in the development of projects aimed at strengthening growth and sustainability at the territorial level, we propose to all our clients an administration of resources through the commercial trust model, in which we hire the services of a fiduciary company for the constitution of an autonomous patrimony, through which the management, planning and financial execution of third-party resources are guaranteed, in search of transparency in the management of public and private resources, controlling their adequate investment and destination.

These autonomous assets offer some benefits to our clients, such as the management of derivative contracts, the correct financial execution of the projects and the investment and administration of resources through collective investment funds.

During the 2021 term, Findeter signed 31 inter-administrative contracts with national and territorial entities, whose amount amounts to \$3.5 billion, which generate growth, sustainability and jobs at the national level during the execution of all projects. The administration and execution of these resources is carried out through autonomous assets constituted with trust companies recognized in the Colombian financial sector.

#### 4.14. **bonuses sustainable**

(201-2)

SDG-3; SDG-4;SDG-6;SDG-9;SDG-13;SDG-15

On June 18, 2019, Findeter carried out the first issue of sustainable bonds in the country, with the aim of financing projects that generate environmental and social benefits and that contribute to the construction of sustainable territories. The issue placed sustainable bonds in the Colombian stock market for \$400 billion, with terms of 5 and 7 years at a rate of IPC +2.54% and IPC +2.90%, respectively. Demands were received for \$1.03 billion, that is, 3.44 times the amount initially offered.

The bonds, which also received the maximum AAA credit risk rating from the BRC – Standard & Poor's rating agency , refinanced projects aimed at improving the socioeconomic conditions of the population, with the purpose of improving the quality of life, promoting well-being of Colombians and contribute to the fulfillment of ten of the seventeen United Nations Sustainable Development Goals (SDGs).

In response to the commitments acquired with this issue, Findeter annually reports the economic, social and environmental impact generated by the financed projects, according to the eight categories of indicators approved in the issue's reference framework. Thus, this section presents the third annual report on the issuance of sustainable bonds, specifying the updates of said portfolio at the end of 2021.

#### **Sustainable Bonus Committee**

's *Risk and Asset and Liability Management Committee* assumed the functions defined in the reference framework for the Sustainable Bond Committee, with the aim of following up on the guidelines, especially in relation to the control of the bond portfolio. projects eligible under the bond criteria.

During 2021, the committee held two meetings in which the following topics were addressed:

- ✓ *The composition of the portfolio marked as sustainable bonds to date, in which no changes were observed in the number of beneficiaries (14), but in the number of projects (18 vs 16). The balance of the portfolio as of December 2021 closed at \$401,021 million, with a weighted average remaining term of 7.5 years.*
- ✓ *The composition of the reserve portfolio did not present changes in its composition during 2021. However, between the information presented in June and December, a decrease in the balance of the reserve portfolio of \$31,408 million was observed, standing, as of November, at \$358.130 million.*

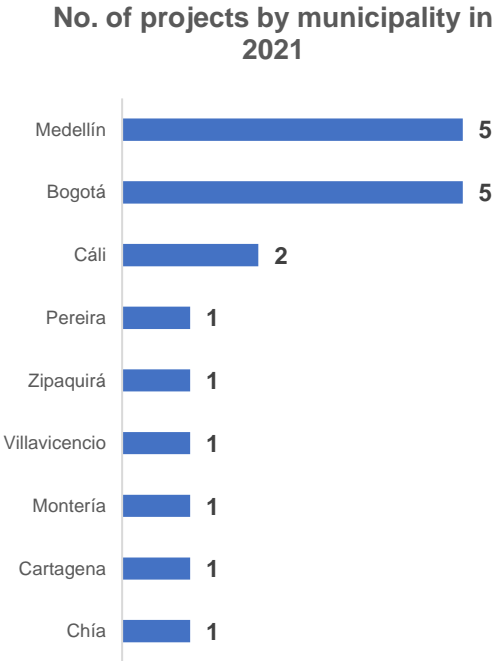
#### **Main Impacts Results**

##### **Financial Indicators / Use of Resources**

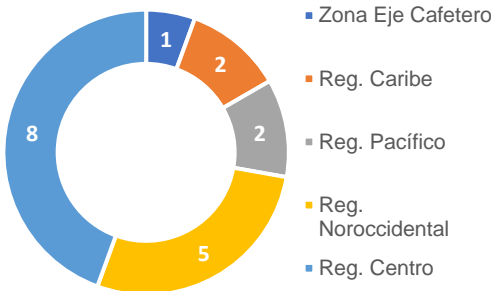
Between 2020 and 2021, the sustainable bond portfolio presented slight changes in its composition. Thus, as of November 30, 2021, the resources of the issue are associated with a total of 18 projects (vs. 16 in 2020) of 14 beneficiaries in 9 municipalities of 8 departments, as shown in the Graph. The

projects are distributed in 5 regional offices served by Findeter. The regions that concentrate a greater number of projects are Center and Northwest, which together account for 13 of the 18 projects.

**Graph No. 18: Projects by region and municipality**



**No. of projects per regional office**



Source: Finder.

The 18 projects are classified into four bankable sectors according to the sustainable bond framework. The projects are mostly concentrated in Education and Health, with 16 projects in total. The Water and Mass Transportation categories each have one project refinanced with the issue. As of November 30, 2021, the portfolio of the 18 projects presented a balance of \$401,841 million, as indicated in the Table. This reflected a total payment of \$46.995 million during January-November 2021.

**Table No. 55: Sectors Financed by Sustainable Bonds**

Category	No. of projects	Total Disbursed	Balance Portfolio ( Nov. 30, 2021)
Education	14	325,408	257,592
Health	two	109,661	96,559
Transport Massive	1	40,000	32,917
Water	1	20,616	14,773
<b>Total</b>	<b>18</b>	<b>495,685</b>	<b>401,841</b>

Source: Findeter - Figures in Millions of pesos

Regarding the status of the 18 projects, as of November 30, 2021, 14 projects had been delivered and 4 were in execution. Of the projects that are still being executed, there is one project for each of the four categories (Education, Health, Water and Mass Transportation).

### Education Sector

In this category, 14 investment projects involving 10 technical and higher education institutions, both public and private, were refinanced. Thus, through the construction of new physical facilities or extensions, it was possible to increase the educational capacity by more than 15,000 places. Among the projects benefited in this category, there are two specialized buildings in the health sector: one for teaching higher education programs in this area, benefiting 1,200 students, and the other for university hospital infrastructure.

One of the projects that were developed in this sector was at the University of Cartagena, where civil works were carried out for the construction, expansion, adaptation, improvement and provision of the educational physical infrastructure of the University. The project was born in 2017 to meet the infrastructure needs that could not be financed with its own resources. \$10 billion was invested in all the city's campuses (there are five), which were used for different purposes. For example, the St. Augustine campus (\$880 million) had slabs repaired that had exposed reinforcing steel. In La Merced, a remodeling and adaptation of five postgraduate areas was carried out, which invites to increase the coverage in economic sciences postgraduate courses. An intervention was also carried out in the men's and women's bathrooms and a special ladder was installed for people with reduced mobility. In Piedra de Bolívar (\$6.5 billion), international accreditation was needed, so the building went from 4 rooms to 12, which increased the capacity for postgraduate areas by 200%. This resulted in more students and more income for the institution. All areas and rooms were made with the latest technology: Wi-Fi internet, cafeteria and new kitchens for students, meeting room in the teachers' offices, video beam, management chairs. They went from 3m<sup>2</sup> cubicles to 9m<sup>2</sup> personalized offices for teachers.

These investments in education trigger a series of positive impacts on economic and social activities, since they allow the generation of new jobs, the development of public spaces and the expansion of the educational offer that directly impacts the development of the population. It should be noted that the projects financed in the education category contribute to the fulfillment of SDGs 1, 4 and 11, End of poverty, Quality education, and Sustainable cities and communities, respectively.

### Health sector

The two projects in this category correspond to health institutions that built new facilities in two cities in the country, Montería and Cali. This has made it possible to expand the supply of health services and, in turn, minimize existing gaps. Similarly, as mentioned in the previous section, there are two higher education projects that are directly related to this sector, and one of them contributes to the generation of new care beds.



In addition to new physical facilities, the projects financed received new endowments that generated 719 new hospital beds and increased the annual capacity in access to health by 21,155 patients <sup>25</sup>. With the above, these projects contributed to the goals of SDGs 1 and 3, End of poverty and Health and well-being.

### **Mass Transportation Sector**

In the Transportation category, the Pereira Integrated Transportation System Aerial Cable construction project was refinanced, which was completed and inaugurated in 2021. Without a doubt, this is a project of great impact for Pereira and its metropolitan area. Indeed, when fully operational, it is expected to handle around 8,000 passengers per route per day (ie 16,000 passengers per day). However, considering the pandemic situation, it is possible that the number of passengers will be lower initially.

#### **Aerial Cable Project of the Integrated Transport System of Pereira**

This great project positively impacts diverse populations of the city. In the first place, it has a direct impact on the community of Villa Santana, a marginal neighborhood of Pereira (approx. 50,000 inhabitants). Before this project, the community was not integrated into the Mass Transportation System, which implied travel times close to 1 hour to the head. Thanks to this megaproject, the same journey takes just 14 minutes. In this way, not only the travel time of people is reduced, but also the cost of travel, thanks to the integration of the different means of transport to the System (Megacable, feeder buses, Megabús ). In addition, social work has been carried out in Villa Santana, since the idea is for the community to feel integrated into the project. To this end, training in English, tourism, restaurants has been carried out, since it is expected that this area of the city will become a tourist attraction, thanks to its landscapes, even with the possibility of bird watching. All this, incidentally, would have a positive effect on the safety of the areas connected to the system, by enhancing the urban and social development of the surrounding territory.

The students of the Technological University of Pereira will also benefit considerably, thanks to the station that was built next to the university, the students will considerably reduce the travel time to get there. Third, a station was also built at the Pereira transport terminal.

Finally, it generates a significant impact on the environment, since, on the one hand, the Megacable is electric, which improves energy efficiency in the city, and on the other, old buses that covered routes that are now replaced by the cable will be scrapped . , which reduces polluting emissions.

Thanks to all of the above, this project contributes to the goals of SDGs 11 and 13, Sustainable Cities and Communities and Climate Action.

### **Drinking Water Sector**

In this category, the ***“Modernization of the Potable Water Treatment Plant PTAP La Esmeralda and the implementation of the Water Loss Recovery Plan”*** was refinanced . This project will allow the modernization of a drinking water treatment plant with which, with its start-up in 2022, the purification of a total of 172,800 cubic meters of water per day will be achieved. Additionally, the recovery of water losses was contemplated, with the intervention of 400 meters of aqueduct network and 350 meters of sewage network.

#### **of the Water Loss Recovery Plan**

---

<sup>25</sup>The results are obtained from two projects in the health sector and one project in the education sector.



This drinking water and basic sanitation project will improve the interconnection of the population to the aqueduct and sewage networks and will reduce the consumption of non-potable water, positively impacting the quality of life indicators of its population. Finally, the incidence of diseases transmitted by the consumption of contaminated water will be reduced, while contributing to the goals of SDG 1; 6 and 12, No Poverty, Clean Water and Sanitation, and Responsible Consumption and Production.

