



Results Presentation

Q2 2023

Investor Relations
September 2023

Photo: Intercambiador vial, Sabaneta, Antioquia.

FINDETER is...

Colombia's development bank that promotes sustainable growth, the competitiveness of the territories and the well-being of citizens, through integral solutions.

Photo: Findeter Offices in Bogotá

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 2026 we will be the **Development Bank** recognized for contributing to the territorial strengthening and financial inclusion, through sustainable and innovative solutions.

Superior Purpose

Improve Colombians **quality of life.**



Disclaimer

Disclosure, Forward Looking Statements and IFRS. The information in this report should not be construed as advice, recommendation or suggestion by FINDETER for making investment decisions or making any transactions or business. The use of the information provided is the sole responsibility of the user. All forward-looking statements, whether made in this release or in future filings or press releases or orally, address matters that involve risks and uncertainties; consequently, there are or will be factors, including, among others, changes in general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products by other companies, lack of acceptances of new products or services by our targeted customers, changes in business strategy and other various factors that could cause actual results to differ materially from those indicated in such statements. We do not intend, and do not assume any obligation, to update these figures or the forward-looking statements.

The content of this document and the figures included herein are intended to provide a summary of the subjects discussed rather than a comprehensive description.

When applicable, for translation purposes, in this document we refer to billions as thousand of million pesos, and trillion as billion pesos, as follows:

1.000.000.000: One Billion equals (One thousand million pesos/Mil millones de pesos)

1.000.000.000.000: One trillion equals (One billion pesos/Un billon de pesos)



Content





Sandra Milena Blanco

Economic Studies

Economic context

According to the International Monetary Fund, world economic growth is expected to decrease from 3.5% in 2022 to 3.0% in 2023. These behaviors are mainly explained by the increase in interest rates by central banks that seek to control inflation. However, it is important to highlight that the performance shown in the first part of the year has been better than estimated by the entity.

The IMF expects general global inflation to be at 6.8% in 2023 and 5.2% in 2024. This estimate has been reviewed downwards, due to China's lower inflation expectations.

The balance of risks continues to tilt downward, mainly due to the persistence of inflation, further adjustments to monetary policy, the slowdown in China's recovery, increased tensions due to over-indebtedness and geopolitical tensions (the conflict in Ukraine).

	Estimate	Projections		Difference From April 2023 WEO	
	2022	2023	2024	2023	2024
World Output	3,5	3	3	↑ 0,2	→ 0
Advances Economies	2,7	1,5	1,4	↑ 0,2	→ 0
Emerging Market and Developing Economies	4	4	4,1	↑ 0,1	↓ -0,1
Emerging and Developing Asia	4,5	5,3	5	→ 0	↓ -0,1
Emerging and Developing Europe	0,8	1,8	2,2	↑ 0,6	↓ -0,3
Latin America and the Caribbean	3,9	1,9	2,2	↑ 0,3	→ 0

Economic context

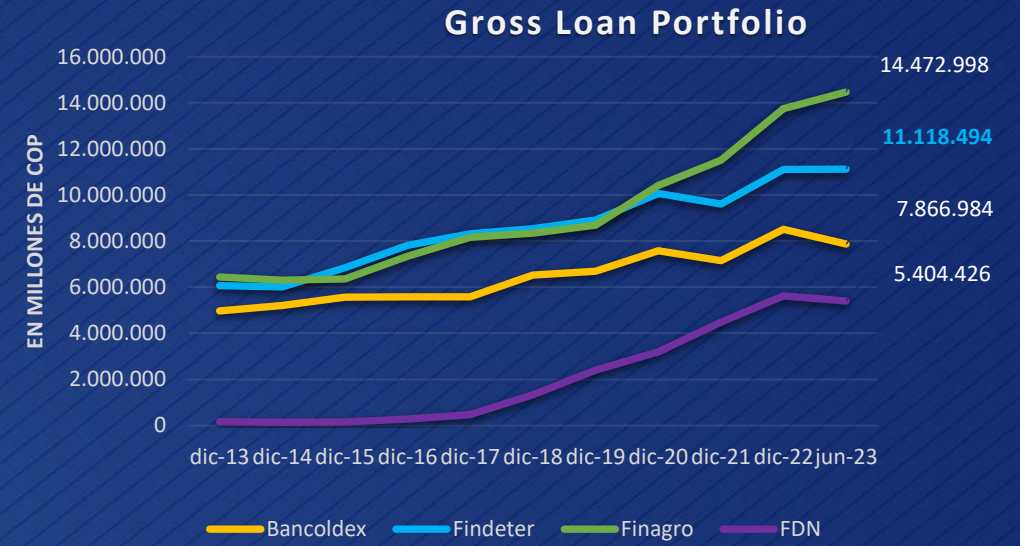
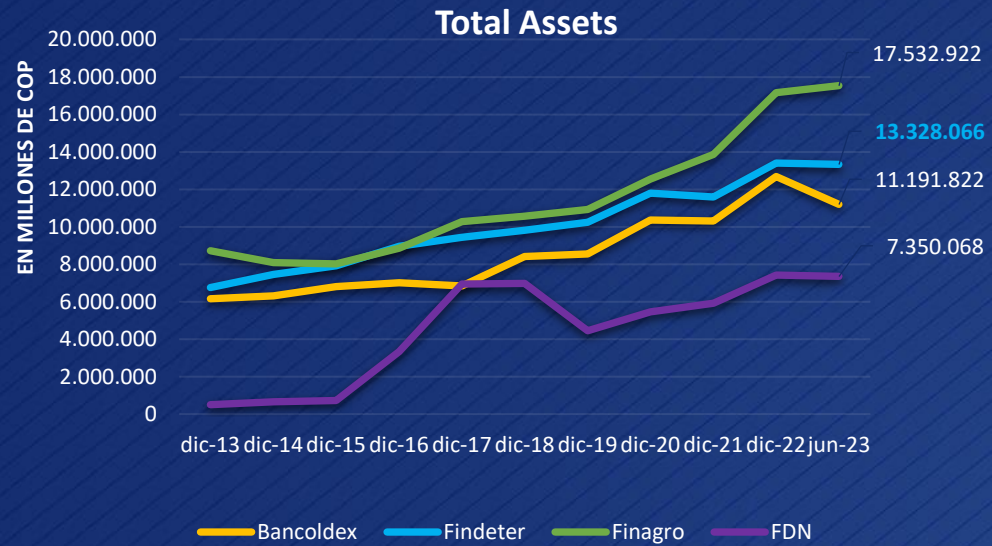
- Since March, headline inflation has been easing in developed economies; however, core inflation remains at high levels.
 - The world's main central banks continued to raise the reference interest rate in order to control inflation, which is still far from its target levels.
 - During the second quarter, global risks rose due to the stress generated in the financial sector by some local US banks and the last-minute agreement on the debt ceiling in the US.
- The local economy experienced a 0.3% contraction during the second quarter of 2023, well below the 12.6% growth seen in the same quarter of 2022.
 - The behavior of inflation has been yielding since March, where it had its highest peak (13.34%). For the month of July, inflation stood at 11.78%, largely due to the correction of food prices. Thus, analysts estimate that the monetary authority will start cutting interest rates in September.
 - The approval of the reforms proposed by the Government is pending.



