

July 10, 2023

Financiera de Desarrollo Territorial S.A. -FINDETER
Financial results 2022 & 1Q2023

Event transcript

Slide 1: Moderator

Welcome to FINDETER's 2022 and Q1 2023 financial results.

My name is Sara and I will be your operator for today's presentation.

We have just a few announcements before we begin. At this time, all participants are in a listen only mode. Please note that this conference is being recorded.

The slides will advance automatically throughout the presentation. Below the slides window in your browser, you will find a Q&A icon to submit a question at any time.

Slide 2: Moderator

Findeter is the Development Bank of Colombia that promotes sustainable growth, the competitiveness of the territories and the well-being of citizens, through integral solutions.

Slide 3: Moderator

Findeter's mission is to be the strategic partner of the National Government and territorial entities for the planning, structuring, financing and execution of sustainable projects that transform territories. Its vision is aimed at being the leading Development Bank with comprehensive services, increasing its coverage nationwide, supported by an efficient and profitable structure that promotes the sustainable development of the country. As a promise of value, FINDETER seeks to be recognized for its pertinent planning, timely structuring, competitive financing, and effective execution.

Slide 4-5: Moderator

The content of the presentation is given in 5 sections. First, we will make a brief summary of the global and local economic context and its impact on FINDETER, then we will review the general results of FINDETER during the year 2022, included a section dedicated to social and environmental issues. We will immediately go on to present the financial, commercial and technical results for the first quarter of 2023 .

Slide 6: Moderator

I will now turn the call over to, FINDETER 's Economic Studies Director, Sandra Milena Blanco to start. Ms. Blanco you may now begin.

Slide 7: Sandra

Welcome to FINDETER's financial results presentation for 2022 and the first quarter of 2023. To begin, we will give a brief context on the global and local economy, and their effect on the financial results and business dynamics.

Since 2022, there has been a slowdown in global growth while inflation has increased at the global level. Although some of these trends could be anticipated , the intensity of the economic slowdown and the rise in have surprised the authorities, the markets, and various economic agents.

Reports made by multilateral organizations highlight three phenomena that explain the behavior of growth and inflation. First, the imbalances between supply and demand and the reaction of inflation to such imbalances, which has been greater than anticipated . Second, Russia's invasion of Ukraine during the first months of 2022 and which caused a negative supply

shock worldwide. Finally, the problems faced by the Chinese economy (related to very strict policies to prevent the spread of Covid-19), added to the real estate slump, brought an additional negative shock of global importance, given China's size and its interconnections.

Regarding the last quarter of 2022 and so far in 2023, a partial correction of these phenomena has been observed. Inflation has started to drop due to the reduction of energy prices and thanks to a slower rise in food prices. However, and despite restrictive monetary policies adopted by central banks, inflation remains at very high levels and quite far from central banks' targets. This could be explained by a slower weakening of economic activity than initially estimated.

The World Bank, in its most recent perspectives update, indicated that the global economy will grow 2.1% in 2023 and 2.4% in 2024. This makes the slowdown evident. Specially when compared to the 3.2% figure, registered in 2022.

For Colombia, the World Bank estimates an increase of 1.7% in 2023. The most recent indicators highlight that economic activity has begun to moderate as a response to the rise in interest rates by the Central Bank. Such rates are currently located at 13.25%. Colombia's Central Bank has accumulated an increase of 1,150 basic points since interest rates were reduced to 1.75% in September 2020. This was necessary in order to control inflation which, in March of 2023 reached 13.34%, a historically high figure.

Slide 8: Sandra

In the second quarter of 2023, reduction in food prices contributed to the moderation of inflation levels. It is estimated that this trend will continue until reaching 8.9% at the end of the year. However, it is important to bear in mind the possible consequences and risks that an intense "Niño Phenomenon" may bring during the second half of the year and, in particular, given the increase in fuel prices.

In summary, Colombia, like other countries in the world, will experience a slowdown in its economic activity, which will lead to a convergence of inflation (towards the target levels set by the central bank) and an adjustment in external accounts

Slide 9-10: Moderator

Thank you very much, Ms. Blanco. We now turn to FINDETER's results in 2022. To continue, we give room to Jose Alberto Laurens, Findeter's treasurer. Go ahead Mr. Laurens.