## 5. TRUST RELATIONSHIPS

### 5.1. Interest Groups \_

(102-40), (102-42), (102-43), (102-44), (102-46)

**Table No. 56 Commitment to Findeter's Stakeholders**

Interest Group	Description	Finder Commitment
Control Entities	<p>Those internal and external control entities that perform different surveillance, monitoring and control functions over Findeter's operations, obligations and activities, focused on guaranteeing efficiency in the administration of resources and statutory functions.</p> <p>Financial Superintendence, Attorney, Comptroller, Accounting.</p>	<p>Maintain a fluid and cooperative relationship; attend to the recommendations and instructions in a diligent and timely manner.</p>
government	<p>Authority in charge of giving guidelines for the management and performance of Findeter.</p> <p>Presidency of the Republic, Ministries.</p>	<p>Support the management of the National Government and the implementation of public policies derived from the National Development Plan. Meet the established requirements and guidelines in an efficient and timely manner. Collaborate with the good performance of the efforts entrusted by the sector.</p>

Interest Group	Description	Finder Commitment
Management and Administration Bodies	<p>They are the internal governance bodies that dictate the rules, principles and ethical procedures under which Findeter must be governed and operate.</p> <p>Board of Directors, shareholders (partners and owners of the company in proportion to their participation in it), administration, directors.</p> <p>The Ministry of Finance is the majority shareholder. Shareholders include the financial holding company.</p>	<p>Respect the rights conferred by the law, the statutes and those derived from their shareholding.</p> <p>Abide by shareholder guidelines.</p>
Funding Partners _	<p>Creditors, investors, multilateral and bilateral banks, cooperation agencies, and any entity that contributes funds to Findeter and are its strategic allies. Investors are considered those who acquire credits, CDTs or other titles with a credit content, placed by Findeter and the persons who acquire shares of this Entity after the issuance of Decree 4167 of 2011.</p> <p>Multilateral banks are all those banks whose objective is to support development in emerging countries by granting loans under favorable financial conditions and technical assistance in the planning, structuring, execution of projects</p>	<p>Ensure that investors receive equitable treatment in accordance with their nature and under the terms established by law.</p> <p>Regarding the creditors, the conditions of the negotiation must be respected, providing confidence in the management.</p> <p>Efficiently manage resources, generating economic and social value.</p>
Customers	<p>All those legal entities, public (national and territorial), financial and non-financial intermediaries, private entities with which Findeter is related through financial and non-financial operations through its lines of business in favor of the development of the country.</p> <p><b>Public Clients</b> Governments, mayors, administrative departments, decentralized entities, ministries, DNP, CAR, ESE, ESP, EPS.</p> <p><b>Private Clients</b> Commercial banks, commercial financing companies, financial institutions, large, small, medium-sized companies.</p>	<p>Provide timely, efficient and quality products and services.</p>
Community	<p>Beneficiaries, community groups and organizations, social leaders located in the areas of influence of the projects.</p>	<p>Understand the needs of the territories through dialogue and collaboration, acting with integrity and generating trust.</p> <p>Respect and ensure their rights and the socio-economic context in which they find themselves.</p>

Interest Group	Description	Finder Commitment
Goods and service suppliers	Natural or legal persons who provide technical assistance services in planning, structuring, execution. trustees, consultants	Maintain relationships of trust with efficiency and timeliness. Promote a transparent and timely dialogue.
Goods and service suppliers	Natural or legal persons with whom Findeter contracts the provision of a service or the purchase of a product.	Maintain relationships of trust effectively and timely through transparent and timely dialogue.
Collaborators	All those people linked to the Entity and who constitute its main resource. They participate in the missionary processes and activities of Findeter-Union.	Promote an adequate organizational climate for the optimal development of institutional activities and the development of people.
Opinion Leaders / Media	The media, columnists and people who influence public opinion and union leaders for whom we are a source of information and who have an impact on the perception of Findeter in interest groups.	Provide timely and relevant information on the Entity's management, its management capacity and the generation of positive impacts on the development of the territories.

## 5.2. Our people

(103-1)

### 5.2.1. Characterization of Workers

(102-8, 401-1) (SDG 8)

We are a team of 590 collaborators committed to our mission of being the strategic partner of the National Government and territorial entities, for the planning, structuring, financing and execution of sustainable projects that transform territories. This Human Talent with specialized studies in different subjects and with experience, has allowed us to reinvent ourselves and make quality products and services available to the country. As of December 31, 247 of them were included in the personnel plant, that is, with a direct employment relationship; 335 work on mission; 7 were apprentices in the productive stage of SENA and a university intern, as can be seen in the following Table:

**Table No. 57: Number of workers by type of employment year 2021**

Binding Type	Quantity
Mission Worker	335
Plant	247
SENA Apprentice Productive Stage	7
Practitioner University	1
<b>Total</b>	<b>590</b>

Source: Findeter

The number of direct workers did not vary significantly between 2020 and 2021, however, the number of mission workers increased compared to what was reported for 2020, mainly because before the end of that year, the vast majority of professionals completed their work contract. or work and in 2021 there was a greater execution of the projects in charge of the Entity, a situation that required us to have a greater number of collaborators.

The turnover rate in 2021 was **-5.16%**, calculated as follows:

$(\text{Total Withdrawals} - \text{Total Income}) / (\text{Total Assets} - \text{Total Income}) \times 100$

**Table No. 58 Rotation Rate year 2021**

	Income	withdrawals	Total Direct
Men	19	eleven	109
Women	fifteen	12	138
<b>Total</b>	<b>3.4</b>		<b>247</b>

Source: Findeter

For more information in **annexes**, see Tables: -Number of employees by type of employment contract and gender; - Number of employees by type of contract, sex and age group; - Number of direct employees by region and gender; - number of employees on mission by region and gender.

### 5.2.2. Labor Relations

(103-2) Material topic: Labor conditions, decent work, (403- 1), (407-1)

At Findeter we abide by the current regulations regarding Colombian labor legislation; Below, we list some of our work practices:

- ✓ We maintain the Occupational Health and Safety Management System, in compliance with current regulations.
- ✓ We carry out the annual measurement of the organizational climate, which yields the work environment index, an indicator that allows us to potentiate the strongest variables and work on those that require additional efforts, at the level of work teams or the Entity in general.
- ✓ We respect the right to free association and encourage communication with the Trade Union Organization, in order to strengthen cooperation and build trust, a space for listening and learning in which information and knowledge are shared.
- ✓ We manage the permanent alignment of all collaborators with the organizational culture, values, Codes of Ethics and Integrity and Good Governance, processes and other concepts that strengthen the appropriation of all towards the achievement of the mission.
- ✓ In terms of respect for human rights, we point out that since the selection process, permanent work is carried out to internalize the concepts with all the Entity's collaborators; We have the certification of the conciliation management model as a family-responsible company – EFR; non-discrimination for any condition; we offer fair work environments and adequate work spaces; we have access facilities to the main headquarters of the Entity for people with disabilities; Neither child labor nor forced labor is promoted for both direct staff and those on mission or with suppliers; We comply in the contracting clause with the social provisions and labor practices according to Colombian legislation. Likewise, there is the Copasst Committee and the Labor Coexistence Committee, in order to meet the needs of the workers.

It should be noted that in 2021, no cases of discrimination for any reason were reported in any of the instances provided for this purpose.

Below is the composition by gender of the positions by level, highlighting the participation of women at all levels of the Organization:

**Table No. 59: Distribution of Workers by level and gender**

Charges	Female gender	Male gender	Grand Total
Management Level	twenty-one	twenty-one	42
Other Levels	287	253	540

Grand Total	308	274	582*
% participation of women in the total			53%
% participation of women at management level			fifty%

\*SENA interns and university interns are not included

Source: Findeter

### Selection and hiring policy

We established equal opportunities, non-discrimination by gender, race, social status, religion, region or other circumstance as the guiding principle for the selection and hiring of personnel, a precept that is part of the conciliation model as a family-responsible company -efr , in the equal opportunities dimension.

The general and specific skills required, studies, experience and corporate values are essential when analyzing a prospect. The controls are determined from the same procedure when analyzing the resumes. For critical processes, safety studies are applied through an advanced validation system.

### salary compensation

At Findeter, salaries are governed by the current salary scale and the requirements set forth for each position in the Manual of functions and general requirements, respecting gender equality, prioritizing the years of work experience and the candidate's studies. The Board of Directors is the body that authorizes salary increases each year for the managerial level and for other positions, the increase is generated as agreed in the collective bargaining agreement that is in force.

Compared to the market, the Entity's salaries are competitive, which, together with the other benefits offered, allow us to attract and retain the necessary talent to achieve our goals.

### 5.2.3. Conciliation and Professional Development

(102-41, (103-2;103-3) Material topic: Labor conditions - decent work, respect for human rights, (401-2), 407-1)

#### Family Reconciliation

Being recertified as a family-responsible company -efr is proof of the preponderance that Findeter has for conciliation in sustainability within the organization , since this model is part of corporate social responsibility in people management issues, which, under quality standards, groups the entire portfolio of benefits for employees and their families into 6 large dimensions which in turn bring together the 61 measures that comprise it. These contribute to the balance of the different areas of people's lives without losing sight of productivity and results; and therefore competitiveness.

Coherence as a fundamental pillar of work on equal opportunities, led us after countless studies and analysis, in charge of an interdisciplinary team, to present to the Board of Directors of the Entity, the project for the incorporation of workers into the plant on mission that intervene in all processes, a team of collaborators who, when hired for work or work, are not under the same conditions as direct workers, an initiative that was approved in a November session by the Board of Directors, to be executed in the 2022.

This incorporation tends to strengthen the well-being of the worker and his family, the generation of greater job stability, equity in remuneration and workloads, promoting greater productivity, respect for the rights of workers for the proper performance of Findeter de facing new challenges.

### Working environment

(103-1)

The positive results that keep us at the level of excellence in the measurement of the work environment index (IAL) for the year 2021, under international standards with the methodology of the *Great Place to Work® Institute* , presents us as a very attractive employer and example in the country. Likewise, it confirms that the management of people under the *efr model* is fundamental in the work environment. Given the evolution of Findeter and its positioning in the market, for the year 2021 the GPTW model evolves the comparison of Findeter with financial entities from both the private and public sectors, obtaining an IAL of 94.6 compared to 94.5 obtained for the year 2020. These results

they reflect the coherence of Findeter's actions and the trust that is strengthened when collaborators perceive that their leaders conduct activities competently, recognize additional effort and work, and ensure that they are heard and receive fair treatment.

**Organizational culture**

We build our organizational culture model that identifies us by defining what we know how to do best, what we are and what differentiates us and from its appropriation will allow us to achieve the vision and objectives set for the future. In the Model, the 3 organizational capacities to work with leaders and other collaborators were determined:

- ✓ **Strategic approach** : It is the connection with the Entity's vision and the ability to achieve it through daily execution consistent with the strategy.
- ✓ **Articulation**: It is the ability to connect or align the efforts of the different teams, processes and services, as well as the interactions with internal and external stakeholders.
- ✓ **Conscious transformation**: It refers to the passion to consciously innovate, transform and go further, proposing new ways of doing things.

**5.2.4. Training**

(404-1), (404-3); (103-1); (103- 2), (103-3) [Material issue: education and training in environmental matters, working conditions, decent work](#)

Training at Findeter is a pillar of the corporate strategy, which in addition to strengthening technical skills, seeks to improve skills, knowledge, abilities, motivation and commitment, based on values and ethical principles and on the dimensions of being, knowing and to do, for which important resources are appropriated to meet these objectives, in addition to having economic support options for collaborators for their professional and postgraduate studies.

This is how we registered the attendance of 673 people at the different training events, we executed more than \$840 million in 69 training programs at the end of 2021 and we have executed 81 internal trainings at no cost, allowing 100% coverage of the collaborators, fulfilling thus the principle of the democratization of training. In this way, we strengthen capabilities, we turn them into bastions and growth intensifies, becoming constant, because we are convinced that training generates development and development enhances our talents to give us a differentiating factor.

**Table No. 60: Employee training hours**

	Total hours	Participants	Average annual hours per worker
2019	29,297	675	43.4
2020	30,680	664	46.22
2021	27,795	673	41.24

Source: Findeter

We build the annual Training Plan based on the training needs of the different departments, the identified organizational skills to be developed and the guidelines of the strategic plan, which is executed according to the dynamics of the business. On the other hand, the participation of workers is encouraged in different programs that allow strengthening the organizational culture and developing their soft skills as a complement to the technical training they receive. The prioritization of training activities is given according to the different topics that are related to induction, reinduction, corporate issues, technical or specific education, complementary and the improvement of skills, which allow having comprehensive workers who perform their functions towards growth. sustainable and profitable.