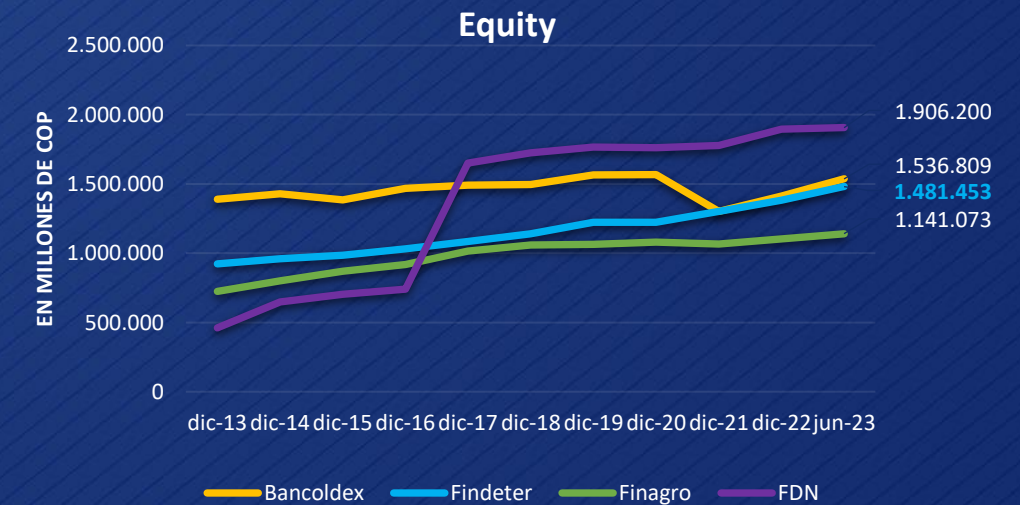
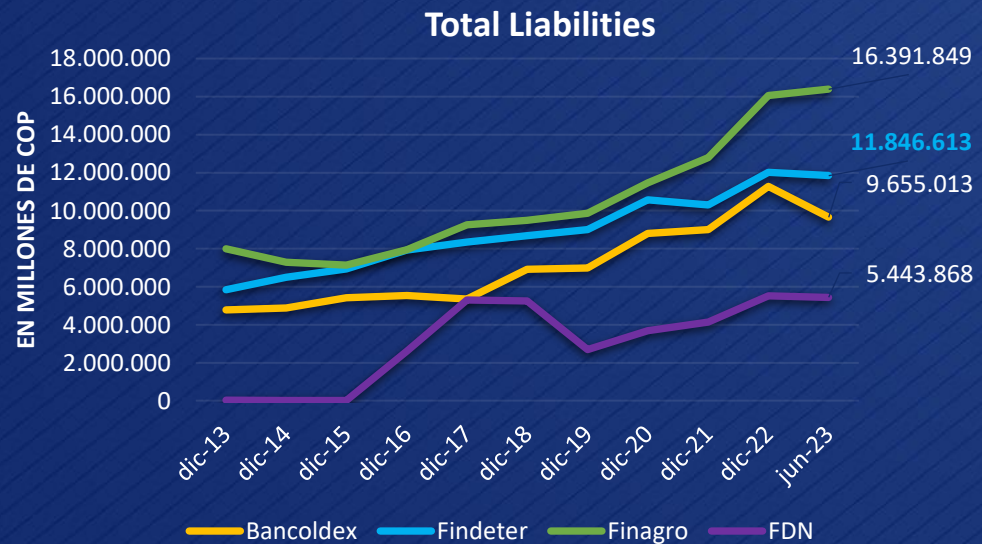
Jose Alberto Laurens
Treasurer

