BBVA

Annual Report 2024

COMMITTED TO THE SUSTAINABLE DEVELOPMENT OF COLOMBIA

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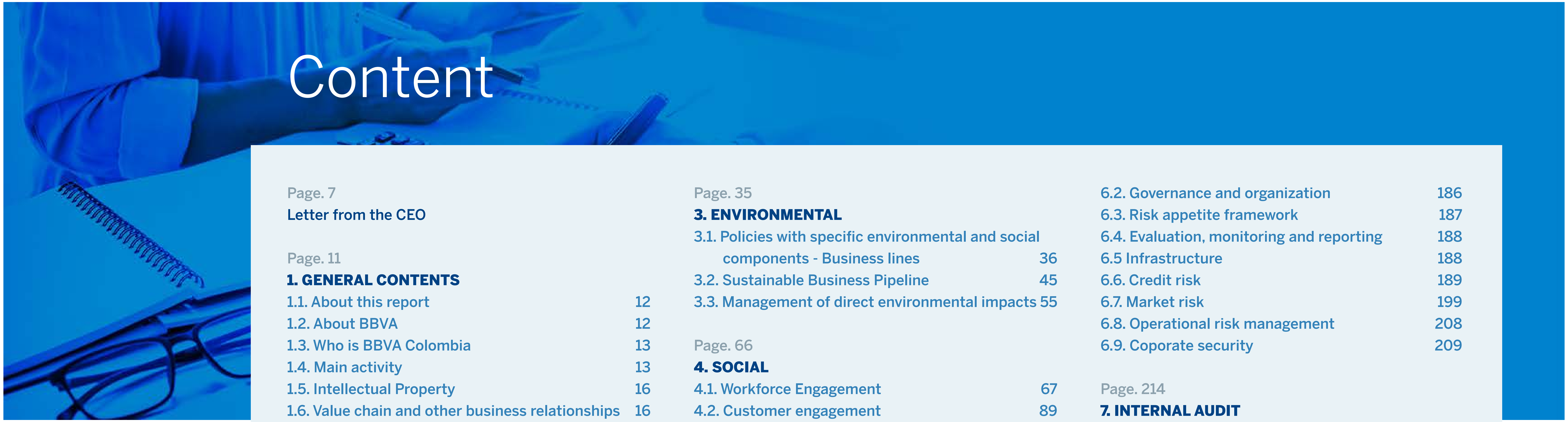

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Contenido

Acronyms used in this report:

QR	Quick Response
PSE	Secure Online Payments
GR	Global Reporting Initiative
SASB	Sustainability Accounting Standard Board
TCFD	Task Force on Climate-Related Financial Disclosures
OPI	Initial Public Offering
OPA	Public Exchange Offer
CDT	Term Deposit Certificate
PYMES	Small and medium-sized enterprises
MPOS	Mobile Point of Sale
ACH	Automated Clearing House
ATM	Automated Teller Machine
IVR	Interactive Voice Response
GPS	Global Procurement System
VRM	Vendor Risk Management
AML	Anti-Money Laundry
UDA	Acquiring Delegate Unit
ODS	Sustainable Development Goals (SDG)
GeMa	New Mobile Banking, Business customer
IA	Artificial Intelligence (AI)
KPI	Key Perfomance Indicators
PIB	Gross Domestic Product (GDP)
TRi	Transition Risk Indicator
MSCI	MSCI Index. All Colombia Local Listed Risk Weighted
UNEP FI	United Nations Environment Programme Finance Initiative
ASG	Environmental, Social, Governance (ESG)
SFC	Financial Superintendence of Colombia
PBR	Principles of Responsible Banking (PRB)
8hCIB	Corporate & Investment Banking Area
RMC	Risk Management Commitee
SD Risk	Solutions Develoment Risk
RCA	Risk Control Assurer
RCS	Risk Control Specialist
VIS	Social interest housing (SIH)
SIAR	Comprehensive Risk Management System
SMMLV	Current Legal Minimum Wage
UVR	Real Value Unit
FNG	National Guarantee Fund
PD	Probability of default
NGA	Next Generation Analytics
EWS	Early warning system for SME portfolio
LGD	Loss given default
CCF	Credit conversion factor
IVR	Interactive Voice Response
EARs	Risk Anticipation Executives
VaR	Value at Risk
CEMO	Average Objective Economic Capital
IRC	Incremental Risk Capital
IRS	Internal Revenue Service
IBR	Reference Banking Indicator
LtSCD	Loan to Stable Customer Deposits
IRL	Regulatory Liquidity Indicator
CFEN	Net Stable Funding Ratio
LCR	Liquidity Coverage Ratio
NSFR	Stable funds ratio
COAP	Assets and Liabilities Committee
RIE	Structural Interest Risk
MeR	Margin at Risk
CER	Economic Capital at Risk
RCA	Risk Control Assurer
RCSA	Risk and Control Self Assessment
IR	Investors Relations
BVC	Colombian stock exchange
BIS	Bank of International Settlements
CARO&GP	Operational Risk Admissions and Product Governance Committee
RIC	Internal Rules of Conduct
PLD&FT	Prevention of money laundering, financing of terrorism and financing of the proliferation of weapons of mass destruction
SCI	Internal Control System
IRO	Operational Risk Appetite Indicator
VerRo	Value of exposure to operational risk
CP	Loss component
MIGRO	Comprehensive Operational Risk Management Framework
SARO	Operational Risk Management System
ANS	Service Level Agreement (SLA)
RCA	Risk Control Assurer
ST	Technical secretary
VI	Internal Validation
IFRS9	International Financial Reporting Standard 9 (IFRS 9 or IFRS 9)
NDoD	New Definition of Default

GRMLab	Internal tool for the development of models for BBVA's Risk area
IPEs	Information Produced by the Entity
SOX	Sarbanes Oxley Act
EPS	Health Service Provider Company
TES	Public Debt Title
FED	Federal Reserve
COLCAP	Capitalization index that reflects the variations in the prices of the most liquid shares of the Colombian Stock Exchange
COLEQTY	Index that groups the 40 stocks with the greatest liquidity in the equity market in Colombia
COLIR	Index made up of the shares of companies that have IR Recognition and that are part of the COLEQTY index
COLSC	Index that allows you to compare the 15 smallest companies in market capitalization that are part of the COLEQTY
VEG	Economic Value Generated
ROF	Results of Financial Operations
VED	Results of Financial Operations
VER	Retained Economic Value
SAC	Consumer Service System
DFC	Financial Consumer Advocate
NPS	Net Promoter Score
CIB	Corporate and Invesment Banking
Tidis	Tax Refund Titles
SARAS	Environmental and Social Risk Management System
IFC	International Finance Corporation
MPAS	Environmental and Social Policy Framework Standards
BID	Inter-American Development Bank
PE	Ecuator Principles
TVC	Green Taxonomy of Colombia
GEI	Greenhouse gases
CO_2	Carbon dioxide
PGE	Global Eco-efficiency Plan
Kwh	Kilowatt-hours
m^3	Cubic meters
Ton	Tons
kg	Kilograms
Ton CO_2	Tons of carbon dioxide
IRECs	Renewable energy certificates
GJ	Giga Joules
DEFRA	UK Department for Environment, Food and Rural Affairs.
NIST	National Institute of Standards and Technology
ISO	International Organization for Standardization,
DEI	Diversity, Equity and Inclusion
LGTBIQ+	Community of Lesbians, Gays, Bisexuals, Transgender and Intersex and Queer people
PNUD	United Nations Plan
SENA	National Learning Service
SD	Solution Development
SDA	Single Development Agenda
LMS	Learning Management System
TGM	The Good Manager
SG-SST	Occupational Health and Safety Management System
COPASST	Joint Committee on Safety and Health at Work
E2E	End to End
CAP	Maximum Interest Rate Option
BCBS239	European Central Bank Regulations
SLA	Service Level Agreement
ELA	Enterprises Licences Agreement
BPE	Business Process Engineering
BEX	Business execution
TDVs	Value Transporters
STEAM	Sciences, Technology, Engineering, Arts and Mathematics
FMBBVA	BBVA Microfinance Foundation
Ecosoc	United Nations Economic and Social Council
OCDE	Organization for Economic Cooperation and Development (OECD)
BCIE	Central American Bank for Economic Integration
RSC	Corporate Social Responsibility Observatory
EmproPaz	Productive Enterprises for Peace
PMs	Program Managers
RA	Risk assessment
NMO	New Office Model
GloMo	Global Mobile App
SARLAFT	Money Laundering and Terrorism Financing Risk Management System
FAI	Internal Audit Function
SPC	First Contact Solution
PCI	Peripheral Component Interconnect
PCAF	Partnership for Carbon Accounting Financials
G-SIB	Global systemically important banks
NZBA	Net Zero Banking Alliance
SASG	Sustainability Alignment Steering Group
RAF	Marco de Apetito de Riesgo Risk Appetite Framework
Net Zero	Carbon Neutral

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Letter from the CEO

GRI 2-22

Committed to the sustainable development of Colombia

Letter from the CEO

GRI 2-22

In 2024, the Colombian economy headed towards recovery, although growth remained limited. This situation, once again, posed a challenge to make our financial activity remain dynamic.

In economic terms, we saw 2024 in which domestic demand was driven by private consumption and a partial recovery in infrastructure investment, this being the main economic activity driver for the year. However, residential construction and manufacturing struggled to consolidate their advance, limiting further momentum to overall growth and hindering even more economic recovery.

Undoubtedly, inflation was the focus of attention in 2024. Although there was a downward trend that improved household purchasing power, mainly due to the decrease in food prices. The cost of essential services, such as housing and transportation, showed resistance which in the end did not translate into increased saving.

This scenario forced the Central Bank to make cautious monetary policy decisions, such as the gradual reduction of interest rates, to stimulate domestic demand, while closely monitoring inflationary risks, fiscal challenges, and exchange rate pressures.

In our sector, there was a greater reduction in market interest rates, above those of the Central Bank, especially in the consumer and mortgage segments, which offered households and companies financial relief.

This macroeconomic environment imposed important challenges for our activity. **Our total loan portfolio totaled COP 75,1 trillion, which represented stability compared to 2023 results.** Within this line, I would like to highlight the good

BBVA promoted business growth and opened offices throughout Colombia, leading digital banking and financial inclusion.

performance we had in the companies' portfolio, which varied COP 2 trillion above what was recorded last year, representing a growth of 6.4%, reflecting our commitment to the business sector.

Since we arrived in Colombia, 29 years ago, we have committed to the country's future and that of Colombians. A reflection of this confidence is that in the last 2 years, we have received the support of our main shareholder, the BBVA Group, with COP 2 billion in resources, aimed at continuing promoting our growth strategy in Colombia and advancing our plans.

In this regard, in 2024, we continued to make important strides. We created the Company and Government Vice Presidency, as a clear sign of our commitment to accelerate the transformation and growth of the Colombian business sector and to take service and customer experience to the next level.

Convinced of Colombian entrepreneur innovation capacity, through our BBVA Spark business unit, with which we promote the growth of innovative and technological companies, we supported more than 175 clients in Colombia and have a turnover of more than COP 100 billion.

Likewise, we seek to reach more Colombians. Thus, with enthusiasm, we opened offices in 2 departments of the Colombian Amazon, in Inírida, in Guainía and in Mitú, in Vaupés, and in this way we became **the first universal private bank with offices in Colombia's 32 departments.**

As for our digital channels, we managed to make our applications occupy first place in the ratings registered in the Android and Apple app store. In addition, we constantly provide the best experience and put in the hands of our customers new and better functionalities, such as easy transfers and payments, immediately and at no cost, through Transfiya, GooglePay and ApplePay. In 2025, we will also have Bre-B, the Central Bank's immediate payment system.

However, in 2024 we also had to make some difficult decisions, such as consolidating 19% of bank offices. This allowed us to have larger service points, with a greater number of

Oficina de BBVA en Inirida, Guainía

associates, to provide a more timely and agile customer service. This implied the relocation of some offices in different cities of the country, and for this reason, I appreciate the patience that both clients and users have had during this process of transfer, consolidation and remodeling. We are convinced that these decisions will allow us to be more efficient and recover part of the profitability that was affected in 2024.

Committed to a more sustainable future, with greater opportunities for all, over 2024 we mobilized COP 11,4 trillion in sustainable financing, for an annual growth of close to 130%, for projects that mitigate climate change and the development of social infrastructure.

2024 was the year of biodiversity at BBVA and in Colombia. **We issued the first biodiversity bond of the financial sector in Colombia and in the world,** together with the World Bank's International Finance Corporation (IFC) and the Inter-American Development Bank, for USD 70 million. At the end of the year, we mobilized all resources to support projects focused on the care and preservation of the country's biodiversity.

This issuance for biodiversity was in addition to the first blue bond of the Colombian financial sector that we issued in 2023 and the financing line that we announced with CAF for USD 50 million to finance biodiversity preservation initiatives, which have a positive impact on Colombia's strategic ecosystems

In addition, in partnership with Conservation International, we launched the Coral Credit Card, a powerful tool for the conservation of coral reefs in our country. For this purpose, we allocate a percentage of the card's monthly billing (0.66%). In this regard, the commitment and management of BBVA's team was recognized by important publications such as Latin Finance and Euromoney, which awarded us the "Best Bank in Colombia" award.

Finally, I want to reiterate our commitment to support education, as we are convinced that it is the door to opportunities. For this reason, we continue to work together with Bancamía, an entity of the BBVA Microfinance Foundation, to benefit young people, children of vulnerable micro-entrepreneurs, with university scholarships. Today, there are already 150 young people who fulfill their dream of going to university thanks to this support.

With our Connected for Education program, in partnership with Claro Colombia, we reach more than 300 schools and 500 thousand students and teachers with free internet, tablets and training in Steam skills. We also delivered 10 thousand school kits to support school permanence in of the country's vulnerable population children.

Looking ahead to 2025, the challenge is clear: to consolidate recovery by taking advantage of the better financial and cyclical conditions of the economy to resume our path of historical profitability. It is time to boost investment and boost key sectors such as industry, commerce and construction. The goal must be to achieve more inclusive and sustainable growth that guarantees opportunities and well-being for future generations.

We mobilized COP 11.4 trillion in sustainable financing, **for an annual growth of close to 130%.**

To conclude, I would like to thank the team of more than 5 thousand BBVA employees in Colombia who worked every day, during 2024, with commitment and dedication to continue creating opportunities for all Colombians.

To our customers and shareholders, we thank you for trusting us, choosing us as your bank and allowing us to continue moving forward together in this wonderful country, Colombia.

Mario Pardo Bayona
Executive President
BBVA Colombia

Annual Report 2024

1 General contents

Committed to the sustainable development of Colombia

General contents

GRI 2-1, GRI 2-2, GRI 2-3

ABOUT THIS REPORT

This report covers BBVA Colombia's operations from January 1 to December 31, 2024. It presents key business figures, the framework guiding the main achievements and progress, as well as the consolidated financial results of the entity.

Additionally, this document complies with the guidelines of the Global Reporting Initiative (GRI) Standards, in its most recent 2021 version; the Sustainability Accounting Standards Board (SASB) standards; and the Task Force on Climate-Related Financial Disclosures (TCFD) framework. It also presents the Bank's economic, environmental, and social performance, highlighting progress in sustainability, the materiality analysis, and the relevance of its stakeholders.

ABOUT BBVA

BBVA Colombia S.A. (hereinafter, also the "issuer") is a public limited company, with its main headquarters office in Bogota. In compliance with its corporate purpose, it may enter into or execute all operations, acts and contracts legally permitted to banking establishments, subject to legal provisions.

In Colombia, the BBVA Group is present through Banco Bilbao Vizcaya Argentaria Colombia S.A. - BBVA Colombia, with its subsidiaries BBVA Asset Management S.A., Sociedad Fiduciaria, and BBVA Valores Colombia S.A., Comisionista de Bolsa, and also through BBVA Seguros Colombia S.A. and BBVA Seguros de Vida Colombia S.A.

In Colombia, it started with the Banco Ganadero, established in 1956, within the framework of the First Agricultural Exhibition Fair, with the support of the country's cattle ranchers. Law 26 of 1959 defined the legal nature of the Bank as a mixed economy, with capital from the public and private sectors, with 20% and 80% stakes, respectively.

In 1992 its legal nature changed and from then on it developed its activities as a public limited company.

In 1996, Banco Bilbao Vizcaya (BBV) acquired 34.70% of the share capital through a sale and direct subscription of shares.

In 1998, BBV increased its stake to 49.14%, through an Initial Public Offering (IPO), which changed its name to BBV Banco Ganadero and in 2000 to BBVA Banco Ganadero.

In 2001, a simultaneous takeover bid for Banco Ganadero shares was made in the United States and Colombia, in which the BBVA Group acquired common shares with a preferential dividend, increasing its stake to 94.16% of the Bank's capital.

In 2004 its name was changed to Banco Bilbao Vizcaya Argentaria Colombia S.A. - BBVA Colombia.

BBVA Colombia currently has a responsible banking model, based on the search of profitability in line with ethical principles, compliance with the law, good practices, the generation of solutions for its customers and the creation of long-term value for all its stakeholders.

BBVA is the first universal private bank **with offices in all 32 departments of Colombia.**

WHO IS BBVA COLOMBIA

Banco Bilbao Vizcaya Argentaria Colombia S.A. - BBVA Colombia is part of a financial conglomerate made up of the holding company BBVA S.A. (Spain) and its subsidiaries in Colombia, Banco Bilbao Vizcaya Argentaria Colombia S.A. - BBVA Colombia, BBVA Asset Management S.A., Sociedad Fiduciaria, BBVA Valores Colombia S.A. Comisionista de Bolsa, BBVA Seguros Colombia S.A. and BBVA Seguros de Vida Colombia S.A. The headquarters are located at Carrera 9 No. 72-21 Bogotá, Colombia.

MAIN ACTIVITY

BBVA Colombia is a banking entity that is part of a global financial group, with a diversified business offering financial services in 25 countries to more than 71 Million customers. With more than 60 years of experience in the Colombian financial sector, BBVA is committed to the country's economic and social development. It has a presence in more than 120 municipalities through a network of 370 branches, 24 branch extensions, 94 in house offices, 6 service centers, 1,485 ATMs and nearly 48,000 banking correspondents, in addition to having converted its agencies into branches, which improved the service of the 29 converted points.

BBVA Colombia is recognized as an agile and modern bank, characterized by its commitment for leadership and innovation, thus attaining top positions in the financial sector. In addition, it aims to sell its products and services to individuals and corporate customers, organized by segments to classify customers and their needs according to its product offering.

Banks that serve individual customers:

- Commercial Banking
- Private Banking or Wealth Banking
- Personal Banking
- Constructor

Products and Services Portfolio that BBVA Colombia offers to individual customers:

Consumer

- Consumer loans, with physical TD guarantee
- Payroll Advance
- Loan Purchase
- Education loans
- Revolving Loans
- Personal loan
- Pre-Approved

Payroll Loan

Vehicle

- New or Used Vehicle, for Private or Public Service, Loans
- Motorcycle Financing

Mortgage

- Acquisition
- Enlargement
- Remodeling
- Construction

Universal Products

- Debit Cards
- Credit Cards

Loan Purchase
Saving Accounts
TD
Investment Funds

Insurance

- Life Insurance
- Insurance for the protection of assets
- Debt support and BBVA credit guarantee

Business Costumer Clients

- SME Banking
- Business Banking
- Corporate Banking
- Government Banking

BBVA offers diversified financial services and innovative digital solutions to 71 million customers in 25 countries.

Portfolio of products and lines of financing that BBVA Colombia offers to its business customers

SME BANKING

Financing

- Credipyme
- Sales Advance
- Virtual Credit
- Working Capital
- Investment loans
- Constructor
- Leasing Agrocrédito
- Surety and guarantees
- Factoring and reverse factoring
- Credit cards
- Development Agency Working Capital

Treasury Management

- Collections
- Payroll
- Supplier and tax payments
- Transactional Channels
- Savings account
- Checking account
- Time Deposit Certificate
- Investment funds (through BBVA Asset Management Sociedad Fiduciaria)
- Treasury Management
- Stand By (issued and received)
- Bancoldex rediscounted lines (import and export)
- Letters of Credit (Import and Export)
- Working Capital
- Export & Import Collection
- Non-Recourse Import Factoring
- Funded Direct Transfers
- Advance Funded Direct Drafts
- Export pre-finance
- Transfer, Direct Drafts and Withdrawals

Payment Solutions

- Merchant Acquisition
- MPOS Mobile Device
- Ecommerce non presential with sales link
- QR interoperability
- Transfiya
- Transactional offer with preferential commissions for web channel and app management
- Own bank and ACH payments
- Payroll Special Offer

BUSINESS BANKING

Financing
- Working Capital
- Investment Loans
- Construction
- Agrocredit
- Finagro Loans
- Agribusiness Credit Card
- Agroleasing
- Agro-sustainable
- Surety and guarantees
- Factoring and Confirming
- Credit Cards
- Working Capital Development Loan

Treasury Management

- Collections
- Payroll
- Supplier and tax payments
- Transactional Channels
- Savings account
- Checking account
- Time Deposit Certificate
- Investment Funds

International trade

- Stand By (issued and received)
- Bancoldex Rediscount Lines
- Letters of Credit
- Working Capital
- Export & Import Collection
- Non-Recourse Import Factoring
- Financed Direct transfers

Money Desk

- Forwards
- Foreign exchange rate hedging operations
- Interest rate in hedging operations
- Export pre-financing
- Transfers, direct transfers and reimbursement

GOVERNMENT BANKING

Financing

- Long-term loans in the form of borrowing
- Lease line
- Short-term lines

Resources

- Master Account Development and Management

Other Savings & Checking Accounts

“Efectivo” and “Pais” Investment Funds
Time Deposit Certificate

BBVA Colombia has account solutions to cover cash management and investment needs of business customers:

- Business Savings Account
- Traditional Demand Deposit Account
- Company Demand Deposit Account
- Government Interest-Bearing Demand Deposit Account
- Collective investment funds
- Time Deposit Certificate

BBVA Colombia offers a broad portfolio of products, including financing, treasury management and payment solutions, tailored to each segment.

At a transactional level, BBVA Colombia has a robust portfolio of cash management solutions designed to meet the needs of business customers:

Cash in	Cash out
• Domestic collection: Bank offices and correspondents • Cash collection: direct and protected • Merchant Acquisition: in-person and non-present sale • OpenPay payment aggregator • PSE gateway • Collection on BBVA digital channels (app, web, ATM and IVR)	• Transfers to BBVA accounts • Interbank transfers: ACH, Cenit and Sebra • Bulk cash payments • Checks

We facilitate transactions through multiple digital and physical channels, **enhancing the customer experience with personalized and efficient services.**

BBVA Colombia offers various transactional and digital channels:

- Branch network
- ATM network
- Banki correspondents
- BBVA In house
- BBVA mobile
- BBVA net
- BBVA net cash
- BBVA Line
- Host 2 host
- Web service

In addition, the following services:

- Domestic wire transfers
- International wire transfers
- PagAtiempo
- Customization of channels and services
- Payment of services and digital collection
- SMS, email and BBVA mobile messages and notifications
- Interbank debit
- Support leasing operations and foreign trade

INTELLECTUAL PROPERTY

In accordance with Article 47 of Law 222 of 1995, as amended by Law 603 of 2000, BBVA Colombia complied with the legal provisions related to intellectual property and copyright in the development of its corporate purpose. It had the ownership of the trademarks, slogans, names and commercial flags, logos, among others, as well as due licenses, sublicenses or authorizations to exploit them through contracts signed with the owners or authorized third parties.

During 2024 and beyond, **there were no pending claims by authorities or third parties** involving possible violations of intellectual property or copyright regulations.

With regard to software installed, in use or in the possession of BBVA Colombia, these have the corresponding licenses and controls have been implemented so that the processes of purchase, development, installation, adaptation and maintenance of each one comply with the legal requirements on copyright, privacy and e-commerce.

VALUE CHAIN AND OTHER BUSINESS RELATIONSHIPS

GRI 2-6

During 2024, BBVA continued to strengthen its relationship with suppliers, based on respect. Therefore, the entity undertakes not to discriminate or allow any discrimination in the assessment, selection, awarding or hiring processes, for reasons of gender, race, age, nationality, religion, sexual orientation, disability, family origin, language, political ideology, political or trade union affiliation, or any other characteristic that is not related to the bases and conditions of the procurement selection or which consideration is prohibited by applicable law.

The procurement processes, in which local and foreign suppliers participate, and which belong to the various sectors of the economy, such as Commerce, Real Estate, Construction, Education, Health, among others, are assessed through the Vendor Risk Management (VRM) model, which is the framework by which the Supplier Assessment Process is governed and which aims to assess the level of risk of the suppliers with which BBVA institutions in Colombia operate now days and, of course, of all those with whom a relationship is going to be established.

BBVA continues to strengthen its sustainability-related message, aligning with internal policy updates related to the Supplier Code of Ethics. In the case of the fight against climate change and the protection of natural capital, BBVA aims to promote the global joint effort to accelerate the shift towards a net-zero emissions economy by 2050, and the preservation of natural capital. Consequently, BBVA aspires to work with suppliers with policies and procedures aligned with this vision, which is why suppliers must, but are not limited to:

- Ensure compliance with current environmental legislation, international agreements and other legal and regulatory provisions of an environmental nature, regardless of the jurisdiction of origin or destination.

- Manage and reduce its direct impacts, such as carbon footprint, water footprint, recycling and waste management, etc., and indirect impacts derived from its value chain.

- Foster the transition to a net-zero economy.

With respect to human rights, BBVA works with suppliers that have human rights policies and procedures in place in accordance with the United Nations (UN) Guiding Principles on Business and Human Rights, as well as with existing legislation.

This means that suppliers must, but are not limited to:

- Ensure that the hiring of its employees is done in compliance with current labor and immigration legislation, international conventions and other legal and regulatory provisions of a labor nature, regardless of the jurisdiction of origin or destination.

- Prohibit forced labor, ill-treatment of its employees and any type of human being trafficking.

- Ensure that they comply with ILO Convention No. 138 on Minimum Age for Hiring and Convention No. 182 on the Elimination of the Worst Forms of Child Labor, and that children are not recruited in accordance with these Conventions.

- Ensure that their employees are treated with respect and dignity. A work environment will be provided in which diversity and inclusion are promoted and in which there are no discriminatory attitudes based on gender, race, age, nationality, disability, religion, sexual orientation, ethnic origin, language, political ideology, political or trade union affiliation or any other unjustified condition or circumstance.

- Promote respect for and compliance with occupational health and safety regulations in accordance with current legislation, providing its workers with a safe environment free of health risks and promoting accident prevention among all its staff.

- Provide their employees with a fair salary that is at least equal to the minimum legal in place or that established by agreement, if this is higher.

- Respect working hours in such a way that they do not exceed the maximum number of hours allowed in applicable legislation.

- Respect employee freedom of association of and especially with regard to collective bargaining, without adverse consequences or reprisals arising from this exercise.

In conjunction with the Global Procurement Area, participation in the training program for SMEs **"Sustainable Suppliers"**, developed by the Spanish Network of the UN Global Compact, in collaboration with ICEX Spain and the ICO Foundation, has been encouraged. The aim of this program is to train suppliers in the area of sustainability, taking as a reference the ten principles of the United Nations Global Pact and the Sustainable Development Goals (SDGs).

Program instruction is done in 3 ways.

- *On-demand sessions:* sessions available for suppliers to complete the program at their own pace on the virtual platform.

- *Live sessions:* live virtual sessions, with experts in different sustainability topics.

- Downloadable materials: resources and practical guides to guide SMEs in the implementation of the different sustainability actions and strategies.

The content of this program is in Spanish, English and Portuguese. In addition, from the data for the year 2024, the following is concluded:

Table 1. Total number of participants in the SME training program SMEs "Sustainable Suppliers"
(Figures in number)

Total participants	SMEs	Satisfaction indicator*
2183	1952	94%

* Suppliers who feel that the program has been useful for their company.

On the other hand, work continues on the implementation of the Kaizen project for the subsidiary companies, which is led locally from the Finance area. This project offers the Bank greater control, traceability and visibility of the status of the pre-approval and negotiation processes, automatic updating of company information and online management by the areas that use orders. All the Bank's subsidiaries that contract outside the supply perimeter participated in this project, fulfilling the following objectives: to reduce "out-of-the-norm contracting" and to improve and extend the supplier assessment process.

BBVA Colombia strengthens its value chain with suppliers, promoting sustainable practices **aligned with the Sustainable Development Goals (SDGs).**

Supplier Information

Table 2. Supplier Information
(Figures in number)

Concept	2024	2023
Number of online transactions Adquira (1)	98	87
Number of requests registered by GPS. (2) (3)	1723	1809
Suppliers approved and/or assessed at the end of the year. (4)	793	819

1. Number of online transactions Adquira. Colombia and Corporate processes are reported for all of 2024.

2. Number of requests registered by GPS. Effective requests are reported . Petitions rejected and in creation by the user areas are rejected.

3. Percentage decrease in requests registered in GPS. Variation is reported for 2024, since the needs of the areas were consolidated, as well as different price agreements were made, which leads to a decrease in the specific purchase requests that run through the supply circuit.