Slide 11: Jose Laurens

Let me start first by emphasizing that, to avoid any confusion in the translation of figures, where applicable, in this presentation we refer to One thousand million (1,000,000,000) as billions of pesos, and one billion (1,000,000,000,000) as trillions of pesos.

During the year 2022, the three main accounts of the statement of financial position increased compared to 2021. The Entity's total assets stood at COP 13 trillion, increasing 15% compared to the previous year, the liabilities showed a positive annual variation of 16%, closing the year at COP 11.7 trillion and FINDETER's equity increased by 6%, reaching COP 1.38 trillion.

In the case of assets, the main item continues to be the portfolio, with a participation of 84.8%. Cash and its equivalents with 7.8%, investments with 4.1% and other assets with 3.3%. Without a doubt, Findeter's gross portfolio was the component with the best performance, growing 15.5% in the last year and at the end of December 2022 it stood at COP 11.1 trillion; The behavior of the portfolio is explained by the good performance of the rediscount portfolio with an annual variation of 8.1%, added to the exponential growth that the direct credit portfolio has presented, experiencing strong growth of 67.4%.

Another determining factor in the result of the portfolio is associated with prepayments, which amounted to COP 559 billions, with a significant reduction compared to the last 5 years. This is in line with the restrictive monetary policy process. Finally, it is worth noting that 90.1% of the rediscount and direct credit portfolio corresponds to lines with special financial conditions, among which are those of compensated rates and special lines of credit.

FINDETER's cash had a negative annual variation of 7.2%, leveraged by the resources available in savings accounts that the treasury reserves to meet the short-term obligations maturities as established in the liquidity GAP, as well as to meet the future needs of placements.

As for investments, they grew 9.4% and ended the year at COP 534 billions, behavior resulting from the growth of FINDETER's own portfolio's investments in treasury securities and certificate deposits, and the increase in the valuation of forward contracts, as a result of a greater average devaluation of the exchange rate, which went from 3.23% to 6.83% from one year to the next.

Regarding the capital structure, liabilities represented 88.6% and equity 11.4% at the end of 2022; Within liabilities, the most representative item corresponds to Deposits and Liabilities, with a participation of 57.6% equivalent to COP 6.78 trillion. This increase is explained by the greater volume of issuance with terms equal to or less than one year, which represented 85.3% of the total issued in 2022. This is in line with market conditions where there was a lack of liquidity and upward adjustments in the rates at which those instruments are subscribed. Total emissions amounted to COP 5.80 trillion, showing an increase of 28.3% compared to 2021, a figure that demonstrates the support of investors in FINDETER's management. In second place of participation within total liabilities were financial obligations, which represent 27% equivalent to COP 3.20 trillion, of which 51% corresponds to the IDB, 20% to JP Morgan, 13% to KFW, 12% to AFD and the remaining 1.75% to BCIE;

Regarding Equity, it presented a growth of 6.2% compared to the end of 2021, a variation that has been presented as a consequence of the profits generated in fiscal year 2022 for \$86 billions.

Regarding the income statement, our operating income presented an increase of 73% compared to 2021, leveraged by the behavior of financial income, which experienced a growth of 121%. Within these we find those related to portfolio interests with an increase of 108% derived from the good performance of the portfolio balance, caused by a historical record of placements and a low volume of prepayments. Additionally, these revenues were leveraged by the behavior of indexed rates, which experienced a strong rebound compared to 2021 due to the measures taken by the Banco de la República to control the effects of high inflation experienced by the national economy.

On the other hand, the growth of operating expenses in 2022 was 75.1%, a figure that is mainly explained by the behavior of funding expenses. The interest accrual of the term certificates of deposit increased 167% compared to 2021, a fact that is mainly explained by the upward variation presented by the average market deposit interest rates due to the expansion of the REPO rate so far this year. Regarding bonds, the increase in inflation impacted the rate of the instruments traded in CPI, as is the case of subordinated and sustainable bonds, with an increase in spending of 30%.