Financial Results in Q2 2023

Structure of Colombian development banks

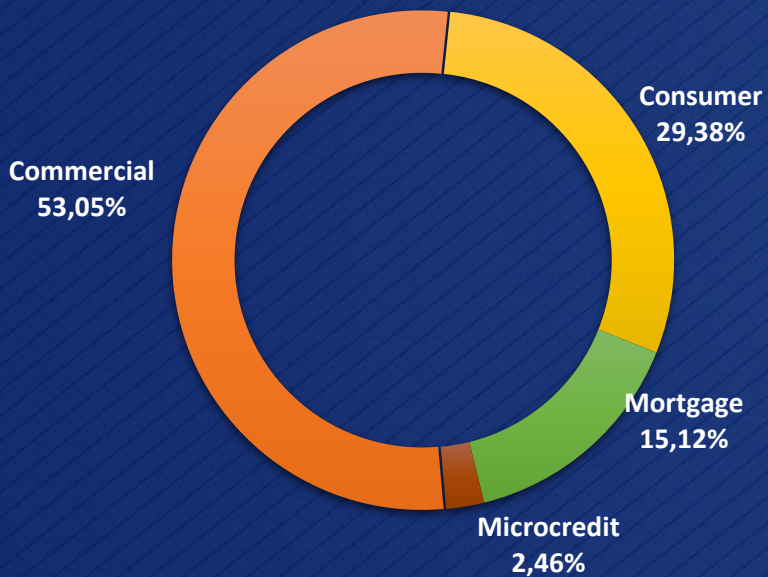


Datos disponibles a junio de 2023

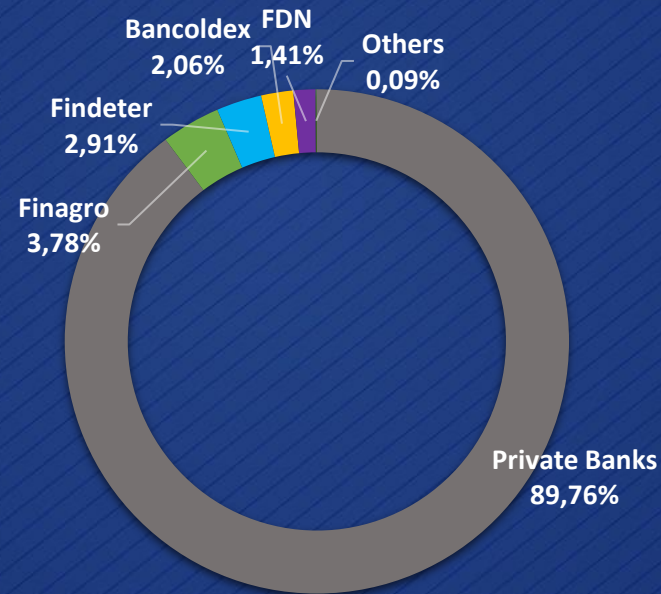


Financial system portfolio

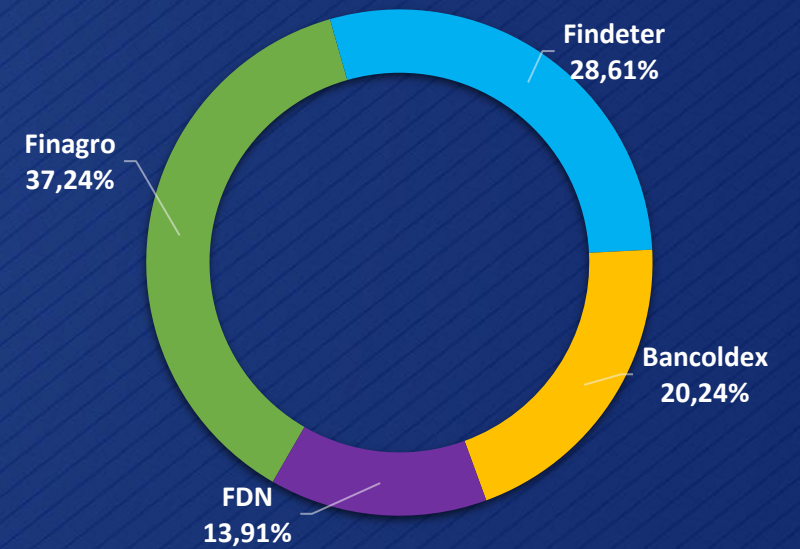
System's Loan Portfolio
COP \$672 trillions



Commercial Loan Portfolio
COP \$343 trillions



Development Banks Portfolio
COP \$39 trillions



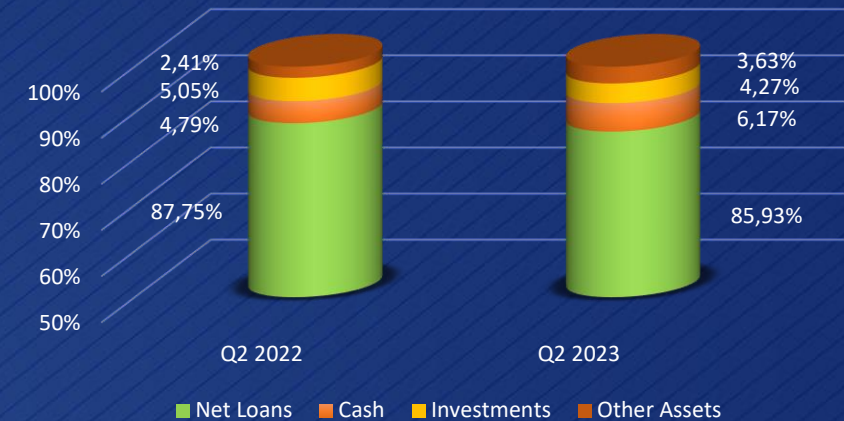
FINDETER represents 28,6% of the total Development Banks Portfolio