Likewise, we have the option to obtain loans for study enrollment as an incentive for workers with the opportunity to professionalize and specialize in topics that contribute to the development of their functions. Bilingualism is permanently promoted, educational aid is granted for the children of workers and for them, permission is granted for study and teaching activities.

We monitor the participation of each worker in the different training events and the time invested in learning the programs is recorded, aligned with the corporate strategy and organizational skills.

We have evaluations for the topics whose relevance in the Entity's work generate an impact and those that are required by regulations, likewise, we measure through management indicators, the coverage of training programs and the average man-hours that Findeter invests in the professional development of its workers, which allows us to monitor the institutional contribution in terms of professional growth.

We have covered 100% of the collaborators on different topics, allowing knowledge to be available to everyone.

In 2021 we registered 150 training events, the vast majority under the virtual modality. For more information in **annexes** see table: - *Training for workers according to gender and position.*

#### **5.2.5. Performance**

We evaluated the performance of all collaborators under the 360-degree methodology, the results of which showed that in Findeter the skills are developed on average at a level of 90.64%, that is, they are generally internalized and behave as a habit; satisfactory results product of the work directed towards the improvement of work performance. However, following our policy of continuous improvement, of the 11 competencies evaluated, we will work on those that obtained the lowest scores both at a general level and in the teams with the highest incidence in these results.

As a complement to the above, we will make available to everyone in 2022, the Manual of Roles and Responsibilities aligned with the process map of the Entity and with the functions planned for the existing positions regarding the role that each collaborator must play in the assigned dependency. All of the above, in response to Findeter's positioning in the market, which has led us to create increasingly advanced processes, to reinforce human management policies based on the development of skills, to maintain a balance between personal, family and and labor and to potentiate the skills and aptitudes of the collaborators.

#### **5.2.6. Health and Safety at Work**

##### **403-1; 402-2**

Since the beginning of the pandemic, in the face of the crisis caused by Covid-19, we have maintained a comprehensive support model for employees and their families, under the premise that life and health come first. In this context, tactics were established such as work at home for 99% of the collaborators in a timely manner, economic contribution for connectivity, technological tools to facilitate work activities, flexibility so that they could move to other cities to carry out their work and accompany their families, creation of a permanent communication and information strategy to keep everyone connected with the corporate strategy and biosafety protocols to protect themselves against the pandemic, psychological support and strengthening of the organizational culture through the celebration of social events and strategic alignment.

We focus our efforts on maintaining a constant link with our employees, keeping an eye on their physical and emotional health and that of their family, under the premise that the well-being of the family nucleus has a direct impact on the productivity and development of the work activities.

For Findeter's management team, it has always been clear that the fulfillment of corporate promises at this time becomes more important, which is why timely and early payment of salaries has been essential, keeping extralegal benefits in force and guaranteeing stability in the partner plant. Likewise, the relationships of trust between the different directors and their work teams were strengthened, promoting spaces for permanent accompaniment.

Likewise, and given the security conditions with vaccination, compliance with biosecurity and economic reactivation measures, in the middle of the year we began the gradual and progressive



return plan at the Bogotá DC headquarters with more than 200 collaborators in attendance. . To this end, and in order to generate the least impact on families, three new working hours were adopted to guarantee the best conditions for everyone.

Finally, and according to the origin qualification given by the ARL Positive, to date there have been no cases of professional illness, nor have any occupational accidents been reported. Additionally, the Copasst and the Coexistence Committee have worked according to the periodicity established by law.

**5.2.7. Free Association**

(102-41; 407-1) (SDG 8)

We have had a Workers' Union since August 1999, which currently has 74 members, equivalent to 36% of the total number of workers authorized to join the union.

The excellent relations between the Administration and the Workers' Union stand out, maintaining proactive cooperation and the generation of trust, spaces for listening and learning in which information and knowledge are shared, this being an alternative for the prevention and resolution of conflicts, which has allowed to strengthen relationships as part of the organizational culture.

**5.2.8. Profits**

401-2

The collective labor agreement signed between the Administration and the Workers' Union, groups the benefits agreed for direct workers who avail themselves of it, which include:

**Table No. 61: Employee Benefits**

▪ Monthly Technical Premium	▪ health services policy
▪ food assistance	▪ Recognition of disability and maternity leave
▪ Loans: Housing, vehicle, study, free investment, domestic calamity.	▪ Working day
▪ Extralegal premiums (in June and November)	▪ Training
▪ Annual seniority premium	▪ Educational Assistance for children
▪ transportation assistance	▪ Aid for the Union
▪ educational aid	▪ five-year recognition
▪ Funeral aid in case of death of the worker	▪ Pension withdrawal bonus

Source: Findeter

In 2021, 100% of the direct workers who were able to benefit from the Collective Bargaining Agreement were covered by it.

**5.3. Transactions with related parties – TPRs**

(102-12, 102-43)

As part of our welfare policies and the family-responsible company model, we provided soft lines of credit for all workers for housing, vehicles, study, free investment and domestic calamity. In this way, during 2021 we granted loans to the Entity's executives for an approximate amount of \$4,297 million.

For the purposes of the activities of the Board of Directors, fees were paid to its members for attending meetings of the Board of Directors and Support Committees, the sum of \$778.5 million, as of December 31, 2021.

No additional TPRs reported

#### 5.4. **Investor Relations**

(102-12, 102-42, 102-43)

In November 2021, the Colombian Stock Exchange (BVC) granted, for the seventh consecutive year, Findeter the "Issuer Investor Relations IR" certificate, which recognizes compliance with and implementation of the highest standards established in the Sole Circular of the Stock Exchange, in matters of corporate governance, disclosure of information and relationship with investors; It should be noted that only 32 of the nearly 175 issuers that the public stock market has have this seal.

The IR Seal positions Findeter in the market as one of the issuers with the best corporate practices, positioning us within the list of the most transparent securities issuers in the market, thus increasing the confidence of local and foreign investors in the Financial Company.

By complying with IR standards, the Entity has managed to create, administer and manage optimal communication channels with investors, providing relevant, timely and complete information that facilitates the behavior of the financial market and decision-making in it.

Among the actions carried out to comply with the IR requirements of the Colombian Stock Exchange, the quarterly events for the presentation of results to investors stand out, in which Findeter's quarterly results are reported to the market, from the financial point of view, commercial and technical, likewise, the questions that investors require regarding our management are answered. During 2021, the online events were held in English through a live webcast platform, where stakeholders who wish to connect can do so freely. These events took place on the following dates: June 2; September 16 and December 7. Investors and other members of Findeter's interest groups interested in learning about the Entity's management attended each of the presentations.

Another of the most relevant actions carried out during 2021 was the implementation of the 4 new ESG standards (environmental, social and governance) included by the BVC within the IR program. In this way, measures were taken to reveal to the market information related to the aspects of: Corporate Strategy, Human Capital, Social Management and Environmental Management.

In this sense, a microsite was built within the Investor Relations section of Findeter's website, in Spanish and English, expressly revealing and reporting the Entity's ESG factors, identifying each of these elements requested within the program. IR of the BVC, demonstrating the relevance and commitment of the Finance Company to comply with the highest standards in environmental, social and governance aspects. This information can be found at the following web address: [https://www.findeter.gov.co/relacion-con-inversionistas/informacion\\_asg](https://www.findeter.gov.co/relacion-con-inversionistas/informacion_asg)

Likewise, the administration and management of the investor relations website in Spanish and English was carried out, updating it in a timely manner, thus facilitating access to financial and corporate information for our local and international investors, achieving greater consultation traffic. in these portals. The consultation link is as follows: <https://www.findeter.gov.co/relacion-con-inversionistas> .

In this way and thanks to these actions carried out during the year, we were the only issuer of IR securities that was positioned in the 5 rankings published by the Colombian Stock Exchange, of the diagnosis that it carries out, in alliance with the CESA, to the entire corporate governance system, disclosure of information and relationship with investors of IR securities issuers. In this sense, we obtained the following results: Top 5 issuers with the best levels of adoption of the disclosure standard in 2021; Top 5 issuers with the best levels of implementation of the four new ESG factors; Top 3 issuers that have evolved the most in the implementation of the new standard and Top 1 issuer that has evolved the most in the revelation of the four new categories of the new standard.

#### 5.5. **Alliances and Associations**

**(102-12 and 102-13) (SDG 17)**

At Findeter we maintain alliances with different organizations and are part of initiatives or associations that contribute to the development of our mission.

Findeter, for example, is part of the Latin American Association of Development Banks, ALIDE, a community of financial institutions, with the aim of contributing to the economic and social development of the region. Our President, Sandra Gómez Arias, is part of the Board of Directors.

Findeter is expected to continue to be the focal point of the Association in Colombia, taking into account that we have been members since 2012. Being part of the body that leads, guides and advises development banks in Latin America translates into an opportunity to Findeter to reiterate our commitment to work to strengthen financing for development in the region. In addition, it generates greater visibility and recognition for Findeter, given the leading role it would have in disseminating good financial practices and in the task of continuing to work hand in hand with all ALIDE members, to meet common objectives, contributing to the development economic and social of the region.

Additionally, Findeter, in July, adhered to the "Declaration on Gender Equality and the Empowerment of Women" that emerged from the coalition of development banks, which participated in the Common Finance Summit, which Findeter attended in 2020. This initiative seeks to promote the financing of strategies to promote gender equity and highlight good practices in the matter, promoting the empowerment of women globally.

Likewise, Findeter has maintained and strengthened its relations with international organizations such as:

**National Development Banks:**

- ✓ French Development Agency -AFD.
- ✓ German Credit Bank for Reconstruction – KfW.

**International Cooperation Agencies:**

- ✓ German Agency for Cooperation – GIZ.
- ✓ Basque Agency for Business Development – SPRI.
- ✓ Abu Dhabi Development Fund – ADFD.

**Governments and Official International Institutions:**

- ✓ UK government
- ✓ Government of Germany
- ✓ Official Credit Institute – ICO.
- ✓ European Union (EU)

**Multilateral Organizations and Multidonor Funds:**

- ✓ Inter-American Development Bank - IDB
- ✓ European Investment Bank – EIB.
- ✓ World Bank – WB.
- ✓ Green Climate Fund – GCF.
- ✓ NAMA Facility
- ✓ United Nations Office for Project Services – UNOPS.

**Non-governmental organizations:**

- ✓ Center for Clean Air Policy – CCAP.
- ✓ Coalition for Green Capital – CGC.
- ✓ World Wildlife Fund-WWF.

**5.6. Clients and Marketing Satisfied and Loyal Customers**

Measuring customer satisfaction is vital for Findeter, evaluating it, analyzing the results and understanding them through their feedback will always be an opportunity to improve the business and identify new growth alternatives.

According to the latest study of the level of satisfaction carried out by the firm Brandstrat, 97% of customers stated that they were satisfied with the service offered by the Entity, during 2021, a percentage that is maintained with respect to the previous year.

A more holistic view of customer satisfaction makes it possible to observe not only general satisfaction as the perception of quality and acceptance of the service offered during the year, but also customer loyalty as an indicator of the positive perception they have of the brand. and its intention to maintain long-term relationships with Findeter, an indicator that for 2021 has been 60%.

These positive results are an excellent way of confirming that all the actions carried out to understand and exceed the expectations of the Entity's main asset, its customers, are on the right track.

#### **5.7. Customer service**

In 2021, we focus our actions on improving your relationship and expectations with the client, in the context that satisfaction by itself is not enough and that, therefore, it must lead to greater loyalty and "affection" towards Findeter.

Thus, the work was directed towards obtaining closer relationships, to evolve as an Entity and in the gestation of new products and services. With this purpose, as already mentioned, a customer satisfaction study was carried out, whose purpose was to know, in depth, their needs in the different interactions they have with the Entity. Simultaneously, different actions were carried out in order to strengthen the relationship with the client, such as improving services, and activities such as events, meetings, launching of new products, among others.

Simultaneously, within the Entity, we worked on the customer service channels, we made adjustments to the website, we tried to improve it so that the times were shorter than those established by law and we worked on the development of an inclusive culture. .