Similarly, the interest on financial obligations increased by 97.5%, a situation that is justified by the adjustment of the FED rate made throughout 2022 as a result of the high inflation derived from the post-pandemic, the container crisis, the war between Russia and Ukraine and other events of international significance, which caused an increase in the LIBOR rate and the interest on all obligations contracted in US dollars that are not negotiated at a fixed rate; among others.

In terms of administrative expenses, there was a growth of 28.2% compared to 2021, with a greater impact of expenses associated with the payroll derived from the increase in the minimum salary of 10.1%. The second most significant impact was the increase in tax expenses, specifically in the Industry and Commerce Tax.

According to the behavior evidenced in operating income and expenses, profit before taxes increased 48.1% from one year to the next, reaching COP 135 billions. It is important to take into account that in 2022 FINDETER applied a benefit in the exchange difference that materializes as a result of the establishment of a 40% income rate for financial sector entities valid until 2027, derived from the tax reform consigned under law 2277 of 2022, which represented the recovery of COP 7.6 billions. The operating result together with the recovery of the deferred tax allowed the net profit to exceed the historical records reached in 2021 with a result of COP 86 billions, equivalent to a growth of 11.6%.

Slide 12: Jose Laurens

Profitability indicators present a higher performance than that registered in previous periods, with outstanding figures in terms of ROE and EBITDA. The ROE indicator presented a result of 6.2% with a growth of 31 basis points compared to 2021, as a result of the performance of portfolio interest income associated with the portfolio balance and the behavior of base rates, and income from liquidity with returns above the REPO rate; likewise, another positive effect was the recovery of deferred income tax, in accordance with the tax reform approved in December 2022. Regarding EBITDA, during the 2022 it was positively impacted as a result of the behavior of the financial margin that presented a variation of COP 125 billions from one year to the next and equivalent to an increase of 86.2%.

Slide 13: Jose Laurens

2022 began as a year of economic recovery, with the expectation of overcoming the ravages caused by the COVID-19 Pandemic. However, there were external and local shocks that stressed the economic outlook, leading to a turn in the monetary policy that, in order to avoid a crisis, led to an increase in interest rates. This was due to an inflationary process higher than what was predicted by the market and with a direct impact on the cost of living. Findeter was not oblivious to this situation, however, the entity's activity is countercyclical and therefore benefited from this shock, reaching record profits of COP 86 billions.

In 2022 we disbursed COP 3.84 trillion of which COP 2.87 trillion were for rediscount and COP 973 billions for direct credit; Of the total disbursed, 55% was for private beneficiaries, 7% for public beneficiaries, and 38% for territorial entities. All of this, represented in 916 projects in the national territory.

On the other hand, non-financial income, from commissions and fees, in its three most representative business lines (territorial planning, structuring and execution of projects) represented resources of the order of COP 67 billions during 2022, complying with an 82.3 % of the goal.

At the territorial level, we have continued to work hand in hand with local authorities. As of 2022, we executed 463 projects in 283 municipalities, for an approximate value of COP 2.56 trillion. Likewise, during this period, we completed 208 projects for COP 1.03 trillion. Currently, 255 projects equivalent to COP 1.53 trillion are in execution.

These important achievements were obtained thanks to our integral management model and allowed us to accomplish satisfactory results in financial terms, which position us as a solid and resilient company to face the challenges demanded by the different commitments raised by the National Government.

Slide 14: Jose Laurens

As strategic partners of the National Government and, especially of the territorial entities, we designed and implemented seven financing programs, in accordance with the needs of the territories; These programs have benefited different sectors with disbursements for more than COP 3.8 trillion, which have been specially allocated to the local economic reactivation and to contribute to compliance with departmental, district and municipal development plans.

At the end of 2022, FINDETER's team was made up of 602 active collaborators committed to the mission of being the strategic partner of the National Government and territorial entities. In 2022 we remained at a very outstanding level in the measurement of the Work Environment Index (IAL) carried out under international standards with the methodology of the Great Place to Work® (GPTW) Institute. This measurement also confirms that our respect for human rights and people management under the "efr" model is essential in FINDETER's work environment. Given the evolution of FINDETER and its positioning in the market, by 2022 in the GPTW model the comparison of FINDETER with financial entities from both the private and public sectors evolved, obtaining an IAL of 87.5 points.