Findeter's Financial Results Jun 2023- Jun 2022

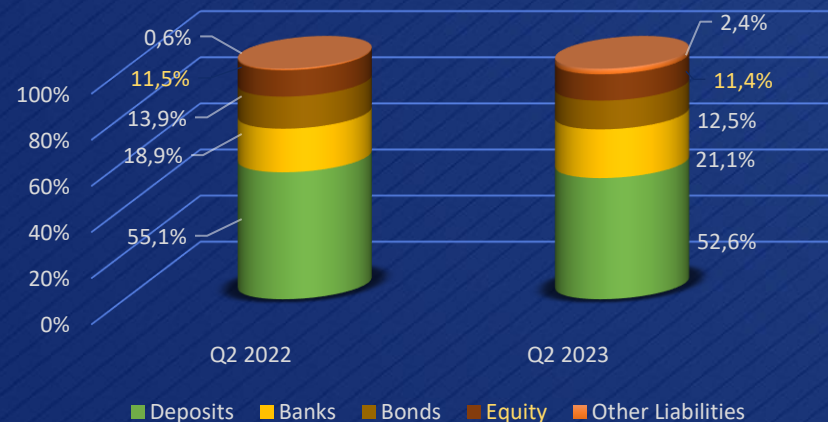
BALANCE SHEET



ASSET STRUCTURE



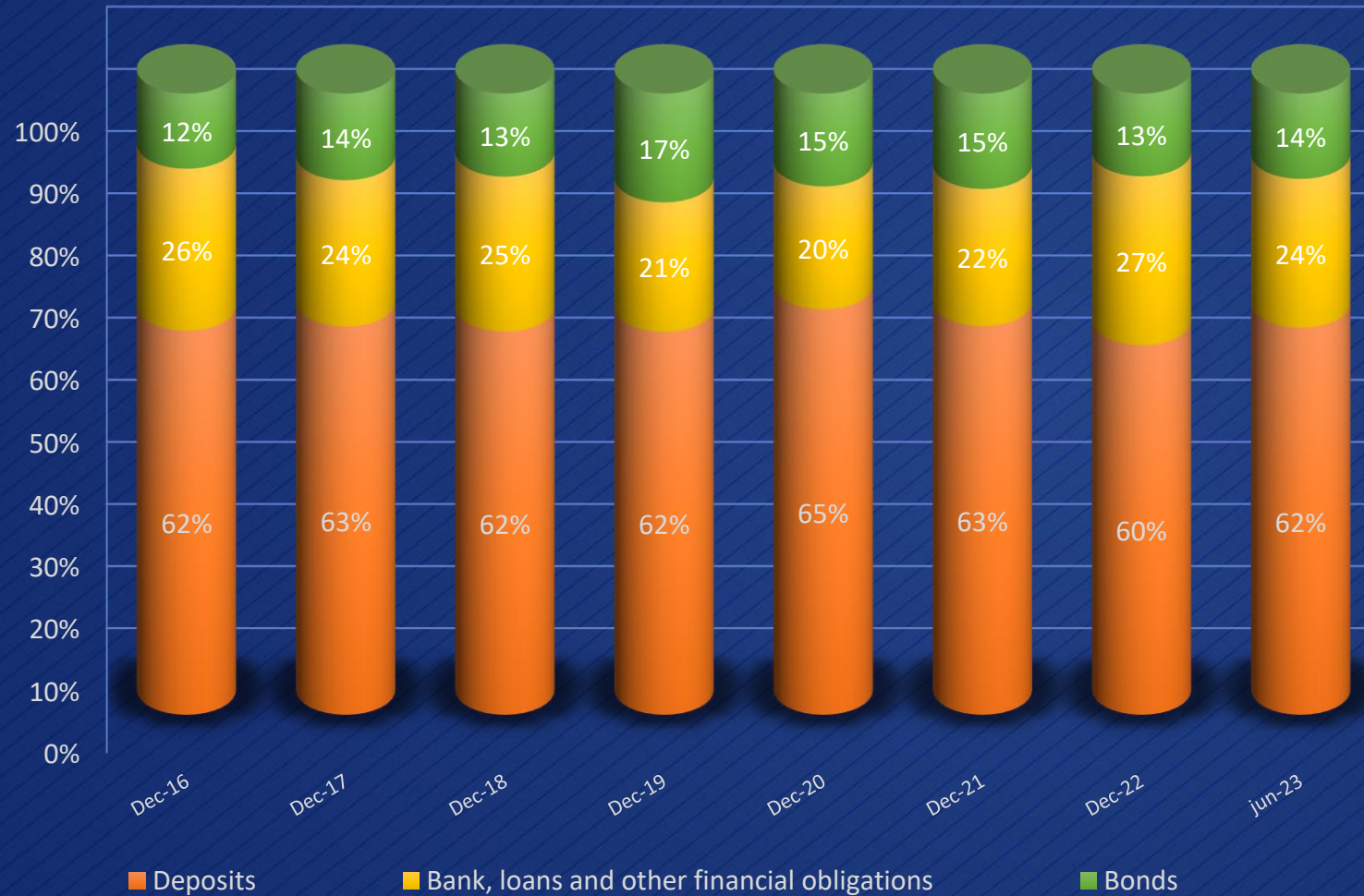
CAPITAL STRUCTURE



INCOME STATEMENT



Funding

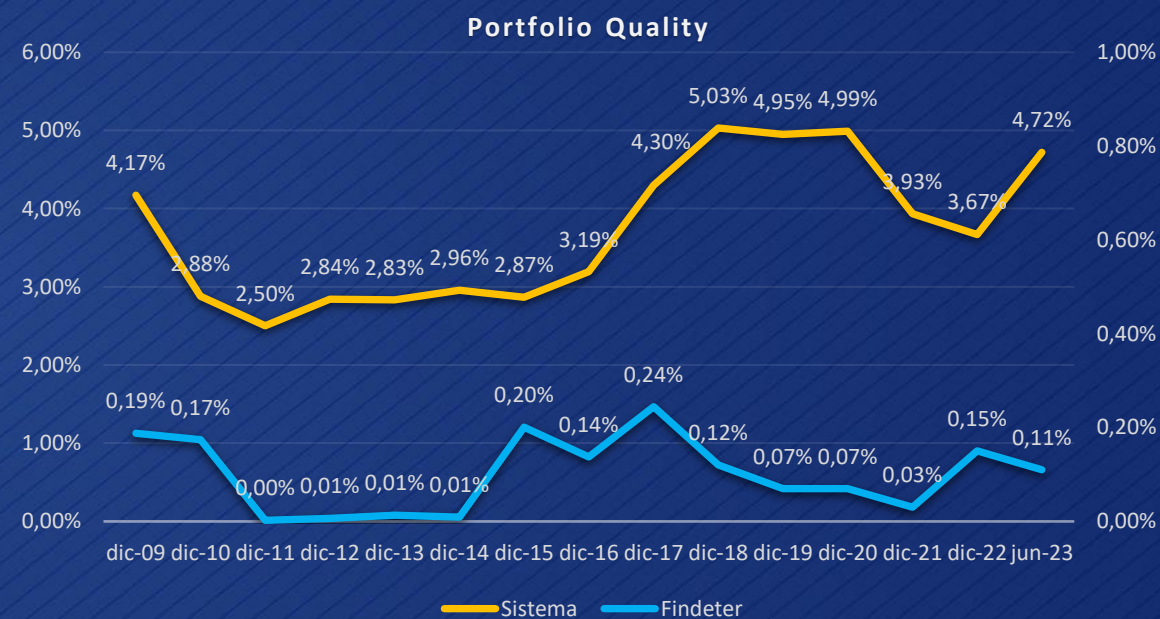


CDT 2023 2Q*

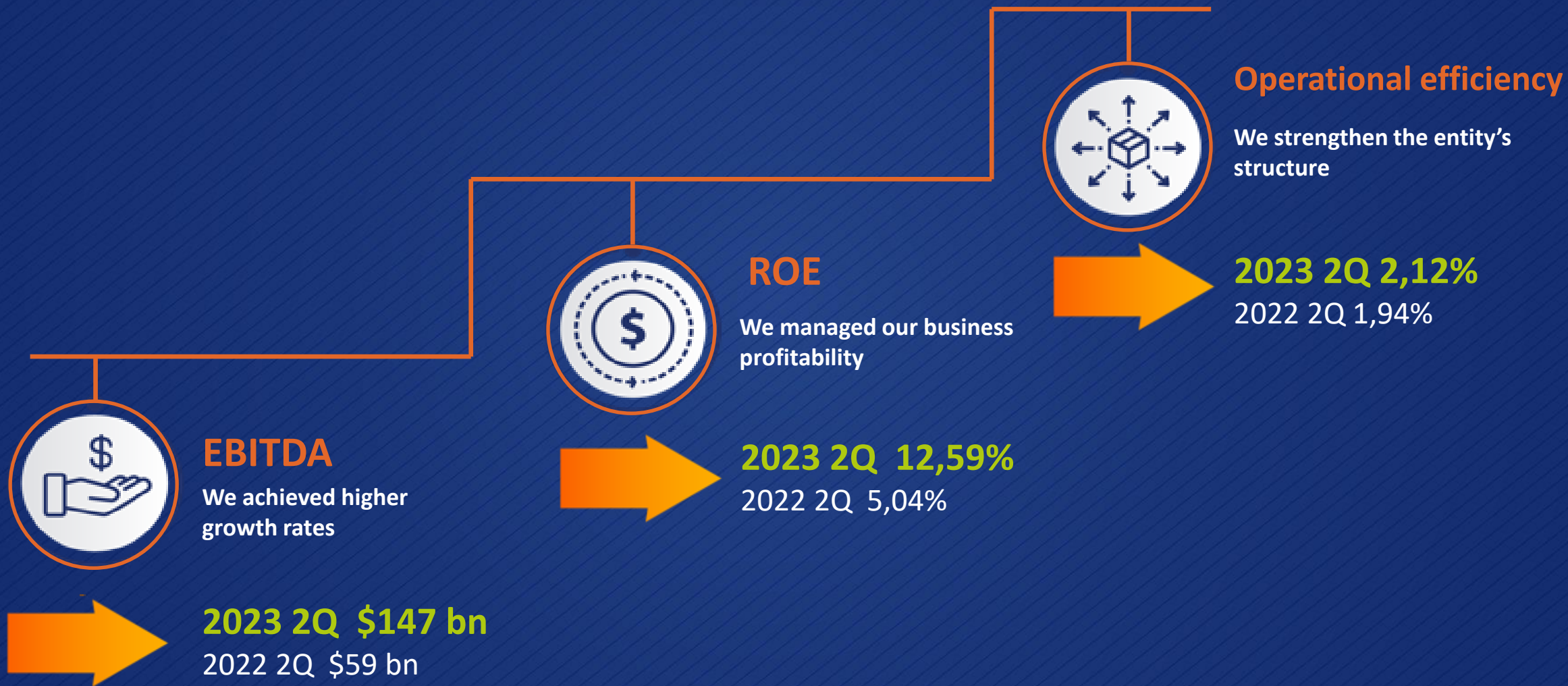
COP\$ 3.530.205 Million

Financial ratios

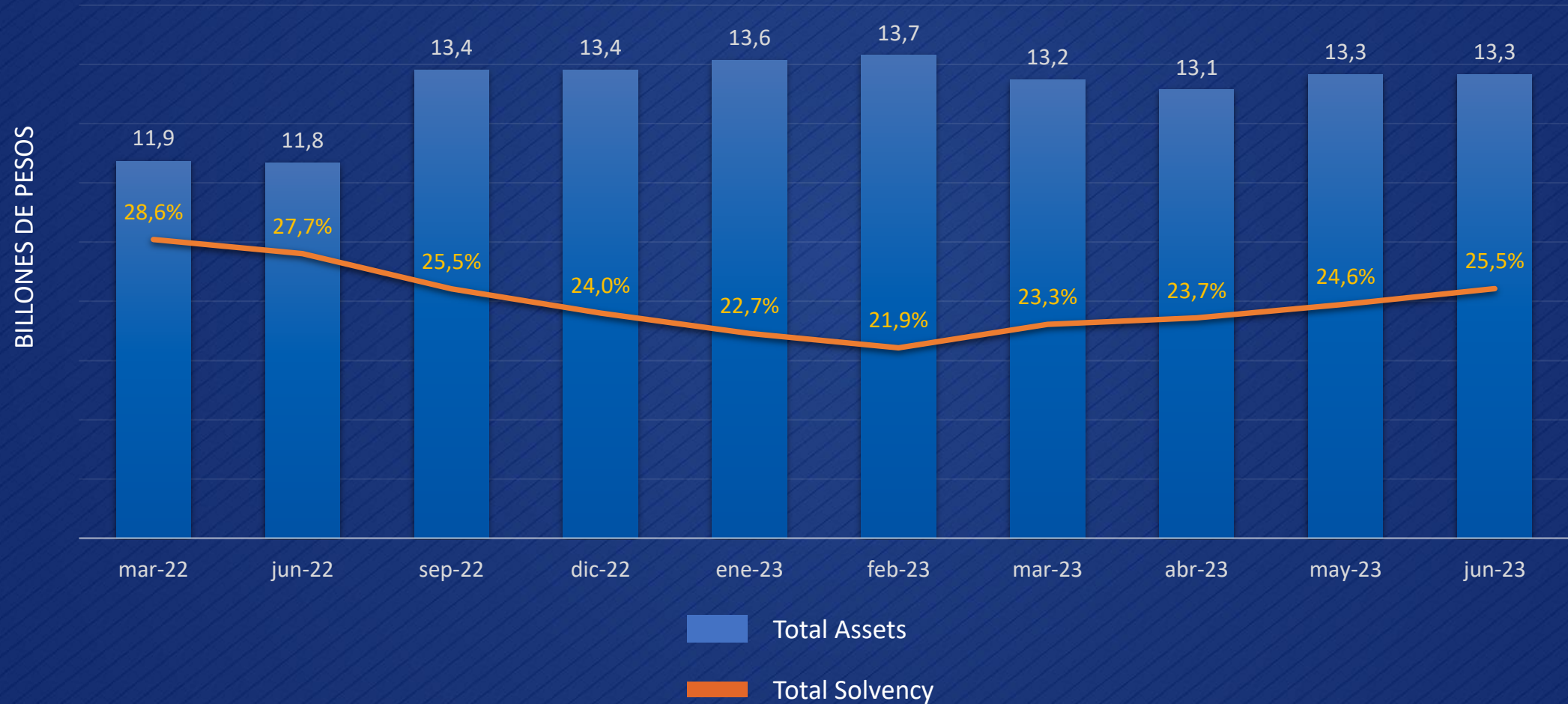
Financial Ratios		
Ratios	Jun-22	Jun-23
PROFITABILITY		
Net profit/equity	5,04%	12,59%
Net profit/assets	0,56%	1,36%
EFICIENCY		
Administrative Expenses / Productive Assets	1,94%	2,12%
CAPITAL ADEQUACY		
Basic solvency ratio	25,40%	23,83%
Total solvency ratio	27,70%	25,52%
OTHER RATIOS		
Loan portfolio quality	0,03%	0,11%
Portfolio coverage	1702,24%	564,43%