4. Percentage decrease in suppliers assessed. The variation is reported for 2024, since part of the VRM assessment model is executed according to typology, which has two time thresholds. In the case of high and medium risk suppliers, their assessment is valid for one year, and for low risk suppliers, their assessment is valid for two years, so low risk suppliers who were assessed the previous year will have their process renewed until 2025.

Free flow of invoices

In compliance with the provisions of Law 1231 of 2008 and added with Law 1676 of 2013, the Bank informs that it does not have as a practice the withholding of invoices from our suppliers, defining internal policies to guarantee the free flow of invoices issued by vendors or suppliers.

RISK MANAGEMENT WITH SUPPLIERS

GRI 204-1

Procurement practices

Table 3. Percentage of payment to local suppliers
(Figures in percentages)

Concept	2021	2022	2023	2024
Percentage of payments to local suppliers.*	79.46	72.84	72.57	73.68

* Individuals or legal entities that supply goods, products or services and are legally constituted in Colombia.

Payments to local suppliers during 2024 increased by 21.51% when compared to 2023: these went from 942 billion to 1,145 billion. A greater number of invoices were filed in the year, the volume for 2023 was 42,684 payments, in comparison to 45,849 payments for 2024.

Although the volume of suppliers receiving payments remains similar from one year to the next, there is a variation in the total amount paid due to an increase in the cost of contracted services. This is the result of annual rate adjustments established in the contracts.

Table 4. Completed domestic payments
(Figures in COP millions)

Concept	2023	2024
Total annual payments	35,180	38,539
Domestic payments	34,758	38,166
International payments	422	373

An increase of 9.8% is observed in national payments made during 2024, compared to 2023, according to the invoices filed in the billing mailbox. 40% of the payments made during 2024 correspond to 12 suppliers with an amount paid of COP 461 million. These same suppliers represent 35% of the payments made during 2023, with a paid amount of COP 328 million. In addition, **there is evidence of an increase in the amounts paid during 2024,** that include new suppliers, an increase in rates, an increase in services provided, among others.

We increased our payments to local suppliers in 2024, **with a 9.8% growth in national transactions.**

Annual Report 2024

2 Statement of non-financial information

Committed to the sustainable development of Colombia

Statement of non-financial information

BBVA Group Summary

GRI 2-22

BBVA is a global financial group, with a customer-centric vision. It has more than 71 million active customers and 121 thousand employees. The Bank is present in more than 25 countries, has a leading position in the Spanish market and is the largest financial institution in Mexico and has leading franchises in South America and Turkey. In addition, it has a significant investment, transactional and capital markets banking business in the United States.

In order to have a positive impact on its customers, **BBVA provides solutions and customized advice, with an optimistic vision and perspective,** leading them towards a future that is built with the decisions they make every day.

BBVA accompanies its customers at all times, to help them make the best financial decisions and achieve their life and business objectives. That is, accompany in order to help move forward.

BBVA's commitment to sustainability is key to this, as it offers financing and innovative solutions for customers in their transition to a more sustainable and equitable world. An example of this is the channeling of €300 billion into sustainable business for the period from 2018 to 2025.

In line with its Purpose, **BBVA continues to lead the transformation of the financial industry with innovation and new technologies,** key levers to achieve this support with a positive and differentiated impact on customers and society. This innovation leadership is evidenced by the Bank's differential digital capabilities.

SUSTAINABILITY IN THE BBVA GROUP

Sustainability is governed by the principle of **ensuring present needs without compromising future generation needs,** working for the protection of the environment, economic growth and social development.

In line with the General Sustainability Policy, BBVA is facing the sustainable development challenge from a holistic perspective, considering environmental, social and governance (ESG) aspects.

Likewise, BBVA aims to generate a positive impact through the activities of its customers and its own activity, as well as through its relationship with and support for society, to make its Purpose a reality and fulfill its strategic priority:

> **"Helping customers in the transition to a sustainable future"**

Environmental

The fight against climate change is one of the greatest disruptions in history, with extraordinary economic consequences, to which all actors in the environment: governments, regulators, companies, consumers and society, have to adapt. BBVA understands the environmental dimension of sustainability as the management of the

BBVA's commitment to sustainability is key to accompany its customers at all times, as it offers them financing and innovative solutions.

impacts, risks and opportunities linked to this fight against climate change, the transition to a low-carbon economy and the protection and regeneration of natural capital.

Social

Companies are fundamental actors for the development and progress of societies. BBVA understands the social dimension of sustainability as the management of impacts, risks and opportunities in relation to its customers, employees, suppliers, communities affected by its activity and society in general.

Governance

Companies must conduct their activity in strict compliance with current and applicable legislation, in a responsible manner and in accordance with strict standards of ethical behavior. BBVA understands that the governance dimension is linked to business conduct and regulatory and control policies and frameworks on sustainability.

ESG strategy and objectives

BBVA has established sustainability as one of its 6 strategic priorities, focusing its attention on **the fight against climate change, the protection of natural capital and the promotion of inclusive growth.** With the aim of materializing its Purpose of "Bringing the opportunities of this new era within everyone's reach", BBVA is committed to supporting its customers in the transition to a more sustainable future.

Decarbonization requires a structural technological transformation and progressive changes in demand that immediately impact all industries globally, generating an

BBVA prioritizes sustainability, focusing on climate change, natural capital and inclusive growth.

unprecedented investment cycle. **It is estimated that global investments of about USD 275 trillion will be needed until 2050,** equivalent to an annual investment of 8% of global GDP.

Banks play a key role in financing this transformation and channeling funds into decarbonization technologies that promote long-term growth. In addition, as already mentioned, there are large inequalities that could increase due to climate change and decarbonization efforts, and banks are called upon to play a fundamental role in development through financial inclusion, infrastructure financing and the promotion of business fabric.

Being a pioneer provides a competitive advantage, by allowing the capture of a greater share of incremental business, thanks to positioning, expert knowledge and the development of differentiated management of risks associated with sustainability. Seizing this opportunity takes years to carry out a profound transformation across the value chain, including strategies, policies and processes, business capabilities and risk management.

Convinced of the importance of being a pioneer, **since 2019, BBVA has placed sustainability at the center of its strategy** and has made significant decisions that have accelerated its transformation process, as can be seen below:

- Creation of the Global Sustainability Area, at the highest level of the organization, focused on business.
- Risk management that includes sustainability as a relevant lever.
- Variable compensation for all employees, associated with the promotion of sustainable business.
- Sustainability is at the heart of BBVA's strategy, through objectives that are committed to it.

For this reason, the implementation of the strategy is based on the achievement of two main objectives:

PROMOTE NEW BUSINESS THROUGH SUSTAINABILITY

Channeling of sustainable business

€206 MM EURO
Since 2018 to December 2023

€300 MM EURO
2025 Objective

REACH ZERO NET EMISSIONS BY 2050

Setting and managing decarbonization objectives for 2030

Sectors

- Oil and Gas
- Automobiles
- Cement
- Aviation
- Power generation
- Steel
- Coal
- Maritime transportation

Los sectoreThe sectors correspond to those with high emissions and include oil and gas, power generation, automobiles, steel, cement and aviation at the BBVA Group level. The percentage of the loan portfolio does not include the coal sector, for which BBVA has defined a phase-out plan by 2030, in developed countries, and globally, by 2040, (under the terms of the Environmental and Social Framework), nor does it include the maritime transport sector.

"Customers who actively manage their transition" are those classified as "advanced", "robust" or "moderate", according to internal transition assessment tools such as the Transition Risk Indicator (TRI), considering their medium-term emission reduction targets and the levers for managing such emissions, as well as their committed investments to execute their transition plan.

Fostering a new business through sustainability

BBVA applies a holistic sustainability vision that includes 3 dimensions in all the geographic locations where it operates:

- **Climate.** Business opportunities in relation to limiting global warming through electric transport, energy efficiency, renewable energy, etc. For more information, see the "Climate Action" section.
- **Natural capital.** Business opportunities in relation to nature through agriculture, water and recycling.
- **Inclusive growth.** Business opportunities in the social field through inclusive infrastructures, entrepreneurship and financial inclusion, among others. For more information, see the "Inclusive Growth" section.

BBVA integrates sustainability into its strategy, with clear objectives to achieve zero net emissions by 2050 and promote sustainable business.

Priorities

Promoting the development of financial solutions and personalized proposals for customers to capture incremental business opportunities related to sustainability, with a differentiated approach for each segment.

- **Wholesale customers (corporate and institutional).** Sector solutions based on innovation and the development of specialized knowledge, focused both on the opportunities of the transition to more sustainable production models, and on the customer's contribution to inclusive growth.

- **Business customers.** Proposals focused on simple and scalable solutions that allow potential economic savings, for example, in terms of energy efficiency or fleet renewal.

- **Retail customers.** Customized digital solutions based on data analytics for the mass market with a focus on energy savings in the customer's home, solutions for their mobility or financial and social inclusion.

  In addition, through BBVA Asset Management (BBVA AM) and its asset managers in the geographies where it operates, the Bank offers sustainable investment solutions for its customers.

- **Development of differential risk management capabilities.** Based on a low exposure to sectors with high carbon emissions, BBVA aims to increase business thanks to its competitive advantage in sustainability, based on differential knowledge on climate risk management. This allows to capture business opportunities while managing risk. To this end, specific risk frameworks are developed to support new businesses (e.g., new sustainable technologies), defining a plan to attract new customers based on their level of transition.

In addition, the Group continuously develops its capabilities through the creation of advanced tools and the continuous training of its risk teams.

Implementation of control processes. BBVA works on the definition and adaptation of processes to ensure operational efficiency and adequate internal controls, including the definition of solid criteria to classify sustainable business, paying attention to data quality, the assessment of non-financial risks and the definition of mitigation measures. This implementation process is based on the integration of sustainability in the organization with a solid governance model.

With regards to the compensation system, incentives related to sustainable business have been implemented for the sales network, along with an annual variable compensation linked to the promotion of sustainable business for all employees. For more details on the inclusion of non-financial indicators in the calculation of annual variable compensation, please refer to the "Compensation" section of this report.

In addition to financing the transition through its business, **BBVA contributes to the development of new and innovative low-carbon** technologies through investment commitments in climate funds focused on decarbonization. These funds invest globally in leading companies in technological and climate innovation, seeking innovative solutions that help decarbonize the planet.

1. *SECTOR ALIGNMENT* PLANS	2. *ASSESSMENT OF CUSTOMERS'* TRANSITION PLANS (*TRANSITION RISK INDICATOR – TRI*)	3. INTEGRATION INTO *THE OPERATIONS ONBOARDING PROCESS*
To define a business strategy and guide selective growth based on risk considerations and business opportunities	With specific tools integrated into the business strategy and decision-making process.	Una gestión proactiva y dinámica de la cartera, evaluando el impacto de transacciones individuales

Developing a decarbonization strategy to align our portfolio and capture business opportunities

Reach net zero emissions by 2050

BBVA has developed a decarbonization strategy for portfolio alignment and a management model to monitor decarbonization objectives and capture business growth potential through:

- Sector alignment plans to define a commercial strategy and guide selective growth based on risk considerations and business opportunities.
- Assessment of customers' transition plans based on the TRI, with specific tools integrated into the business strategy and decision-making process.
- Integration into the admission process of operations. That is, proactive and dynamic portfolio management, assessing the impact of individual transactions.

BBVA recognizes that meeting decarbonization objectives also depends on governments, regulators and supervisory bodies, through their policies. **Cooperation between the financial sector and these actors is key to achieving an effective and lasting change towards a cleaner and more sustainable economy.**

BBVA Group Strategy

Purpose, values and strategic priorities

BBVA's strategy includes trends that are transforming the world, especially those that **"Put the opportunities of this new era within everyone´s reach,"** always keeping the customer at the center of the Group's activity. Likewise, the Group applies solid values such as "The customer comes first", "We think big" and "The Bank is one team".

BBVA's values and behaviors are integrated into models that promote the Group's transformation and in global management processes such as the selection of new employees, role assignment processes, and the assessment, development, training, and incentive for people to meet annual goals.

Thus, values, purpose and strategic priorities are present in all the decisions of the BBVA Group and in the DNA of all the people who make up part of it.

BBVA Values

OUR VALUES

WE THINK BIG
- We are ambitious
- We break the mold
- We surprise our customers

THE CUSTOMER COMES FIRST
- We are emphatic
- We have integrity
- We meet their needs

WE ARE ONE TEAM
- I am committed
- I trust others
- I am BBVA

In addition, BBVA's strategy is articulated on 6 strategic priorities

BBVA Strategic priorities

STRATEGIC PRIORITIES		
Improve our customer´s financial health	Grow in customers	The best and most committed team
Help customers transition to a sustainable future	Pursue Operational Excellence	Data and Technology

In 2024, BBVA made positive progress in the execution of the strategy as follows:

Improve our customer´s financial health

For years, BBVA has been developing functionalities, experiences and tools to accompany customers in their day-to-day lives, with solid experience of its human team, new technologies and the responsible use of data. Thus, in 2024 progress was made in providing customers with all pertinent financial solutions.

Help customers transition to a sustainable future

For BBVA, sustainability is about "helping customers transition to a sustainable future" through environmental protection, economic growth and social development. **BBVA contributes to various SDGs through the development of its business**, generating a positive impact thanks to the multiplier effect of banking, the direct impact of its activity and its investment in the community.

Climate change requires the decarbonization of the economy, a fact that impacts all industries and the way in which people consume, move and set up their homes. As a result, significant investments are required for the next decades.

For BBVA, sustainability is about **"helping customers transition to a sustainable future".**

Finally, there are great inequalities in the world, which may increase due to the effects of the economic transformation resulting from decarbonization or the destruction of natural capital. Aware of this, BBVA plays an important role in inclusive growth by providing access to banking and financial education to the population.

In 2024, **BBVA Colombia financed COP 11.4 Trillion in sustainable operations and projects,** representing a significant 150% achievement of the proposed placement goal for the year. The Bank's progress on the strategy to help its customers in Colombia transition to a sustainable future is in the chapters "Inclusive Growth" and "Climate Action."

Grow in customers

BBVA seeks to position itself with its customers, through its own channels and agreements with third parties, without forgetting profitable growth, betting on the most relevant product verticals and value segments. The Bank continues to make progress in its commitment to growth based on new business models, with a medium- and long-term horizon.

Pursing operational excellence

BBVA is committed to providing the best customer experience through simple, automated processes, while maintaining its focus on robust and optimal risk management and capital allocation. For this reason, it continues to transform its relationship model, to adapt to changes in customer behavior, improve service and be more efficient and productive, facilitating access to its products and services with simple processes. The role of the sales network is focused on operations with greater added value for the customer, redirecting interactions with less added value to self-service channels, which allows for a reduction in unit costs and achieving greater productivity.

The best and most committed team

A good team is a key factor in the success of the strategy. That's why BBVA's team is diverse, with a differentiated culture, guided by the Bank's purpose and values, driven by a talent development model that places the employee at the center and is based on trust, empowerment and transparency.

BBVA Colombia has an employee value proposition based on **3 pillars, Bank, Team and People,** which it continued to promote in 2024 through high-value initiatives for its employees, who continue to make positive progress in different areas of people management.

In order to consolidate the best team, the Bank's people management strategy is based on 3 key principles:

- Have a **committed and proud** team, who believe in BBVA's purpose and lives its values.
- The Bank seeks to achieve success in its businesses by **attracting and developing the best talent**, fostering a high-performance culture, and empowering its employees to feel ownership and responsibility for their goals in the organization, in addition to providing them with adequate training and efficient use of all resources.
- The Bank strives to create an ideal, open and flexible environment for talent, **prioritizing employee well-being,** providing them with the best advice and promoting inclusion and diversity so that everyone is and feels welcome.

BBVA Colombia's progress in its strategy to reach the most engaged and talented team is explained in detail in the chapter "Commitment to the Workforce."

Data and technology

Data management and technology are strategy accelerators. The commitment to the development of advanced data analysis capabilities, artificial intelligence (AI) and safe and reliable technology allow us to create differentiated solutions to have competitive advantages.

The responsible use of data and new technologies also make it possible to generate increasingly global processes, easily scalable and usable in different geographies, reducing processing unit cost.

Strategy Evolution Indicators (KPIs)

To monitor progress in executing strategic priorities, metrics or KPIs (key performance indicators) were defined.

The KPIs identified to monitor and assess the development of the business model are based on the Bank's 6 strategic priorities: financial health, sustainability, customer acquisition, operational excellence, the best and most committed team, and data and technology. **The model establishes financial and non-financial indicators** to assess performance, which are reviewed annually.

The financial indicators are focused on capital optimization and the search for efficiency: RORC, efficiency and attributable profit; and non-financial, in customer exposure: NPS, sustainability and target customers.

STAKEHOLDERS

, GRI 2-29

BBVA Colombia generates a positive impact on the lives of people, companies and society. This is the reason why it has a responsible model to provide banking services and has a solid commitment with generating long-term value for its stakeholders (shareholders and investors, customers, employees, unions, media, suppliers, regulators and society) in different action areas such as the relationship with the environment and social development, fiscal responsibility, prevention of conduct contrary to norms, human rights and through participation in international initiatives.

BBVA Colombia acts according to general sustainability principles:

- Supports customers in their transition to more sustainable business models, acting as a lever that enhances these behaviors.
- Progressively integrates the opportunities and risks associated with sustainability into strategy, business, processes and risk management.
- Ensures the environmental and social impact, direct and indirect, that businesses and activities can generate, promoting positive effects and reducing negative ones.
- Respects the dignity of individuals and the implementation of human rights according to national and international commitments.
- Develops investment programs and activities in the community to address the challenges of the cities in which the Group is present, with the intention of creating opportunities for all.
- Gets involved as an agent of social change, together with other stakeholders (employees, shareholders, suppliers and society), to create opportunities for all and puts its business competencies and knowledge, skills and resources at the service of society.

Regarding the identification of stakeholders, the BBVA Group completed a comparative analysis with similar companies in the financial sector using the benchmark as a reference and obtained the information from the sustainability reports of these organizations. After establishing the stakeholders and defining the impacts, internal and external surveys were conducted in order to obtain results through the assessment of the established impacts. **Each stakeholder was prioritized based on their experiences and expectations.**

DOUBLE MATERIALITY ANALYSIS

GRI 3-1, 3-2, 3-3

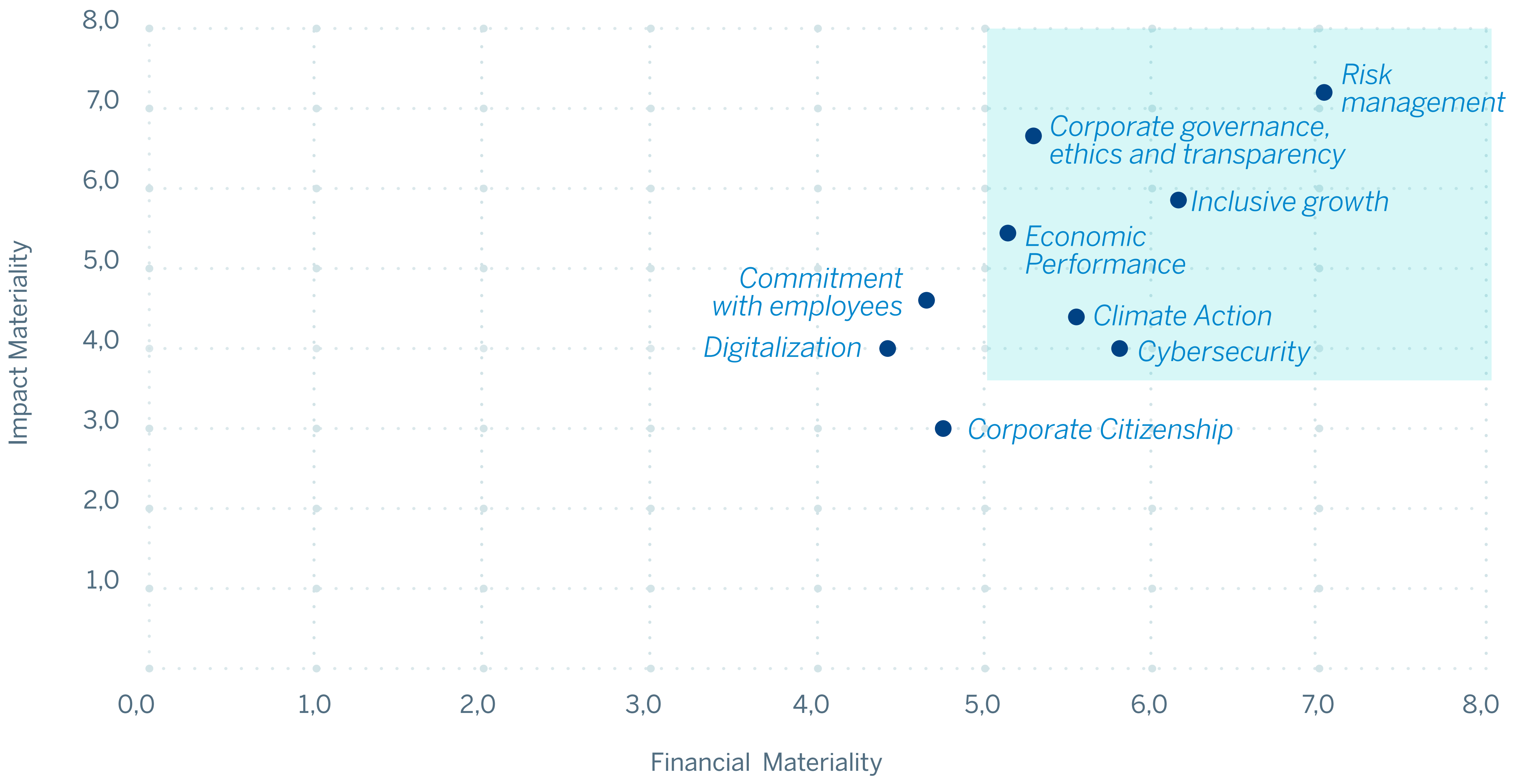
Material Issues

A materiality analysis was done, using the dual materiality approach proposed by GRI, in its December 2021 version, and the topics of Circular 031, issued by the Financial Superintendence of Colombia (SFC for its acronym in Spanish), as unanimously approved by the members of the Board of Directors in 2023, with the intention of generating value for its stakeholders. This process helped prioritize issues that are relevant to these groups and to the Bank.

Thus, we went from talking about "importance" to "impact" for the BBVA Group and stakeholders from a double perspective. That is, to assess the material for the BBVA Group in its financial situation and operating performance through financial materiality, **the external perspective ("from the out-side in")**, and the material impact of BBVA Colombia on people and the planet, through social and environmental materiality, t**he internal perspective ("from the inside out").**

The analysis integrated the perspective of stakeholders.

BBVA Colombia Double Materiality Matrix



As a result of this analysis, the most outstanding issues for BBVA Colombia were the following.

Table 5. BBVA Highlighted Issues

Material Issue	Definición
Risk Management	BBVA Colombia has a Risk Management and Control Model to assess its exposure, which includes social, climate, economic, environmental, governance, systemic and adaptation risks.
Corporate governance, ethics and transparency	The Bank ensures compliance with good governance practices, ensuring an environment of business ethics through compliance with regulations and the establishment of policies and measures against the fight against corruption, bribery and money laundering. In addition, it seeks to have transparent and effective communication channels with its stakeholders and the general public.
Inclusive Growth	BBVA Colombia supports disadvantaged sectors, without access to the financial system, through mass banking and the creation of new products and relationship models, as well as using new technologies to improve financial education in these sectors.
Economic performance	The Bank seeks ample capital and liquidity to contribute to the stability and growth of the national economy. In addition, it generates good results for stakeholders and is committed to resilience in the face of environmental challenges.
Climate Action	BBVA Colombia is committed to managing climate change, the orderly transition to a low-emission economy, developing products that ensure responsible use of resources (energy, water, materials, and others) and protecting biodiversity. In addition, it implements actions to adapt to the impacts and reduces the risks associated with the Bank's operations, developing products that promote mitigation and resource efficiency actions aimed at sustainable finance.
Cybersecurity	The Bank implements measures to guarantee the security of its systems and protect the confidential information of its users, preventing the materialization of cyberattacks that compromise the privacy and trust of its stakeholders.

The following key issues remain relevant to the 2022 Materiality Analysis: climate action, inclusive growth, and cybersecurity.

Methodology to determine material issues

Materiality analysis methodology phases

The materiality analysis was completed in 3 phases:

Phase 1: Identification of material issues relevant to stakeholders and the BBVA Group

The discovery of material issues was conducted from internal and external sources, **and the analysis was done through a benchmark to identify, compare and assess 9 companies in the financial sector with operations in Latin America**. These companies share their environmental, social, and governance (ESG) information through standards, frameworks, rating agencies, and sustainability indices. In addition, the information contained in the sustainability reports of these companies was used as an input for the recognition of material issues, stakeholders and, through bibliographic consultation, it was possible to identify the impacts, risks and associated opportunities.

To enrich the information of the benchmark, several consultations were made to internal and external sources.

Internal Consultations

- List of material issues to the Bank, coming from previous materiality analyses.
- Consultations with 24 employees, 9 of which answered interviews and 15 online questionnaires.

External Consultations

- Customers: 2 through interviews and 9 through online questionnaires.
- Suppliers: 10 answered online questionnaires.
- Society: 5 participated in a focus group.
- Trade Associations: one participant answered the interview and two answered online questionnaires.
- Media: 7 answered online questionnaires.
- Shareholders: 2 through interviews and 6 through online questionnaires.
- Regulators: review of documents and communications relevant to the Financial Superintendency of Colombia (SFC for its for its acronym in Spanish).
- In addition, sustainability reporting frameworks, such as GRI, SASB, TCFD, MSCI, UNEP-FI, Principles for Responsible Banking (PRB) and the benchmark were considered as external sources.

Phase 2: Identification of potential, positive and negative impacts, risks and opportunities for the material issues identified

To complement the information in the benchmark and obtain a more robust context, meetings were held with the management of Corporate & Investment Banking (CIB), Risks, Sustainability, Government and Companies, Individuals and SMEs, Experience, Claims and Complaints, Communication and Social Responsibility of BBVA Colombia. **The objective was to identify stakeholders, risks, opportunities, and impacts** from an "outside-in" perspective that could affect the Bank's management, performance, and position.

The identification of impacts (materiality of positive and negative impact) is detailed below:

BBVA consulted with 77 key groups **to identify ESG risks and opportunities and reinforce its sustainable strategy.**

Table 6. Identification of impacts on BBVA Colombia's material affairs

ENVIRONMENTAL		
Subtopic	**Impact of risks (Inside out)**	**Impact of risks (Outside in)**
Climate change	Reduction in the amount of global warming-causing gases released into the environment. (+)	• Impact on infrastructure due to extreme weather events. (-) • Damage to infrastructure due to extreme weather events.
	Contamination of soil, water, and air due to harmful substances. (-)	• Increase in operating costs due to extreme weather events. (-) • Interruption of operations due to extreme weather events.
		Deterioration to the loan portfolio due to non-compliance with customers' banking obligations associated with climate change impacts.
Sustainable finance	Withdrawal of investments from companies that rely on non-renewable energy sources, such as fossil fuels. (+)	
	Financial support for projects that do not meet sustainability criteria and that may make misleading claims about their positive environmental impact. (Greenwashing) (-)	
SOCIAL		
Subtopic	**Impact of risks (Inside out)**	**Impact of risks (Outside in)**
Inclusive growth	In general, improvement in the quality of life of customers and community. (+)	
	Strengthening of the local economy, through support for SMEs. (+)	
	Closing inequality gaps. (+)	
Commitment with Employee	Generation of employment and improvement of conditions and guarantees of employees. (+)	
	Generation of well-being and strengthening of the skills of the company's human talent. (+)	
Business continuity		Damage to infrastructure and operation due to disturbances of public order. (-)
Human talent		Difficulty in hiring and retaining talent in the industry due to changing worker preferences. (-)
		Reputational impact due to the non-adoption of international standards related to diversity, equity and inclusion. (-)

GOVERNANCE		
Subtopic	**Impact of risks (Inside out)**	**Impact of risks (Outside in)**
Corporate governance and proper management of all risks	Stability, business growth, and risk and opportunity management. (+)	Loss of reputation due to the generation of economic sanctions and/or regulatory non-compliance. (-)
	Increase in stakeholder confidence in the proper management of confidential information. (+)	Cost increase due to the generation of economic sanctions and/or regulatory non-compliance. (-)
	Improvement of banking services in Colombia. (+)	Reputational effects associated with not complying with commitments or having contradictory messages regarding ESG issues.
Solvency and financial results	Impact on the national economy by Bank operations (consumption / payment / savings). (-)	Reputational damage due to inadequate management of the transition to a low-carbon economy. (-)
	Increased economic activity due to positive results and positioning of the Bank. (+)	Increased operational costs associated with compliance with new rules and/or regulations. (-)
Financial health and personalized advice to customers / cybersecurity	Greater customer satisfaction due to continuous improvements in service provision and strengthening of the portfolio. (+)	
Cybersecurity		Reputational impact due to cyberattacks. (-)
		Partial and/or total interruption of the operation and/or loss of information due to cyberattacks. (-)
Business continuity		Economic instability of the organization due to market price volatility. (-)
		Loss of reputation due to poor corporate governance, composition and independence practices.
Legal/Regulatory		Loss of reputation due to financing of activities with high social and environmental risk.
Economic performance		Increased litigation costs associated with non-compliance with climate and environmental commitments.
		Increased costs for cyberattacks. (-)
		Impact on the portfolio due to poor management of the energy transition of customers in high-emitting sectors.
		Losses in the Bank's value and position due to changes in prices and/or customer consumption patterns.
		Effect on the Bank's solvency due to the non-payment of contractual obligations of customers.
		Effect on the portfolio due to over-indebtedness of customers.