We also continue with the certification for the NTC ISO 9001:2015, ISO 14001:2015 and NTC ISO 27001: 2013 Quality Management Systems by SGS Colombia S.A., as a result of the follow-up audits carried out in 2022, which allowed us to demonstrate, compliance with the requirements of these standards. 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, builds trust among users, the Government, control entities and the community in general and constitutes a support in the financial market.

We also highlight the creation and maintenance of the Center for Innovation and Knowledge, within the Planning and Management Department with a direct line to FINDETER's Presidency, with which Findeter's competitive advantages were

maximized, through research, technological development and innovation, in order to create or improve our products, processes and services, to contribute to the transformation of regions into sustainable territories.

We emphasize that the credibility and trust that we generate in our stakeholders with the work that we carry out as a development bank were ratified with the recognition granted by the Colombian Stock Exchange (BVC), by positioning ourselves in the top 5 issuers with the best levels of adoption of the IR disclosure standard in 2022.

In 2022 we also maintained the maximum credit and market rating of BB+1 with a stable outlook carried out by the rating agencies Standard & Poor's and Fitch Rating. FINDETER rating is completely linked to the one granted to the nation. Additionally, BRC S&P affirmed the Long-Term National Rating at 'AAA' and affirmed Short-Term National Rating at 'BRC1+'. Along the same lines, Fitch Ratings ratified the International Rating affirmed at 'BB+' with a stable outlook, the National Long-Term Rating affirmed at 'AAA' and the National Short-Term Rating affirmed at 'F1+.

Slide 15: Jose Laurens

Turning to social issues, during 2022 we technically assisted projects that had ethnic communities as beneficiary populations (9 of them exclusively indigenous communities), PDET municipalities (Development Programs with a Territorial Focus) and projects with a gender and social inclusion approach. Within the objectives of these projects, it is highlighted that they were focused on strengthening organizational structures and productive projects and infrastructure for health, housing and energy.

These projects correspond mainly to inter-administrative contracts with the Interior Ministry and the Prosperity Fund of the British Embassy; however, there are also projects initiated in previous years with the National Planning Department, the Territory Renewal Agency (ART), the IDB, and also the reconstruction program carried out on the Isla de Providencia and Santa Catalina after Hurricane IOTA.

During 2022, the Responsible Action area in FINDETER implemented a new monitoring and evaluation strategy regarding the social management carried out in projects, and for this we have worked with two virtual tools. One is "social traffic lights" and the list of social figures in each contract of technical assistance; Additionally, we have a third reference source and it is the field work carried out by the team of social managers who carry out social monitoring spaces and accompany the social teams in the territory.

Slide 16: Jose Laurens

Regarding the environmental issues, we have an Environmental Management System - EMS certified by ISO 14001:2015 since 2018. Within the EMS the following environmental programs are established: efficient use of energy, efficient use of water, efficient use of paper, comprehensive waste management, and sustainable practices.

The five environmental programs were 100% executed in 2022. Within the framework of these programs, we worked on the environmental campaign "Be Conscious" under the slogan "With your feet on the ground", in order to disseminate the environmental programs of our Entity through different activities and internal communication channels.

Slide 17: Jose Laurens

For our clients, we have the SARAS Manual, directly approved by the Board of Directors, through which the policies, instruments and methodologies are established for the management of environmental, social and gender-related and climate change risks of the projects or investments object of financing.

During 2022, the following activities in relation to environmental and social issues were carried out: i) Analysis and evaluation of environmental and social risks and issuance of the respective technical concept, in accordance with the policies and guidelines established in the SARAS instruments for 32 projects, ii) Preparation of 109 environmental and social risk assessments with their respective communication of results for credit operations of the line with funding from JP Morgan/MIGA resources in the health, education and climate finance sectors iii) 62 hours of support were provided to International Banking and, iv) Follow-up on compliance with the commitments established for 249 evaluated projects.

Slide 18: Moderator

Jose Laurens, treasurer of Findeter, continues presenting the financial results of the first Q of 2023.