Additionally, in order to improve internal processes, so that employees perceive customer service as a fundamental tool and a main attribute, which generates trust and is necessary for the best relationship with the customer, we internally carry out 4 trainings.

#### **Requests Received**

In 2021, through the Findeter website and the different service channels that the Entity has, we received 797 requests. As of the cut-off date of this report, 782 have been addressed and 15 petitions are in the process of being answered, in accordance with the terms established in the Law.

It is important to indicate that reference is made to the total number of requests received by the Marketing and Customer Service Area (Requests, complaints, claims and suggestions) that were attended to in 2021. The analysis of service times is carried out in accordance with what is established in the law.

#### **Opportunity in Attention- Response time**

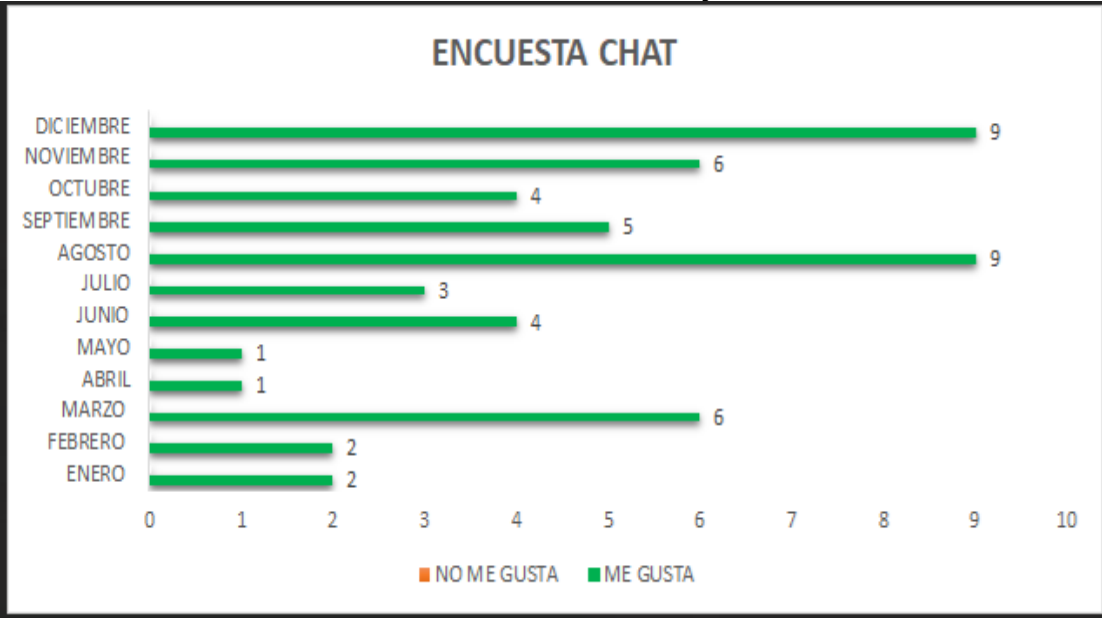
The average response time of the PQRSD in 2021 was 14 business days, a time less than that established by law, during the health emergency in accordance with Decree 491 of 2020, a fact that allows us to affirm that the institutional goal of respond to all requests in less time.

#### **chat**

The website ( [www.findeter.gov.co](http://www.findeter.gov.co) ) is a service channel that allows users to interact immediately and resolve their concerns.

To measure the level of citizen satisfaction, through this channel we carry out an assessment with two options: I like it, I don't like it. The results indicate that the level of satisfaction is 100%, given that all users rated the service positively.

**Chart No. 19: Chat Survey**



**5.8. Accountability**

Considering that our mission is focused on generating well-being in Colombians, Accountability is conceived as a scenario of permanent dialogue with citizens, civil society organizations, private and public associations and other interested parties, with the purpose of promoting the construction of the country through consensus and citizen participation.

Within the framework of Accountability, we conceive dialogue as a dynamic exercise in the exchange of ideas, in which citizens not only assume the role of demanding adequate management of resources, but also transcend to a proactive attitude and work in team, in which he sees his desires embodied in concrete projects in search of satisfying the needs of the community. In other words, they also participate in the achievement of the established goals.

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

Our accountability strategy is aimed at informing management, in a transparent and participatory manner, to meet the needs of interest groups and society in general, through the generation of spaces for dialogue and materialization of the principles of good government.

**Quality information and in understandable language**

The Management and Sustainability Report is an extremely important accountability tool since it consolidates the management carried out in 2020 and highlights the most relevant events for stakeholders and those linked to Findeter's sustainability. , in its responsible action, from the economic, social and environmental dimensions and remains published on the Entity's website, for consultation by interest groups and the general public.

On the other hand, we participated in events such as forums, summits and talks, among others, where our management was socialized. Almost 28,000 people from different interest groups participated in these.

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

Within the framework of this component, a variety of events were organized and executed, among which forums, seminars, workshops and talks can be pointed out, in which Findeter's management, investment proposals and those already carried out in projects that contributed to improving the quality of life of the inhabitants.

Internally, in execution of the provisions of the strategy that indicates "*Carry out an institutional accountability event*" Findeter considered it pertinent to carry out several events in which, from the Senior Management, the collaborators were continuously made aware of the progress in the execution of the Strategic Plan and particularly of the strategies, programs and projects and, at their time, in which they could express their concerns, make observations and suggestions, for a better management. This activity was carried out through the so-called "Ser Findeter" and "Olímpicos Findeter". In short, all the collaborators participated in these scenarios.

For its part, within the framework of the execution of the strategy, which considers "*Organizing and executing events where the management carried out by the Entity is socialized to the different interest groups (Forums, seminars, assemblies, talks, workshops, etc. )*", In addition to the actions carried out internally, already mentioned, others were carried out in different cities and regions. 2,045 people from different interest groups participated, including mayors, governors, office secretaries and citizens interested in the management of the Entity.

### **Incentives to motivate the culture of surrender and accountability**

These are socialization events for the projects identified in the territories by Findeter and prioritized by their leaders in their action plans to generate work agendas to leverage their execution with the institutional offer of products and services. Between July and November, 18 meetings were held with interest groups and regional leaders, attended by 1,127 people including governors, mayors, office secretaries and advisers, among others who were presented with the projects being carried out in the regions and the financing offered, as one more scenario for interest groups and the general public to learn about the investments made and to participate and exercise social control.

### **Evaluation and feedback to institutional management**

This component is of the utmost importance for Findeter, to the extent that, year after year, it generates essential elements for strengthening management, which contribute to the achievement of the strategic objectives set forth in the "Flight Plan", in such a way that By 2022, the institutional mission and vision are materially a reality.

In this context, the last study of the level of satisfaction carried out by the firm Brandstrat, 97% of the clients stated that they felt satisfied with the service offered by the Entity, during 2021, a percentage that is maintained with respect to the previous year.

In 2021, we direct our actions to improve our relationship and expectations with the client, in the understanding that satisfaction by itself is not enough and that, therefore, it must lead to greater loyalty and "affection" towards Findeter. Thus, the work was directed towards obtaining closer relationships, to evolve as an Entity and in the gestation of new products and services. With this purpose, as already mentioned, a customer satisfaction study was carried out, whose purpose was to know, in depth, their needs in the different interactions they have with the Entity. Simultaneously, different actions were carried out in order to strengthen the relationship with the client, such as improving services, and activities such as events, meetings, launching of new products, among others.

Simultaneously, within the Entity, work was done on the customer service channels, adjustments were made to the website, improvement was sought so that the times were shorter than those established by law, and work was done on the development of a inclusive culture.

The website ( [www.findeter.gov.co](http://www.findeter.gov.co) ) is a service channel that allows users to interact immediately and resolve their concerns. To measure the level of citizen satisfaction, through this channel we carry out an assessment whose results indicate that the level of satisfaction is 100%.

### **Citizen participation and promotion of social control in the program formulation stage**

Effective citizen participation and the exercise of social control was one of our accountability pillars. For this purpose we achieve:

- ✓ Carry out more than 50 face-to-face and virtual activities (workshops, meetings and work tables) with the different territorial actors to collect information and identify the main problems of the following cities: Arboletes, Florencia, Armenia and Ibagué.
- ✓ Carry out the survey of indicators in the economic, social, environmental and fiscal dimensions with their respective traffic lights in the cities of Arboletes, Florencia and Armenia; develop economic and environmental filters, together with the exercise of analysis and prioritization of problems and define the strategy and action plans.

## **6. MONITORING, CONTROL AND RISKS**

### **6.1. Progress of the Strategic Plan**

(103-3 Material topic: Water and sanitation projects, projects aimed at benefiting communities in vulnerable situations, infrastructure projects for education, supply of products with a territorial approach, sustainable cities and communities, ethics, integrity and transparency, actions against climate change , lines of business with environmental and social criteria) (SDG 8, 10 and 11)

Below, we present the main results of the Strategic Map, by perspective:

The **Development perspective** is focused on quantifying the most significant impacts of our management in the territories, through the service portfolio. In 2021, we executed and/or financed 47 projects that benefited more than one municipality, accumulating a total of 104 between 2019 and 2021. In terms of project beneficiaries, last year we impacted 8,053,126 people through financed projects and /o executed, which allowed us to reach a total of 16,153,516 in the last three years.

Of the set of 102 municipalities without structuring capacity that we prioritized, in 2021 we reached a cumulative of 64, of which 84% are in category 6. The expansion observed during this term was mainly through the product of technical assistance . The management described in each of the indicators allowed us to satisfactorily achieve the goals proposed in this perspective, as shown below:

### **Illustration No.. 16 Development Perspective**



The **Efficiency perspective** brings together the objectives that allow us to monitor the results of the financial indicators of profitability and operational efficiency. At the end of the 2021 term, the profitability indicator presented a result of 5.92% with a growth of 5.3 percentage points compared to 2020, as a result of the performance of the financial margin, which increased by 12.61% from one year to another and this is due to the adequate management of the differential of active and passive rates; likewise, to that of non-financial income and expenses, which translate into extraordinary results, which leverage a growth in equity of 6.52% and have a direct impact on the Entity's profitability.

For its part, the efficiency indicator achieved a good performance and stood at 1.65% at the end of 2021, showing an increase of 23 basis points compared to 2020; the adequate execution and control of administrative expenses contributed positively to efficiency, however, a decrease in productive assets was observed derived from the low level of placements and a high volume of prepayments, leading to the indicator being located below expectations outlined in the strategic plan and with lower results than those recorded in previous years.

In relation to the social IRR, we adopted a methodology based on the True Value model developed by KMG, to know the value and environmental, economic and social impact of the projects we manage, and the multiple benefits that we generate for the communities as Development Banking Territorial. This fact, now, allows us to know the benefit that is generated to a population for each peso invested in the projects.

The application of the social profitability index, as of August 2021, allowed us to know that we generate social benefits worth \$2.3 trillion, that is, for each peso mobilized in the projects we manage, it is estimated that \$1.62 pesos are generated in social, environmental and economic benefits. The aqueduct and sewerage projects that have been structured, financed and executed during 2021 avoid an estimated 66,800 absences from work due to gastrointestinal illnesses during the useful life of the project. Likewise, it is estimated that the construction of small hydroelectric plants that were financed during 2021 will reduce CO2 emissions by 7,487 tons of CO2e

It is planned to measure the social profitability indicator effective 2021, in the first quarter of 2022.