Phase 3: Weighting and weighing material issues

As a result of the meetings, the Bank's management defined stakeholders, possible impacts, risks and opportunities they considered relevant from their areas. The consolidation process included the collection and automation of relevant information and consultation of external sources allowing to standardize the language, unify terms and define those that are predominant to be assessed by internal and external stakeholders.

Dual materiality matrix

The dual materiality matrix was developed using information from internal and external sources. The X-axis of the chart examines financial impacts, i.e., impacts assessed by the Bank's internal teams, from the outside in. The Y-axis analyzes the most significant impacts for external stakeholders, from the inside out.

To enrich the analysis of these material issues, relevant frameworks for the exercise were considered. In the X axis of financial materiality, the SASB reporting standard, UNEP-FI, the Principles for Responsible Banking and the implemented benchmark were included. For the impacts assessed from the Y-axis, the topics suggested by the Global Reporting Initiative (GRI) and the MSCI index were considered.

Impacts, risks and opportunities of prioritized material issues

In 2023, the double materiality analysis was used for the Bank, prioritizing relevant issues for the region. This report presents the management related to prioritized material issues.

In 2025, the Bank will focus on defining a strategy to manage the issues and their potential negative impacts, as well as measures to facilitate their reparation and support on the prioritized issues through concrete actions.

BBVA Colombia's sustainability strategy prioritizes climate action, inclusive growth and digital transformation.

3 Environmental

Committed to the sustainable development of Colombia

Environmental

POLICIES WITH SPECIFIC SOCIAL AND ENVIRONMENTAL COM-PONENTS

FS-1

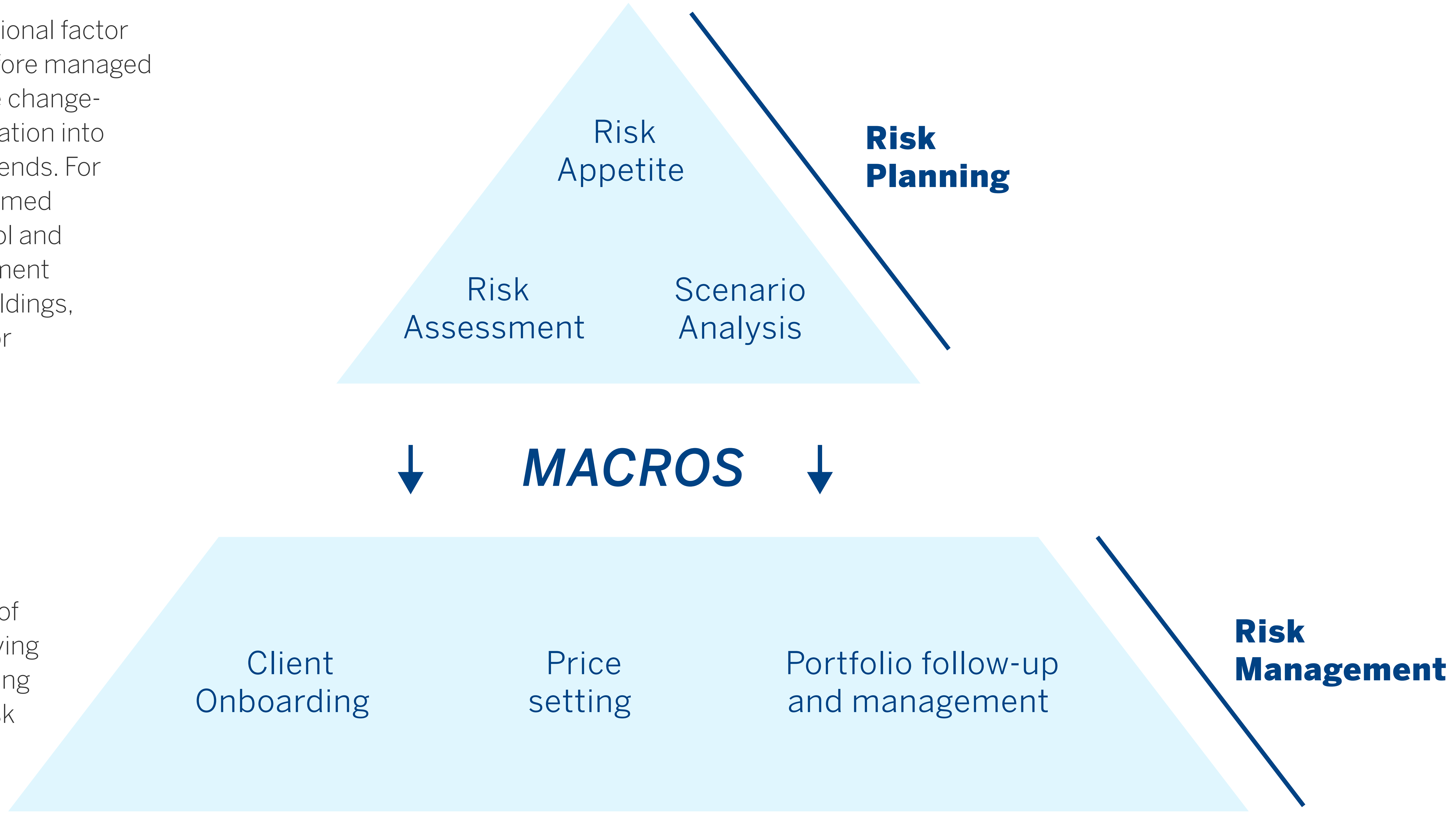
BBVA integrates a double materiality analysis, evaluating both its financial impact and its social and environmental contribution.

Incorporating climate change into risk planning

Risks associated with climate change (transitional and physical) are considered as an additional factor that affects the risk categories already identified and defined by BBVA Group and are therefore managed through the Group's risk management frameworks. As a result, the incorporation of climate change-related risks into the BBVA Group's risk management framework is based on their incorporation into the processes and governance currently in place, considering regulation and supervisory trends. For proper planning, it is essential to have reliable, complete and up-to-date data. All of this is aimed at guaranteeing a complete view of the Group's climate change risks for their correct control and management. Among the data considered are, responding to both regulatory and management needs, among others, those related to customers' climate scorings, energy efficiency of buildings, ESG ratings, greenhouse gas emissions, location of assets and collateral, and specific sector metrics.

The management of climate change risk in BBVA Group is based on the risk planning process that is marked by the defined risk appetite and is declined in the management frameworks that establish its treatment on a day-to-day basis.

Once climate change risk has been incorporated into the Risk Appetite Framework and business strategy, it is also necessary to incorporate it into risk management, forming part of the risk decision-making associated with assisting the Group's clients. This requires identifying these types of risks for their subsequent incorporation into management processes, including the consistent adaptation of policies, procedures, tools, parameterization, risk limits and risk controls.



Currently, **BBVA Group develops the methodologies and tools required to identify and measure different components of climate change risk** and to analyze the financial impact of each of these with a view to incorporate into management. These tools are based on metrics of financed emissions, alignment with decarbonization paths, vulnerability analysis and client and their collaterals exposure to climate hazards, and the analysis of climate scenarios that allow for a forward-looking view of risks, opportunities, and their financial impacts.

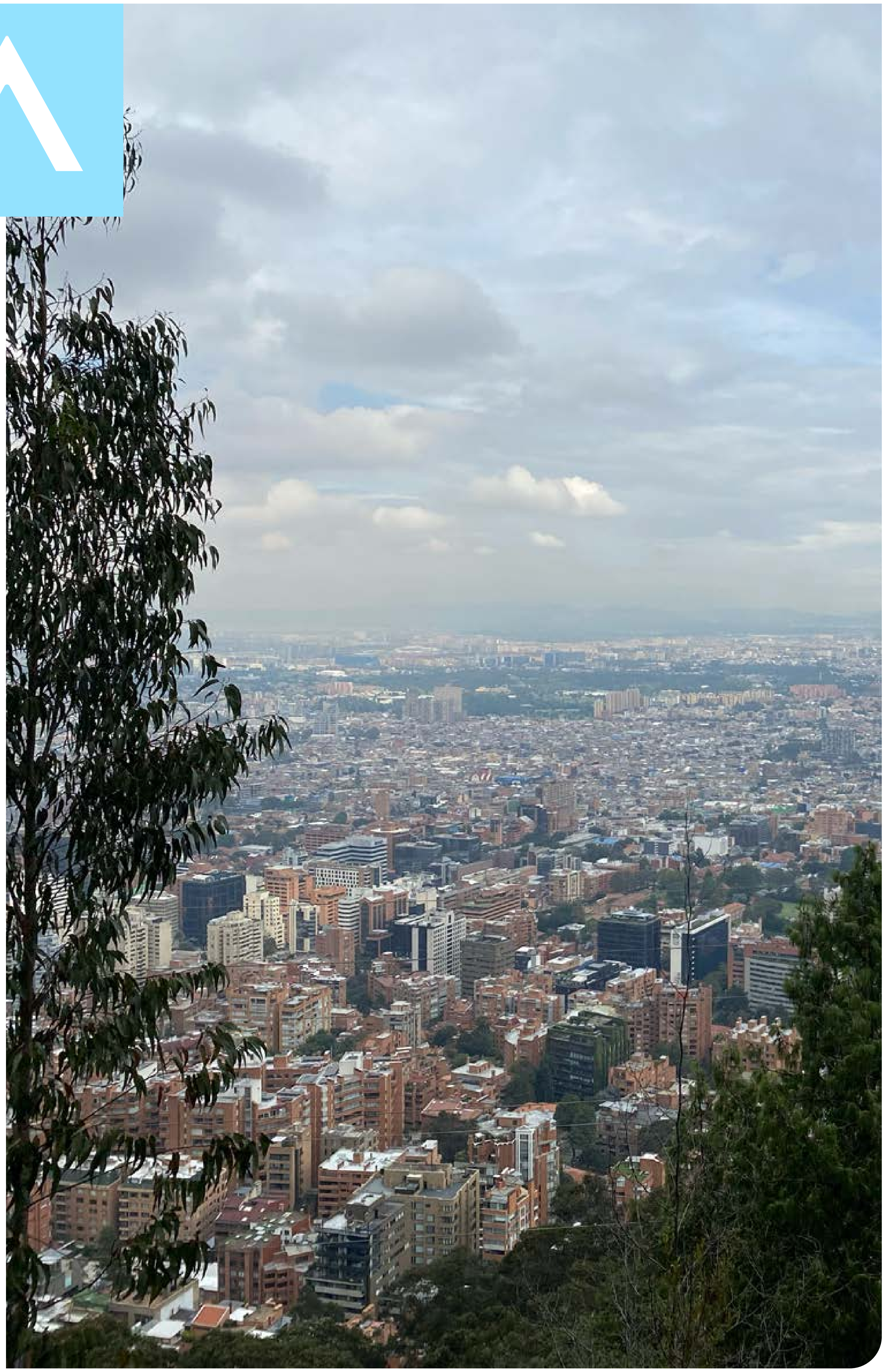
Policies and procedures have focused, initially, on incorporating transition risk in Sector Frameworks (a basic tool in the definition of risk appetite in wholesale credit portfolios) where climate criteria is specified in onboarding guidelines and in mortgage and vehicle retail credit action frameworks. This work has made it possible to define strategies and business plans aimed at meeting medium term alignment objectives established, as well as mitigating the risks related to balance sheet decarbonization.

Along with integration into sector frameworks, s**ustainability factors also continue to be systematically integrated into customer credit origination analysis processes,** allowing these to be incorporated into decision-making. This analysis is done in the Sustainability Toolkit, an environment integrated into BBVA Group's systems, which make it a common interface for the Risk and Business teams, where customers' sustainability information is visualized. This interface provides information on climate transition strategies, governance practices and management of climate risks and opportunities, decarbonization metrics and objectives, as well as progress in the management of other material ESG aspects for the customer's activity sector, compliance with BBVA Group's Environmental and Social Framework, the existence of social controversies, environmental and ethical standards, and level of alignment with the goals of the Paris Agreement and the level of emissions financed. The calculation of the transition risk score, called the Transition Risk Indicator, is made part of this environment.
For those sectors classified as High transition risk, an advanced transition risk score has been developed that allows all dimensions of transition risks to be incorporated into a customer's profile. The score assesses the current low-carbon profile, the levels of regulatory pressure in the geographical areas where it is present, the level of disclosure in terms of climate management, in line with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures) and the ambition and maturity of its decarbonization targets.

For those sectors classified as High Transition Risk, an advanced transition risk score has been developed that allows all dimensions of transition risks to be incorporated into a client's profile. The score assesses the current low-carbon profile, the levels of regulatory pressure in the geographical areas where it is present, its level of disclosure in terms of climate management in line with the recommendations of the TCFD and the ambition and maturity of its decarbonization objectives. The result of the score is a valuable tool to identify customers' strengths and weaknesses and allows defining concrete products to help them in the transition to low-carbon business models. **The result of the score is a valuable tool to better identify the strengths and weaknesses of customers** and allows to define specific products to help them transition to low-carbon business models.

Risk Assessment

As part of its General Risk Management and Control Model, the Group develops periodic risk identification and assessment processes that allow it to detect those material risks that could have a negative impact on its risk profile and, in turn, to carry out active



and anticipatory management of these. Thus, these processes cover all types of risks faced by BBVA, including those that are difficult to quantify.

The global Risk Assessment is a forward-looking exercise that is updated twice a year and allows for the comparison of different types of risk, business activities and time points, facilitating the understanding of the Bank's position and its evolution, as well as identifying the material risks that must be covered with capital.

Since 2020, the Group has been doing a climate assessment, mainly qualitative, to determine BBVA's vulnerability to transition risk and physical risk. During 2024, efforts were made both at the Group level and at BBVA Colombia's individual level, moving towards a quantitative approach in the development of the Climate Risk Assessment. In this process, a series of metrics were defined that have made it possible to objectively assess risk levels, both transition and physical. In the case of physical risk, the potential impacts associated with each of the identified hazards have been analyzed. In addition, **progress has been made in estimating the impact of transition risk and physical risk on BBVA's strategy and business model.**

Climate risk analysis BBVA Colombia

Within the framework of the consultancy to implement the recommendations of the Task Force on Climate - Related Financial Disclosures - TCFD and the Sustainability Accounting Standards Board - SASB standard to prepare reports aligned with these standards and respond to SFC Circular 031, a characterization and assessment of climate risks and opportunities was carried out through a consultation of the threats, transition risks and opportunities associated with climate change, considering the nature of the business model and climate events occurrence probability, according to several sources of climate information in the country.

Physical risks were identified, assessed and rated separately for each geographic region, given that there are different threats and, above all, different levels of vulnerability for each region. Thus, particular physical risks are related to the Caribbean, Andean, Pacific, Orinoquia and Amazon regions. The departments included in the study by region are

- Caribbean Region: La Guajira, Cesar, Magdalena, Atlántico, Sucre | and Bolívar.
- Andean Region: Antioquia, Cundinamarca, Caldas, Boyacá, Santander, Norte de Santander, Risaralda, Quindío, Tolima and Huila.
- Pacific Region: Valle del Cauca, Cauca, Nariño and Chocó.
- Orinoquia-Amazon Region: Amazonas, Casanare, Guaviare, Meta and Vaupés.

5 threats were identified in the different regions of Colombia, showing that intense rainfall events that cause floods, droughts and increase in temperature, occur with greater frequency in the Amazon, Andean, Caribbean, Orinoquia and Pacific regions, and coastal erosion and sea rise occur in the Caribbean and Pacific regions.

Based on the threats identified at the national level, financial risks were associated, which refer to the uncertainty produced in the performance of an investment, due to the changes produced in the sector in which it operates, the impossibility of capital repayment by one of the parties and the instability of the financial markets.

The results of the year are presented below and the physical risks by region, their classification and possible impacts are listed, considering the Bank's infrastructure, operations and financial materiality.

Table 7. Physical risks by region and related financial risks

Threats	Region	Physical risks	Related Financial Risk
Heavy rainfall events that cause flooding	Amazon, Andean, Caribbean, Orinoquia and Pacific	**Direct impacts:** 1. Infrastructure damage that affects the operation; 2. Technological equipment damage that limits the operation; 3. Limitation on the ability of employees to assist infrastructures due to road, public infrastructure, public utilities damage and on the well-being of employees.	1. Operational risk
		Indirect impacts: 1. Risk of default in loan portfolios and decrease in new customer acquisitions due to loss or impact on individuals' and companies' solvency caused by damage to their assets and productive infrastructure as a result of flood events; 2. Impact on operations due to service provider infrastructure damage (energy, aqueduct, sewerage and telecommunications).	1. Credit risk 2. Operational risk
Droughts	Amazon, Andean, Caribbean, Orinoquia and Pacific	**Indirect impacts:** 1. Default Risk in loan portfolios and decrease in new customer acquisitions due to loss or impact on individuals solvency due to damage to their assets and productive infrastructure as a result of drought events and phenomena derived from forest fires; 2. impact on operations due to energy rationing derived from drought events; 3. Impact on operations due to water rationing derived from drought events; 4. Impact on operations due to service provider infrastructure damage (energy, aqueduct, sewerage and telecommunications) resulting from phenomena associated with drought or forest fire events.	1. Credit risk 2. Operational risk 3. Operational risk 4. Operational risk
Coastal erosion	Caribbean & Pacific	**Direct impacts:** 1. Limitation on employees' ability to assist infrastructures due to road, public infrastructure, public utilities damage and on the wellbeing of employees.	1. Operational risk
		Indirect impacts: 1. Default risk in loan portfolios and decrease in new customer acquisitions due to loss or impact on individuals' and companies' solvency caused by damage to their assets and productive infrastructure as a result of coastal erosion phenomena; 2. Impact on operations due to energy, aqueduct, sewerage and telecommunication provider infrastructure damage.	1. Credit risk 2. Operational risk
Sea level rise	Caribbean & Pacific	**Direct impacts:** 1. Limitation on employees' ability to assist infrastructures due to road, public infrastructure, public utilities damage and on the wellbeing of employees.	1. Credit risk
		Indirect impacts: 1. Default risk in loan portfolios and decrease in new customers acquisitions due to loss or impact on individuals' and companies' solvency caused by damage to their assets and productive infrastructure as a result of sea level rise phenomena; 2. Impact on operations due service provider infrastructure damage (energy, aqueduct, sewage and telecommunications); 3. Changes in population demographic dynamics that affect the local economy.	1. Credit risk 2. Operational risk 3. Credit risk
Increase in temperature	Amazon, Andean, Caribbean, Orinoquia and Pacific	**Indirect impacts:** 1. Risk of decline in economic activity in some regions due to changes in population demographic dynamics and impacts on various economic sectors' development; 2. Default Risk in loan portfolios and decrease in new customer acquisitions due to loss or impact on individuals' and companies' solvency caused by increased morbidity and mortality rates resulting from rising temperatures.	1. Credit risk

Environmental and Social Risk Management System (SARAS for its Spanish acronym)

In addition to the practices and methodologies used in the BBVA Group, BBVA Colombia has worked since 2022 on implementing the Environmental and Social Risk Management System (SARAS, for its Spanish acronym) with the IFC. In 2023, the Bank included SARAS in its General Sustainability Policy and the approval of the General Standard on Environmental and Social Risks by the Risk Management Committee - RMC, which establishes a comprehensive management framework that includes policies, standards, procedures, tools, and mechanisms for the identification, categorization, assessment, control, monitoring, and follow-up of environmental and social risks that could be generated by projects, works, activities and customers to whom financing is granted and that may result in financial, reputational, credit, market and civil liability risks for BBVA Colombia.

The SARAS is aligned with other tools and methodologies used at the Group level, such as the analysis of the Ecuador Principles and compliance with the Environmental and Social Framework, as well as the standards, performance norms and exclusion lists of the International Finance Corporation (IFC) and the standards of the Inter-American Development Bank's (IDB) Environmental Social Policy Framework (ESPF). The SARAS is managed by BBVA Colombia Risk Vice Presidency's Wholesale Credit Directorate.

The environmental and social risk assessment process is included in the credit process, which includes pre-**admission, admission, formalization, monitoring and control stages.** Due diligence of operations that meet the established criteria and filters is performed by reviewing the following aspects:

a) Excluded and restricted activity lists

b) Compliance with applicable national legislation

c) System for the assessment and management of environmental and social risks and impacts

d) Labor and working conditions

e) Efficiency in the use of resources and pollution prevention

f) Community Health & Safety

g) Land acquisition and involuntary resettlement

h) Biodiversity conservation and sustainable management of natural resources

i) Indigenous peoples

j) Cultural heritage

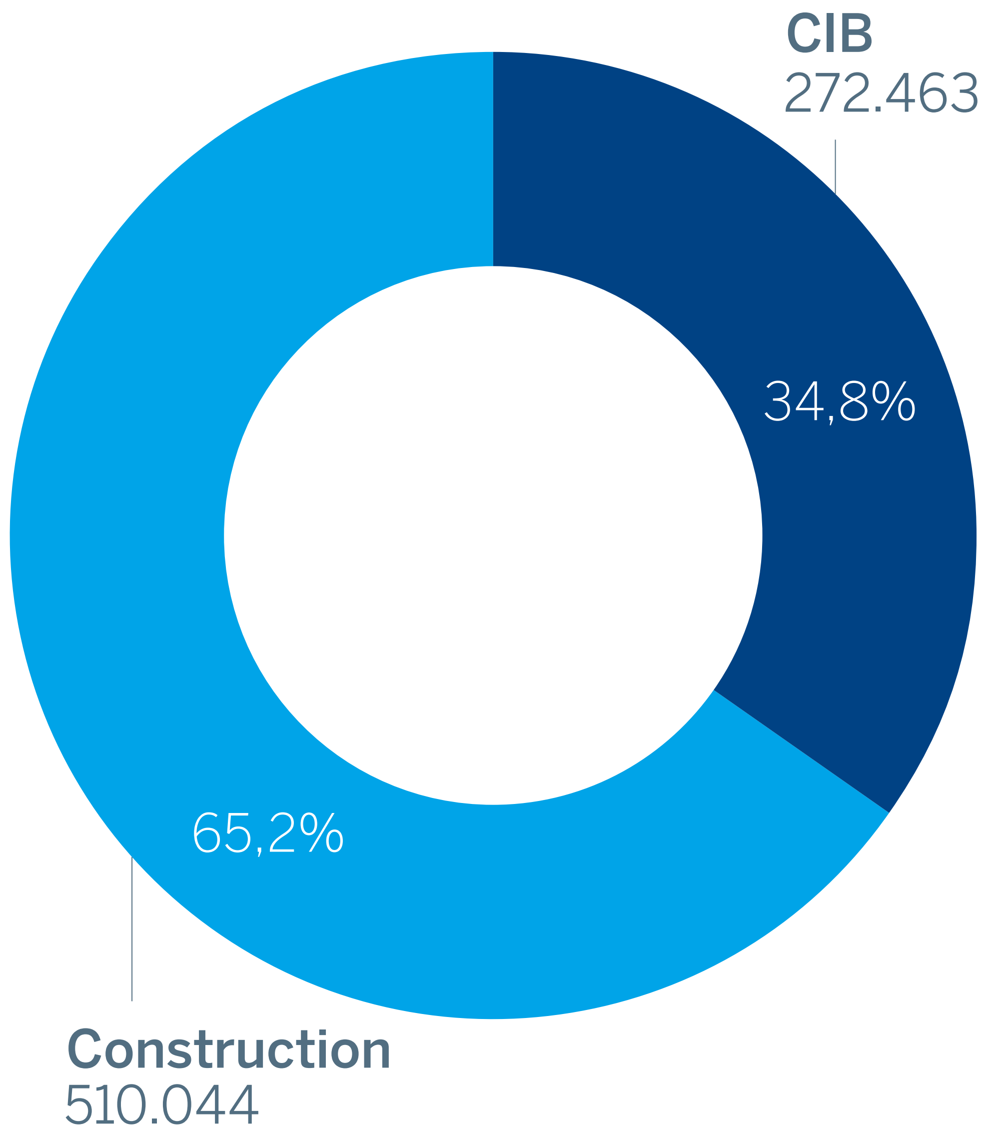
In 2024, once the operational phase of the Environmental and Social Risk Management System started, 18 assessments, for COP 750 billion, were done for projects in the CIB and Construction segments, according to the following metrics:

Table 8. Total investment in project evaluation of the CIB and Constructor segments
(Figures in COP millions)

Risk Category	CIB	Construction
A	272.463	-
B	-	510.044
C	-	
TOTAL	**272.463**	**510.044**

Likewise, during 2024, the Bank started the process to improve and adapt the General Environmental and Social Risk Standard to incorporate the management of risks derived from deforestation as well as the management of risks associated with the impact of biodiversity within projects and/or activities that meet the due diligence criteria and environmental and social risk assessment. In addition, during the course of the year and in the exercise of implementing the System, training sessions were established for the business and risk teams.

The work plan of the Environmental and Social Risk Management System (SARAS) for 2025 seeks to strengthen its structure, identify improvement opportunities, expand the scope of the assessments done, optimize the monitoring mechanism and consolidate the risk analysis processes in biodiversity and deforestation for eligible activities and projects.



Ecuator Principles

Since 2024, BBVA Colombia adhered to the Ecuador Principles (EP), which include standards for managing environmental and social risk in project financing. The EPs were developed based on the International Finance Corporation's (IFC) policy and performance standards on social and environmental sustainability and the World Bank's general guidelines on environment, health, and safety. **These principles have become the gold standard for responsible financing.**

The analysis of the projects involves subjecting each operation to an environmental and social due diligence process. The first step is to assign a category (A, B, or C) that represents the risk level of the project. The review of the documentation provided by the customer and the independent advisors allows to assess compliance with the requirements established in the Ecuador Principles according to the category of the project. Financing contracts incorporate the customer's environmental and social obligations. The application of the Ecuador Principles at BBVA Colombia has incorporated into the internal structuring, onboarding and monitoring of operations processes.

The analysis of the Ecuador Principles is performed for all operations structured as project finance and is done at the parent company by the Sustainable Finance team.

By the end of 2024, Ecuador Principles due diligence process metrics were available for projects financed in Colombia.

Integrating climate change into risk planning Opportunities arising from climate change

Climate change and the transition to a low-carbon economy are a huge challenge, but technological advances in energy, sustainable mobility, carbon markets, etc. will also generate new business opportunities. **Sustainability is one of BBVA's 6 strategic priorities, focused on the fight against climate change and inclusive growth**. On February 28, 2018, BBVA announced its first sustainable financial goal: €100 billion. In 2022, BBVA tripled this goal to €300,000 million by 2025. As of December 2024, the BBVA Group reached €99 billion. Thus, the bank has reached, a year ahead of schedule, its goal of channeling € 300 billion between 2018 and 2025.

BBVA Colombia contributed to meeting the sustainable financing goal by mobilizing COP 11.4 trillion by the end of 2024, of which COP 5.4 trillion (48%) were for the Climate Action strategy, including the launch of USD 70 million of the world's first Biodiversity Bond, and COP 5.9 trillion (52%) for the inclusive growth strategy.

Since 2018, BBVA has channeled €300 billion in sustainable financing, **meeting its target a year ahead of schedule.**

Table 9. Equator Principles Due Diligence Processes in Projects Funded in Colombia

Project	Sector	PE Cate-gory	Independent Review	Status
Pipeline construction	Oil & gas	A	ND	Canceled
Project for the design, construction, maintenance and operation of roads part of the fourth generation highway group.	Infrastructure and transport	A	Infrata	In effect
Spin off of fiber optic assets.	Telecommunications	C	ERM (Not required by category C)	In effect
Project for the design, construction, maintenance and operation of roads part of the fourth generation highway group.	Infrastructure and transport	B	ARUP	In effect
Expansion of the Aguadulce Buenaventura Port,.	Infrastructure	A	ERM	In effect

Financed Emissions

BBVA has made every effort to measure financed emissions in the retail and wholesale portfolios and has adopted the PCAF (Partnership for Carbon Accounting Financials) methodology to do this measurement. This calculation covers all portfolios and geographical areas, **allowing a holistic view of the emissions financed, identifying in which portfolios and sectors these emissions** are concentrated in order to subsequently define mitigation plans, as well as a cross-sectional view of the quality of data available to perform these calculations.

In the case of BBVA Colombia, the scope for the measurement of financed issuances of corporate loans, project finance, commercial and real estate, mortgages and vehicles was defined.