Findeter in figures (Jun 2023 – Jun 2022)

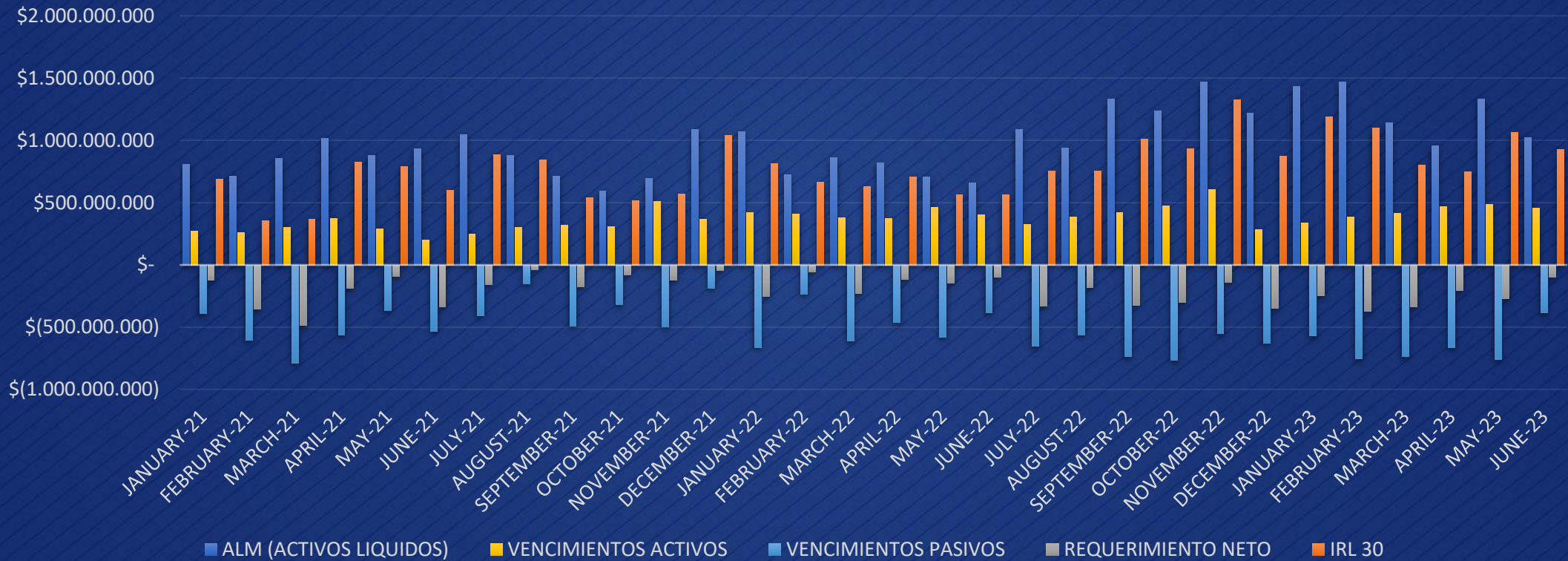


Solvency Ratio



Liquidity Risk Ratio

COMPOSICIÓN IRL





Maria Lourdes Lacouture

Investor Relations

Commercial results Q2 2023

Financing

Disbursement by sectors

Health and Education



COP \$145 billions

Water and Basic Sanitation



COP \$76 billions

Transport and infrastructure



COP \$518 billions

Energy



COP \$317 billions

Others



COP \$163 billions

Total Jan-Jun 2023: **COP\$1.2 tn**

Loan disbursements

COP \$1.2 tn disbursed in the first semester of 2023

Quarterly Disbursements Figures in COP bn



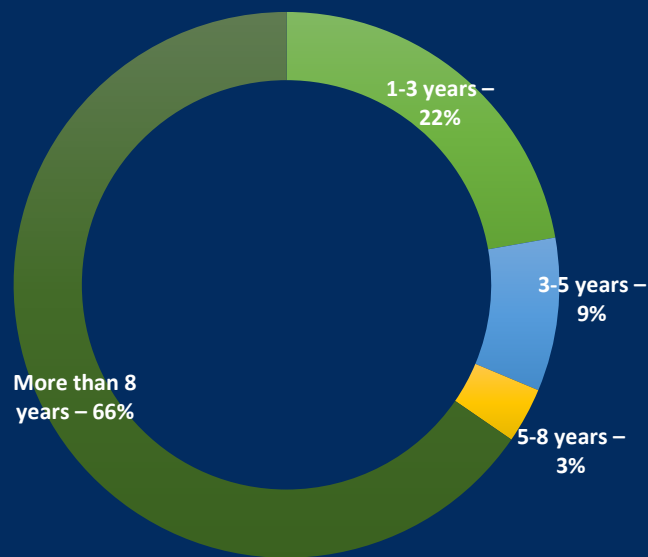
154
Municipalities

315
Projects

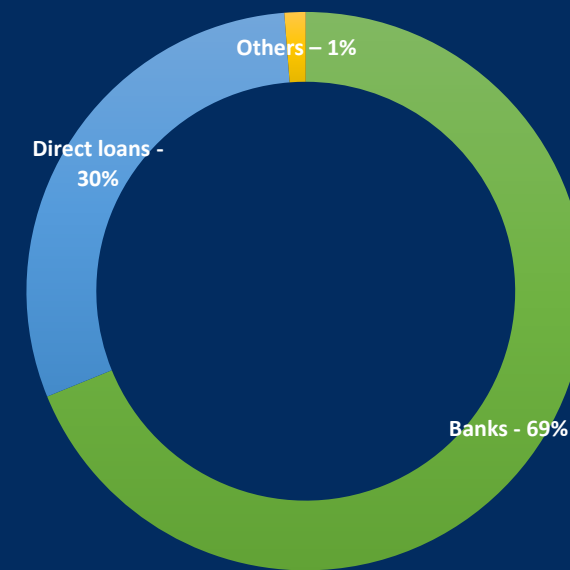
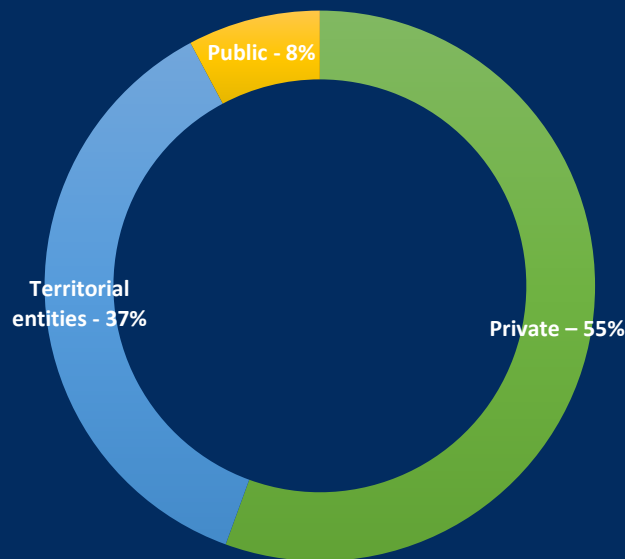
On-loan disbursements

Intermediaries, beneficiaries and maturities

55% are for private sector



66% have a long term maturities



69% of our debtors are banks

Credit lines launched in Q2 2023

Foto: edificio Findeter, sede Bogotá



Findeter

Banca de Desarrollo Territorial

Línea de Crédito Directo

Tasa Compensada

Compromiso Reactivación Colombia

Tramo II

COP \$3.95 tn



Interest rates

Territorial entities 3, 4, 5 y 6: IBR + 1,10% M.V.

Special territorial entities 1 y 2: IBR + 1,60% M.V.



Term:

Up to 10 years including up to 3 years capital grace period



Sectors

Sectors and subsectors eligible by Findeter.



Vigencia:

Hasta agotar los recursos.



Use:

Investment or expenses associated with investment projects that reactivate economy.



Beneficiaries:

Departments and municipalities.

Technical Results Q2 2023

Technical assistance

Projects to start and in execution



268 projects



COP \$1.64 tn

Sectors

Water and basic sanitation	34
Sports and recreation	88
Urban development and housing	52
Education	64
Energy	1
Environment	7
Health	1
Transport	21
Total	268

Water



43 projects
COP \$618 bn

Infrastructure



197 projects
COP \$483 bn

Transport and mobility



16 projects
COP \$518 bn

Urban development



12 projects
COP \$20 bn*

+200 Municipalities intervened

Incomes for **COP \$19 bn** in the first semester of 2023

Strategic Plan 2023-2026

Superior purpose

What moves us everyday?

Improve the quality of
life of Colombians.



VISION:

By 2026 we will be the Development Bank recognized for contributing to the territorial strengthening and financial inclusion, through sustainable and innovative solutions.

MISSION:

We are the strategic partner of the National Government and Territorial Entities for the planning, structuring, financing and execution of sustainable projects that transform territories.

4 Spotlights