**Illustration No. 17 Efficiency Perspective**



In the **Customer perspective** are the objectives that show the results of the satisfaction survey of our customers (final beneficiaries and financial intermediaries), through an external partner. In the first quarter of 2021, we carried out the measurement corresponding to the management carried out for the 2020 term, with the following results:

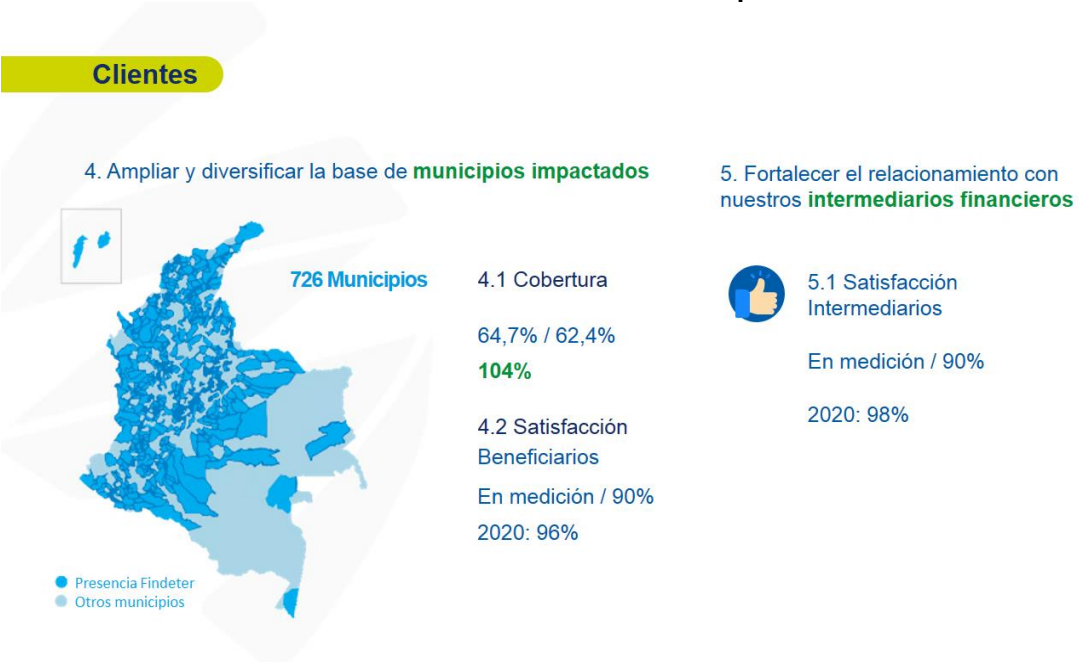
- ✓ The chapter of final beneficiaries showed a satisfaction rate of 96%, exceeding the established goal and reaching 107% compliance.
- ✓ The chapter on financial intermediaries presented a satisfaction rate of 98%, exceeding the established goal with 109% compliance.



The measurement corresponding to 2021 will be carried out in the first quarter of 2022.

Another indicator that contributes to the customer perspective is the coverage that measures the active products and services in the national territory. In 2021 we served 41 new municipalities nationwide, reaching a total of 726 of the 1,122 of the total base and a coverage of 65%.

**Illustration No. 18 Clients Perspective**



**The Comprehensive Management perspective** contains the indicators related to the portfolio of products and services, which are immersed in our management model.

Through our portfolio we have accompanied the territorial entities in the generation of well-being in the cities and regions of the country. With our technical assistance we achieved a historical record in income of \$76,972 million with 114% compliance, we also continued with the management of the comprehensive sales strategy, offering products and services to our customers in a uniform and joint manner, as a result we presented compliance with the 111% of the goal set for the term.

We carry out the structuring of infrastructure projects in sectors with high social impact with environmental and social criteria, materializing revenues of \$5,717 million, obtaining a result of 64% with respect to the goal.

Through the planning product, a result of 25% of the proposed goal was achieved, caused by the changes in the prioritization of the investment resources of the territories.

In the disbursement indicator, we reached revenues of \$2.44 trillion, of which \$1.47 trillion were disbursed in the rediscount modality and \$972,013 million through direct credit, impacting 859 projects nationwide. Similarly, the financing income indicator showed a decrease of 13.48%, standing at \$516,878 million; These revenues did not grow due to the behavior of the indexed rates, which experienced a sharp drop compared to 2020, due to the damage caused by the Covid-19 pandemic.

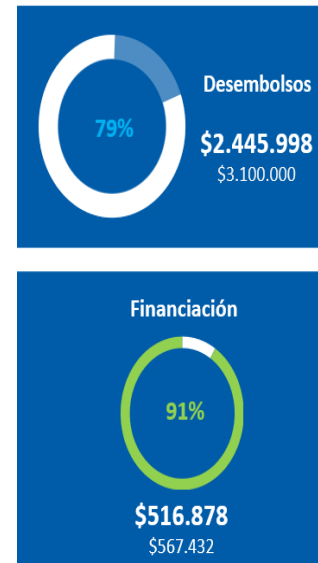
**Illustration No. 19 Comprehensive Management Perspective**

## Gestión Integral

### 6. Aumentar la efectividad de la **gestión comercial**



### 9. Aumentar la **financiación** de operaciones y proyectos en sectores financieros



In the **perspective of Capacities**, the indicators that reflect the management of the transversal and support operation are contemplated.

In 2021 we continued with the measurement of the Responsible Action strategy, through the management of its four work cells, achieving 108% compliance with respect to the defined goal, with a result of 97% in the progress of its deliverables such as as: 1) 100% Integrity Culture; 2) in Responsible Finance with 83%; 3) in Impact of 104%, and 4) in Relationships of Trust with 100%.

An important pillar in the Flight Plan is the management of communications carried out internally and externally, prioritizing issues of our management model, internal campaigns and impacts generated through the projects we execute. We highlight the management of free press and relations with the media for the dissemination of important issues for Development Banking, such as: launching new lines of credit, multipurpose cadastre, reconstruction of Providencia, the Vende Digital project, disclosure of the management in planning and structuring and program of Emblematic Cities. The result of the indicator exceeds 120% compliance with respect to the established goal.

With the reach of the publications on Twitter we measure the number of times a tweet appears on the timeline. For 2021, a goal of 2,840,448 was established and a result of 3,519,000 was achieved, achieving an overachievement of the indicator, as a result of the strategy defined in generating an internal network to obtain greater diffusion.

**Effectiveness of internal communication** indicator presented an outstanding result of 99%. The measurement was carried out in January 2022 through a virtual survey, which included the participation of 527 Findeter employees who described internal communication as clear, timely and useful, thus meeting the objective proposed for 2021.

Regarding the **Financial Margin indicator**, as of December 2021, it closed at 1.72%, 0.70% higher than that registered in the same month of 2020. The improvements in the GAP are explained by an

increase in the active rate , especially the portfolio indexed to the IPC, IBR and DTF. On the other hand, the **Passive Rate** showed an increase, although to a lesser extent than the asset rate, which was driven by the liabilities indexed to the IPC and IBR, as well as by the progressive increase in the fixed rate component due to the exit from the balance sheet of titles with lower rates. . For own portfolio operations, they do not present compliance in the term given the extreme volatility that occurred in local fixed income. Faced with the competitiveness of the portfolio in quarterly readings, it presented an average of 141 basic points (bp), 70bp higher than the estimated goal, this result is due to the taking of positions in better conditions than the market, and the risk adjustment of the Findeter's portfolio during the periods of greatest volatility in 2021, as a result of the significant devaluation of the Colombian public debt.

Regarding the updating of the value chain, we continued with the alignment of the processes to comply with the strategy, finishing the project that standardizes and adopts the Business Process Management (BPM) methodology for the intervention of processes, getting closer and closer to the most used standards in the world for the digital transformation of the Entity. This in order to maintain the level of operational excellence through the ratification of the ISO 9001, ISO 14001 certifications, the seal of good innovation practices and the certification as a family-responsible company (EFR). At the end of the year we achieved the proposed goal in the 4 aforementioned certifications, as well as obtaining the ISO 27001:2013 standard certificate, generating an overcompliance in the indicator.

The progress of the digital transformation in our Entity is being monitored on two fronts: the first with the fulfillment of the projects of the Information Technology Strategic Plan (PETI), which for this year reached 106% compliance, where The completion of projects, optimization and IT capabilities, new ways of working in digital and the exercise of technical and financial core architecture stand out; and second, we executed the use and appropriation strategy focused on measuring the level of appropriation of users in 6 services or solutions (Business architecture service, CRM tool, Data governance and management service, direct credit process phase 2021, office 365 tools and technical core process), which presented an index of 82%, achieving a higher compliance than the established goal. Additionally, within the 2021-2022 Digital Transformation Plan, we successfully concluded projects such as customer experience, sand box and optimization of BPM processes, among others, that strengthen the capabilities of our Entity, to leverage its digital transformation and the use of emerging technologies. , through the reinvention or modification of processes, products or services and ensure the generation of value.

Regarding the work environment index, we obtained a result of 94.6 in the Government sector, achieving 100% compliance in relation to the established goal, which maintains our good position in the ranking of the best companies to work for, at a national level. and Latin American.

## **Illustration No. 20 Capabilities Perspective**



## 6.2. Exercise of Internal Control

Our Internal Control System is conceived and organized in such a way that the exercise is intrinsic to the development of the functions of all the existing positions in the Entity and, in particular, of the functions assigned to managerial positions. Notwithstanding the foregoing, there are three bodies that help in the implementation, development and monitoring of internal control, we refer to the Office of Internal Management Control, the Coordination Committee of the Internal Control System and the Statutory Auditor.

### Internal Control Management Approach

The internal management audits, during 2021, were carried out with a structured and comprehensive work approach, based on risks, leveraged on a methodology that allows the constituent elements of Internal Control to be evaluated in each process, based on Circular 029 of 2014, the Integrated Strategic Planning Model - MIPG and are aligned with both local regulations and international reference frameworks (COSO). The results obtained allow us to identify opportunities for improvement that contribute to the continuous improvement of the System and incorporate a vision towards prevention.

### Internal Control System - SCI

We present a degree of compliance of 97%, in the first semester, of the evaluated elements of the Internal Control System, we have a comprehensive vision, an organizational structure flexible to changes and defined levels of responsibility and management.

We have a methodology for the identification, measurement, control and monitoring of documented risks, which is led by the Vice Presidency of Risks and has defined procedures to record and report risk events.

Senior Management promotes the importance of integrity and corporate values, which serve as a guide to achieve optimization and quality of processes. From the Headquarters of Human Talent, different education and training campaigns are carried out for collaborators. We have a duly documented compensation and performance evaluation system. From the Vice Presidency of Irrigation we maintain control and monitoring of all identified events; In addition, continuous monitoring is carried out to keep the risk and control matrix updated for each of our processes.

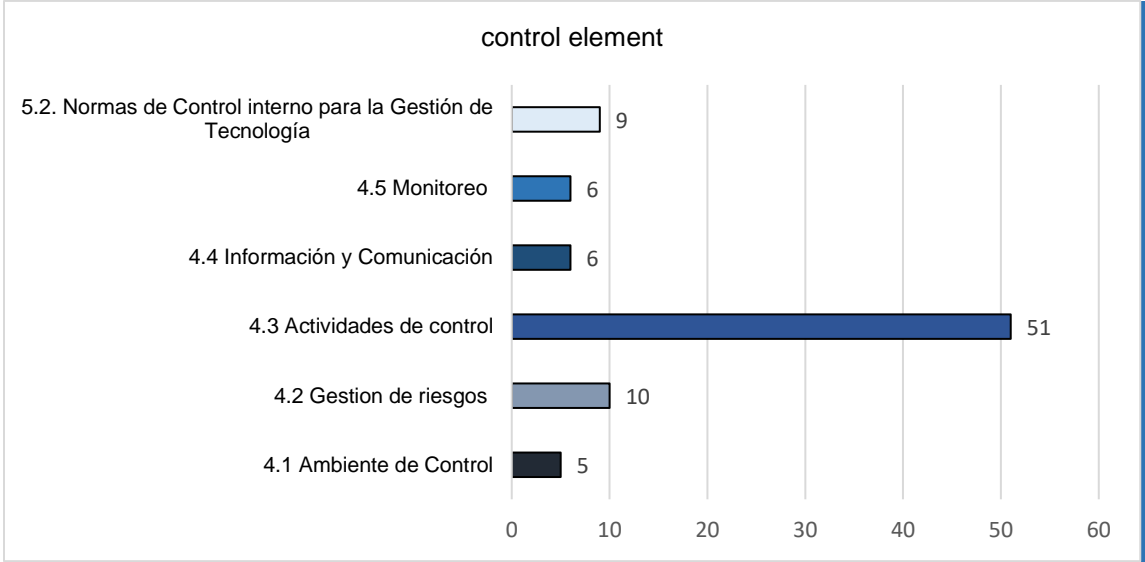
### Audits

As a result of the evaluations carried out as of December 31, 2021, 87 observations and opportunities for improvement were generated, for which we established action plans aimed at strengthening the

fulfillment of Findeter's objectives and the different control elements defined in Part I, Title I, Chapter IV of the external circular 029 of the Financial Superintendence of Colombia - SFC.