As a result of the estimation of emissions financed in BBVA Colombia for the 2024 financial year, it was determined that these were composed as follows: corporate loans 6,718,112.44 tCO^2, Project Finance 3,434.38 tCO^2, commercial and real estate 53,439.81 tCO^2, mortgages 979.10 tCO^2 and vehicles 92603.88 tCO^2.

PCAF offers several quality level scores when calculating financed emissions. The criterion considers the availability and reliability of the data used in the calculation by the entities and is measured on a scale of 1 to 5. In other words, the lower the quality of the data (estimates by sector or trends by industry, for example), the score is set a higher level, tending to 5. On the contrary, the best score is obtained when the financed emissions calculation is based on data reported and verified emissions at the individual counterpart level (score 1).

Table 10. Total emissions financed in BBVA Colombia
(Figures in € million, tCO^2, COP million, tCO^2 and COP million) Exchange rate € 1= COP 0.000222

2024								
ID	Asset Class	Risk € million	Emissions tCO^2	Intensity tCO^2 / € million	Score	% exposure included in emissions calculation	Risk COP million	Intensity tCO^2/ COP million
1	Business Loans	4.511	6.718.112,44	1,490	3,92	100	20.299.500	0,33
2	Project Finance	190	13.434,38	70	4	100	855.000	0,02
3	Commercial Real Estate	836	53.439,81	65	4,7	100	3.762.000	0,01
4	Mortgages	3.243	979,10	7	4,0	100	14.593.500	0,00
5	Motor Vehicle Loans	370	92603,88	254	5	100	1.665.000	0,06
2023								
ID	Asset Class	Risk € million	Emissions tCO^2	Intensity tCO^2 / € million	Score	% exposure included in emissions calculation	Risk COP million	tCO^2/COP intensity million
1	Business Loans	4.374	12.929.933	2,956	3,92	3,92	100	18.473.000
2	Project Finance	162	13.935	86	4	4	100	684.185
3	Commercial Real Estate	880	187.123	213	4,7	4,62	100	3.716.561
4	Mortgages	3.474	25.721	7	4,0	4,02	100	14.671.971
5	Motor Vehicle Loans	375	145.471	388a	5	5	100	1.583.762

03. OBJECTIVES ALIGNED WITH 2030 AND ATTRIBUTED EMISSIONS (BANKING ACTIVITY)

Sector and Pacta Value Chain	Metric	Emissions scope	Scenario	Base year (1)	2030 target	Target reduction	2023	2024	Market data 2024	2023 reduction vs. base year	2024 reduction vs. base year	Methodology	Attributed emissions associated with the value chain (MTn CO2e) (2)
OIL AND GAS *(upstream)*	Absolut Emissions (Millions of t)	1&2&3	IEA_NZE	14	9.8	(30%)	10.6	10.5	n/a	(24%)	(25%)	PCAF	10.5
POWER *(generación)*	Emission Intensity (kg CO,e / MWh)	1&2	IEA_NZE	221	107	(52%)	167	139	427	(24%)	(37%)	PACTA	8.1
AUTO *(fabricantes)*	Emission Intensity (g CO,e / MWh)	3	IEA_NZE	205	110	(46%)	173	165	153	(16%)	(19%)	PACTA	2.8
STEEL *(fabricantes)*	Emission Intensity (kg CO / steel ton)	1&2	ISF-NZ	1.27 0.1	984	(23%)	1.181	1.146	1.690	(7%)	(10%)	PACTA	2.2
CEMENT *(fabricantes)*	Emission Intensity (kg CO / cement ton)	1&2	ISF-NZ	700	579	(17%)	713	731	710	(2%)	(4%)	PACTA	4.3
COAL *(minería carbón térmico)*	Total Amount (€Mn)	n/a	n/a	*	*	*	1.552	1.578	n/a	(9%)	(8%)	n/a	0.04
AVIATION *(aerolíneas)*	Emission Intensity (g CO / PKM)**	1	IEA_NZE	88 (5)	73 (5)	(18%)	90	90	94	(0.8%)	(0.4%)	PACTA	0.39
MARITIME TRANSPORTATION *(operadores)*	Alignment Delta (gCO / dwt * nautical miles) (3)	1	IMO	n/a	</=0%	n/a	Mínimum: 17,4% Effort: 21,7% (6)	Mínimum: 7,49% Effort: 2,99%	n/a	n/a	n/a	IMO	0.7
RESIDENTIAL REAL ESTATE *(Operating emissions)*	Emissions intensity (kg CO2e/m2/y)	1&2	PNIEC	21.2	14.8	(30%)	21.2	n/a	n/a	n/a	n/a	PCAF	1.7
COMMERCIAL REAL ESTATE *(Operating emissions)*	Emissions intensity (kg CO2e/m2/y)	1&2	PNIEC	21	11.7	(44%)	21.0	n/a	n/a	n/a	n/a	PCAF	3.3
ALUMINUM *(Primary manufacturing)*	Alignment delta (t CO2e/tonne aluminum) (3)	1&2	IAI&MPP	n/a	</=0%	n/a	1.4%	n/a	n/a	n/a	n/a	SAFF	0.6

* BBVA has set out the objective to eliminate exposure to coal by 2030 in developed countries and globally by 2024.

** PKM (Passengers per kilometer) measures emission intensity per passenger per kilometer travelled. This is calculated by multiplying the number of passengers per kilometer travelled. The metric gCo./PKM is adjusted by belly freight cargo factor.

(1) Base year 2020 for Power Generation, Autos, Cement and Steel; 2021 for Oil & gas; 2022 for Aviation; 2023 for Real Estate (commercial and residential). The base year corresponds to the previous year with respect to the year of publication of the sectoral target. For the Maritime Transport and Aluminum sectors, the delta of the annual alignment is calculated by reference to the trajectory for that year set by the International Maritime Organization (IMO), International Aluminium Institute (IAI) & Mission Possible Partnership (MPP), respectively. The Thermal Coal sector is not referenced to the base year as it does not apply a reduction target but BBVA aims to eliminate its exposure to thermal coal customers by 2030 in developed countries and 2040 globally, under the terms of its Environmental and Social Framework.

(2) The calculation was carried out using the PCAF methodology for BBVA S.A, BBVA Mexico, BBVA Colombia, BBVA Peru, Garanti BBVA and BBVA Argentina. The calculation of attributed emissions associated with the value chain has been carried out by aggregating all scope 1 and 2 emissions of the different NACE sectors within the analyzed sectors. PACTA calculates emissions intensity for the part of the value chain where most of the emissions are generated in order to make the sector's emissions efficient. In this way, it is assumed that by aligning the part of the value chain responsible for emissions, the sector as a whole is aligned. In the case of the Oil & Gas sector, the target is formulated in absolute emissions of scopes 1+2+3 and the published metric does not seek to make production more efficient, but rather the reduction of the sector's total emissions. Furthermore, this target does not affect the sector's midstream and downstream efficiency. **For this reason, the emissions data for the entire value chain is not published and the emissions data itself must be taken as a reference.**

(3) A positive score indicates that the portfolio intensity is higher than required by the decarbonization trajectory. A negative score or 0 indicates that the portfolio intensity is aligned.

(4) The total amount of the financing portfolio weighted by revenues from thermal coal mining or by installed capacity for thermal coal-fired power generation with coal customers (as defined in the terms of the Environmental and Social Framework) amounts to €1,578 million as of December 31, 2024. The total amount of the financing portfolio weighted by revenues from thermal coal mining or installed capacity for power generation derived from thermal coal with coal customers who have limited expectations of making the transition to in time to meet BBVA's coal phase-out target at the same date amounts to €152 million.

(5) PKM (passenger per kilometer) measures the emissions intensity per passenger per kilometer traveled. It is determined by multiplying the number of passengers (total seats per load factor) by the kilometers traveled. The IEA_NZE scenario does not consider the belly freight factor. The gCO2/ PKM metric of the BBVA portfolio is adjusted annually for the belly freight factor. Without considering this factor, the emissions intensity figure in the base year 2022 is 103 gCO2/PKM and the emissions intensity target to 2030 is 85 gCO2/PKM. In 2023 it was 106 gCO2/PKM, according to Pillar 3 disclosure as of December 31, 2023. In 2024 it is 104.02 gCO2/PKM, according to Pillar 3 disclosure as of December 31, 2024.

(6) The shipping sector alignment metric for the fiscal year 2022, reported in 2023 placed the portfolio intensity at +6.8% above that required by the IMO's 2018 decarbonization trajectory. As a consequence of the revised minimum and effort trajectories published by IMO in 2023, BBVA has updated the FY2022 shipping sector alignment metrics reported in 2023 to +17.4% and +21.7% respectively, indicating an intensity above that required by the 2023 IMO decarbonization trajectory.

Coal financing policy

BBVA has set out to eliminate its exposure to customers in the coal sector by 2030 in developed countries and by 2040 globally, through dialogue with these customers and active monitoring of this portfolio. In any case, BBVA will continue to support these customers with final sustainable products in order to help them in their transition. In order to progressively achieve the aforementioned goal, BBVA will not lend financing (not intended for sustainable purposes) to new customers in the coal sector with more than 25% of the revenue from thermal coal mining for power generation or more than 25% of the installed capacity for power generation derived from thermal coal.

Unconventional Oil and Gas Financing Policy

BBVA's Environmental and Social Framework aims to identify a series of activities and sectors that, while contributing to economic growth, progress and people's well-being, also have a high environmental and/or social impact.

The Framework seeks to establish the criteria for the identification, assessment and monitoring of activities with high environmental and/or social impact, in the mining, agribusiness, energy, infrastructure and defense sectors, which have been selected for their high potential impact on nature and people. In this way, the Framework identifies restrictions, either via prohibited activities or activities requiring special attention in the sectors covered by it.

Prohibited activities in the energy sector

- New coal-fired power plant projects and expansion of existing ones.
- New projects or expansion of existing projects: [17] oil and gas exploration, drilling and extraction (upstream) (conventional [18] and unconventional).
- New exploration, production and transportation projects in the Arctic, [19] oil and gas.
- New projects for the exploration, production and transport of tar sands.

CHANNELING SUSTAINABLE BUSINESS

In 2024, BBVA Colombia made a significant contribution to meeting sustainable financing goals, reaching a total mobilization of COP 11.4 trillion at the end of the year. Of this figure, the Inclusive Growth strategy mobilized COP 5.9 trillion and the Climate Action strategy mobilized COP 5.4 trillion. These two strategies made it possible to direct resources towards sustainable businesses and activities aligned with sustainability criteria, complying with current regulations and the BBVA group's standards.

These standards are inspired by international regulations, such as the European Union's taxonomy for sustainable activities, as well as Colombia's Green Taxonomy (TVC for its acronym in Spanish), issued by the Financial Superintendence of Colombia, and other market standards.

In addition, the Bank complied with the guidelines established by the IFC to allocate resources for blue bonds and biodiversity bonds. In addition, as a milestone in 2024, **the mobilization of 100% of the resources allocated to the first biodiversity bond was achieved, which represented financing of COP 278 billion**. These resources were directed to projects such as climate-smart agriculture, regenerative agriculture, ecosystem restoration, among others. Likewise, **100% of the Blue Bond was mobilized, with financing of COP 467 billion,** for activities such as plastic waste management, the use of machinery that contributes to the reduction of water consumption, sustainable aquaculture, among other initiatives.

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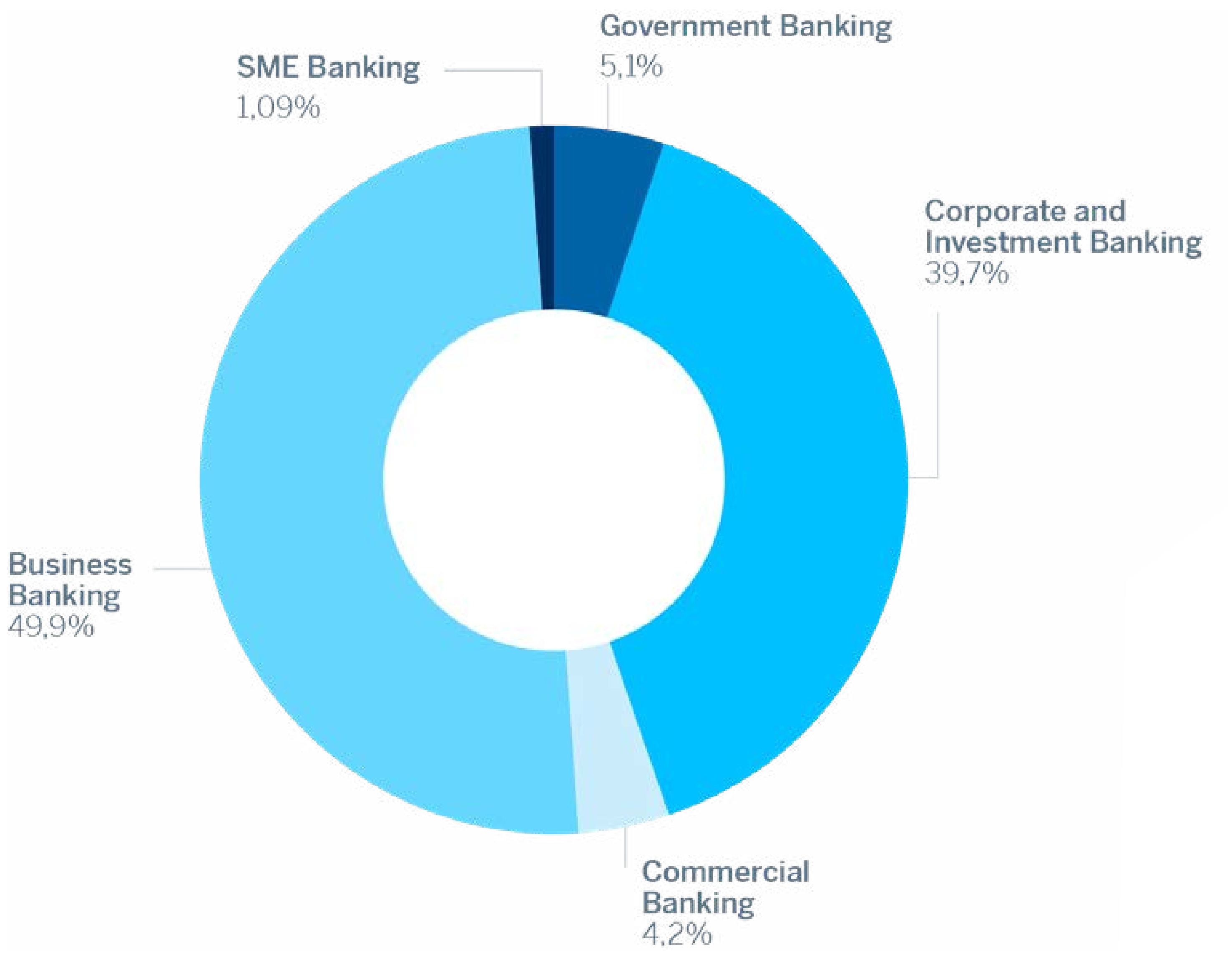
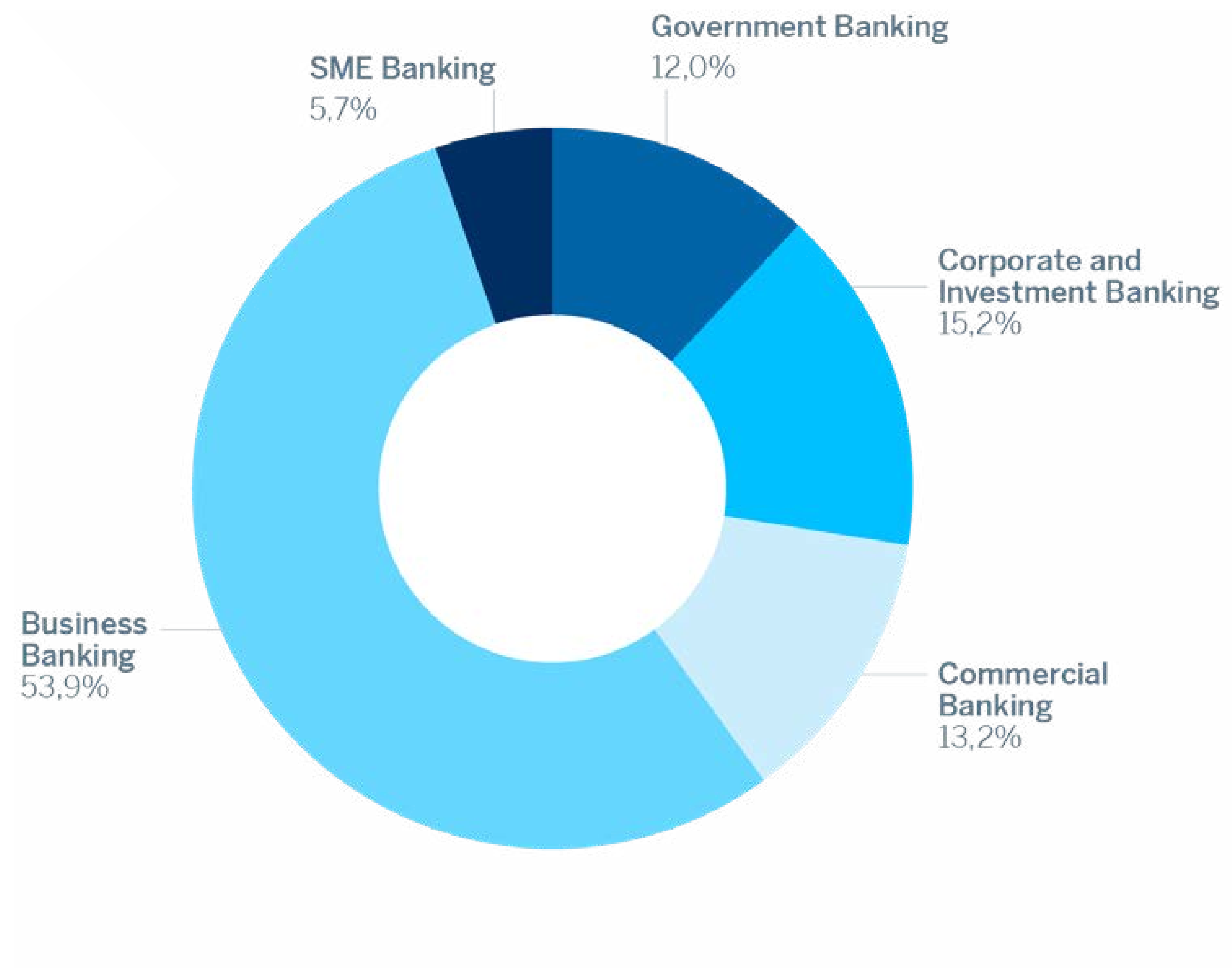
BBVA issued the world's first Biodiversity Bond for USD 70 million, **promoting environmental conservation projects.**

Climate action



Inclusive growth



Sustainable KPI Mobilization

BBVA Colombia recognizes the importance of developing sustainable financial products as a key tool to address Colombia's socioeconomic and environmental challenges, especially in a country marked by high levels of inequality and poverty.

Poverty – which stands at 33%[1] in Colombia – and inequality are deeply rooted in different variables such as lack of access to job[2] opportunities, quality education[3], decent housing[4], basic public utilities[5] and effective medical care[6], since, as BBVA Research (2023) mentions: negative behavior in these variables has a direct

1. Source: https://www.undp.org/es/colombia/discursos/panorama-colombia-logros-retos-claves-evitar-aumento-pobreza-escenario-baja-inversion
2. Unemployment rate 11%, among young people 18.2%, among rural population 8%, among women 14.3% and with regards to informality 58.2%.
3. Net secondary education coverage: Colombia 46% vs. OECD 92.7%. Illiteracy: Colombia 5.2% vs. OECD 1%.
4. 31% of households have a housing deficit
5. The pandemic revealed that one of the main characteristics of poverty is the inability to pay for public utilities.
6. There is a positive correlation between the infant mortality rate and the incidence of monetary poverty. The poorest departments are characterized by higher infant mortality rates.

impact on deepening the levels of poverty and particularly affects the poorest households, women and rural populations. Added to this, is the context of violence that the country has gone through in its history, which weakens institutions, affects regional productivity, and has negatively impacted economic growth (BBVA Research, 2023)[7].

In this context, with the inclusive growth strategy, COP 5.9 trillion was mobilized to initiatives ranging from the financing of essential infrastructures such as hospitals, roads and schools with segments that include wholesale (corporate and institutional) and business clients, to support for entrepreneurs, microbusinesses, SMEs led by women and small producers in the agricultural sector on the side of our retail clients.

The climate crisis, characterized by its global reach, is one of the great challenges of the 21st century. In this context, the effects of climate change demand effective adaptation and mitigation to Greenhouse Gases (GHG), in order to promote sustainable development. To address this challenge, it is essential to mobilize investments that support climate action, environmental protection and biodiversity conservation. **In this regard, BBVA's active contribution is essential to mobilize resources and promote a greener and more inclusive future.**

From the climate, nature and environmental spheres, COP 5.4 trillion was mobilized to finance initiatives that address the challenges of climate change. These projects focus on key areas such as energy efficiency, circular economy, decarbonization of the economy, and sustainability in primary sectors such as agriculture, livestock, aquaculture, and forest resources, among others. Through these initiatives, **BBVA supports its clients and partners in their transition to more sustainable economic models, c**ontributing to both climate change mitigation and adaptation, as well as to the responsible management of natural resources across activities and sectors.

In addition, by incorporating environmental and social criteria into its products, the Bank not only expands its business opportunities, but also strengthens its ability to adapt to future risks. This approach enables BBVA to generate long-term value for its customers, shareholders, communities, and other stakeholders.

The goals and progress of the sustainability strategy for climate action and inclusive growth are highlighted below. A goal is set annually for the mobilization of credits for sustainable purposes and progress on the goal is evidenced by the end of December 2024.

Table 11. Material Progress 2024: Climate Action and Inclusive Growth

(Figures COP billions and percentages)

Material Issue	Indicator	Goal	2024 Progress
Climate action	Sustainable KPI mobilization.	By 2024, the goal set was COP 3.1 trillion.	Mobilization of COP 5.4 billion. 174% compliance.
Inclusive growth	Sustainable KPI mobilization.	By 2024, the goal set was COP 4.9 trillion.	Mobilization of COP 5.9 billion. 120% compliance.

Relevance to our external stakeholders

Climate action

From the Climate Action strategy, mobilizing the necessary resources is essential to face the climate change challenge. At BBVA Colombia, we are convinced that our contribution can be key to manage the challenge of climate change in line with the Sustainable Development Goals: SDG 7 Affordable and clean energy, SDG 12 Responsible production and consumption, SDG 13 Climate action, SDG 15 Life on land. To this end, **the Bank works in four strategic areas: energy efficiency, circular economy, carbon intensity reduction, and agricultural and forestry activities,** among others.

This approach reinforces our commitment to the transition to a low-emission economy, developing financial products that promote the responsible use of natural resources and the protection of biodiversity. In addition, **we support our stakeholders in their transition to more sustainable and environmentally friendly business models.**

7. Fuente: https://www.bbvaresearch.com/wp-content/uploads/2023/04/situacion-social-col.pdf

Inclusive growth

The Bank's inclusive growth strategy is fundamental to the sustainable growth of business in Colombia. As a country where more than 15 million people are in poverty[8] and in addition, more than 60% of people are vulnerable to falling into this situation[9], it faces structural challenges beyond monetary ones in issues related to access to health, education, housing, infrastructure and financing. It is in this context that the Bank has been developing a strategy to promote economic and social development for its different stakeholders. **By financing inclusive infrastructure and supporting SMEs, the Bank contributes to closing gaps in key sectors, allowing more Colombians to access essential services and pro**ductive opportunities. This expands the customer base, fosters financial inclusion, and creates a more stable ecosystem for business growth. In addition, by providing financing for social housing, road infrastructure in rural areas or basic services in vulnerable regions, the bank contributes to the economic stability of these populations, reducing financial risks and strengthening their business.

In addition, this approach responds to the expectations of regulators, multilateral organizations and second-tier banks that seek financial solutions aligned with the country's development objectives. Through its social strategy, the Bank not only meets these standards, but also accesses sources of financing with better conditions, improves its perception in the market and strengthens its competitiveness in the Colombian financial sector. For this reason, the Bank's social strategy is no longer an exclusive component of corporate responsibility but is now presented as a competitive advantage that will guarantee growth, stability and a positive impact on society.

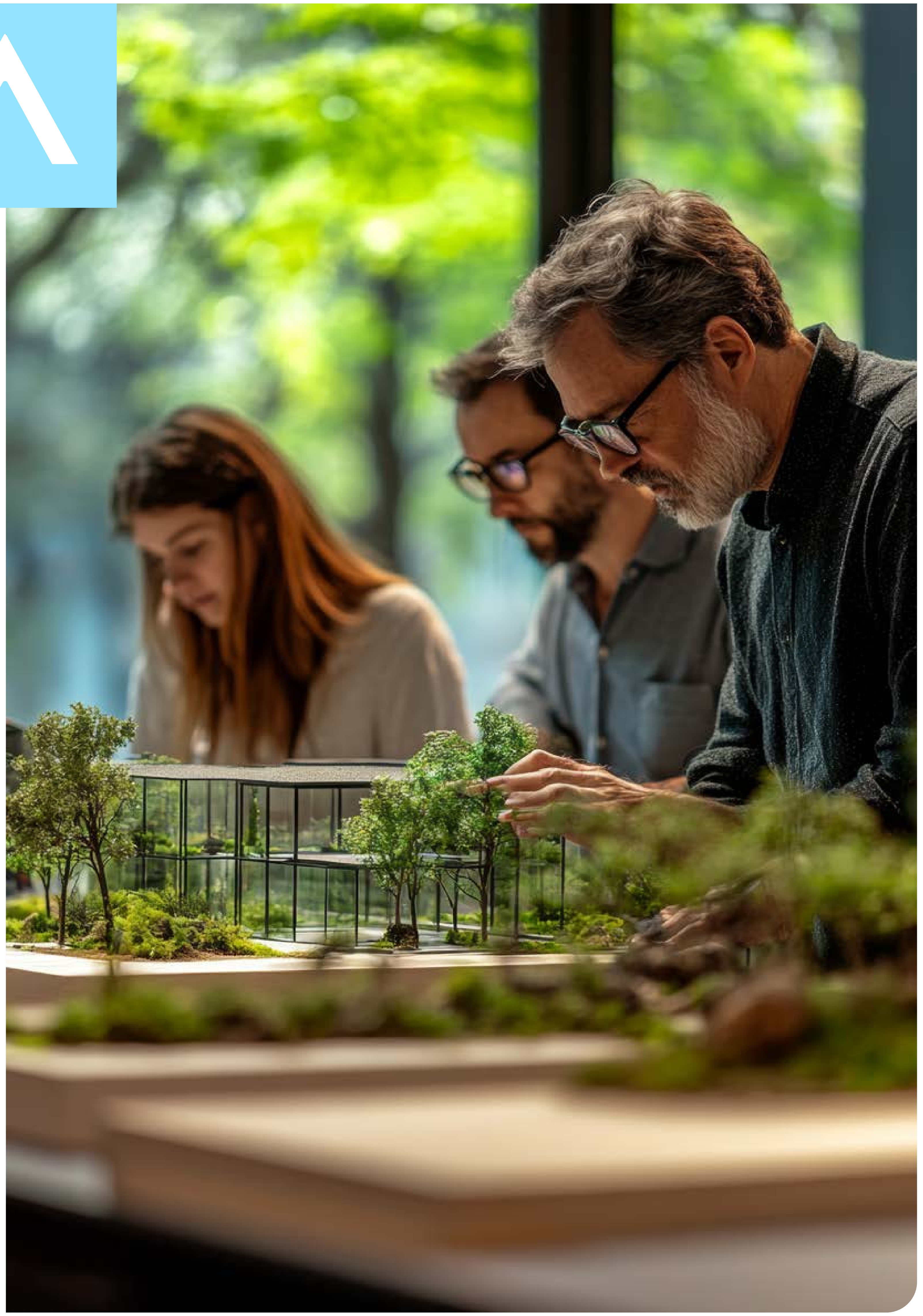
CHANNELING SUSTAINABLE BUSINESS

Climate action

Mobilization of resources towards projects with environmental impact

GRI 203-2, FS-8

BBVA Colombia's first biodiversity-themed bond emerged as an innovative response to the growing biodiversity loss crisis. This bond positions itself as the first financial instrument in the sector, aimed at charting a path towards the conservation of natural capital, while seeking creative solutions to close financing gaps in this area. The loss of biodiversity is a global challenge that highlights the deep dependence of the world's Gross Domestic Product (GDP) on the environmental services that nature provides. In this context, Colombia is the second most biodiverse country on the planet, hosting 10% of global biological diversity. For this reason, it is crucial to invest in projects that promote biodiversity conservation to face these challenges and ensure short, medium and long term sustainability. The issuance of the bonds will allow BBVA Colombia to promote to develop and grow a biodiversity portfolio, thus contributing to its protection in the country. In view of this, activities and categories were defined, based on the IFC's biodiversity finance reference guides.