Slide 19: Jose Laurens

Findeter continues to be a benchmark as one of the leading development banks in the country focused on promoting sustainable projects in territories nationwide. Proof of the above is the growth of the entity's total assets during the last 10 years, since it increased from \$6.76 to \$13.24 trillion pesos. This behavior has been driven mainly by the increase in the gross portfolio, which has grown an average of 7.30% per year during said period.

Slide 20: Jose Laurens

By March 2023, the total portfolio of credit institutions amounts to \$665 trillion pesos, which is equivalent to an increase of 13.4% compared to the same month of the previous year. This growth is driven by consumer and commercial loans. Of the entire portfolio, 52.7% corresponds to the commercial portfolio, which is equivalent to \$337 trillion, \$44 trillion above what was registered in March 2022. The consumer portfolio grew \$22 trillion in the same period.

Regarding the special official institutions, the total portfolio corresponds to \$37 Billion, of which FINDETER has a 27.6% share, placing the entity as the second development bank in the country with the largest portfolio volume compared to its peers.

Slide 21: Jose Laurens

When analyzing the behavior of FINDETER's assets during the first quarter of 2023, notable variations can be observed in its main accounts.

Compared to March 2022, the net portfolio showed an increase of 8.7%, closing at \$11.02 trillion pesos. Over the course of the period, the portfolio corresponding to direct credit has gone from \$1.33 to \$2.20 trillion pesos. On the other hand, investments showed an increase of 28%, being significant the increase in term deposits repurchases for +\$132 billions, term deposits for +\$59 billions and treasury securities for +\$55 billions. On the other hand, a 6% upward behavior was observed in cash, leveraged by the resources available in savings accounts that the treasury reserves to meet the maturities of very short-term obligations.

Findeter's capital structure is made up of 89% liabilities and 11% equity. Within this structure, the most representative item corresponds to deposits and liabilities with a participation of 50.9% (\$6.58 trillion pesos), followed by multilateral and commercial banking credits that represent 23.6% (\$3.04 trillion pesos), 12.4% that is made up of bonds (international, subordinated and sustainable); and, finally, 2.1% to other liabilities.

Regarding Equity, as of March 2023 it shows a growth of 8.1% compared to the same month of 2022, a variation that has occurred as a consequence of the appropriation of the profits of the previous year for \$86 billion pesos. It is important to remember that as a rule the profits generated by Findeter are reinvested in the entity.

Finally, regarding the income statement, it should be noted that for the month of March 2023 Findeter has obtained profits of \$35 billion pesos, which translates into a growth of 88.5% compared to March 2022, the above leveraged mainly in the improvement of the financial margin that has had a positive variation of 101% compared to the same period last year, this derived from the increase in base rates that has favorably impacted the behavior of portfolio interest income; It has also had influence the behavior of portfolios and liquidity. Compared to March 2022, financial income has increased by \$303 billion pesos, that is, a positive variation of 159%.

There has been an increase in the financial expense on account of the term deposit interest, which have grown by 224% compared to March of last year, in accordance with the rise in base rates and the interest on bonds with a growth of 33% derived from the increase in the CPI that directly affects the accruals of sustainable and subordinated bonds. Lastly, it should be noted that interest on financial obligations increased mainly due to the behavior of the exchange rate, which

increased \$873 pesos in the last twelve months, and the forward devaluation. In any case, the aforementioned effects have been minimized by the behavior of income, yielding net positives for the term.

The increase in income when comparing March 2022 and 2023 is due to the higher value of portfolio interests that have benefited from an upward trend in terms of base rates, particularly in the IBR and CPI indices, which represent the largest volume of the entity's current placements. This growth has also been translated into the entity's operating margin, whose growth in March 2022 corresponds to 139%, giving a clear example of the efficient administration of the organization and the use of base rate cycles as an opportunity to improve its margins (interest, financial and operational).

Slide 22: Jose Laurens

As of March 2023, FINDETER's funding sources without taking equity into account amounted to \$11.34 trillion pesos, including deposits and liabilities, bonds and loans with multilateral banks.