As a result of the execution of internal management audits, situations were identified that allowed the Financial Company to continue strengthening its Internal Control System, in each of the processes defined in the current value chain. The behavior of the observations and the opportunities for improvement generated by the control elements are presented graphically as follows.

**Graph No. 20: Control elements**



Source: Findeter- Base Office of Internal Control

The recommendations were communicated to the Administration in the different audit reports, as a result of the evaluation carried out; Likewise, the results obtained for the processes of Accounting Management, Independent Evaluation, Strategic Objectives, Credit Risk Management System (SARC) I semester of 2021, Operational Risk Management System (SARO) I semester were presented to the Audit Committee. of 2021 and II semester 2021, Contract Management, Financial Operations, Regional, SAC II, Direct Credit, Project Structuring and Evaluation, Human Talent Management, Risk Management, Commercial Management, Active Operations Management, Portfolio Management, Regulatory Compliance Derivatives II semester, Management of Services for Third Parties, Trust Business Management, monitoring of New Lines II semester of 2021, Money Laundering and Terrorist Financing Risk Management System (SARLAFT) II semester of 2021, among others.

**Audits of the Integrated Management System**

The Internal Management Control Office coordinated the Internal Audit Cycle of the SGI, from July 21 to 30, 2021, supported by the Entity's internal audit team. As a result, it is concluded that the Integrated Management System in Findeter shows a satisfactory level, in accordance with the provisions of the standards. In total, 1 nonconformity, 10 observations and 14 Quality improvement opportunities were identified.

**Audits of the Accounting Internal Control System**

The audit of the Internal Accounting Control System will be carried out in January 2022, however, the control environment of the process is documented and based on the procedures and controls that allow the management of financial and accounting information. The Finance Company applies the International Financial Reporting Standards accepted in Colombia, approved by the Board of Directors and the accounting principles for institutions supervised by the Financial Superintendence of Colombia.

### **Monitoring and implementation of action plans**

The Internal Management Control Office performs monthly monitoring of the action plans that must be implemented as a result of the recommendations generated, for which a verification is carried out in the tool provided by the Entity (ISOLUTION), verifying the timely compliance with the activities through the corresponding supports.

Result of the follow-up carried out by the OCI on the 87 observations and improvement opportunities generated during the 2021 term, 70 were closed, 15 were scheduled for 2022 and for 2 no action plans were defined, since the Administration was already executing actions for its correction. Additionally, during the year, 17 action plans pending validity 2020 were closed .

### **Internal and External Management Control Reports**

The Office of Internal Management Control in the performance of the role "Relationship with External Entities" and as a dynamic component of the Internal Control System, during the year 2021, prepared, among others, the following reports and requirements: Accounting Internal Control Report, Report on the Improvement Plan of the Office of the Comptroller General of the Republic (CGR), Certifications, Monitoring of the Single System of Litigation Information of the Ekogui State, Integrated Model of Planning and Management, Monitoring of the Anticorruption and Citizen Services Plan, Detailed Report of the State of Internal Control - Law 1474 of 2011, Follow-up to Petition Rights, Spending Austerity Report.

### **Improvement Plan of the Comptroller General of the Republic**

In relation to the semi-annual monitoring, Findeter is reporting progress in the following improvement plans:

- ✓ Special Control Action - Technical Assistance Services and resource management in Water projects and SB Findeter as of December 31, 2018.
- ✓ Financial Audit Validity 2019. 100% compliance with the plans was reported, as of June 30, 2021.
- ✓ Compliance audit of Infrastructure Projects, education sector, with the participation of the Managers of Atlántico, Bogotá, Caquetá, Cauca, Choco, Norte de Santander, Santander, Huila, Valle, where Findeter provides technical assistance or project management.
- ✓ Report on the Special Audit Action on the projects Construction of drinking water in the municipality of Lebrija - Santander, Comprehensive Improvement of neighborhoods on the Island of Providencia (Bombona - Boyacá) and works for the renovation of aqueduct networks for the Island of San Andrés).
- ✓ Financial Audit 2020. Report on the Special Control Action for the "Financial Support to facilitate access to drinking water services and wastewater management at the national level for the department of Córdoba, Valid for 2018, 2019 and 2020.

The Comptroller General of the Republic, in its "Report of Findings of the Comptroller General of the Republic CGR - CDSCDR # 007" indicated the following:

**Opinion on the execution of the Budget:** In the opinion of the CGR and based on what has been previously expressed, the opinion on the execution of the budget of the Financiera de Desarrollo Territorial - Findeter for the term 2020, is Reasonable.

**Closure of the Account:** according to the detected findings that support the opinion with Qualifications to the Financial Statements and the Reasonable concept on the execution of the budget, **the Findeter account, effective 2020, IT ENDS .**

### **Internal Control Committees**

#### **Audit Committee of the Board of Directors**

For purposes of establishing the general guidelines for the supervision, monitoring and improvement of the Internal Control System, as well as the process used to review its effectiveness and aspects related to Risk Management, during the year 8 Audit Committee sessions.

#### **Internal Control Coordination Committee**

The Coordination Committee of the Internal Control System of Findeter, as a collegiate body that supports the Administration and in accordance with the provisions of the applicable regulations, is in charge of ordering the necessary actions to guarantee the coordinated, efficient and effective functioning of the System. of Internal Control.

In the sessions held by the Committee, February and August, the Internal Management Control Office presented the results of the internal management audits and the follow-up of the action plans generated as a result of the opportunities for improvement and observations identified, the follow-up to improvement plan of the Comptroller General of the Republic and, in general, aspects for the strengthening of the System.

### **Focus on prevention**

The Internal Control Office, in the development of its role "Focus on prevention", developed Self-Control campaigns through internal channels, aimed at raising awareness, raising awareness and empowering Findeter employees, who are in charge of evaluating and analyzing their own responsibilities and controls that contribute to the continuous improvement in the fulfillment of the institutional mission.

As a result of this activity, it was identified that Findeter has an Organizational Culture focused on strengthening the Internal Control System and continuous improvement.

## **6.3. Risk management**

### **6.3.1. Financial Risk System**

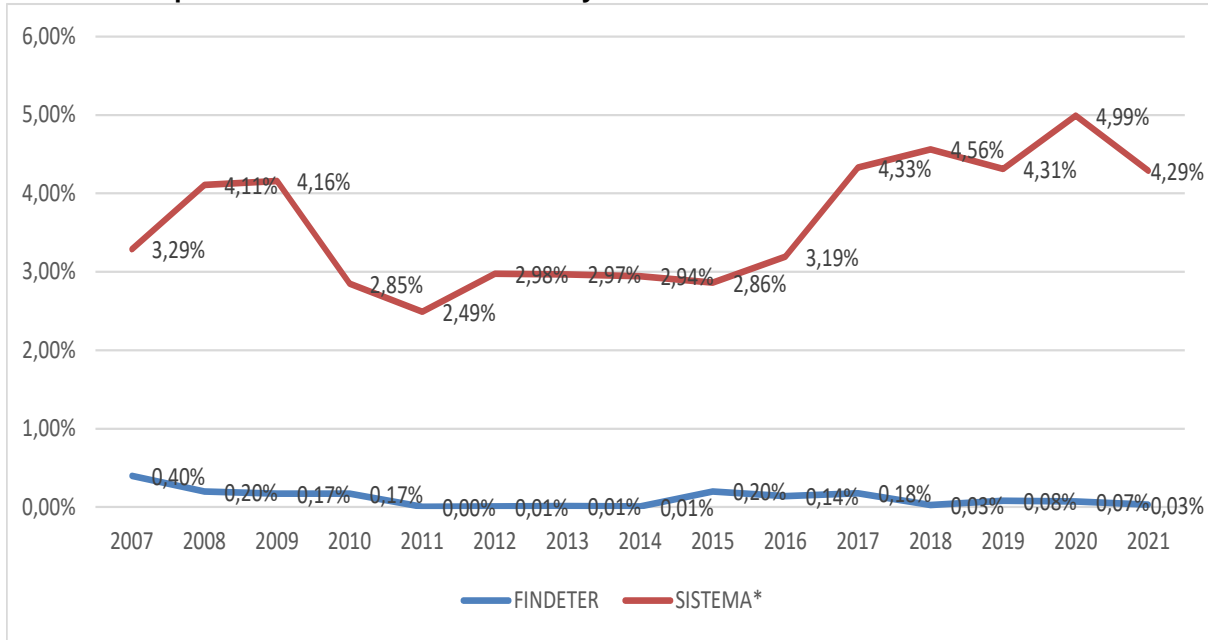
[\(102-10\)](#); [\(102-11\)](#)

Risk Management aims to manage the risks that arise in the Entity, in the exercise of its functions; Thus, and in accordance with the continuous improvement policy, we continue working on the identification, measurement, follow-up, control and monitoring of the SARC, SARL and SARM systems, defined in each of the respective manuals, focused on strengthening strategic decision-making.

### **Credit Risk Management System – SARC**

Through the SARC, we implement methodologies to periodically evaluate, qualify and control each intermediary; These methodologies are based on quantitative analysis, qualitative aspects, on-site visits and audits of disbursed operations, among others. In this way, the different credit risks to which the Entity is exposed and the correct constitution of the provisions and reserves associated with these risks were reviewed and evaluated on a monthly basis. Additionally, the different exposures and their potential deterioration are evaluated in order to take the pertinent measures when appropriate. In 2021, we maintained the credit risk indicators at levels that place us among the best entities in the financial system, a situation that is shown in the following graph:

**Graph 21: Historical Portfolio Quality: Past Due Portfolio / Gross Portfolio**



For December 2021, the Portfolio Quality Indicator decreased compared to December 2021, standing at a level of 0.03%, it is observed that the Entity shows levels of delinquency lower than those observed in the financial system. For December 2021, the Coverage Indicator stood at levels of 1,823.83%.

The main credit product of the Entity is the rediscount portfolio, there are currently loans with 15 banking entities that concentrate 97.48%, the rest is distributed among the other types of intermediaries. It is important to clarify that the Financial Institutes for Promotion and Territorial Development -INFIS, not supervised or with a rating other than AAA, financing companies with a rating lower than AA+, financial cooperatives with a rating lower than AA+, family compensation funds, savings cooperatives and credit and employee funds are not authorized to carry out new operations with Findeter, this portfolio is in recovery.

**Table 62 Distribution of the portfolio by risk rating**

Category	Portfolio Balance	% Participation
Category A "Normal Risk"	9,584,287	99.75%
Category B "Acceptable Risk"	22,055	0.23%
Category C "Appreciable Risk"	389	0.00%
Category D "Significant Risk"	379	0.00%
Category E "Irrecoverable Risk"	1,648	0.02%
<b>Total Gross Portfolio</b>	<b>9,608,758</b>	<b>100.00%</b>

Finder font. Year 2021 Figures in millions of \$

**Market and Liquidity Risk Management System - SARM and SARL**

Through the application of the SARM and SARL we identify, measure, control and monitor the market and liquidity risk to which we are exposed in the development of our authorized operations, including treasury operations, taking into account their structure and size. Unlike the SARM, the SARL applies to both bank book and treasury book operations.