8. See: https://colaboracion.dnp.gov.co/CDT/PublishingImages/Planeacion-y-desarrollo/2024/Agosto/pdf/pobreza-monetaria-2023.pdf
9. See: https://www.undp.org/es/colombia/noticias/gran-desigualdad-colombia-no-permite-generar-riqueza-bienestar

Blue bonds are especially relevant for Colombia, since a large part of the population lives in coastal areas and close to freshwater sources. However, the country is particularly vulnerable to the effects of climate change. In this context, **with the issuance of the Blue Bond, BBVA Colombia continues to promote an innovative approach to finance climate action, access to clean water and sanitation, as well as the sustainable use of water resources.** These financial instruments have made it possible to support numerous companies that promote the responsible use of water resources and support the conservation of marine and aquatic ecosystems.

Table 12. Bonds issued by BBVA Colombia
(Figures in USD million)

Category	Type of issuance	Issuance year	Nominal amount (USD)	Purpose
Biodiversity Bond	Private	2024	70	Aimed at financing projects focused on reforestation, regeneration of natural forests on degraded lands, conservation or rehabilitation of mangroves, climate-smart agriculture, restoration of habitats for wildlife, among others.
Blue Bond	Private	2023	50	Aimed at supporting those initiatives related to the protection of water resources, it seeks financing for projects for the construction of water treatment and sewerage plants, preservation of the oceans and protection of lakes, moors and mangroves.

During 2024, we invoiced COP 5.4 trillion in Climate Action, distributed in different segments as follows:

From the Climate Action field, the development of sustainable businesses is promoted by mobilizing financial resources to activities or customers that meet the technical criteria defined in BBVA Group's standard for financing sustainable activities. The criteria is based on the European Union Taxonomy, local taxonomies of the different geographies in which the Group has a presence, and on national and international environmental and climate objectives, such as the SDGs.

As an important milestone in 2024, **BBVA Colombia completed the placement of the first bond in partnership with the World Bank's International Finance Corporation, for a total of USD 70 million,** with an exclusive focus on biodiversity projects. Resource mobilization went to finance projects in climate-smart agriculture, regenerative agriculture, ecosystem restoration, freshwater and marine production, nature-based solutions and green infrastructure, plantations and forests, and waste and plastics management.

Table 13. Financing by segment of the Climate Action strategy
(Figures COP millions)

Banking Segment	Climate action COP million	Percentage with respect to Banking Segment
CIB	2,175	12.47%
Commercial Banking	231	1.08%
Business Banking	2,732	13.65%
Government Banking	280	13.42%
SME Banking	60	1.71%
TOTAL	**5,478**	**8.39%**

The financial impact of the 2024 Climate Action strategy is described below, and the following categories are highlighted:

- Firstly, we point out the financing for developers of sustainable housing projects, which have certifications that demonstrate energy efficiency equal to or greater than 25%. This energy efficiency not only implies a lower environmental impact, by reducing the consumption of natural resources, but also translates into long-term economic benefits for the owners of these homes with EDGE, LEED, and Casa Colombia certifications. For this, COP 16,790 million were disbursed.

Table 14. Energy efficiency financing by bank segment
(Figures COP millions)

CIB	74,735
Commercial Banking	146,220
Business Banking	227,159
Government Banking	79336
SME Banking	5,490

- Secondly, as an important milestone, **the Blue Bond managed to mobilize more than USD 50 million for various activities focused on the circular economy,** such as the use of recycled plastics, the manufacture of biodegradable products, which respect the oceans and water, and efficient use of water, among other destinations. In terms of the circular economy, we managed to mobilize COP 222,816,862,189 million in 57 operations, which were aimed at recycling facilities, the use of recycled plastic for the manufacture of new products and the production of biodegradable products.

Table 15. Circular economy financing by bank segment
(Figures COP millions)

Business Banking	222,055
SME Banking	3,866

- Thirdly, with regards carbon intensity reduction, the issue of sustainable mobility and the acquisition of renewable energies, among others, is addressed. In addition, the financing of hybrid and electric vehicles is highlighted as part of the transition to more efficient combustion engine technologies and in compliance with current regulations in the country. The adoption of these vehicles entails notable benefits, by emitting fewer Greenhouse Gases (GHG) and pollutants compared to conventional vehicles, improving air quality and contributing to mitigating climate change. For this, approximately COP 351,181,870,879 million were disbursed in 2,322 operations.

On the other hand, it is relevant to mention that disbursements of approximately COP 102,816,440,238 million were made in 91 operations aimed at installing solar panels, which will not only contribute to generating low-emission renewable energy but will also optimize the consumption of resources and improve energy efficiency.

Table 16. Carbon intensity reduction financing by bank segment
(Figures COP millions)

Business Banking	402,288
SME Banking	21,130
Commercial Banking	218,140
CIB	2,800

- Likewise, as a relevant milestone in 2024, **BBVA Colombia completed the placement of its first biodiversity bond for a total of USD 70 million.** This bond consisted of two tranches: one of USD 35 million, subscribed to by the IFC, and another of USD 35 million, subscribed by IDB Invest. The objective was to finance projects that contribute to biodiversity conservation and protection, such as climate-smart agriculture, regenerative agriculture, restoration of terrestrial ecosystems, nature-based solutions, green infrastructure, as well as plantations and forests, among other destinations.

Table 17. Financing of agricultural and forestry by bank segment
(Figures COP millions)

Business Banking	1,199,938
SME Banking	14,565
CIB	70,000

- Finally, in this area there are sustainable companies and operations with a high environmental and social impact. In the case of BCorps, these are businesses that meet the highest verified ESG performance standards. These companies are driving a cultural and global shift to redefine business success and promote a more inclusive and sustainable economy. For these companies, we managed to mobilize COP 534.937494.838 in 817 operations.

- Similarly, there are CIB (Collective Interest Benefit) companies, which are commercial companies whose legal purpose is aimed at generating a triple ESG impact and are regulated by local legislation. For these companies, we managed to mobilize COP 200,093,321,205 in 174 operations.

Table 18. Financing of sustainable companies by bank segment
(Figures COP millions)

Government Banking	213,869
CIB	925,190
Business Banking	799,433
SME Banking	11,661
Commercial Banking	6,900

Inclusive growth

Mobilization of resources towards projects with social impact

GRI 203-1, GRI 203-2, FS-7.

Colombia faces structural challenges associated with poverty and inequality that directly impact the country's economic and social development. According to the National Administrative Department of Statistics (Dane)[10], in 2023:

- **33% of the population lives in monetary poverty,** which is equivalent to more than 18 million people.
- **11% of Colombians (approximately 6 million people) are in extreme poverty,** with insufficient income to cover their basic food needs.
- Inequality measured by the Gini index is 0.523, which positions **Colombia as one of the most unequal countries in the region.**

These figures expose a context in which lack of access to financial services, housing, education and economic opportunities perpetuates cycles of social exclusion. This panorama is intensified when it comes to the rural population in Colombia since there is a high incidence of poverty. According to the DANE (2023), monetary poverty in rural areas reaches 42.4%, exceeding the national average and extreme poverty in these areas is more alarming, with an incidence of 18.6%, almost double that re-corded in urban areas. Under this scenario, **for BBVA in Colombia, addressing these challenges is not only a matter of corporate responsibility, but represents a strategic opportunity to contribute to the country's development,** promote financial inclusion and foster the inclusive growth of its customer base.

These challenges are addressed from 3 business strategies:

a) Inclusive Infrastructures. BBVA prioritizes the financing of critical infrastructure in sectors such as health, education, housing and connectivity, which are essential to guarantee equitable access to basic services and to improve living conditions of vulnerable communities. These actions, previously mentioned in the report, reflect a strategic commitment to social resilience and the closing of structural gaps.

b) Strengthening of the business fabric. Through financial solutions aimed at SMEs led by women, small agricultural producers and microbusinesses, BBVA promotes the economic transformation of strategic sectors. This approach contributes to job creation, the strengthening of inclusive entrepreneurship and sustainable development with historically underserved companies.

10. Source: https://colaboracion.dnp.gov.co/CDT/PublishingImages/Planeacion-y-desarrollo/2024/Agosto/pdf/pobreza-monetaria-2023.pdf

We supported 5 of the largest compensation funds with financing to expand their health, education and welfare coverage.

c) Financing of social projects and territorial development

By supporting municipal and departmental development plans, by financing companies that provide basic services and by supporting social security institutions, BBVA promotes the construction of fairer communities with development opportunities for all.

These business strategies are accompanied by a commercial force that, with incentive plans, funding opportunities through bonds and training in advanced sustainability issues, represent a serious effort in the Bank's contribution to this material issue that seeks inclusive progress and financing alternatives for underserved sectors and populations.

In 2024, BBVA Colombia allocated COP 5.9 billion in financing to projects with social impact. Efforts were intensified to develop products and alternatives that would offer a wide portfolio of solutions to customers belonging to vulnerable communities, as well as to micro and small enterprises, producers, companies, institutions and local entities committed to the economic and social development of the country in areas such as health, education and social infrastructure.

Table 19. Financing of the Inclusive Growth strategy by Banks
(Figures COP millions)

Banking	Inclusive growth COP million	Percentage with respect to Banking
CIB	902	5.17%
Commercial Banking	782	3.67%
Business Banking	3,204	16.01%
Government Banking	710	34.01%
SME Banking	341	9.79%
TOTAL	**5,941**	**9.10%**

In the first place, there is the financing called "Inclusive Infrastructures", which contributes to improving the quality of life of vulnerable groups, allowing these to meet basic needs and be resilient in contexts of poverty and inequality.

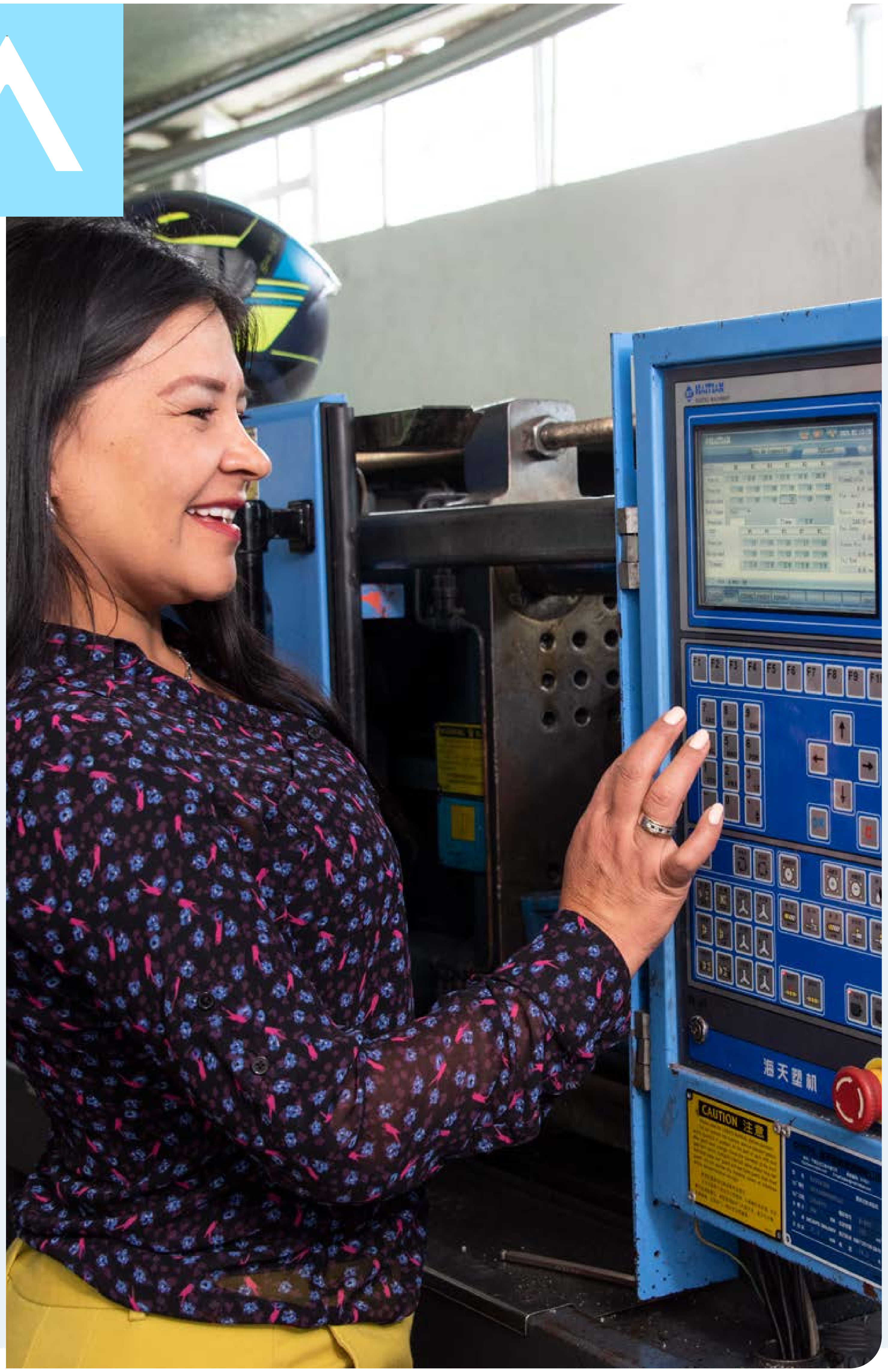


Table 20. Financing of inclusive infrastructures by banks
(Figures COP millions)

Business Banking	132,131
SME Banking	6,600
Government Banking	161,478

Secondly, there are the amounts allocated to finance support to form the country's industrial fabric, where support for small and medium-sized enterprises led by women, who meet a minimum shareholding of 30%, is included. In the case of companies, the requirements are the same, in addition to validating policies and programs where commitment to gender equality is demonstrated. In addition, there is financing for small and medium-sized agricultural producers, which are those determined in the Finagro service manual, and microbusinesses, as by regulated in Law 590 of 2000, known as the MSME Law and its amendments (Law 905 of 2004); and later by the Decree of the Ministry of Commerce, Industry and Tourism No. 957 of June 5, 2019, which is currently in place.

Table 21. Financing to support the development of the country's industrial fabric by Banking
(Figures COP millions)

Business Banking	1,217,858
SME Banking	328,451
Government Banking	2,959
CIB	110,000

In third place, there are customers whose activity directly impacts vulnerable communities, low-income people, geographically excluded or unbanked populations. This includes the financing of projects and programs included in Colombia's municipalities and departments development plans, which reach a multidimensional poverty rate of more than 33%, according to DANE figures. This includes projects of various kinds, including the construction of tertiary roads and sewerage networks, as well as the adaptation and provision of parks, public spaces or houses for the elderly, which denote a social component in the execution of public policies to improve the quality of life in marginal areas throughout Colombia. In addition, there are projects financed to companies that serve low-income people by providing basic services such as gas, sanitation and electricity in socioeconomic strata 1 and 2 in the country. There is also the financing of Compensation Funds that fulfill social security functions such as health, nutrition, comprehensive and continuing education, housing, development credit for family businesses and social recreation. Finally, there are microfinance institutions, which play a role in banking penetration and access to credit for vulnerable people.

Table 22. Sustainable financing for socially focused clients in vulnerable communities
(Figures COP millions)

Business Banking	691,564
Commercial Banking	74,617
Government Banking	438,872

BBVA's impact on the environment

BBVA Colombia generates indirect socioeconomic impacts through its operation with the financing of initiatives that contribute to the well-being of vulnerable communities and the strengthening of the economic fabric. The three main areas of impact are described below:

1. Transformation through Inclusive Infrastructures

The Bank has focused its efforts on infrastructure projects that meet basic needs and strengthen the resilience of communities in the face of social and climate shocks. This approach contributes not only to territorial development, but also to improving the living conditions of vulnerable populations.

Health. Funding for the construction and refurbishment of hospitals and clinics, along with the acquisition of medical equipment, has improved access to essential health services in low-income rural and urban communities. **In 2024, BBVA supported more than 140 operations in the healthcare sector, from nearly 80 different customers,** including public hospitals and clinics or sector private SMEs.

Education. Through the financing of educational infrastructure and the provision of school equipment, BBVA contributed to promoting access to education. **During 2024, 20 projects related to the education sector were financed, from 11 clients** between municipalities that finance educational plans, public and private schools and universities.

Social Interest Housing (VIS for its acronym in Spanish). The Bank allocated resources for VIS and VIP (Spanish acronym for Priority Interest Housing), helping low-income families access decent housing. **More than 8,200 customers were impacted and 11 construction projects of Social Interest Housing and Priority Interest Housing were financed.**

Road and technological infrastructure. BBVA supported projects that improved road and technological connectivity in remote territories, promoting social inclusion and access to eco-nomic opportunities.

2. Strengthening the business and industrial fabric

The Bank recognizes that enterprise development is a key driver for inclusive economic progress. For this reason, BBVA has designed specific impact strategies for SMEs and companies led by women. These companies have proven to be job creation engines and promoters of gender equality. In 2024, BBVA financed more than 450 SMEs led by women and companies with gender policies.

Agricultural producers and microbusinesses. BBVA facilitated financing for small agricultural producers and microbusinesses, promoting rural productivity and food security. More than 200 clients were financed, including large companies that integrate small farmers into their value chains, and small and medium-sized enterprises made up of small associations, cooperatives or agricultural collectives and small producers, according to the Finagro Services Manual. In addition, every month on average, more than 350 microbusinesses were financed with the Advance of Sales product, which was specially designed for microenterprises.

3. Support for social and public projects with a territorial focus

BBVA has allocated significant resources to projects that directly impact the most vulnerable communities and contribute to the sustainable development of regions with high poverty rates through the following actions.

Territorial development plans The financing of basic infrastructure projects, such as sewage, public spaces, and tertiary roads, has improved the quality of life in municipalities with multidimensional poverty rates above 33% in 2024.

Essential services. Companies that provide electricity, gas and drinking water to socioeconomic strata 1 and 2 were supported, guaranteeing access to basic services in underserved communities. In addition, microfinance institutions and programs were financed, impacting more than 300 thousand people, and the number of credit cards, in the segments of people classified as having low income (1 minimum wage or less), and considered unique clients stood at 16,136.

Compensation Funds and Microfinance Institutions. 5 of the largest entities in the country, which allow for their expanded social services coverage, access to credit, housing, medicines and socio-cultural offers, for all their affiliated workers, were financed.

BBVA Colombia, through these initiatives, demonstrates its commitment to generating positive indirect economic impacts, contributing to the country's inclusive and sustainable development. These actions not only generate economic value but also promote social equity and strengthen the resilience of vulnerable communities, making a tangible difference in the lives of thousands of people. The specific figures for 2024, included in this report, reflect the magnitude of this impact.

Non-financial social impact (indirect impacts)

1. Social Interest Housing (VIS by its Spanish acronym)

Access to decent housing is a fundamental right that faces economic barriers in the most vulnerable sectors. Many low-income families are unable to access traditional financing due to labor informality or lack of guarantees, which is why this product allows families to access affordable housing solutions with preferential interest rates and flexible requirements, making the dream of owning their own home possible. By formalizing the acquisition of housing, beneficiaries enter the financial system, which opens up opportunities to build a credit history and have access to other products such as insurance, additional credits and programmed savings.

More than
8,200
families gained access to social interest housing **thanks to BBVA's support through its sustainable financing lines.**

2. Microbusiness financing and sales advances

Microbusiness represents a vital source of employment and income for thousands of people in the country, especially in rural and marginal urban contexts. However, the lack of access to capital limits its growth and sustainability. Therefore, this product offers alternatives, adapted to the characteristics of micro businesses, such as alternatives with fixed commissions rather than monthly interest, flexible or fixed payments, and 100% digital processes.

By financing these small businesses, their formalization, job creation, and integration into the financial system are encouraged, providing them with access to services that were previously out of their reach.

3. Financing for small and medium-sized rural producers

In rural areas, smallholders face challenges such as limited access to competitive inputs, technologies, and markets. These conditions perpetuate cycles of poverty and exclusion. Rural financing allows producers to invest in technological improvements, acquisition of inputs and expansion of their productive capacity. **By incorporating small producers into the financial system, it not only improves their productivity, but also generates economic stability in rural communities.** This includes access to agricultural insurance and other products that strengthen their sustainability. In addition, legal entities that are classified as medium-sized rural producers, according to the limits set in the Finagro Services Manual are financed, since these are small groups and farming associations that the financial system does not normally include.

Table 23. Non-financial social impact
(Figures in thousands of customers and thousands of transactions or contracts)

Products and services	Target customers	Number of customers reached	Number of transactions/ contracts
Social and Priority Interest Housing	Individuals searching for decent and affordable housing.	8.226	8.699
Microbusinesses and sales advances	Clients with businesses with less than COP 2,100 million in annual sales.	2. 010	4.494
Small rural producers	As defined by Finagro's Service Manual*.	206	271

* Small producer[11]

MANAGEMENT OF DIRECT ENVIRONMENTAL IMPACTS

This chapter includes management performance in terms of eco-efficiency and describes the results obtained in the Bank's operations for 2024. **At BBVA Colombia, we are committed to reducing our environmental impact and promoting sustainability in all of our operations.** Our eco-efficiency strategy focuses on minimizing the consumption of natural resources, reducing greenhouse gas emissions and promoting sustainable practices in our value chain. To achieve this, we have implemented initiatives such as energy efficiency in our branches, the reduction of paper use and the correct separation of waste. In addition, we work closely with our suppliers and customers to foster a culture of sustainability and environmental responsibility. Our goal is to contribute to a more sustainable future and demonstrate our commitment to protecting the environment, which seeks to reduce the carbon footprint and environmental impact.

In the fourth year of execution and KPI monitoring set for BBVA Colombia's 2021-2025 PGE, the following progress was recorded at the end of 2024:

11. Small-scale producers are considered to be natural persons belonging to the following segments:
I. Low-income small-scale producers: those with an annual gross income of up to 5,302 Basic Value Units (5,302 UVB), and whose total assets do not exceed 47,714 Basic Value Units (47,714 UVB).
II. Small-scale producers: those with an annual gross income of more than 5,302 Basic Value Units (5,302 UVB) and up to 14,844 Basic Value Units (14,844 UVB), and whose total assets do not exceed 47,714 Basic Value Units (47,714 UVB).
b) Medium-scale producers (legal entities only for BBVA Bank in Colombia). A medium-scale producer is a natural or legal person who meets any of the following conditions:
I. Have an annual gross income greater than fourteen thousand eight hundred and forty-four Basic Value Units (14,844 UVB for its Spanish acronym), and less than or equal to two hundred and eighty-eight thousand four hundred and two Basic Value Units (288,402 UVB), and whose total assets do not exceed five hundred and thirty thousand one hundred and fifty Basic Value Units (530,150 UVB).
II. Have an annual gross income equal to or less than fourteen thousand eight hundred and forty-four Basic Value Units (14,844 UVB), and whose total assets are greater than forty-seven thousand seven hundred and fourteen Basic Value Units (47,714 UVB) and less than or equal to five hundred and thirty thousand one hundred and fifty Basic Value Units (530,150 UVB).

Table 24. KPIs set for the 2021-2025 State Budget
(Figures in KPIs and percentages)

Colombia	2019	Progress 2024		KPI
	Base Year	indicator	%	Δ 22-25
Percentage of energy from renewable sources	17%	100%	100%	30%
Electricity consumption per occupant (Kwh/ FTE-Full time Employee)	3.86	2.99*	-23%	-5%
Water consumption per occupant (m3/FTE)	30.39	10.17*	-67%	0%
Paper consumption per employee (kg/FTE)	38.04	29.55	-22%	-15%
Net Waste per Employee (t/FTE)	6.54	2.01*	-69%	-3%
CO2e Emissions Scope 1 & 2 (t CO2e)	3,071.40	1,233.94*	-60%	-4%
Percentage of certified surface	11%	20%	20%	30%

*Data projected for the end of 2024.

Materials

GRI 301-1, GRI 301-2

As part of the Bank's sustainability strategy, one of the fundamental pillars, on which the most effort has been concentrated, has been the **conscious and efficient use of paper** in each of the areas. Thanks to this, a decrease of close to 19% in the consumption of this resource has been achieved compared to 2023. This is equivalent to a **reduction of 47,236 kg**, which allows us to contribute to the achievement of the goals established in our Global Eco-efficiency Plan.

Within the strategies used at BBVA Colombia, in addition to focusing on reducing consumption, we have achieved, together with our supplier, that **100% of the paper used within the Bank be ecological paper**, this type of paper, manufactured with environmentally friendly materials and production processes, reduces our carbon footprint and contributes to the conservation of natural resources.

The paper used in our processes is manufactured from sugarcane fiber, a by-product of the sugar industry, considered agro-industrial waste (sugarcane bagasse), with sugarcane being a renewable resource that is sown and harvested in short periods. This resource is considered recyclable, since it can be disintegrated into water under mechanical agitation, to be used as raw material for new products.

Table 25. Paper consumption
(Figures in kilograms and percentages)

TOTAL PAPER CONSUMPTION						
Año	2019	2020	2021	2022	2023	2024
Total Paper Consumption (kg)	259,286	204,384	232,180	251,927	243,960	196,724

At BBVA, year after year we seek to implement actions that add to the achievement of one of our goals as a group, to become a digital bank, and we will achieve this through the implementation of different strategies to reduce paper consumption within the Bank's facilities, in this regard we continue with the "Print Tracking" model, which allows us to monitor and analyze impression consumption in order to identify and implement possible alternatives to reduce this consumption.

In addition, the strategy of optimizing the process of ordering stationery, done from the offices, has been Implemented. This was achieved thanks to exhaustive analysis, which led to concluding that the offices could, depending on turnover, work with a specific number of reams of paper per month, as well as the elimination of the use of other references that were replaced by the use of ecological paper. **These initiatives have allowed for a 19% reduction in paper consumption, thus contributing to the care of the environment.**

Energy

GRI 302-1

At BBVA Colombia, we are committed to reducing our environmental impact and improving energy efficiency. To achieve this, we have implemented various measures, such as installing LED lighting systems, optimizing our air conditioning systems and monitoring consumption of all BBVA facilities nationwide. Our commitment to sustainability not only benefits the environment but also allows us to reduce costs and improve our operational efficiency to offer better services to our customers.

Renewable energy. Since 2021, 100% of the energy consumed in our facilities comes from clean energy sources, through the purchase of international renewable energy certificates (IRECs) that guarantee zero emissions and thus the fulfillment of the renewable energy target set in the GEP for 2025, anticipating the fulfillment of the 2030 objective. **In 2024, clean energy certificates for 19,561[12] MW/h** were acquired nationwide.

Energy efficiency

In 2024, more than 500 energy accounts, from the different properties where BBVA has a national presence, were consolidated, representing an increase of more than 5% compared to the previous year, through the public utilities management tool. This has allowed for the permanent monitoring of energy consumption and has facilitated the implementation of actions to mitigate deviations, reduce high consumption, identify reactive energy and meet maintenance needs, contributing to meeting established goals.

In 2024, preventive maintenance for air conditioners of offices nationwide and of power plants was done constantly, monitoring the correct operation of equipment, to prevent electrical energy leaks in any of these, and to guarantee their efficiency, avoiding excessive resource consumption. The data on annual internal energy consumption by source is presented in kW/hour, as are total energy consumption and the calculation of energy intensity per employee.

BBVA in Colombia reduced water consumption by 13.8% in 2024, implementing monitoring and savings measures in operations.

Table 26. Electricity consumption
(Figures in MWh, kW/h, GJ and percentages)

Total Power Consumption	Unit	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	What was the goal for fiscal year 2024?
Total non-renewable energy consumption	MWh	0	0	0	0	<25,257.23 MWh**
Total renewable energy consumption*	MWh	20,588.75	19,904.09	18,351.13*	19,469.27	
Total electricity	kW/h	20,588,757	19,904,086	18,351,131	19,469.27	
Total electricity	GJ	94,715	80,520	66,064	70,089	
Data coverage (as % of denominator)	Percentage of operations	NA	NA	95%	100%	

* Data coverage began to be implemented under a standardized monitoring process starting in 2023.
** The targets are established for the full duration of the PGE, which runs from 2021 to 2025. A 5% reduction goal was set for the five-year period; having reached the fourth year, we consider that a 4% reduction in energy consumption should have been achieved. For 2024, we met the target and are 24% below the consumption recorded in 2019.

For 2024, BBVA Colombia experienced a 6.6% increase in electricity consumption, due to several factors:

- Improvement in the coverage of information in our reporting database, with a 5% increase in the number of points registered, compared to the previous year.
- At the national level, the El Niño phenomenon that occurred during the year 2024, generated a higher energy consumption due to the use of air conditioners (a situation reported by the financial sector at large).
- This year, different remodeling took in large part of the offices nationwide. This represented higher energy consumption due to the use of machinery for this process, additional working hours and an increase in the number of people in the facilities.

In 2024 BBVA opened sustainable offices in Mitú and Inírida **with solar panels that supply clean energy to its facilities.**

Despite this, BBVA Colombia has implemented initiatives that promote the reduction of electricity consumption, including preventive maintenance of equipment as a strategy to avoid equipment failure and passive consumption of electrical energy. We also **perform constant monitoring of offices energy consumption,** which allows us to identify savings opportunities and provide attention to their needs, in order to avoid excessive consumption and make our operation more efficient and sustainable.