During the year to March, terms deposits issuances and renewals amounted to \$1.40 trillion pesos, showing a 12.4% variation with respect to the same cut of the previous year. This is proof of FINDETER's financial strength, which is recognized by institutional investors who continue to demand the titles issued by the company.

FINDETER's loans have been contracted with multilateral banks and private banks such as IDB, KFW, AFD, BCIE and JP Morgan whose balance as of March 2023 is \$3.01 trillion pesos. In this case, it is worth noting the variation of the exchange rate during the current year, which between January and March 2023 has presented a decrease of \$164 pesos, which is reflected in the balance of this account.

Other important items within the funding structure correspond to outstanding investment securities (13%), among which are international bonds issued in 2014 (\$946 billions), subordinated bonds (\$203 billions) issued in 2017 and sustainable bonds issued in June 2019 (\$400 billions).

Slide 23: Jose Laurens

Profitability indicators as of March 2023 maintained their positive trend. The ROE was located at 10.45% thanks to the results of the profit in the period. On the other hand, the ROA also presented a positive behavior, being located at 1.09%, which has also been generated as a consequence of the positive net margin in the period. The operating efficiency indicator increased compared to March of last year since compared to the same month of 2022 it stood at 1.89%, presenting a variation of 24 basis points.

The portfolio quality indicator shows a favorable behavior, since it is at levels of 0.23% while the equivalent of the Colombian financial system amounts to 4.30%, thus reflecting the lower portfolio risk that FINDETER assumes due to rediscount and effective control to the new modality of direct credit.

Slide 24: Jose Laurens

Regarding EBITDA, it is worth noting a growth of 125% compared to 2022. The EBITDA presented an upward trend as a result of the positive behavior of income from interests in the increase in base rates and income from own portfolio and National Guarantee Fund. The sum of all of the above allowed reaching an EBITDA level of \$64 billions pesos by March 2023.

The ROE as of March 2023 is located at 10.45% with a variation of 456 basis points compared to March of the previous year. The net profit for the month of March 2023 was favorably impacted by the behavior of financial income (income from portfolio interest) and lower execution of financial expenses due to the net of derivatives and loans with banks. Although there has been an increase in financial expenses, administrative expenses and tax rate, the income is sufficient to cover these needs and yield a positive result in terms of profitability.

Finally, regarding operating efficiency, the result for March 2023 corresponds to 2.13%, presenting an increase of 24 basis points compared to 2022; In this case, the increase in the minimum wage that is stipulated by collective agreement and has a direct impact on administrative expenses must be considered. There are also increases contemplated by other tax

charges other than income and in addition to the above, it is worth noting a growth in productive assets of 9.68% derived from the increase in the portfolio balance.

Slide 25: Jose Laurens

The solvency ratio presented a decrease equivalent to 5.3 percentage points from March 2022 to 2023. The downward trend is correlated with the increase in assets, particularly due to the portfolio and direct credit components whose upward behavior is reflected in risk-weighted assets. On the other hand, there is also a rebound in the value at risk corresponding to the movement of the exchange rate. Finally, the technical equity has presented an upward variation which corresponds mostly to the higher value of the net equity on account of the profits of the year 2023.

Slide 26: Jose Laurens

The graph shows the behavior of FINDETER's Assets and Liabilities throughout 2022 and the first quarter of 2023, it can be seen that the behavior of the IRL has remained in positive territory with sufficient margin with respect to the maturities of liabilities and net liquidity requirements.

Slide 27-28: Moderator

We now turn to the presentation of the commercial results in the first quarter of 2023. For this section we give room to Maria Lourdes Lacouture, in charge of Investor Relations in FINDETER.

Slide 29: Maria Lourdes

In the first quarter of 2023, we managed rediscount and direct credit operations for a value of \$393 billion pesos, where we highlight the results in the infrastructure and transportation sectors, as well as energy, health, and education. Businesses for the construction of highways and roads stand out, as well as financing of departmental master plans, buildings for universities and passenger transport in electric buses.

At the end of the first quarter, 51% of the annual disbursement goal proposed for 2023 was met.