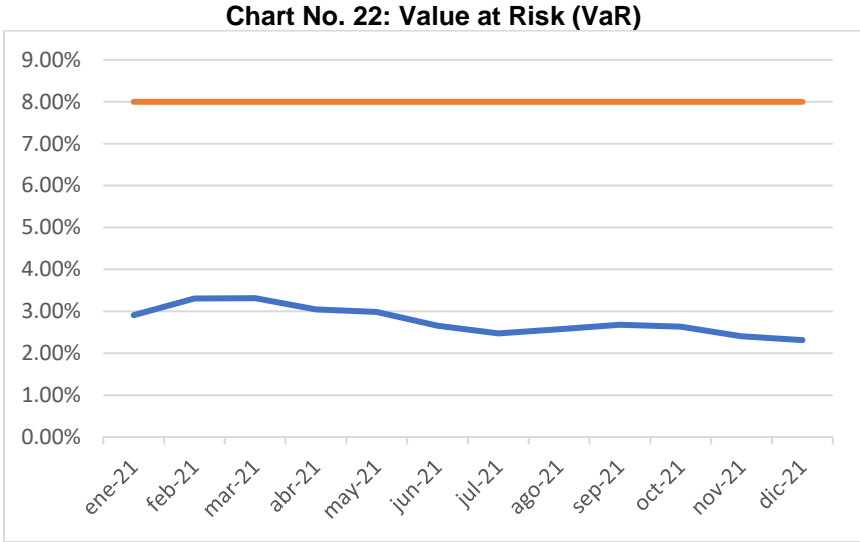


During the year we carry out management activities in accordance with our SARM manual; among these are: the monitoring of the valuation of investments and compliance with the limits defined by the Board of Directors and the calculation of the market risk of our positions in the treasury book and in derivatives.

The result of the value at risk at the end of December 2021 was \$28,070 million, which represents 2.3% of the value of the technical equity (\$1,214 billion in November) of Findeter, being below the limit established by the Board of Directors, which is of 8%.

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

The following graph shows the behavior of VaR:



Source: Finder. Year 2021

**6.3.2. Non-Financial Risk System**

(103-1), (103-2) Material issue: Promotion of environmentally sustainable practices in the projects to be financed, actions against climate change (103-3) Material issue: Lines of business with environmental and social criteria; (205-3)

The Integrated Non-Financial Risk System is a scheme with which, during 2021, we continue to manage risks; This seeks to manage, under the same model and methodology, operational, information security, business continuity, environmental and social, supplier, fraud and corruption, and money laundering and terrorist financing risks, having as a framework the processes defined in the Integrated Management System.

**Operational Risk Management System (SARO)**

This system manages and administers the risk that the Entity may incur due to deficiencies, failures or inadequacies in human resources, processes, technology, infrastructure or due to the occurrence of external events, in compliance with the provisions of the regulations issued by the Financial Superintendence of Colombia.

During 2021 we completed the implementation of Circular 025 of 2020 of the Financial Superintendence, which was further aligned with the requirements of Basel III. As a result of this implementation, Value at Risk of Operational Risk is currently calculated, which is reported to this control body within the solvency margin and other equity requirements in accordance with the periodicity established in the respective regulations.

Every six months we monitor the Entity's risk profile and inform the Audit Committee and the Board of Directors. Similarly, we train all workers annually, in compliance with the guidelines of the standard issued by the Financial Superintendence of Colombia.

Every six months we evaluate the design, effectiveness and appropriation of the controls that manage the SARO. This evaluation is derived from the assessment of the controls that manage the risks, carried out during the control stage; the effectiveness of the controls was: 86.16% Very good, 11% Good, 2.47% Fair and 0.37% Poor.

Given the conditions imposed by the pandemic, most of the collaborators continue to work from home, managing a mixed approach of face-to-face and virtual work. The adjustments made to the mode of operation during the first year of the pandemic allow this approach to be maintained and even the virtual work of the entire Entity, without major effects on operational risk than those previously identified.

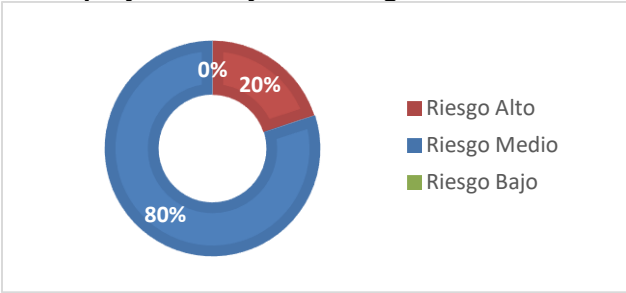
**Environmental and Social Risk Management System - SARAS**

(103-1, 103-2, 103-3): Promotion of environmentally responsible practices in the projects to be financed (SARAS System) - Business lines with social and environmental criteria (SARAS System)

This system, which we have implemented since 2015, aims to identify, evaluate and control the environmental and social impacts generated by projects and/or financed investments. The analysis is carried out in accordance with current Colombian environmental and labor regulations 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, aspects related to occupational safety, community health and safety, land acquisition management and involuntary resettlement, biodiversity conservation and sustainable management of renewable natural resources, climate change, indigenous peoples, cultural heritage and human rights.

The following graph shows the risk categorization of the projects analyzed through SARAS in 2021. 80% of the risks are medium and 20% high.

**Graph No. 23: Risk Categorization of the projects analyzed through SARAS**



During 2021, the total amount of the approved value to be financed for the projects to which we applied the SARAS analysis is \$34,168 million.

(103-1)

The application of SARAS is relevant for Findeter since it positions us as a reference in the financing of sustainable projects that comply with national and international environmental and social standards, protects us against reputational risk and credit risk, improves our portfolio quality, It allows us access to financing sources with International Banks and cooperation organizations, helping us to reduce liquidity risk and generate new market opportunities. Likewise, it ratifies our commitment to support the sustainable development of the country.

Main risks managed:

- ✓ **Environmental and social risks:** An unprevented, unmitigated, or uncompensated negative environmental impact of a financed project is equivalent to a materialized risk.
- ✓ **Reputational risk:** the financing of a project with materialized risk can generate negative publicity and a bad image for Findeter.

In addition, we take into account aspects related to job security, community health and safety, management for land acquisition and involuntary resettlement, biodiversity conservation and sustainable management of renewable natural resources, indigenous peoples, cultural heritage and human rights; for example, but not limited to discrimination, gender equality, forced labor, fair labor compensation, freedom of association, worker grievance mechanism, child labor, occupational safety and health, ARL membership, EPS, and pensions.

**(103-2)**

We have the SARAS Manual, through which the policies, objectives, scope, guidelines, managers and other associated management measures are established. This Manual is approved directly by Findeter's Board of Directors. Likewise, we have a national and international procedure, instructions and Environmental and Social Management Framework for the operation of our system.

SARAS has 3 main phases:

- ✓ **Phase 1. Preliminary identification of environmental and social impacts.** It is done by applying the Form for the Identification of Environmental and Social Risks - FIRAS, which is filled out by the credit beneficiary.
- ✓ **Phase 2. Analysis of environmental and social risks.** The environmental and social risk of the projects is analyzed, based on the information recorded in the FIRAS. This phase results in the categorization, the recommendation of favorability or not of the project and the definition of improvement actions necessary to mitigate the risks.
- ✓ **Phase 3. Control and monitoring.** This phase corresponds to the follow-up on the dates established for compliance with the risk management measures established by Findeter.

**(103-3)**

Through SARAS we establish improvement actions to prevent or mitigate possible impacts and monthly we control and monitor compliance with the established commitments within the established dates.

**Information Security and Cybersecurity Risk Management System - SARSCIB**

FINDERETER has established an Information Security Management System - ISMS that includes policies, procedures, limits, roles, responsibilities and obligations regarding the security and privacy of the Entity's information, in order to protect and preserve the security of information assets, which are essential to ensure proper financial, administrative and operational management.

Likewise, we have established an Information Security and Cybersecurity Risk Management System called SARSICIB for the proper administration and management of risk situations that threaten information security, digital security and cybersecurity. This system is part of our Comprehensive Operational Risk System, the primary objective of which is to ensure that said risks are known, managed and treated in a documented, systematic, structured, repeatable and efficient manner.

Through these systems, we manage and manage the threats, events, incidents, vulnerabilities and risk situations associated with information security, digital security and cybersecurity, the above in compliance with business requirements and with the guidelines, recommendations, requirements and current legal provisions related to information security, which were issued by the National Government and the Financial Superintendence of Colombia - SFC, whose application is relevant, since it provides an overview of the status of information assets of the Entity and allows knowing the effectiveness of the security measures that are implemented, which is essential to support decision-making by Senior Management, in relation to the strategies to follow.

We have information security and cybersecurity policies approved by the Board of Directors, which establish the measures, limits, responsibilities, controls, procedures and standards required to protect information security and cybersecurity and which are essential to guarantee the implementation, operation, continuous improvement and sustainability of our Information Security Management System - SGSI.

The following are the main risks managed:

- ✓ Risks that affect the availability, integrity and confidentiality of information.
- ✓ Risks that affect the security of infrastructure and technological services.
- ✓ Cybersecurity risks.
- ✓ Digital security risks.
- ✓ Risks associated with working at home and the accesses that were enabled for the remote entry of collaborators to the Entity's technological services due to the health emergency generated by Covid-19.
- ✓ Risks that affect the protection and privacy of personal data.

### **Money Laundering and Terrorist Financing Risk Management System (SARLAFT)**

[\(205-1\)](#), [\(103-1\)](#), [\(103-2\)](#), [\(103-3\)](#), [\(205-3\)](#)

Findeter, as an entity supervised by the Financial Superintendence of Colombia, in compliance with the applicable regulatory framework and aware of the need to generate a control infrastructure against the risks of Money Laundering Financing of Terrorism - ML/FT, has implemented the SARLAFT, that contemplates the organizational infrastructure, policies, methodologies, procedures, and the adoption of controls that allow the mitigation of the risks that are generated through the risk factors associated with money laundering and financing of terrorism.

Following the guidelines of the Financial Superintendence of Colombia, which through External Circular 027 of September 2, 2020 modified the current SARLAFT, we completed the implementation of the so-called SARLAFT 4.0, which came into effect in September 2021, going from a regulation model, to one of self-regulation with a risk-based approach, where the particularities of the entity's operation and the environment in which it operates prevail, giving greater autonomy in the management of ML/TF risks. As part of this update, the ML/TF risk matrix was reviewed, as well as the controls associated with these, the system components, warning signs and supporting documentation: Manual, procedures, formats and instructions.

Regarding the situation generated by the pandemic, this did not represent modifications in the ML/TF risk control mechanisms; This is how the financial institution's consolidated residual risk remained at a moderate level and once the evaluation of the elements that make up the System was carried out, it was found that its status is considered optimal.

Additionally, we duly made the reports to the Financial Analysis Investigation Unit (UIAF) and the requirements of the control entities, including the Financial Superintendence of Colombia, were satisfactorily met. Finally, the annual training aimed at all the workers of the entity was carried out.

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

At Findeter we have an "Anti-Fraud and Corruption Policy", which aims to establish a comprehensive system that allows managing the risks of fraud and corruption, which generates a culture of prevention, detection and timely response to fraudulent risks and behaviors to protect their interests and responsibility towards their collaborators, suppliers, customers and other interest groups.

The policy that is developed has as a regulatory framework the Anticorruption Statute and the Guide "Strategies for the construction of the Anticorruption and Citizen Attention Plan" issued by the Administrative Department of Public Function - DAFP.

The policy defines "zero" tolerance against fraud and corruption and has complaint mechanisms through which any third party can inform the Administration of possible fraudulent behavior by its workers through email, telephone line and the website, as well as a procedure which establishes the treatment against the materialization of fraud and corruption events.

During 2021, the "Anti-Fraud and Corruption Policy" was reviewed in relation to the risk map, which was published on the Entity's website, as well as the measurement of the Financial Company's risk profile, resulting in a consolidated residual risk profile at a moderate level.

Additionally, there is a Code of Ethics and Integrity, which contains the principles and commitments that govern the actions of directors and workers, facing the different interest groups, as well as different policies that seek to guide the conduct of workers, among those found: conflict of interest management, handling of gifts and invitations, prohibition of participation in political campaigns, among others.

During the course of the year, as part of the awareness program on these issues, different articles were published on the intranet and the training called "Public integrity and fight against corruption" was carried out. Additionally, the evaluation of the elements that make up the policy was carried out, obtaining a result considered optimal.