Main initiatives

- Investment to replace obsolete or old equipment with more efficient equipment: when old air conditioners start failing, new maintenance is not hired but rather change for better equipment. In addition to preventive maintenance plans for air conditioning equipment and power plants.
- The incorporation of an additional 5% in the number of properties included within the public utilities management tool, has allowed for the constant monitoring of energy consumption, variation analysis, implementation of consumption reduction measures, as well as complaining to public utility providers in cases of improper charges or erroneous invoicing.
- Changes from traditional to LED luminaires, in offices that did not have theses and in recently remodeled offices.
- Training for members of offices nationwide in consumption habits, through consumption habits programs, which allow us to teach different strategies to reduce consumption in homes and workplaces.
- In the country, we have started implementing some alternative energy projects, in sustainable offices such as Mitú and Puerto Inírida, which opened in 2024, and have solar panels to supply energy to these facilities.

Water

GRI 303-5, GRI 306-1

At BBVA Colombia, we recognize the importance of water conservation and strive to reduce consumption of this vital resource. We have implemented measures to save water in our buildings, such as the installation of low consumption taps and toilets, the creation of an awareness and education program for employees on the importance of water conservation and sending a Tips bulletin, which allows people to learn good consumption habits. Our goal is to reduce water consumption in the coming years and thus contribute to the protection of this essential resource for the planet.

As with energy, **the Bank implemented a public utilities management tool to measure the aqueduct service**, in order to periodically monitor consumption and thus detect leaks, excessive charges, incorrect billing measurements, implement corrective actions, that prevent and reduce deviations, and monetize savings.

Table 27. Water consumption

(Figures in million m³ and percentages)

Units		Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Stated goal for fiscal year 2024
Total net freshwater consumption	Megaliters	264,886 ML	237,295 ML	78,583 ML*	67,710 ML**	<= 164,729 ML***

** The data was modified due to changes in the measurement methodology and the recovery of 2023 data.*

***The water consumption estimate is based on the Bank's protocol and methodology to obtain environmental indicators.*

****Currently, the Bank has a consumption well below the established goal; however, it is important to clarify that this is due to the methodology used: in 2019 it was done through consumption estimates and in 2024, it was done with a tool with clearer information.*

Compared to 2019, water consumption shows a decrease, this is due to the methodology used to report consumption, where the rate averages of the most representative sellers and the accounting balances were used. In 2024, in response to audit recommendations, the data collection model was changed and the management tool made available, which allowed us to have real data. For 2023, real data was recovered and the data reported in the previous report was changed.

Thanks to the strategies used, **we have managed to reduce water consumption by 13.8%, compared to 2023.** This is equivalent to lesser consumption at the national level of 67,160 m3 of water resources.

GRI 306-5

All BBVA Bank branches discharge water into sewage systems and not into bodies of water, regardless of branch location.

Main initiatives

In 2024, we have made progress with two strategies that have made possible significant progress:

Training in consumption habits for office members nationwide, through consumption habits programs, which allow teaching different strategies to reduce consumption in homes and workplaces.

With the public utilities management tool, it has been possible to constantly monitor water consumption in most BBVA branches nationwide. This has made it possible to identify, in time, some leaks, in order to solve these in an effect and timely manner.

Ongoing awareness campaigns for the rationalization and good use of water resources have also allowed people to be more aware of the use of water within their workplaces.

Emissions

GRI 305-1, GRI 305-2, GRI 305-3

At BBVA, we are committed to reducing our carbon footprint and contributing to the fight against climate change. To achieve this, we have implemented a number of strategies that include promoting sustainable practices among our employees and suppliers. In addition, we are exploring opportunities to offset our Greenhouse Gas (GHG) emissions through reforestation and renewable energy projects. **Our goal is to reduce carbon emissions and become NET ZERO by 2050** and thus contribute to a more sustainable future.

The emissions reported in each of the scopes have been defined by the Holding, in the same way for each of the geographies in which BBVA is present. Each of the reported emission scopes have different categories, as follows:

Direct GHG emissions (scope 1)

In scope 1, we report emissions from refrigerant, diesel, and fuel consumption of the Bank's own vehicle fleet..

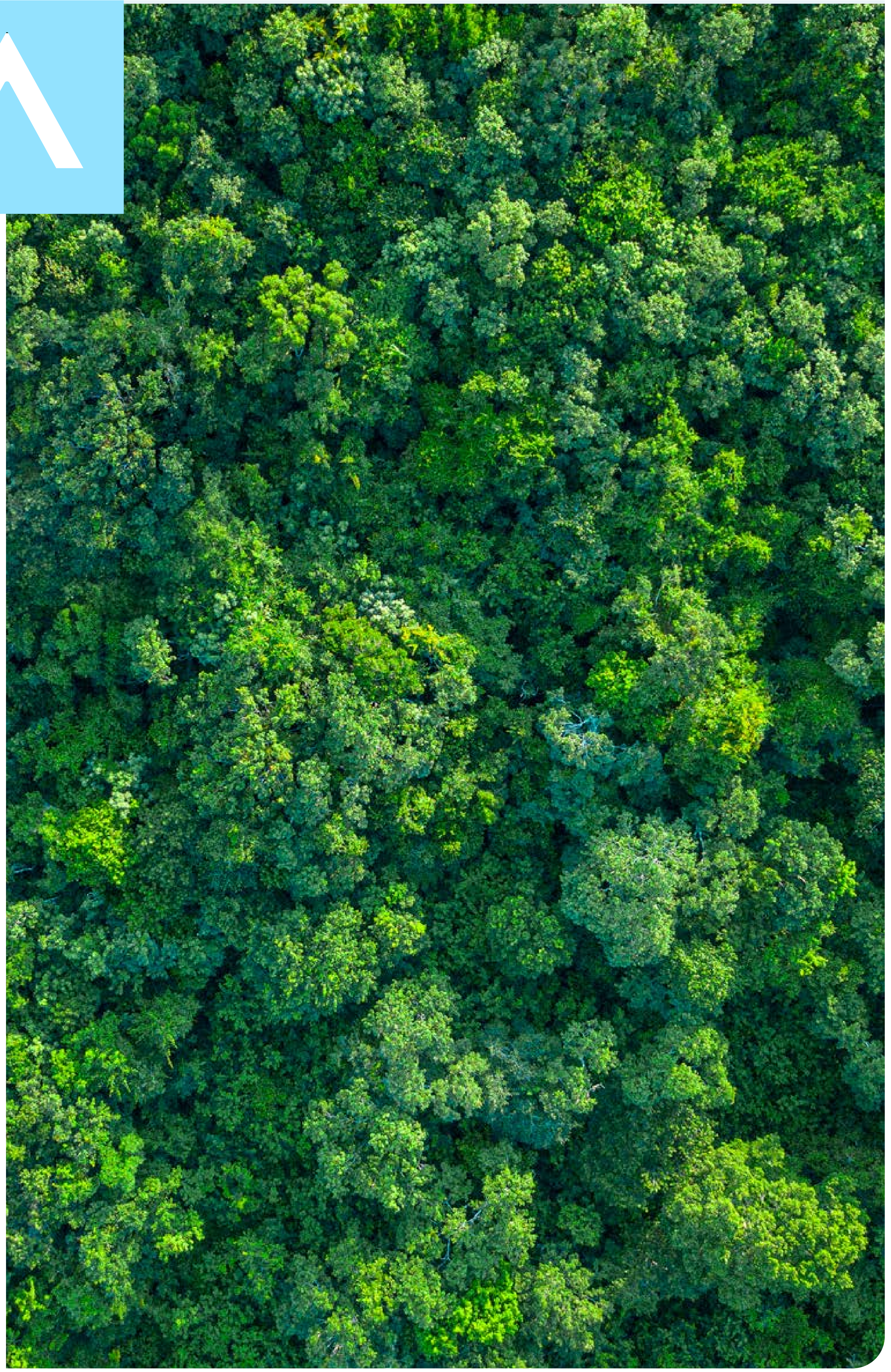
Emissions from direct energy consumption (fossil fuels) are calculated based on 2006 emission factors (IPCC Guidelines for National Greenhouse Gas Inventories). For its conversion to CO2e, the IPCC Fifth Assessment Report and the IEA have been used as sources. From 2021 onwards, emissions from the use of the vehicle fleet and refrigerant gas leaks in our facilities were included in this scope, with DEFRA emission factors applied in the calculation of CO2e emissions.

Direct GHG emissions from energy generation (scope 2)

In scope 2, as of 2021, with the purchase of IRECs certificates, no emissions are reported, as 100% of our energy consumption comes from renewable sources.

Other indirect GHG emissions (scope 3)

In scope 3, we report emissions from waste generated within the Bank, both usable and hazardous, emissions from employee air travel and emissions from employee commute to the workplace.



For indirect emissions from business travel (air), waste management, and employee commuting, the emission factors published by DEFRA in 2022 were used. For employee commuting emissions, the travel of staff from both central areas and the branch network was considered. In 2024, emissions across all three scopes increased by 16% compared to 2023, reaching a total of 5,079.89 tons of CO_2 equivalent.

Table 28. Carbon footprint
(Figures in TonCO2eq and percentages)

CARBON FOOTPRINT						
GHG emissions	**Base Year 2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Scope 1 (tonCO2eq)	140.87	135.4	1,823.74	1,904.70	874.81	1,243.52
Data coverage (as % of denominator)	100%	100%	100%	100%	100%	100%
Scope 2 (tonCO2eq)	2,930.52	2,899.56	0	0	0	0
Location Based (tonCO2eq)	3,551.5	3.605.5	3,964.02	4,589.88	2,774.56	2,895.08
Market Based (tonCO2eq)	2,930.52	2,899.53	0	0	0	0
Data coverage (as % of denominator)	0	0	0	0	0	0
Scope 3 (tonCO2eq)	14,040.57	244.7	1,504.1	1,442.12	3,487.80	3,117.99
Total tonCO2eq	**17,111.97**	**3,279.67**	**3,327.84**	**3,347.04**	**4,362.61**	**7,256.59**

100% of BBVA Colombia's energy consumption comes from renewable sources, thanks to the purchase of IRECs certificates.

Emissions and exclusions calculation methodology

Table 29. Emissions category for Scope 3
(Figures in tCO2e)

Scope 3 Category	Emissions in the year of report (metric tons of CO2e)	Emissions and exclusions calculation methodology
Waste generated in operations	36.04 tCO2e	Emission factors published by DEFRA in 2022 are used, and the waste generated in central areas is reported and for 2024, the collection of unused assets done by the current supplier at the national level. Waste generated by offices nationwide is excluded from this report.
Business Travel	1,022.44 tCO2e	Emission factors published by DEFRA in 2022 are used and the trips made by all BBVA Bank employees nationwide are reported.
Employee commute	2,059.51 tCO2e	Emission factors published by DEFRA in 2022 are used, and emissions from employee commute are reported, resulting from surveys conducted in 2024 among BBVA Colombia employees.

Regarding 2024, two different scenarios are evident:

In scope 1, the Bank managed to reduce the consumption of diesel in facilities and gasoline in its own fleet. The decrease in the former is due to a lower use of power plants nationwide, while the latter results from the decrease in the number of trips made by the vice presidents in the SUVs owned by the Bank.

On the other hand, the consumption of refrigerants has increased, especially in the branches in the northern part of the country. This is due to a greater frequency in leak correction work and replacement of components deteriorated by use. In addition, proximity to the sea increases the presence of salt in the environment, which accelerates the wear and tear of some refrigeration equipment components. However, this impact has been mitigated through preventive maintenance routines.

In scope 3, the Bank increased, due to 2 main factors: in 2024 business travel, as well as air travel, increased.

Sustainable mobility

We encourage sustainable mobility for our employees, through the use of bicycles, skateboards and walking to the headquarters. This project consists of employees being able to share their vehicles and reduce the carbon footprint generated by commuting to and from their workplaces. **The project managed to have about 750 active users at the end of 2024.**

Changing cooling systems

The Bank is striving to make an energy transition with its cooling equipment in offices nationwide. Deteriorating equipment is being replaced by newer and more efficient equipment, which allows for better operation and that will allow, in the following years, for lower maintenance and thus lower consumption use of refrigerant gases.

Waste management

GRI 306-3, GRI 306-4, GRI 306-5

At BBVA Colombia, we are committed to minimizing our environmental impact through responsible waste management. We have implemented a comprehensive waste management program that includes the reduction, reuse, and recycling of materials. This is achieved through the implementation of practices such as waste separation, the use of recycled paper, the minimization in the use of plastics, and the donation of reusable materials.

In addition, we work closely with our suppliers and contractors to ensure that they also adopt sustainable practices. In 2024, we worked with different suppliers on the collection and proper disposal of waste generated by each of the sites where BBVA has a presence.

The increase in non-hazardous and hazardous waste was close to 860% and 410%. This was due to the consolidation of offices under the NOVA project. With this project, the Bank reached more than 40 offices nationwide, where we collected most of the furniture that existed in these facilities, and with these, also, the materials resulting from the dismantling of the commercial premises.

Despite increasing emissions in this category, it is noteworthy that it **managed to collect more than 95 tons of waste in disused assets nationwide, giving these an adequate and environmentally friendly disposal**, and we have not allowed these assets to reach the streets, affecting our corporate image.

Table 30. Hazardous waste by type and method of disposal
(Figures in tons -t-)

WASTE BY TYPE AND DISPOSAL METHOD						
Hazardous Waste (Ton)	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Recycling	0	0	1.18	2.40	1.52	12.17
Recovery, including energy recovery	0	0	0	0	0	0
Incineration (mass burning)	0	0	0.18	0	0	0
Dump	0	0	0	0	0	4.93
Other (to be specified by the organization)	0	0	0.01	0.17	0.31	0.31
TOTAL	**0**	**0**	**1.32**	**2.56**	**1.83**	**17.42**

Table 31. Non-hazardous waste by type and method of disposal
(Figures in tons -t-)

WASTE BY TYPE AND DISPOSAL METHOD						
Hazardous waste (t)	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Recycling	58.24	44.55	60.77	43.32	11.88	86.31
Recovery, including energy recovery	0	0	0	0	0	0
Incineration (mass burning)	0	0	0	0	0	0
Dump	0	0	0	0	0	2.28
Other (to be specified by the organization)	0	0	0	0	0	65.37
TOTAL	**58.24**	**44.55**	**60.77**	**43.32**	**11.88**	**153.96***

*The information on the weight or units of waste from the supplier hired by the Bank to collect and make the final disposal. The data is projected for the end of 2024.

The Bank did not have a defined target for the year, however there is one for the 5-year period of the current PGE. The information provided regarding the weight or units of waste comes from the supplier hired by the Bank to collect and make the final disposal.

Main initiatives

- The Bank is supported by a waste collection provider in the central areas, for proper classification and use.
- In 2024, unlike the previous year, additional collection of inactive files was required in the offices of files purged from offices that were remodeled at a national level.
- As mentioned earlier, the remodeling of the offices caused an increase in WEEE and other non-hazardous waste.
- Monthly awareness campaigns on environmental issues (water and energy consumption, environmental conservation) were incorporated in the Bank's management, in the month of Environmental Management, in September 2024.

Area of environmentally certified buildings

BBVA-10

In Colombia, we have 3 buildings in the city of Bogotá, certified with the ISO 14001:2015 standard that accredits them as environmentally sustainable. Additionally, **we managed to include 33 locations in our certification.** Thus, we continue with our commitment, as per the valid PGE 2021-2025 to environmentally certify 30% of the total surface area of the Bank's buildings. It is important to note that in 2024 we achieved the following results.

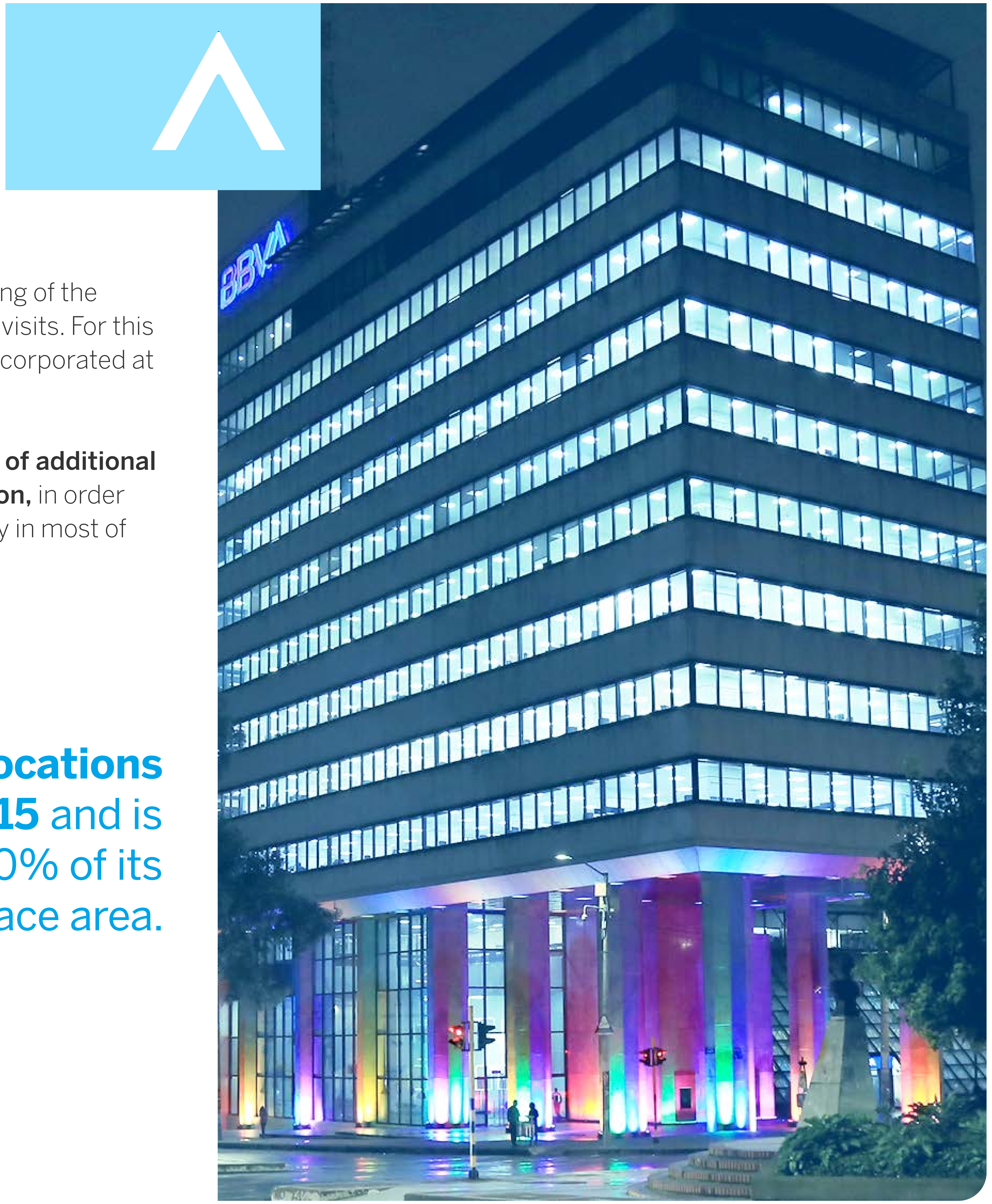
Table 32. Area of environmentally certified buildings
(Figures in m2 and percentages)

Year	M2 Certified	Total m2	% certified
2021	21,112	185,645	11%
2022	21,887	183,161	12%
2023	41,121	183,161	22%
2024	36,951	183,161	20%

The reduction in surface area was due to the remodeling of the offices, which during the audit were not accessible for visits. For this reason, 11 offices were not considered, which will be incorporated at the beginning of 2025.

The goal for 2025 is to include approximately 10% of additional branches in the ISO 14001:2015 surface certification, in order to expand our scope and thus have strategy uniformity in most of BBVA Colombia's facilities.

BBVA certified 33 locations to ISO 14001:2015 and is working to certify 30% of its surface area.



BBVA

Annual Report 2024

4 Social

Committed to the sustainable development of Colombia

Social

COMMITMENT TO THE WORKFORCE

Employment

GRI 2-7

During 2024, the Culture & Wellbeing team, in association with the Recruitment Area, implemented various strategies aimed at promoting gender and generational equality. These actions seek to guarantee an inclusive and fair environment, recognizing and valuing talent in all its dimensions. Below are the tables with the results obtained, which reflect the impact of these initiatives on the composition and diversity of the organization.

Table 33. Gender equality in generational terms by cities
(Figures in number and percentage)

LOCALIZATION	MAN		WOMAN	
	Number	%	Number	%
Barranquilla	52	0.99%	120	2.28%
Bogotá D.C.	1,626	30.88%	1,619	30.75%
Cali	63	1.20%	126	2.39%
Medellin	89	1.69%	167	3.17%
Other cities	453	8.60%	950	18.04%
TOTAL	**2,283**	**42.36%**	**2,982**	**56.64%**

Number of permanent employees

In 2024, BBVA analyzed gender distribution in the main cities where it operated, highlighting the percentages of men and women in each location.

The distribution showed that Bogotá D.C. concentrated the largest number of employees, with 31.09% of men and 32.42% of women. Medellín and Barranquilla had more balanced percentages, although with a higher female representation in both cities. In Cali, the female participation of 2.28% slightly exceeded that of men (1.14%). Finally, in other cities, men represented 8.20% and women 16.87%, as follows:

Table 34. Number of full time employees in the main cities of operation
(Figures in number and percentage)

LOCALIZATION	MAN		WOMAN	
	Number	%	Number	%
Barranquilla	53	0.99%	120	2.28%
Bogotá D.C.	1,621	30.83%	1,617	30.75%
Cali	63	1.20%	126	2.40%
Medellin	89	1.69%	167	3.18%
Other cities	453	8.62%	950	18.07%
TOTAL	**2,278**	**43.32%**	**2,980**	**56.68%**

Table 35. Number of part-time employees
(Figures in number and percentage)

LOCALIZATION	MAN		WOMAN	
	Number	%	Number	%
Bogotá D.C.	3	0.06%	21	0.40%
Medellin	0	0%	1	0.02%
Other cities	2	0.04%	2	0.04%
TOTAL	**5**	**0.10%**	**26**	**0.46%**

Employee diversity

GRI 405-1

The composition by position levels at BBVA in 2024 highlights a significant female representation at management levels **(Management Level II and III)**, especially in the age range between 30 and 50 years. At the management and leadership levels **(Management Level IV)**, the distribution by gender is remarkably balanced.

At the professional **(Management Level V)** and auxiliary **(Management Level VI)** levels, women have a higher participation in all age groups, especially in the range under 30 and between 30 and 50 years old, with a total female representation of 56.64% and male representation of 43.36% for BBVA.

Table 36. Employee diversity by job category, gender, and age range
(Figures in number and percentage)

Job category	Gender	Under 30 years of age	Between the ages of 30 and 50 years	Over the age of 50 years	Total	Total expressed as a percentage
Management level II	Man	0	6	2	8	72.73%
	Woman	0	2	1	3	27.27%
Management level III	Man	0	73	24	97	56.07%
	Woman	0	64	12	76	43.93%
Management level IV	Man	112	658	111	881	50.90%
	Woman	95	686	69	850	49.10%
Management level V	Man	253	509	101	863	40.10%
	Woman	325	863	101	1,289	59.90%
Management level VI	Man	88	192	154	434	36.23%
	Woman	330	327	107	764	63.77%
Total expressed as a percentage		22.85%	64.20%	12.95%		

New Employee Hires and Staff Turnover

GRI-401-1

In 2024, BBVA made 565 hires distributed between men (53%) and women (47%). Bogotá D.C. led the position with 398 hires, with a 70% rate of internal applicants. Other cities contributed to 17% of these internal hires, while Barranquilla, Cali and Medellín showed lower rates of new hires (between 3% and 5%). It should be noted that internal hires at BBVA are not considered under the concept of new hires, as these correspond to internal movements within the organization.

Table 37. New employee hires by city and age group (hires)
(Figures in number and percentage)

Regional	Men	Women	Total	New hire rate %
Barranquilla	6	12	18	10.47%
Bogotá D.C.	235	163	398	12.27%
Cali	10	15	25	13.23%
Medellín	11	17	28	10.94%
Other cities	38	58	96	6.48%
TOTAL	**300** **13.14%**	**265** **8.89%**	**565**	**10.73%**

Regional	Under 30 years of age	Between the ages of 30 and 50 years	Over the age of 50 years	New hire rate %
Barranquilla	9	9	0	10.47%
Bogotá D.C.	217	181	0	12.27%
Cali	12	13	0	13.23%
Medellín	15	13	0	10.94%
Other cities	61	35	0	6.48%
TOTAL	**314** **26.10%**	**251** **7.43%**	**0** **0%**	**10.73%**

New contracts signed by age range

During 2024, BBVA made 565 hires, evidencing a large participation of people under 30 years of age (314 hires), followed by the 30 to 50 age range (251 hires).

Bogotá D.C. concentrated the majority of hires (398 people), with 70% of internal applicants. Other cities accounted for 17% of internal hires, while Barranquilla, Cali and Medellín new hire rates (3% to 5%). Internal hires at BBVA are not considered under the concept of new hires, as these correspond to internal movements within the organization.

New contracts signed by job category

During 2024, BBVA registered a total of 565 new contracts distributed by job categories. The largest number of hires was concentrated at the management IV (182 hires) and management V (214 hires) levels. At the management III and management VI levels, 16 and 152 hires were made, respectively.

Table 38. New contracts by age range
(Figures in number and percentage)

Management level II	Management level III	Management level IV	Management level V	Management level VI	New hire rate %
1	16	182	214	152	10.63%

Table 39. Employee turnover by city and age group (departures)
(Figures in number and percentage)

Regional	Men	Women	Total	Employee turnover rate (%)
Barranquilla	8	24	32	18.60%
Bogotá D.C.	257	226	483	14.88%
Cali	22	23	45	23.81%
Medellín	21	28	49	19.14%
Other cities	83	137	220	15.68%
TOTAL	**391** **17.13%**	**438** **14.69%**	**829**	**15.75%**

Regional	Under 30 years of age	Between the ages of 30 and 50 years	Over the age of 50 years	Employee turnover rate %
Barranquilla	8	14	10	18.60%
Bogotá D.C.	131	256	96	14.88%
Cali	10	18	17	23.81%
Medellín	11	18	20	19.14%
Other cities	35	102	83	15.68%
TOTAL	**195** **16.21%**	**408** **12.07%**	**226** **33.14%**	**15.75%**

Annual employee survey

At BBVA, the commitment and satisfaction of our employees are fundamental pillars to achieving our strategic objectives. For this reason, every year we do the Gallup survey, a key tool to measure and understand the level of commitment of our teams. **In 2024, we are proud to highlight that BBVA Colombia was the geography that improved the most,** when compared to the previous year, an achievement that reflects the positive impact of our initiatives and the joint effort of the entire organization. This result reaffirms our commitment to continue creating a work environment that is motivating, inclusive and focused on people's well-being. These data not only inspire us to continue moving forward but also guide us in our decision-making to build an even stronger and more committed BBVA.

In relation to the general satisfaction of employees with the company as a workplace, the results show a positive trend. In 2023, the score was 4.34, reflecting a considerable level of satisfaction. By 2024, this figure increased to 4.46, indicating an improvement in employees' overall perception of their work environment. This increase of 0.12 points suggests that the initiatives and actions implemented during the year had a favorable impact on staff satisfaction. **The company will continue to focus on improving working conditions to maintain and continue to promote a positive and motivating work environment.**

In terms of the clarity of job expectations, the results show a steady improvement in employees' understanding of what is expected of them. In 2023, the score was 4.54, which already reflected a high level of clarity in expectations. In 2024, this figure increased to 4.63, representing a significant increase of 0.09 points, noting that efforts made to communicate job responsibilities and goals more effectively have been successful. This improvement evidences the company's commitment to maintaining clear and efficient communication, ensuring that employees fully understand their roles and expectations within the organization.

In terms of recognition and praise received for a well done job, the results indicate a positive development in employee motivation. In 2023, the score was 4.07, reflecting a moderate perception of recognition within the organization. However, in 2024, the score increased to 4.21, which represents an increase of 0.14 points. This increase suggests that the actions and strategies implemented to foster employee motivation and recognition have had a positive impact. The company will continue to reinforce recognition practices, understanding that these actions are key to keeping morale high and fostering a motivating and engaged work environment.

In relation to work-life balance, the results show a significant improvement, reflecting a growth in overall employee happiness and satisfaction. In 2023, the score was 3.71, indicating that although there was a moderate level of work-life balance, there was room for improvement. In 2024, the score increased to 4.05, which represents an increase of 0.34 points. This increase is a clear indication that the initiatives implemented to promote work flexibility and improve employee quality of life have had a positive impact on overall well-being. The increase in the score reflects an increased ability of employees to balance work responsibilities with their personal lives, which is key to their happiness and motivation at work. The company will continue to focus its efforts on strengthening this balance, understanding that **a happy and balanced employee is more productive and engaged.**

In terms of overall well-being, the results show a significant improvement in employee perception of the company's commitment to their health and well-being. In 2023, the score was 3.94, indicating that while employees recognized the company's efforts, there was still room to strengthen this perception. In 2024, the score increased to 4.19, which represents an increase of 0.25 points. This increase reflects actions and programs implemented to improve employees' physical and emotional well-being, such as promoting healthy habits, mental health support, and work-life balance initiatives. This improvement underscores the company's ongoing commitment to creating a work environment that values and promotes the holistic well-being of its employees.