1. Socioeconomic gaps and regional inequalities

- Closing socioeconomic gaps.
- Reduce development inequalities between regions.
- Support the management of territorial governments in the most lagging areas.
- Establish priorities for regional development projects.
- Generate regional capabilities.
- Regional development studies.
- Integrate: nation – territory – community.
- Improve understanding of the organization's stakeholders.
- State financing vehicle.
- Maximize social contribution in projects that close gaps.
- Maximize socioeconomic contribution in more lagging entities.
- Prioritize projects with social impact indicators.

3. Social responsibility and financial balance

- Generation of sufficient economic profitability.
- Responsibility with the entity's resources.
- Risk Management for integration with new actors.
- Seek operational efficiency in resource management, project execution and own investments.

2. Adaptation to climate change and energy transition

- Promote projects that contribute to environmental sustainability.
- Energy transition.
- Green taxonomy.
- Adaptation to climate change.

4. Human talent and organizational culture open to change

- Have human capital open to change.
- Develop skills to anticipate new situations.
- Promote digital transformation that generates value for the entity.
- Inclusive and transformative leadership.
- Reaffirm and maintain balance between family, personal and work life



Andrea Rojas Avila
R&D&I Unit Coordinator - Findeter

Materiality and Interest Groups

Materialities 2023-2026






The materiality process consists of identifying those sustainability issues that are considered important by the company and its stakeholders and that have “a direct or indirect impact on an organization's ability to create, maintain or distribute economic, environmental and social value.

Global Reporting Initiative (GRI)

Why we do it?

- Compliance with ISO 26000
- Compliance circular 012 and 031 of the SFC
- Alienation with new PND 2023-2026
- Findeter strategic planning 2023-2026

How we do it:

1. Identification and prioritization of interest groups 
2. Identification of materialities 
3. Assessment and prioritization of materialities with interest groups 
4. Materiality matrix construction 
5. Action plan (Initiatives or projects) 

1. Groups of interest update

Using the Methodological Guide for Identification of Interest Groups ARE-DA-010, we have developed the exercise of identification, validation and prioritization of our interest groups for the period 2023-2026, with representatives of all the Vice Presidencies in order to indicate the way in how we relate to each one of them.