Finally, it is important to highlight that there was no evidence of any event or alleged event of fraud or corruption involving the Entity's Senior Management or employees.

#### **Prevention of fraud and corruption**

We have an "Anti-Fraud and Corruption Policy", which aims to establish a comprehensive system that allows managing the risks of fraud and corruption, generating a culture of prevention, detection and timely response to risks and fraudulent behavior to protect your interests. and the responsibility towards its collaborators, suppliers, clients and other interest groups. The policy defines zero tolerance for fraud and corruption and has complaint mechanisms through which any third party can inform the Administration of possible fraudulent conduct by its workers.

The policy is developed in the following regulatory framework:

Anti-Corruption Statute – Law 1474 of 2011.

The Guide "Strategies for the construction of the Anticorruption and Citizen Service Plan" issued by the Administrative Department of Public Function - DAFP.

External Circular 029 of 2014 of the Financial Superintendence of Colombia.

During the year, the "Anti-Fraud and Corruption Program" was subject to an update called "Anti-Fraud and Corruption Policy", as well as the measurement of the risk profile of the Financial Company, in which new risks related to the new work modality were identified. at home; however, the consolidated residual risk profile remained moderate. Additionally, the evaluation of the elements that make up the policy was carried out, obtaining a result considered optimal.

Finally, it is important to highlight that there was no evidence of any event or alleged event of fraud or corruption involving the Entity's Senior Management or employees.

#### **unfair competition**

Findeter, in the development of its corporate purpose, is subject to the rules related to competition, in accordance with number 2 of article 98 of Decree Law 663 of 1993 (Organic Statute of the Financial System).

In turn, as an Entity supervised by the Financial Superintendence of Colombia, it is concerned about not incurring in acts constituting unfair competition and develops its credit activity subject to the rules and practices of commercial good faith, complying with obligations such as carrying out publications of the rates charged for the services and products offered.

Regarding the financing operations that we carry out, it is important to indicate that, in the rediscount modality, the intermediaries are the credit establishments; therefore, it could not be configured regarding the same acts of unfair competition; even more so, when there is equality in the conditions to access rediscount lines.

Regarding the direct credit operations that we carry out on an exceptional basis, they are aimed at territorial entities, with special credit conditions, in order to finance investment projects, which allows expanding the market of options so that the recipients of this operation can obtain resources under conditions similar to those offered by private banks.

On the other hand, when analyzing this aspect compared to other participants in the financial activity, which are within the type of entities with a special regime such as Findeter, it is evident that unfair competition practices could not be configured, since each of these develops its activities in accordance with its corporate purpose, within a different segment, which have also been approved by the Law, as is the case of Finagro and Bancóldex, among others, therefore they would not be considered as competitors.

In accordance with the foregoing, Findeter, in the exercise of its authorized activities, has not incurred in acts that could constitute unfair competition, such as diversion of customers, acts of disorganization, acts of confusion, acts of deception, acts of disrepute, acts of comparison, acts of imitation, exploitation of another's reputation, violation of secrets, inducement to breach of contract and violation of regulations.

## **7. PERSPECTIVES**

### **7.1. Prospects for the Colombian economy for 2022**

It is no secret that the pandemic caused by Covid-19 caused a deep crisis in the global economy. Although the projections that were initially made were not fulfilled (they were more pessimistic than what actually materialized), the blow to the economy in 2020 was strong. Congratulations, the year 2021 exhibited a significant recovery, thanks to the fact that the good rate of vaccination allowed a rapid recovery of productive conditions and the countercyclical macroeconomic policies adopted by governments globally. Thus, most of the economies would have recovered in 2021 the production levels observed in 2019, before the pandemic.

In the case of Colombia, it is estimated that the economy grew close to 10% per year in 2021, which would represent an increase in GDP of around 3% compared to the pre-pandemic level. This would have been driven mainly by household consumption, due to factors such as: i) the increase in household income due to the better terms of trade and the greater remittances that arrived in the country. In the latter case, thanks to the good performance of the economies from which these revenues come; and ii) the reactivation of consumption in 2021 due to the normalization of productive and working conditions and the greater propensity to consume of those households that did not see their income reduced, but their expenses did, in 2020.

Both in Colombia and in the world, the recovery observed in 2021 should be consolidated in 2022. Indeed, it is estimated that Colombia would have a growth close to 4%, thus resuming a path of growth closer to its long-term levels, after the jump observed in 2021 (largely explained by the statistical effect of 2020). This year, the growth would stand out mainly in those sectors that were strongly affected by the pandemic and that in 2021 did not manage to fully recover their previous growth, as is the case of entertainment and construction. Other sectors that were able to continue operating despite the pandemic (such as agriculture) would have moderate growth in 2022, since their recovery would have mainly occurred in 2021.

Now, it is important to bear in mind that some risks persist that could affect the performance of the Colombian economy. On the one hand, the high levels of inflation worldwide, as a consequence of the crisis in the supply chain, affect monetary policy decisions in developed countries (particularly the

United States) and put pressure on financial markets, thus tightening financial conditions. for emerging countries like Colombia. In addition, this affects the pace at which Banco de la República makes its own decisions and impacts both the exchange rate and Colombia's TES. Added to this is the uncertainty regarding the elections and the course that the pandemic will take this year.

Regarding inflation, it is estimated that it would continue above the ceiling of the target range of the Banco de la República, with a downward trend in the second half of the year. This behavior would be consistent with an active policy of Banco de la República, which is expected to continue gradually increasing the interest rate, up to 5.50% at the end of the year.

Finally, regarding the exchange rate, this was \$3,743/dollar on average throughout 2021, which represented a devaluation of 1.3% compared to 2020. Now, in the last two months of the year the rate The exchange rate increased considerably, even exceeding \$4,000/dollar, as a result of changes in the demand for assets from emerging economies. For 2022 various factors may impact the exchange rate. In particular, the price of the peso may be affected by oil price quotes and expectations of a tightening of monetary policy in developed economies. It is important to mention that, given the factors mentioned above, it is likely that the exchange rate will continue at levels close to \$4,000, although with high uncertainty about this forecast.

It is clear that the prospects for 2022 in Colombia are positive. The good management of the economic policy (monetary and fiscal), as well as the health measures taken to face the pandemic (good national vaccination plan) have been effective and would allow to continue consolidating the recovery that was observed in 2021. However, it is important take into account the existing risks, which could put the still fragile recovery on edge. For this reason, mitigating inflationary risks in a timely manner and implementing reforms that address the country's structural problems, such as the inadequate functioning of the labor market, are key factors for the Colombian economy not only to continue on its path of recovery, but also to increase its growth potential. increase.

## **7.2. Outlook for the Entity for 2022**

- ✓ We will continue with the execution of supervision activities for the Supervision Office within the framework of the Casa Digna Vida Digna Program, since it is expected that in the year 2022 new construction and supervision contracts will be awarded in about 15 municipalities, contemplating the development of approximately 6,000 additional home improvements to the 11,000 that are currently underway.
- ✓ We will complete the activities related to the construction of new homes on the island of Providencia and we will reach 100% execution during the 2022 term.
- ✓ We will finish and deliver all the reconstruction projects in Providencia, in relation to the rehabilitation of homes, the airport, cultural facilities, sports venues and schools.
- ✓ We will finish and deliver the projects in San Andrés (desalination plant and extension of aqueduct networks) and in Providencia (freshwater reservoir dredging, Bowden reservoir dredging and drinking water treatment plant (PTAP)).
- ✓ We will execute and deliver all the projects of the Shake yourself program, signed with the Colombian Family Welfare Institute, which will benefit more than 100 young people nationwide; In the same way, the execution of 100% of the improvements of the educational headquarters with FOME resources and projects with the District of Cartagena is foreseen, as well as the completion and delivery of the reinforcement projects of the SENA at the national level.
- ✓ Through the investment banking line, we will obtain a net margin of 5%, by closing and starting at least 50% more projects than in 2021, in sectors such as health, education, transportation, drinking water and basic sanitation, urban infrastructure and productive, and energy.

- ✓ We will seek resources for \$5 billion through the issuance of securities in the local market and we will be attentive to the behavior of the external market to take advantage of opportunities that allow the diversification of both funding sources and investors. We will continue to optimize the management of the investment portfolio, making it more dynamic and incorporating new investment alternatives that allow us to obtain greater diversification, always seeking the best possible return at the end of each period, creating a portfolio of assets consistent with the risk profile, horizon of investment and cost of opportunity of the Financial.
- ✓ We will deepen the management of the international banking line by diversifying Findeter's funding sources, through the negotiation and signing of new loans with Multilateral and International Banking. In particular, we hope to formalize a loan with KfW of Germany, for the financing of projects in the sustainable mobility and energy sectors, for a value of up to EUR 150 million, in its equivalent in US dollars.
- ✓ In terms of international banking, we will work on exploring opportunities for the negotiation of other new operations, with multilateral or international banks, reaching a maximum debt quota of USD300 million, in accordance with the Entity's funding scheme and respecting the amount agreed with the Ministry of Finance and the National Planning Department, to grant a Sovereign Guarantee to Findeter, which supports these new operations.
- ✓ We will continue with the execution of the credits signed with the IDB and KfW, within the new execution terms and with the foreseen commitments. In 2022 we expect to complete the execution of the IDB 3596 and KfW loans for Energy and Energy Efficiency. Additionally, we plan to execute 28% of the IDB loan 3842, which is intended to finance projects in the sectors of urban development, public services, improvement of fiscal management, and health.
- ✓ We will work on the signing of the non-reimbursable cooperation resource agreements with KfW, for EUR1.5 million and EUR2 million, which seek to support the execution of the loans for water and basic sanitation Phase II and the potential loan with a sovereign guarantee, which is under construction.
- ✓ Within the framework of the TOD NAMA, we hope to start the execution of projects with prioritized cities that already have feasibility and are coupled to the TOD characteristics established for Colombia.
- ✓ With the Cooperation with the Abu Dhabi Development Fund, we will finish and deliver the Child Development Centers: La Niata in Yopal, Condoto, Curillo, Mitú, Tibú, Palmira, Neiva and Acandí.
- ✓ We will structure 3 lines of credit with a compensated rate that contribute to the development of priority aspects for the National Government, such as the implementation of the cadastre with a multipurpose approach in Colombia; solve the financial difficulty that has a direct impact on the adequate and timely provision of health sector services; and Fiscal and Financial Reorganization of State Social Enterprises:

**Table No. 63: Lines of Credit to be structured in 2022**

Line	Type of Credit	Line Resources	Beneficiaries	Destination of Resources
Compensated rate multipurpose cadastre commitment	Direct Credit	\$87,415 million	Departments, districts and municipalities	Investment
Compensated rate Commitment Health Liquidity	rediscount	\$172,725 million	Health Promotion Companies and Service Provider Institutions	Working Capital, debt substitution and investment



Line	Type of Credit	Line Resources	Beneficiaries	Destination of Resources
Compensated rate Commitment Fiscal and financial clean-up of the State Social Enterprises	Direct Credit	\$411 billion	Territorial entities: Departments, Districts; Municipalities	Investment in territorial programs for the reorganization, redesign and modernization of the networks of State Social Enterprises and Fiscal and Financial Reorganization Programs of the ESE's, at the national level

- ✓ We will implement, until 2023, External Circular Letter 018 of 2021 of the Colombian Financial Superintendency, which creates Chapter XXXI - Comprehensive Risk Management System - SIAR, which seeks the integration of credit risk systems, market risk, operational and liquidity risk.
- ✓ We will finalize the total alignment of the SARAS system, with IFC standards, within the framework of cooperation with KFW.
- ✓ We will continue to lead E&S risk management in the financial sector, working hand in hand with our clients and Asobancaria.
- ✓ We will maintain the certification in the ISO9001 and ISO14001 version 2015 standards.
- ✓ We will integrate the Information Security Management System and the family-responsible company model into our Integrated Management System
- ✓ We will continue to improve the understanding of Management by processes and the improvement