Certificates and recognitions

BBVA Colombia renewed the Friendly Biz Seal, an international certification that validates its commitment to Diversity, Equity and Inclusion (DEI), consolidating itself as a friendly, diverse and discrimination-free space. This recognition, valid for 2 years, reflects compliance with high international standards through a rigorous assessment process that includes training, review of internal processes and external audits. The renewal of this credential reaffirms BBVA's leadership in promoting an inclusive culture, generating value not only for its employees, but also for its customers, strategic partners and communities, in line with its Purpose of building a more equitable and sustainable future.

In addition, **the Bank obtained the Equipares Seal - Silver Level, a recognition granted by the United Nations Development Program (UNDP), the Ministry of Labor and the Presidential Advisory Office for Women's Equality.** This award certifies our commitment to gender equality and labor inclusion, standing out with a score of 97.48%. The Equipares Seal endorses affirmative actions implemented in key areas such as recruitment, professional development, equitable compensation and work-life balance. This achievement furthers our goal of achieving Gold Level and strengthening our commitment to diversity and equal opportunity.

Diversity and equal opportunities

GRI 405-2

The table below summarizes the indicators of gender diversity in the workplace. It highlights that women represent 56.64% of the total workforce, with 49.08% in management positions and 55.07% in junior management. At senior management levels, they reach 43.17%, close to the target of 46%. In addition, they occupy 54.43% of revenue-generating roles and 29.11% in STEM areas, reflecting advances and areas for improvement in gender equality.

Table 40. Employee diversity indicators
(Figures in percentage)

Diversity indicator	(0-100%)	Objective
Percentage of women in the total labor force, as a percentage of the total labor force.	56,64%	N/A
Percentage of women in all management positions, including junior, middle and senior management, as a percentage of total management positions.	49.08%	N/A
Percentage of women in junior management positions, i.e., first level of management, as a percentage of total junior management positions.	55.07%	N/A
Percentage of women in senior management positions, i.e., at a maximum of two levels below the CEO or comparable positions, as a percentage of total senior management positions.	43.17%	46% Excluding global areas CIB, Audit and Re-search
Percentage of women in managerial positions in income-generating roles; for example, sales as a percentage of all managers. That is, excluding support functions such as HR, IT, legal, etc.	54,43%	N/A
Percentage of women in STEM-related positions, as a percentage of total STEM positions.	29,11%	N/A

Workforce Breakdown

The table below reflects the low representation of ethnic groups in BBVA's workforce and in management positions. Afro-Colombians, indigenous people, Raizal (Colombian inhabitants of San Andres Island) other groups account for less than 2% in both areas, with a 98% large majority, which stands out, who do not identify with these categories. These data underscore the strategy's effort to promote **ethnic diversity within the organization.**

Table 41. Workforce Breakdown
(Figures percentage)

Breakdown	Participation in the total workforce, as a percentage of BBVA's total workforce	Participation in all management positions, including junior, middle, senior, as a percentage of BBVA's total workforce
Afro-Colombians	0.27%	0.32%
Indigenous	0.36%	0.42%
Raizales	0.17%	0.26%
Other groups	0.68%	0.37%
Not applicable	98.52%	98.63%

Compensation

GRI 202-1, GRI 405-2

The table below shows wage equity in BBVA Colombia, where the minimum wage for women and men is identical, set at COP 2,608,000 million, doubling the Current Legal Minimum Monthly Wage (SMMLV for its Spanish acronym) of COP 1,300,000 million in 2024. This data highlights **the bank's commitment to gender equality in terms of wages.**

Table 42. Compensation by gender
(Figures in COP millions)

	SMMLV BBVA Colombia	SMMLV National	Salary list
Women	2,608,000	1,300,000	2
Men	2,608,000	1,300,000	

The table below analyzes the salary relationship between women and men at different levels of management. Although the average salary for women is close to that of men in levels IV and V, with a ratio of 84.32% and 91.08% respectively, significant gaps persist at higher levels. At Management Level II, women earn on average 83.23% of the male salary, and at Management Level III, this figure drops to 71.25%. These data show **progress in pay equity** in operational positions.

Table 43. Ratio of basic salary and compensation of women to men
(Figures in COP million and percentages)

Employee level	Average salary for Women	Average salary for Men	Average annual fixed income	Female/male salary ratio
Management level II	1,149,351,680	1,380,978,614	1,265,165,147	83.23%
Management level III	293,109,477	411,357,012	360,679,497	71.25%
Management level IV	135,340,463	77,269,875	148,051,497	84.32%
Management level V	84,918,389	94,908,260	88,839,257	89.47%
Management level VI	70,373,553	77,269,875	72,851,477	91.08%

Board Compensation Policies

GRI 2-19, GRI 2-20

BBVA Colombia's Compensation Policy is geared towards the constant generation of value for the Group. It focuses on aligning the interests of employees and shareholders in prudent risk management and in the development of the Group's strategy.

This compensation framework is a key component of the Corporate Governance System designed by the Board of Directors, and its purpose is to promote proper management and supervision, both for the Bank and for its Group. It is based on the following essential principles:

- Creating long term value.
- Achieving results based on prudent and responsible risk-taking.
- Attracting and retaining the best professionals.
- Rewarding the level of responsibility and professional career.
- Ensuring internal equity, external competitiveness and equal pay between men and women.
- Encouraging a responsible conduct and fair treatment of customers, as well as avoiding conflicts of Interest.
- Ensuring transparency of the compensation model.

These principles underpin the Compensation Policy not only to give back, but also to **strategically align the institution with responsible management, sustainable development and equal opportunities.**

In addition to the necessary compliance with the aforementioned principles, it is essential to guarantee the legal requirements applicable to credit institutions and the different sectors where business is done, as well as align with best market practices. To this end, elements have been included aimed at reducing exposure to excessive risks and aligning compensation with business strategy, as well as with the Group's objectives, values and long-term interests.

The identified group, including BBVA Group executive directors and senior management, have a specific long-term variable component that is part of the annual variable compensation, for greater alignment of their compensation with the Bank's performance and with the prudent and effective management of long-term risks. To compensate Senior Management, the BBVA Group considers the following criteria:

- Level of responsibility in their functions.
- That the compensation be competitive, when compared with equivalent functions in local market peer financial institutions.

Consequently, directors that are bank executives are not paid an additional compensation to that earned as an employee of BBVA Colombia. In relation to non-executive, independent and shareholder-appointed directors, the compensation system is based on the responsibility, dedication and conflicts of interest inherent to the position they hold.

This system includes:

- Fixed monthly compensation in cash for being part and attending the Board of Directors and the various committees supporting the Board.
- In-kind compensation, which includes directors and administrators, life and accidents insurance policies premiums.

Shareholder-appointed directors domiciled abroad receive travel expenses and payments necessary to attend sessions that must be face-to-face. The Chairman of the Board of Directors, due to the scope of his functions and greater required time dedication, may have a higher fixed compensation, within the margins managed by peer financial institutions in the local market. Finally, **it is up to the General Shareholders' Meeting to set the annual compensation package that the Bank pays its directors.**

More information can be found in the chapter on "Corporate Governance and Ethics," in the section "Board of Directors Compensation Policies".

Senior Management

The Compensation Policy varies in line with the Group's strategy and long-term value creation. Thus, it maintains an adequate balance between fixed and variable compensation components; It includes elements that guarantee prudent risk management, sustainability and the strength of the business model, as well as solvent growth and profitability. In addition, it is developed through a series of metrics to calculate the annual variable compensation that is aligned with the strategic priorities defined by the Group.

Fixed compensation considers the level of responsibility, the functions performed and the professional career of each employee, the principles of internal fairness and the value of the function in the market, constituting a relevant part of total compensation. **The award and amount of the fixed compensation are based on predetermined objective criteria and is not discretionary.**

Likewise, employees may receive other benefits or salary supplements of a fixed nature, as part of their compensation package, established in the local regulatory framework, usual market practices and/or at the discretion of BBVA Colombia or the Group's entities, when appropriate to attract and retain talent or motivate its employees, which payment may be done in cash or in kind.

Variable compensation is made up of those payments or benefits, in addition to fixed compensation, whether monetary or not, that are based on variable parameters. This includes both annual variable compensation and, where appropriate, multi-year variable compensation or other variable components that the BBVA Group or the Group's entities, at any time, may grant to its staff or to certain groups of employees. Other types of compensation do not apply, for example, recruitment bonuses or recruitment incentive payments, termination indemnities or reimbursements. Retirement benefits are applied only as established in the pension system mandated by the country's general social security system.

BBVA Colombia's Strategic Plan establishes sustainability as one of its strategic priorities, which is why it is promoting including sustainability and the fight against climate change in the Group's businesses and activities. This translates into the establishment of objectives that promote its execution, as well as the supervision and monitoring of its evolution. In this context, the individual objectives of each executive are linked to the Bank's and the Group's Strategic Plan. In addition, the Bank is incorporating metrics related to sustainability and ESG (Environmental, Social and Governance) risks into the variable compensation schemes of its employees and Senior Management.

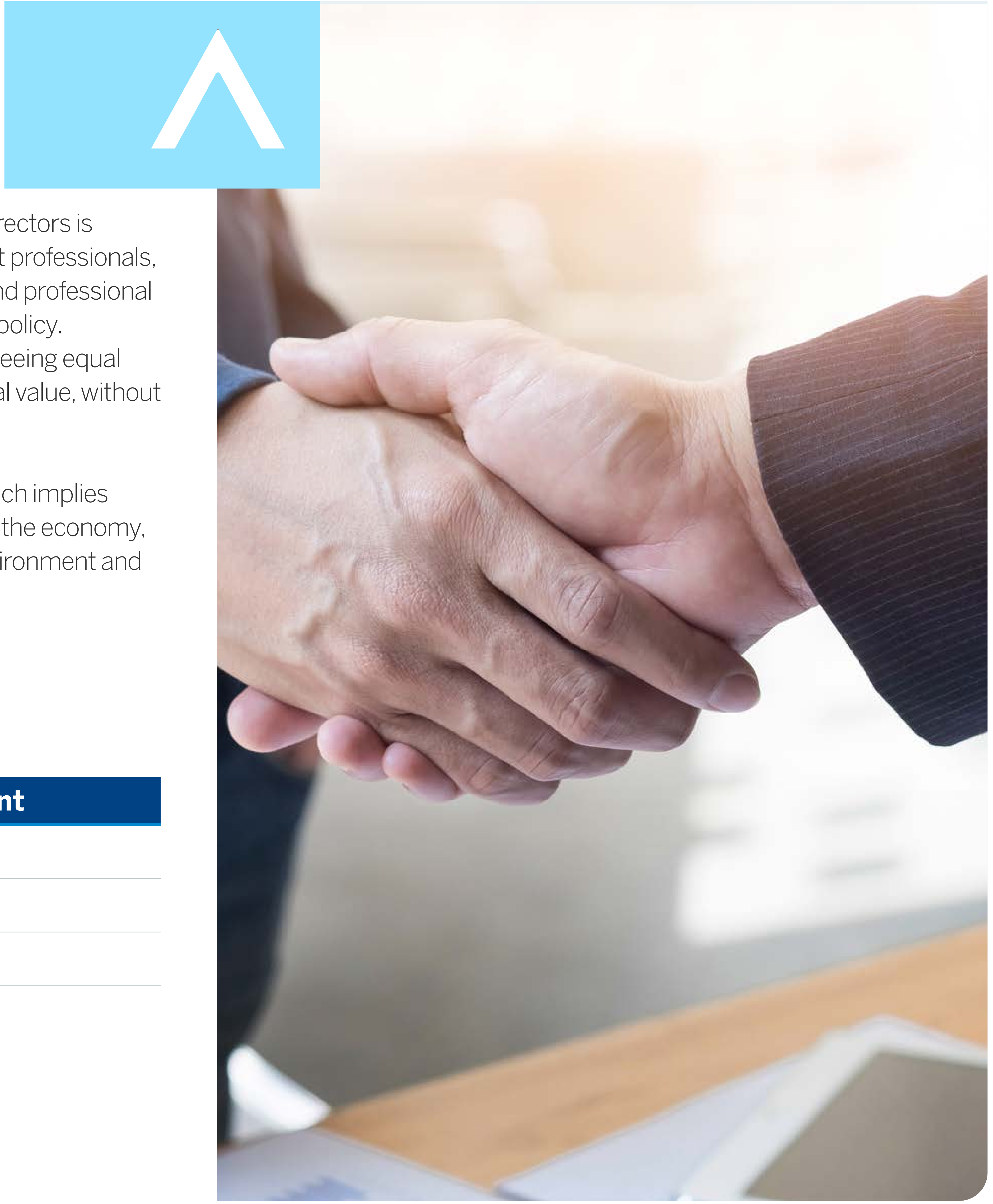
The individual performance appraisal is the main tool for measuring contributions to the Bank's results, linking the fulfillment of defined KPIs, which allows differentiating exceptional contributions from objectives and values.

The Compensation Policy for members of the Board of Directors is based on the principles of attracting and retaining the best professionals, rewarding them according to their level of responsibility and professional career, and ensuring transparency in their compensation policy. Likewise, the Policy considers gender impartiality, guaranteeing equal compensation for the same functions or functions of equal value, without establishing differences or discrimination.

All this seeks to generate recurring value for the entity, which implies that the objectives related to the organization's impact on the economy, highly qualified and committed Directors manage the environment and people.

Table 44. Board Compensation
(Figures in COP billions and millions)

Concept	Amount
Fixed compensation	14,4
Compensation in kind	746
Total	15,



BBVA allocated long-term incentives linked to sustainability and prudent risk management, aligning them with its strategic objectives.

Total Annual Compensation Ratio

GRI 2-21

Table 45. Total Annual Compensation Ratio
(Figures expressed as a percentage)

Total annual compensation percentage increase of the highest paid person in the organization.	6.83%
Total annual compensation median percentage increase for all employees in the organization, not including the highest-paid person.	The average increase in the workforce is 10.14%
Ratio of percentage increase in total annual compensation.	0,673570%

Long-term incentives for employees

Table 46. Employee Incentives

Long-term incentive program, applicable to the type of employee below the Senior Management level to which the program applies	Long-term incentive scope	Workforce percentage below the senior management level to which this program applies	Do long-term incentives include goals associated with sustainability performance?
• All members of the Management Body and Senior Management. • Staff members with managerial responsibilities with respect to control or the main business units of the entity.	Members of the Identified Collective will be those people who have held a determined position for at least 3 months in the year. This will not apply to cases of contractual relationship termination in the first 3 months of 2024, that were part of the group determined in 2023, which will be considered.	It only applies to the group determined.	The Long-Term Incentive (LTI) is conditional on the fulfilment of a series of long-term objectives with multi-year measurement (financial and non-financial), focused on value creation, long-term shareholder performance and sustainability.

Training and teaching

GRI 404-1

In 2024, BBVA Colombia employees received 268 thousand hours of training, for an investment in training per employee of COP 618.1 thousand.

Basic data on training

Table 47. Employee training

(Figures in COP thousands and billions)

2024	
Investment in training	COP 3.25 billion
Investment in training per employee Ratio calculated considering the entire BBVA at the end of each year.	COP 618.1K
Training hours per employee Ratio calculated by dividing the total hours of training for the entire year by the total BBVA workforce at closing, with access to the training platform.	51.28
Employees who have received training Ratio calculated by dividing the total hours of training for the entire year by the total BBVA workforce at closing, with access to the training platform.	5.254

Table 48. Hours of training by gender and category

	Hours	Average training hours by gender
Women	145,864	48.91
Men	124,118	54.37
Total	**269,982**	**103.28**

Table 49. Hours of training by job category

Job category	Hours	Average training hours by category
Management level I, II, III	14,648	79.61
Management level IV	107,627	62.18
Management level V	101,712	47.26
Management level VI	45,993	38.39
Total	**269,982**	**51.28**

Employee upskilling and transition assistance programs

GRI 404-2

The BBVA Group considers it a strategic priority to have: "The best and most committed teams"; For that reason, it has structured programs for employee development.

Employee development programs

Leadership development program. The Good Manager boosts BBVA's strategic performance by developing more effective leaders, capable of inspiring, motivating and managing high-performing teams. This initiative strengthens the essential leadership skills to optimize decision-making, foster innovation, and improve conflict resolution, resulting in greater operational efficiency and meeting business objectives.

The program also promotes an organizational **culture based on trust, effective communication, and empathy, increasing team cohesion and commitment.** Overall, this not only improves the work environment and reduces staff turnover, but also enhances internal and external customer experience, aligning the leadership of our managers with the company's global strategy and strengthening our market position.

In 2024, **BBVA allocated a budget of 100 million for the development of The Good Manager program**, achieving a measurable impact on organizational performance. This program has contributed to the reduction of costs associated with staff turnover, thanks to the strengthening of motivation and retention of key talent. In addition, it has improved the productivity and efficiency of the teams, optimizing process management and strategic decision-making.

The Good Manager program guarantees 100% coverage of the 833 managers within our workforce, ensuring that all leaders have access to development tools such as a recommended plan, coaching, mentoring and specialized training.

This allows them to strengthen their leadership and management skills, directly impacting the performance of their teams and the achievement of BBVA's strategic objectives.

Cultural education programs

Inclusion Program In progress. In its strategic lines for Transversal DEI actions, seals and certifications: With the aim of promoting an inclusive culture where each employee feels appreciated and respected, BBVA has implemented spaces for continuous DEI learning. These spaces not only promote diversity as a fundamental asset for our success, but also encourage a healthy balance between personal, family and professional life, thus improving our teams' well-being and satisfaction.

It has generated more than **2,700 hours of DEI training** by 2024, of which 59% of attendees are women and 41% are men, these programs allow the Bank to continue working on a diversity culture.

The program covers 100% of employees nationwide, to expand knowledge and awareness of issues related to inclusion and equity.

Values day. It is a strategy implemented from the holding company that promotes organizational culture and values, in addition, it is executed as an annual event through an individual pre-workshop and group workshop, achieving a significant impact in promoting corporate values, creating a sense of belonging in each of the organization's employees.

During 2024, a significant impact of more than 80% of the organization was achieved between AACC and participation in the Network.

Digital Transition Program

BBVA 2024 Diplomas. Specialized program in employee upskilling, focused on key topics of digital transformation, such as cybersecurity, AWS, data analysis, big data and Artificial Intelligence (AI). This initiative allows the Bank to improve its competitiveness, optimize internal processes and strengthen data security. The program also contributes to talent retention and the development of a workforce better prepared to face future challenges.

4,352 hours of training were carried out, allowing the participation of the Financial, Engineering, Risks, Talent and Culture, and Internal Audit areas. The diploma course was done for approximately 132 BBVA employees. By 2025, it is expected to have an estimated 3 thousand employees**.**

ChatGPT training. With the extension of ChatGPT licenses to selected groups at BBVA, a training program was developed to train employees in the proper use of the tool. The objective is to maximize its use, teaching not only how to use it correctly, but also how to make the most of its functionalities to improve productivity and daily work efficiency.

100% of the employees with a Chat GPT license have had a special training program on the use of the tool. **In the coming years, it is planned to expand training in tools such as ChatGPT and other market emerging technologies**, with the aim of training employees in the most advanced solutions. This expansion will allow the Bank to continue its innovation process, optimize its operations and improve decision-making, maximizing the potential of AI in various strategic areas.

AI training program for Talent and culture. Although the program initially focused on the Talent and Culture team (115 PAX), the coverage percentage for part-time and contract employees will depend on the Bank's internal policies. It is crucial that the program be accessible and inclusive to all employees, regardless of their contract type. The trends in organizations that already have AI in place indicate an initial coverage of 30% to 40% of part-time employees in digital training and AI programs, with the potential for expansion as more tools and technologies are integrated into the Bank.

Transition Program for Employees Retiring, Terminating, or Returning from a Career Void

Transition to retirement. To accompany people who are nearing the end of their working life, we have implemented a comprehensive program that includes:

- **Informative talks.** TED talks on the four phases of retirement were shared, providing a clear perspective on the emotional, financial, and social aspects of this stage of life.
- **Personalized advice.** Interested people had the opportunity to directly contact our pension fund advisors to solve doubts and receive guidance on their specific processes.
- **International mobility.** The program seeks to facilitate the adaptation of new employees to the country, supporting them with topics other than those related to their functions or positions (there is also a specific onboarding program for the position). This program seeks to help new employees to get to know the building (General Management), mobility around the area and places of interest for shopping, gastronomy and leisure. Over this year, we had about 45 people moving in.
- **Mindset change workshop.** Although the mindset workshop was specifically targeted at 29 employees from the Payroll and Compensation teams, the coverage percentage for contractual or part-time employees could be considered to be around 20% to 30%, in similar programs if these is expanded in the future. To increase coverage, it would be advisable to offer flexible modalities for employees with flexible schedules or temporary contracts, which would allow more p eople to participate in these personal and professional development programs.

100% of employees with a ChatGPT license in BBVA received training **to optimize its use in work productivity.**

Communication and training on anti-corruption policies and procedures

GRI 205-2

In order to strengthen our organizational culture and ensure compliance with the highest ethical standards, all our employees, both new and old, must take a mandatory course on **BBVA's anti-corruption policy.**

This course is critical to ensure that all employees understand and apply internal and external regulations related to integrity and transparency in our operations. In addition, by 2024, a significant update was implemented in course contents, in order to reinforce key aspects of the anti-corruption policy and ensure that all employees, regardless of their seniority in the company, are aware of the latest **regulations and good practices.**

Participation in this course is mandatory for all employees, reflecting our ongoing commitment to preventing corruption and maintaining an ethical and responsible work environment.

The total number and percentage of employees who have received anti-corruption training, broken down by category, is presented below.

Table 50. Specific training for our employees by job category
(Figures in number and percentage)

CATEGORY	WOMEN		MEN		TOTAL
	Number	%	Number	%	%
Management level III	76	100%	96	99%	99%
Management level IV	848	99%	880	99%	99%
Management level V	1281	99%	857	99%	99%
Management level VI	732	96%	352	81%	90%

At the end of 2024, a total of 5,254 BBVA Colombia employees were enrolled in the Anti-Corruption Policy course. Of these, 5,122 employees successfully completed the training.

Risk culture

With the aim of promoting an effective risk management culture, a comprehensive strategy of continuous training in the Risk Management System (SARO for its acronym in Spanish) has been implemented for non-executive directors and employees. This periodic training ensures that employees understand, manage, and adequately mitigate risks that may affect the organization.

Like other key programs, **the SARO course is mandatory for all company members, new and old,** ensuring its alignment with risk management principles and processes. In 2024, the contents were reinforced to include new regulations and good practices that improve the identification and assessment of risks in all operational areas.

This commitment to continuous training reflects the organization's willingness to integrate a solid and effective risk culture, fostering a proactive and conscious work environment.

Table 51. Training in risk culture by job category
(Figures expressed in number and percentage)

CATEGORY	WOMEN		MEN		TOTAL
	Number	%	Number	%	%
Management level III	75	99%	93	96%	97%
Management level IV	841	98%	867	98%	98%
Management level V	1,278	99%	853	99%	99%
Management level VI	747	98%	396	91%	95%

Improving workers' environmental and social skills

FS-4

BBVA has promoted a solid strategy to strengthen the environmental and social competencies of its workers, integrating sustainability and social responsibility into its organizational culture. The training focuses on roles that directly advise clients in decarbonization transition and sustainability with a sector focus.

BBVA Colombia has offered more than 617 training resources through the Campus platform, providing key tools to understand environmental and social challenges. In addition, it has organized Boot-camps, both face-to-face and remote, with practical tools for sustainability specialists, as well as master training with experts for other roles, allowing employees to acquire in-depth knowledge on the subject.

These initiatives not only reinforce the importance of adopting sustainable practices but also empower employees to apply them in their daily work. The training covers circular economy, energy efficiency and carbon footprint reduction, among other topics. With this, BBVA seeks to ensure that its employees actively contribute to a more sustainable future, aligning their personal values with the company's environmental and social objectives.

BBVA trained more than 5,000 employees in anti-corruption and risk management policies, reinforcing its culture of transparency.

Table 52. Average hours per training and development FTE
(Figures expressed in number and hours)

Job category	Gender	No. of employees trained	Training hours	Total hours of training
Management level III	Man	97	6375,98	12972,63
	Woman	76	6596,65	
Management level IV	Man	881	52092,47	99982,88
	Woman	850	47890,41	
Management level V	Man	863	41101,04	95135,43
	Woman	1289	54034,39	
Management level VI	Man	434	13556,85	43014,28
	Woman	764	29457,43	

Table 53. Average hours per FTE by age range
(Figures expressed in number and hours)

Age Range	Gender	No. of employees trained	Training hours	Total hours of training
Under the age of 30 years	Man	453	26394,11	63386,45
	Woman	750	36992,34	
Between the ages of 30 and 50 years	Man	1432	73730,75	164151,26
	Woman	1940	90420,51	
Over 50 years old	Man	390	13001,48	23567,51
	Woman	289	10566,03	

Average hours per FTE by race, ethnicity, nationality, country of origin, and cultural background

At BBVA, **we celebrate and recognize ethnic and cultural diversity**. As part of our commitment to diversity and inclusion, an internal communication campaign was implemented to encourage ethnic self-recognition among employees, promoting an environment of respect, equality, and cultural pride.

Main objectives

1. To foster pride and recognition of ethnic identity.
2. Promote inclusive professional development, without distinction of race or ethnicity.
3. Eradicate any form of employment discrimination.

BBVA offered more than 617 courses through the Campus platform, helping its employees to understand new environmental and social challenges.

As a result of this campaign, employee engagement increased significantly, from 18 people belonging to an ethnic group at the beginning of 2024 to 87 self-recognized people in November.

Table 54. Average hours of training to our employees by race, ethnicity, nationality
(Figures in number and hours)

Nationality - Ethnicity	Gender	NO. OF EMPLOYEES TRAINED	Training hours	Total hours of training
Afro-Colombians	Man	10	315,23	1227,31
	Woman	13	912,08	
Indigenous	Man	7	98,59	432,82
	Woman	12	334,23	
Other groups: Arabs, Jews, Gypsies (Colombia)	Man	10	159,95	809,8
	Woman	26	649,85	
Raizales (Colombia)	Man	5	107,64	228,69
	Woman	4	121,05	

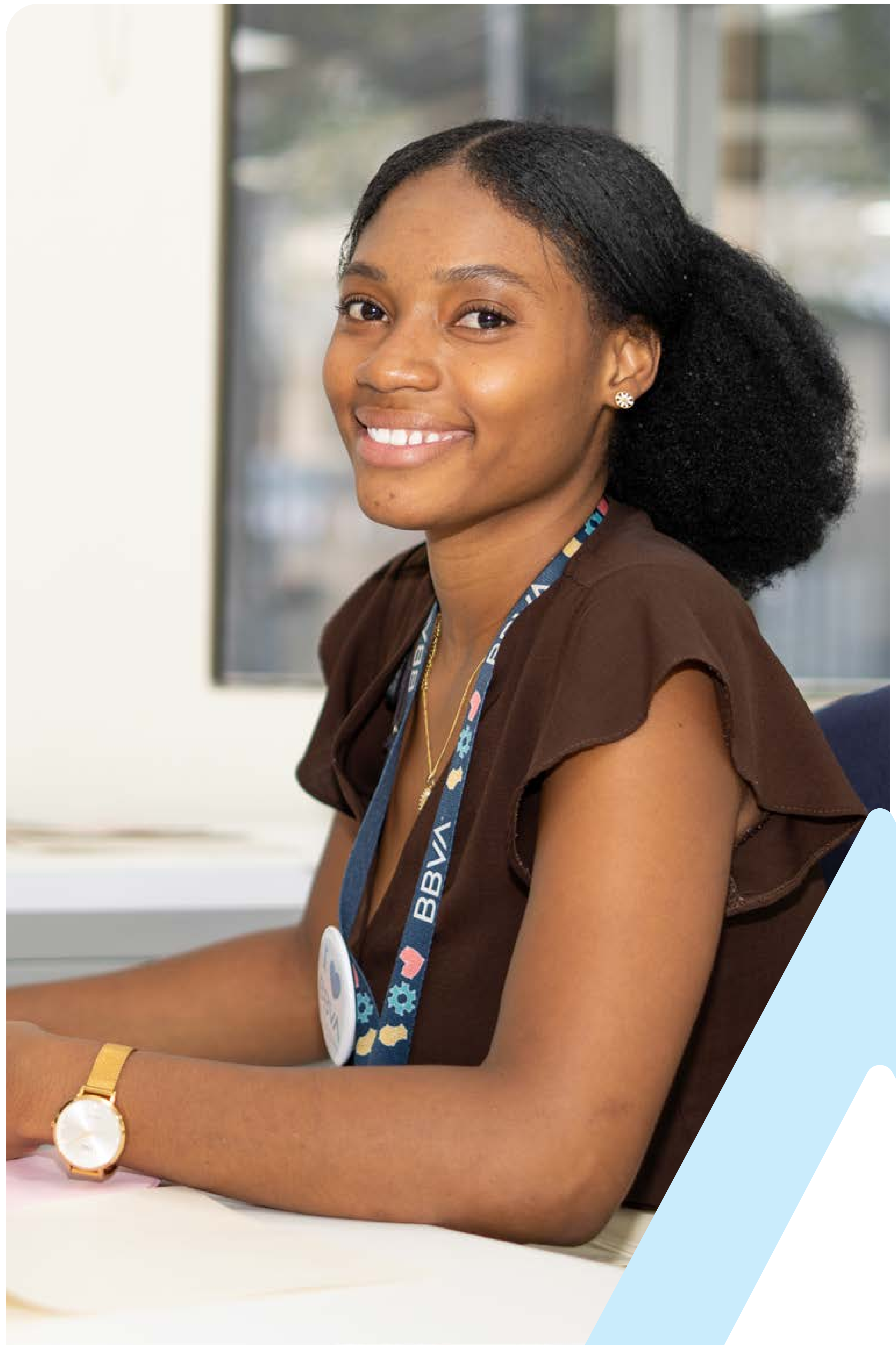
Average hours per FTE by type of training

The table below reflects the organization's commitment to training in critical areas such as information security, data protection, anti-corruption, and discrimination prevention. Although there is a balanced participation between genders, women stand out for their higher average hours in key programs such as anti-corruption and discrimination.