Slide 30: Maria Lourdes

In this period of time, we managed to reach 30 municipalities in all regions, where we financed 60 different projects. Of the total disbursed, 53% was given through rediscount credits, while 47% was given through direct credit modality.

Slide 31: Maria Lourdes

From January 1 to March 31, 2023, by segment, we disbursed \$178 billion pesos for private sector beneficiaries, which represented 45% of the operations, and \$215 billion pesos for public sector beneficiaries, which represented 55%.

Regarding the disbursement term, as a development bank, we focus on long-term loans. Loans with terms equal to or greater than 8 years represented 53% of the placement.

As a leading bank, we seek to transform regions into sustainable territories through infrastructure projects that generate well-being in the regions and improve the quality of life of its inhabitants.

Slide 32: Maria Lourdes

Findeter, as the leading development bank in Colombia, has continued working to support key development sectors in the country. In this sense, in this first quarter of 2023 a new line of credit was launched. The Green and Sustainable Reactive line was created for a total of \$66 billion pesos and its eligibility criteria is given under green taxonomy criteria issued by FINDETER. The resources are available through a line of credit that benefits private and public companies, municipalities, governments and national and regional decentralized entities, which may invest in initiatives in the energy, transportation,

urban development, construction and housing, education sectors, and ICTs, that meet eligibility criteria of the green taxonomy. With this line FINDETER hopes to contribute to the mitigation and adaptation to climate change through the financing of projects that reduce greenhouse gas emissions and/or that make it possible to reduce the risk vulnerability of natural systems, achieving the country's environmental objectives and commitments.

Slide 33: Moderator

We now move on to the last section with the presentation of the technical results in the first quarter of 2023. Ms. Lacouture continues with the presentation.

Slide 34: Maria Lourdes

In the first quarter of 2023 we have executed 299 projects worth COP \$1.11 trillion pesos and translated into 27.5 million people benefited from these projects. The largest participation of these projects is given in 210 infrastructure projects. We are also executing 46 projects related to the eater sector, 33 projects related to territorial development and 10 projects in transportation and mobility. By type of projects, we highlight that the majority are related to recreation and sports, education, housing and aqueducts sectors. This execution has generated income of COP \$8 billion pesos during the first quarter of 2023.

Slide 35: Maria Lourdes

To close, this year we particularly wanted to mention FINDETER's alignment with the national development plan for the four-year period 2022-2026.

Slide 36: Maria Lourdes

From FINDETER, we propose to continue being a strategic partner of the National Government together with the Ministry of Finance and Public Credit, consolidating the portfolio of products and services. For this reason, the strategic direction is being reviewed to establish the vision as Colombia's development bank for the next four-year period.

Thus, of the 368 articles contained in the national development plan, 46 of these have a potential impact on FINDETER. In particular, there are 2 articles that make direct mention to FINDETER, such as article 286 and article 287, related to the granting of direct credit to community organizations, and to the trust funds that FINDETER establishes for the development of investment projects in infrastructure in the eligible sectors.

Slide 37: Maria Lourdes

To mention some of the articles that have a potential incidence for FINDETER, there is: Article 192°. Regarding the guarantee of access to water and basic sanitation, we also have Article 185. Related to the railway projects of Public Passenger Transport Systems co-financed or to be co-financed by the Nation. For its part, Article 283, which mentions the execution of public transport system projects under development principles oriented towards sustainable transport, and Article 297, which refers to instruments for financing regional urban development and urban renewal for cities.

All of the above have a direct incidence within FINDETER's business model, the services and products offered and the eligible sectors.

Slide 38: Maria Lourdes

In order to reach organizations in the solidarity economy sector, as well as associations of users of the popular economy, with different alternatives for access to credit and contracting processes, we will continue to strengthen technical assistance from the execution phase, which will allow us to provide these actors with the support they require. This considering that our entity is already advancing in the construction of a tool to make this inclusion a reality.

Findeter will continue to position itself as an important agent in the definition of national policy and will continue to participate in the different instances that promote measures tending to achieve the policies of the National Government.

Slide 39: Moderator

With this we end today's presentation, thanking you for your attention and interest in FINDETER results. For questions and additional information, you can count on the Investor Relations office.

Thank you all.