Below are the defined interest groups:



Control entities



Community



Media



Government



**Allies
(before clients)**



Collaborators



Funding sources



Contractors



Administration and control bodies



**Strategic partners
(new)**



Suppliers



**Environmental Protection
(New)**

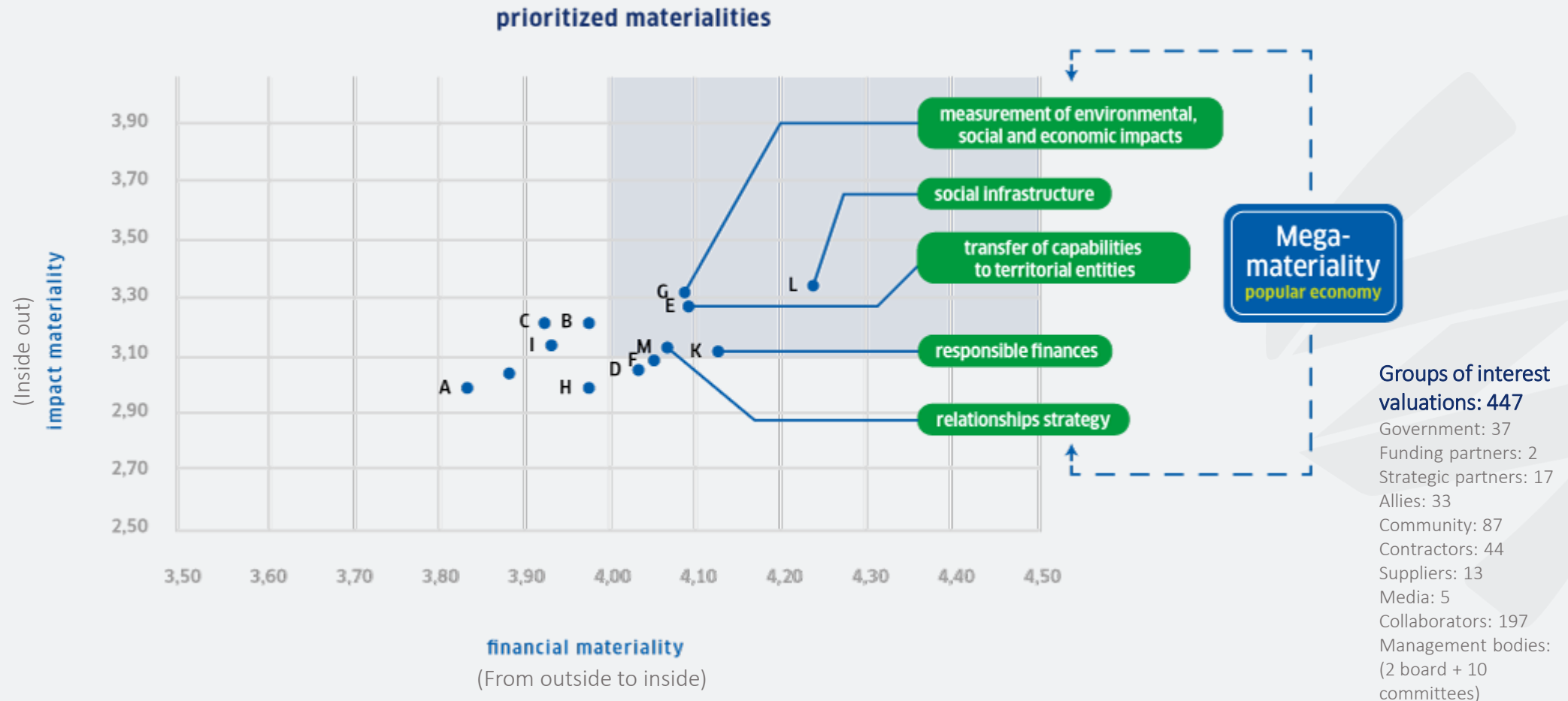
2. Materialities identification

A workshop was held with Findeter's directives, in which the main material issues that impact the entity were identified. As a result, the following 13 materialities were defined, each of them related to the different focuses of sustainability (social, environmental, economic and governance):

		social	environmental	economic	governance	
Mega-materiality popular economy	A	social and/or environmental volunteering	✓	✓		
	B	risk management of climate change actions			✓	
	C	human rights promotion	✓		✓	
	D	organizational culture (innovation and integrity)			✓	
	E	transfer of capabilities to territorial entities	✓			
	F	information management			✓	
	G	measurement of environmental, social and economic impacts	✓	✓	✓	
	H	financial inclusion and education	✓			
	I	responsible supply chain	✓		✓	
	J	circular economy		✓		
	K	responsible finances			✓	✓
	L	social infrastructure	✓			
	M	relationships strategy				✓

3. Assessment and prioritization of materialities

Guaranteeing bidirectional communication from Findeter, representatives of each of the identified interest groups carried out the assessment of the defined materialities, from two perspectives: financial materiality (from the outside to the inside) and impact materiality (from the inside to the outside). After consolidating the assessments, the following matrix of materialities was constructed:



Prioritized materialities

Mega-materiality popular economy

We align our business sustainability strategy with the vision of the new National Development Plan 2023-2026. For this reason, we define Mega-materiality as the Popular Economy, which contains the five (5) prioritized materialities.

1

Transfer of capabilities to territorial entities

Take advantage of our knowledge and experience seeking design programs that guarantee their management and transfer to the interest groups we impact. All this through a strategy of education in technical skills.

2

Measurement of environmental, social and economic impacts

Strengthen the current measurement model, seeking to quantify the social, environmental and economic impact of our operation.

3

Responsible finances

Build investment alternatives that guarantee a flow of capital through a sustainable economy, aligned with ESG principles.

4

Social infrastructure

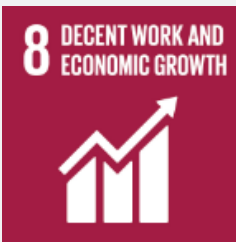
Accompany the development of projects that improve the quality of life of the country's territories through our daily management.

5

Relationship strategy

Create spaces with our interest groups to learn about their needs and jointly build new programs, products or strategies that strengthen Colombian territories

SDGs





Banca de Desarrollo Territorial

THANK YOU

Investor Relations
Financial Vicepresidency

ir@findeter.gov.co

Bogotá D.C., Colombia

www.findeter.gov.co

f @findetercol i @findetercol

t @findeter in linkedin.com/company/findeter



VIGILADO SUPERINTENDENCIA FINANCIERA DE COLOMBIA