These data underscore the importance of continuing to strengthen training programs that promote strategic competencies and promote equity in professional development.

Table 55. Average hours of training by specific training type
(Figures in number and hours)

Training	Gender	NO. OF EMPLOYEES TRAINED	Training hours	Total hours of training
Training Type 1: Information Security	Man	318	372,72	768,56
	Woman	340	395,84	
Training Type 2: Data Protection	Man	866	587,26	1168,56
	Woman	886	581,3	
Training Type 3: Anti-Corruption - Anti-Fraud	Man	1793	1792,7	4156,13
	Woman	2359	2363,43	
Training Type 4: Discrimination - Harassment	Man	509	1023	2417,55
	Woman	685	1394,55	



Periodic appraisal assessment

GRI 404-3

The Bank carries out an annual appraisal assessment process, in which it assesses people, individual performance appraisal and talent map calculation.

1. People assessment

This process allows employees to know themselves better by comparing their professional profile with the requirements of their role. Through a 360° assessment, which collects the perception of managers, peers, collaborators, leaders and project colleagues, key skills for the position are analyzed. In addition, the potential of each person is identified, assessing their ability and attitude to grow professionally and take on new responsibilities.

2. Individual performance assessment:

The level of individual performance is assessed according to the degree of compliance with the annual objectives established by the manager and the application of the Group's values. This assessment is reflected in the variable compensation, using a scale of 1 to 5.

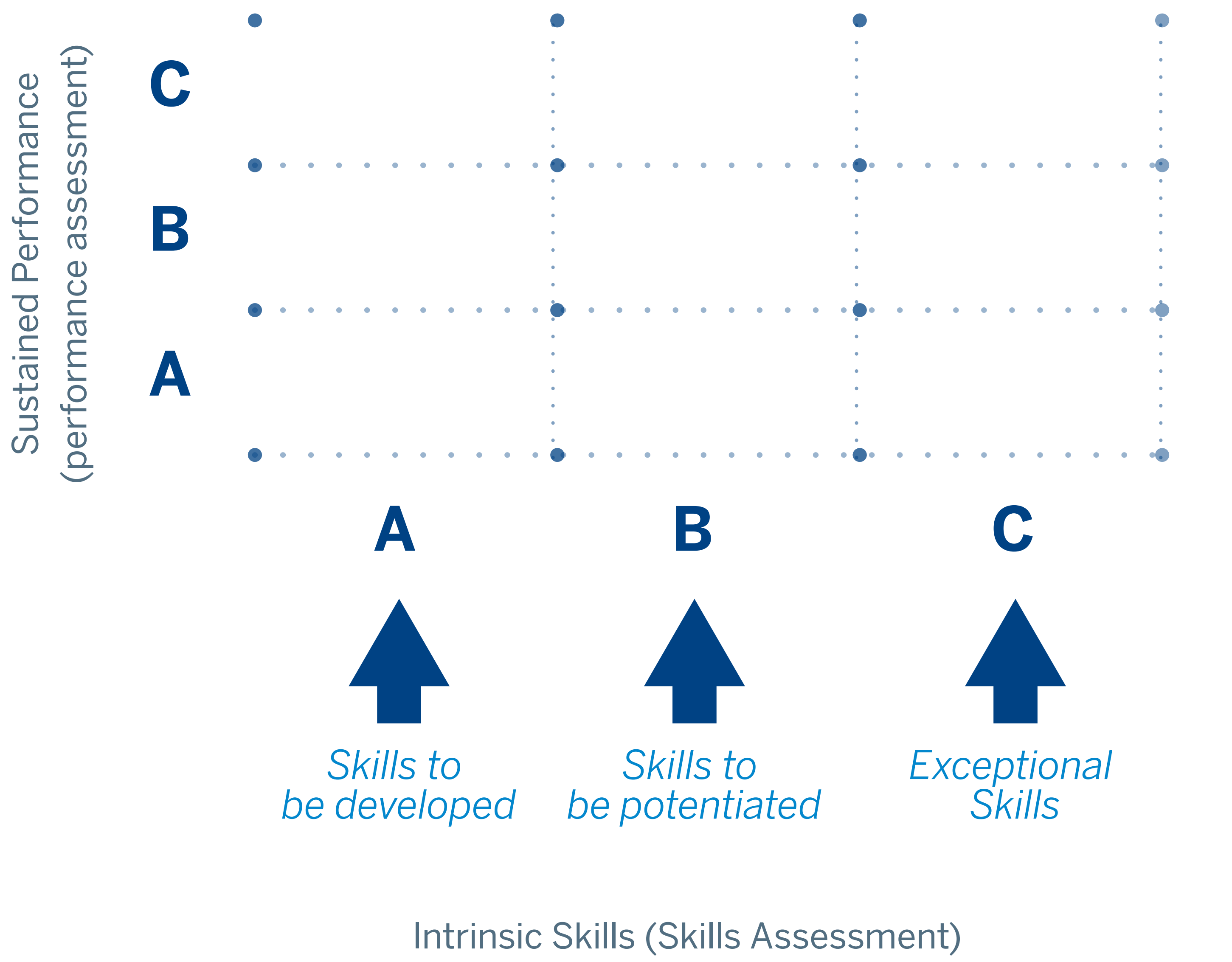
3. Talent Map

The Talent Map allows to better understand strengths and areas for improvement.

How is the map made? The location on the map is generated, on the vertical axis, with the result of sustained performance, and on the horizontal axis, with the assessment of intrinsic skills and potential.

Comparison group. The position on the horizontal axis is determined by the result compared to people from Colombia's geography, whose roles have a required level of skills similar to those of the assessed employee.

Talent map of the people assessment.



Percentage of total employees, by gender and job category, who received a periodic performance assessment and career development plan during the reporting period.

Table 56. Employees who receive periodic evaluation by gender and job category
(Figures expressed in number and percentages)

CATEGORY	WOMEN		MEN		TOTAL	
	Number	%	Number	%	Number	%
Management level II	3	0%	8	12.5%	11	9.1%
Management level III	76	97.4%	97	99.0%	173	98.3%
Management level IV	850	97.2%	881	96.7%	1,731	96.9%
Management level V	1,289	99.5%	863	98.3%	2,152	99.0%
Management level VI	764	98.6%	434	93.3%	1,198	96.7%
TOTAL	**2,982**	**98.5%**	**2,283**	**96.5%**	**5,265**	**97.6%**

BBVA allocated COP 14,318 million in vacation bonuses and COP 100,950 million in extra-legal benefits for its employees.

Work environment

GRI-401-2

Table 57. Full-time and part-time employee benefit
(Figures in COP millions)

Benefit	Amount paid in 2024
Funeral subsidy	139,3
Educational subsidy aid for children with disabilities	75,6
Food subsidy	861,8
Eye surgery subsidy	93,1
Maternity subsidy	182,9
Education subsidy for children	1380
Eye glass subsidy	2.743,60

Benefit	Amount paid in 2024
Graduate Study Credit	1.740,70
Undergraduate Study Credit	438,2
Bank teller incentives	472,9
Seniority bonus	12.045,50
Vacation bonus, seniority benefit	471,3
Holiday bonus	14.318,10
Extralegal payment	100.950,50

Employee Support Programs

BBVA reinforces its commitment to comprehensive employee well-being through strategic initiatives that promote physical, mental and emotional health. Based on well-being 8 pillars, the 2024 program implemented activities such as **yoga classes, relaxation mini-breaks, time management awareness campaigns and policies that protect being disconnected from work**. In addition, it highlighted sports initiatives such as the Ascender Club and nutritional challenges, promoting healthy habits and work-life balance. These actions reflect BBVA's purpose of building a healthy, flexible work environment aimed at comprehensive well-being.

Table 58. Support programs for our employees

Program	Description – 2024 Achievements	
Stress management BBVA bases the comprehensive well-being of its employees on 8 pillars: emotional, physical, nutritional, financial, intellectual, spiritual, environmental and socio-family with the aim of promoting a healthy and balanced work environment. Various activities were implemented that favored stress management and contribute to the comprehensive well-being of our employees by ensuring that they maintain an adequate balance between their work and personal lives. Some of the activities are:	• **Yoga classes.** Regular yoga classes and a special day called "Yogafest" were held in the central building, which brought together associates from different areas into the main auditorium, focused on relaxation, tension management and posture improvement. These classes are excellent tools to reduce stress, improve flexibility, and foster peace of mind. Employees have access to these classes both in-person and virtually, allowing them to participate regardless of their location. • **Relaxation mini breaks.** A virtual talk with the of "Relaxation Tips" was offered, which allows employees to practice breathing techniques. These practices can be done at any time of the day, helping reduce anxiety and recharge energy during the workday.	Within the framework of work-life balance, one of our priorities has been to promote proper time management: • Awareness campaigns are carried out on an ongoing basis, through internal communications, to ensure that meetings are on time, focused and brief, reducing unnecessary workload. This allows employees to have more time to focus on their tasks while avoiding burnout. • **No sending of chats or meeting summons outside of work hours.** This has been done in order to protect our employees' personal time and avoid digital saturation. The work-life balance policy has been updated, which prohibits sending work messages outside work hours, as well as summoning meetings outside these hours. This regulation promotes disconnection, ensuring that the staff can enjoy their free time without work-related distractions.
Sports and health initiatives In the field of sports and health, activities designed to promote healthy habits and an active lifestyle were carried out.	Among the most outstanding initiative was the talk **" Nutrition myths"**, which counted with a high participation and served as a complement the **"Nutri Challenge."** This challenge invited people to share healthy recipes, encouraging a balanced and creative diet.	Additionally, we developed the Ascender Club, a challenge designed to accumulate kilometers in three disciplines: athletics, cycling and walking. This initiative had more than 350 activity records, where people demonstrated their commitment to physical well-being and self-improvement.
Work-at-home arrangements	In accordance with the Work Better - Enjoy Life program, BBVA maintains flexible work models that adjust to current operational dynamics, promoting work-life balance. This is achieved through figures defined by Colombian law, such as teleworking, remote work and working at home, so long as it is feasible according to regulatory criteria. These options favor both work-life balance and employee productivity.	In addition, in order to strengthen the bond between parent and child and facilitate childcare, a policy has been established so employees (mothers, fathers or first caretakers) assigned to central areas, with continuous working hours and whose functions permit it, may request to work from home during the first year of the child's life, thus favoring family life and the development of the baby.

Program	Description – 2024 Achievements	
Childcare contributions Refers to the financial support provided to parents, specifically designed to ensure access to qualified childcare services during working hours.	In line with the 'Work Better – Enjoy Life' program, BBVA maintains flexible work models that align with current operational dynamics, promoting a balance between work and personal life. This is achieved through frameworks established in Colombian law, such as telework, remote work, and working from home, whenever feasible according to regulatory criteria. These options support both work-life balance and employee productivity.	Additionally, to strengthen the bond between parents and children and facilitate childcare, it is BBVA's policy to allow employees (mothers, fathers, or primary caregivers) assigned to central areas, working continuous shifts, and whose roles permit it, to request work-from-home arrangements during the child's first year of life—thus fostering family life and supporting the child's development.
Breastfeeding Facilities This refers to a dedicated room or facility, where new mothers can breastfeed or breast milk expressing.	At BBVA, we promote effective protection to exercise the right to breastfeed, as a key condition in the pursuit of real opportunity equality for women in the workplace and reasonable adjustments required to achieve this goal. Therefore, breastfeeding rooms have been implemented in individual buildings that allow these, complying with legal requirements.	
Breastfeeding Benefits The benefits include, but are not limited to, paid breaks for breastfeeding or expressing milk (15-20 minute breaks, every 2-3 hours, depending on individual needs) and subsidies to buy portable breastfeeding equipment or expressing devices.	When a mother is employed by BBVA Colombia, she is granted one breastfeeding hour, in addition to established legal paid child breastfeeding leave, within the breastfeeding period defined by law.	In order to foster the bond between mothers and fathers with their child and facilitate childcare, it has been established as a policy that employees (mothers and fathers) or primary guardians assigned to central areas, whose work schedule is continuous and roles allow it, may request to be assigned to work from home over the child's first year of life, thereby fostering family life and the child's development.

Parental leave

During 2024, the benefit of maternity leave was granted to employees, corresponding to **10 additional days for both the mother and the father** who take maternity or paternity leave, distributed as follows:

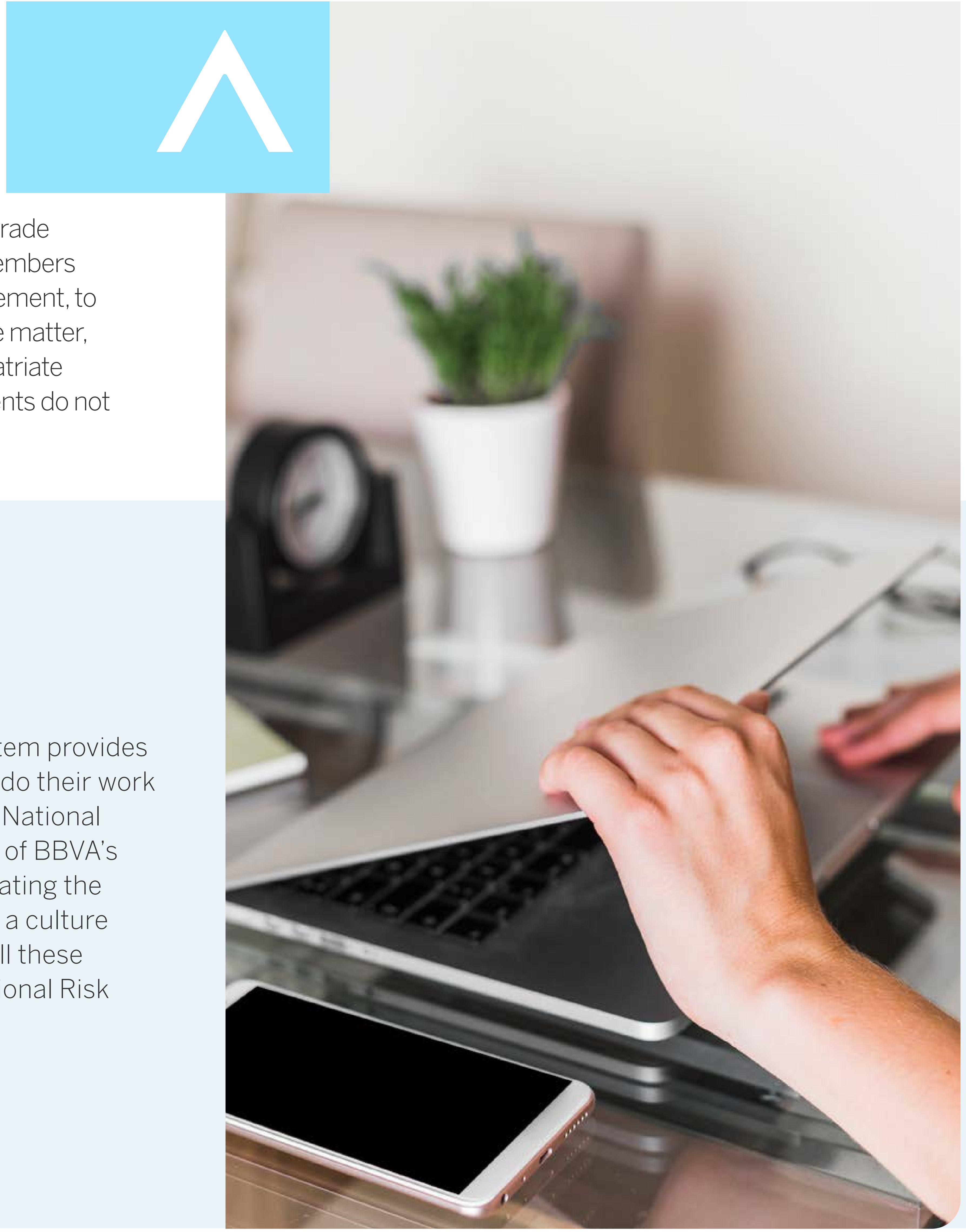
Table 59. Maternity leave for our employees

MATERNITY LEAVE (PACT) 2024	
Woman	Man
99	41

Collective bargaining agreements

GRI 2-30

The Bank has 2 collective agreements: the Collective Bargaining Agreement, which applies to 1,410 workers, who are unionized, and the Collective Bargaining Agreement, which applies to 3,823 employees, who are not members of a trade union organization. We also have 23 executives who are not members of a trade union organization or adhered to the Collective Agreement, to whom, in accordance with the legal provisions that regulate the matter, the Collective Labor Agreement applies. Finally, we have 9 expatriate collaborators to whom the aforementioned collective agreements do not apply.



Occupational Health and Safety (OSH)

OSH Policy

At BBVA Colombia, guaranteeing decent work, aligned with the SDGs, commits us to prioritizing the prevention of workplace accidents, occupational diseases and the physical and mental well-being of our employees. This is just as important as economic productivity, environmental protection, quality of service and cost control.

Therefore, in accordance with the company's guidelines, corporate guidelines and current national legislation, we have the Occupational Health and Safety Standard and Prevention for the Consumption of Tobacco, Alcohol and Psychoactive Substances. This standard establishes the necessary actions to identify, quantify and control the risk factors to which our employees may be exposed, including measures to prevent the consumption of tobacco, alcohol and psychoactive substances within BBVA facilities, thus guaranteeing a safe and healthy work environment.

OSH Programs

GRI 403-2, GRI 403-4 GRI 403-8, GRI 403-9, GRI 403-10

The Occupational Health and Safety Management System provides coverage to all employees and external personnel who do their work onsite, at the Bank; likewise, we have a scheme called "National Risk Prevention Strategy", which allows us to visit each of BBVA's work centers, located nationwide, 3 times a year, facilitating the deployment of all the actions and activities to promote a culture of self-care and favor a safe work environment for all, all these developed under the technical advice of ARL (Occupational Risk Manager for its acronym in Spanish) AXA Colpatria.

Table 60. Managing our OSH Program
(Figures in numbers)

Concept	BBVA 2024
Number and rate of deaths due to occupational accident injuries.	0
Number and rate of injuries due to occupational accidents with large consequences (not including deaths).	0 0
Number and rate of recordable work-related injuries	45 Injury rate: (45 / 8,950,500) * 200,000 = 1.0055 (Number of occupational accidents OA / Number of employees) * 200,000
Main types of workplace accident injuries.	The type of injury that prevails in workplace accidents corresponds to blows and/or contusions, in 50% of the events that occurred, followed by 18% for sprains and strains.
Number of hours worked.	No. of employees 5,265 * 1,000,000 = 5,265,000,000 No. of hours worked: 5,265 * 1,000,000 = 8,950,500 No. of hours worked per year per employee (standard average, e.g., 1,700 hours per year)
Occupational hazards that represent injury risk due to a work accident with great consequences.	According to the findings derived from the safety inspections carried out onsite at BBVA's facilities, hazards are identified in the following categories: • Biological • Physicists • Biomechanical • Psychosocial • Safety conditions • Chemical • Natural phenomena
How are these hazards determined?	To identify hazards, evaluate and assess risks, there is the SG-SST (Occupational Health and Safety Management System for its acronym in Spanish) through which actions are established aimed to determining the dangers that may generate incidents, accidents and/or diseases of occupational origin, in accordance with the standards established at the legal level. In a preventive manner, risks and dangers are identified and intervened every year by updating the matrix where those hazards that may represent injuries, with great consequences, are considered. In 2024, there were no events that representatively affected the health and integrity of workers.
What hazards have caused or contributed to serious occupational accidents during the reporting period?	During 2024, no work-related accidents materialized, with injuries considered "of great consequence" and associated with dangers present at BBVA facilities.
Measures designed to eliminate hazards and minimize risks through the hierarchy of control.	The required control and intervention measures were implemented according with the criticality of the risks identified and assessed, which is considered in the hazard identification matrix, on the basis of specific conditions at each of the work centers.

* No hubo ningún caso reportado que tuviese lesiones de grandes consecuencias (no pueda recuperar, no recupere, o que no se espere que recupere totalmente el estado de salud previo al accidente, en un plazo de seis meses).

Table 61. Table on accidents
(Figures in numbers and percentages)

Types of Accidents	With disability	No disability	Total
Number	29	12	41
Accident frequency rate	29 * 1,000,000 / 9,259,900 = 3.13 Accident frequency rate at work, expressed as a percentage: number of accidents with medical leave x 1 million / divided by number of hours worked.		
Absenteeism rate	0,97%*		

*As of September 2024.

Absenteeism rate

The absenteeism table provides an overview of absenteeism rate in the organization, assessing the percentage of total days scheduled for employees in years 2023 and 2024. It also includes data covered such as percentage of employees, operations or revenue, reaching 100% in both years. In addition, the target set for 2024 is presented, set at an absenteeism rate of 2.5%. This information makes it easier to track whether objectives are met and identify opportunities to optimize absenteeism management.

Table 62. Absenteeism rate
(Figures in percentage)

Absenteeism rate	Unit	Fiscal Year 2023	Fiscal Year 2024	What was your goal for fiscal year 2024?
Employees	Percentage of total scheduled days	1,62	1,13	2,5
Data coverage, such as percentage of employees, operations, or revenue.	Percentage of employees	100	100	

Table 63. Table on occupational diseases and ailments
(Figures in number)

Concept	BBVA 2024
Number of deaths resulting from an occupational ailment or disease.	Deaths: 0
Number of cases of occupational ailments and diseases recorded.	4
Main types of occupational ailments and diseases.	The incidence of **occupational disease** in BBVA Colombia employees is mainly developed in diagnoses that affect the musculoskeletal system, with the upper limbs being the most compromised region of the body. Regarding the diagnosis, it is established that carpal tunnel syndrome, followed by medial and lateral epicondylitis are the pathologies with the highest number of cases classified as work-related.
Measures designed to eliminate such hazards and minimize risks through the control hierarchy.	The processes, conditions, environment and activities done in the work centers are analyzed annually with the aim of structuring and updating the matrix that identifies and assesses risks and hazards. Thus, controls and action plans aimed at eliminating, reducing and/or containing such risks and hazards are defined and implemented. In addition, **workplace inspections** are managed in order to determine the ergonomic and anthropometric conditions of people in order to establish intervention needs, maintenance actions and/or adaptation in the design of the workstations.

Table 64. Worker participation, consultation and communication on occupational health and safety.

Concept	BBVA 2024
Description of the processes of worker participation and consultation for the development, implementation and assessment of the occupational health and safety management system, as well as the processes for communicating relevant information.	BBVA's Occupational Health and Safety Management System processes are designed with **a focus on the well-being of employees, promoting safe and healthy environments.** In this framework, their active participation in implementation is reflected in the following aspects: 1. Responsibilities and duties of employees vis-à-vis the OH&S (Occupational Health and Safety) Management System. 2. Election and representation in the Joint Committee on Safety and Health at Work – COPASST (for its acronym in Spanish) . 3. Participation in the different actions, processes and strategies focused on occupational safety and health, identification and prevention of risks and hazards. 4. Accountability to employees of the Occupational Health and Safety Management System. 5. Delivery of results to Senior Management in accordance with the provisions of current legal regulations.
Existence of a formal worker-company health and safety committee, a description of its responsibilities, the frequency of meetings, the decision-making authority and whether workers are represented on such a committee and, if not, the reason for this is the case.	BBVA's Joint Committee on Occupational Safety and Health (COPASST) has been implemented and is in operation for the period 2024-2026, in compliance with current legal provisions. Its membership results from an open, direct and public election process, in which all employees participate to appoint their representatives. This body is made up of four employee representatives of four BBVA management representatives, each with their respective alternate. The COPASST meets on a monthly basis or extraordinarily when necessary, in accordance with the cases established in Colombian regulations. Its purpose is to address key aspects of the Occupational Health and Safety Management System, including the promotion of health and safety, the prevention of occupational accidents and diseases, among others. As part of its operation, each session generates a record that documents the topics discussed, the commitments made and the proposals presented, ensuring that decisions are made by consensus.

COMMITMENT TO CUSTOMERS

Digitalization

One of BBVA Colombia's main milestones in 2024 was to strengthen app functionalities, aligning itself with the Bank's global best practices, to offer an improved customers experience. Currently, **the app has over 2 million monthly users and an average app store rating of 4.8**. At the end of the year, the digital intensity KPI, which measures the use of the application per customer, reached a value of 12.17, compared to 8.69 recorded in 2023.

In its transformation process, BBVA Colombia has focused its efforts on strengthening its digital processes, optimizing the contracting of E2E products and adapting its offer to customer needs. In addition, it has enhanced its communication, automation and personalization capabilities, allowing the design of campaigns and products with differentiated proposals for each Colombian.

Technology and innovation challenges

Systems
BBVA continues leading in terms of innovation in the financial sector, taking advantage of the advanced global technology that characterizes the Bank. This directly benefits our greatest treasure: our customers. Currently, we have the most outstanding mobile application in the Colombian financial market, which reflects our commitment to service and the expanded offer of products. Our app ratings are **4.7. on Android, and 4.8, on Apple**, evidencing our excellence in this digital environment.

We strive daily to improve customer experience, while maintaining a proactive focus on anti-fraud security. We have implemented an advanced facial recognition system with significant investment and adopted AI-based behavioral models, which allows us to foresee possible fraud in our channels.

As for the ATM infrastructure, **we have acquired 50 new ATMs with state-of-the-art technology** and implemented loan payment through these. Our digital account has become relevant, achieving a 300% increase in digital activations, allowing customers to avoid unnecessary trips. In addition, the confirmation of monetary transactions has been facilitated through the website (63%), telephone line (83%) and PSE (78%). Customers can now also refinance non-performing products directly from our mobile app, resulting in an annual recovery of COP 13.5 billion.

In the SME segment, we have decentralized risk validation, significantly accelerating credit placement. ARCE Empresas has marked a before and after for the business segment, with an agile flow and innovative technology that quickly adapts to the needs of business, reflecting the evolution of the financial sector.

Finally, a relevant milestone is the implementation of QR cash transfers and contactless payments through NFC-enabled devices, which adds up to COP 3.3 billion in transactions.

We concluded the first stage in renovating Business Channels, highlighting significant improvements in the web channel experience (SENDA) and strengthening support and service in the APP (GEMA), maintaining leadership in the country's app stores. An API channel was activated to allow direct integration with customer applications, optimizing their operational processes. In addition, key functionalities such as the purchase and sale of foreign currency, contracting of TDs, consultation of loans in the APP and enriched details for interbank transfers were implemented, all designed in response to customer needs. Fraud detection and prevention capabilities were also strengthened to provide greater security to our users and we expanded coverage in the agricultural segment through Factoring applications.

The mobile app reached 2 million users and a 4.8 rating, offering the best digital banking experience.

With regards to payment methods, innovative solutions were introduced, such as Store-to-Store collection and Referenced Interbank Transfers. Progress was also made in card technology, including on-site delivery, direct connection with processing networks (Credibanco and Redeban), intelligent CVV shutdown and self-management of preventive blockage due to fraud. These initiatives reinforce the Bank's commitment to innovation and digital transformation.

BBVA was able to integrate Mass Payroll Onboarding processes with the Agile Product Contracting (CAP for its acronym is Spanish) module, improving our customers' experience in business decisions, simplifying the process for the employee and eliminating manual work for the employer. In addition, during 2024, attention was provided to the VIS segment in the Open Market Digital Housing channel, multiple holders and a counter-offer model was automatically implemented for all segments that allows, online, to offer the customer better options in case their initial request is not appropriate for the customer's profile, increasing by 34 basis points the channel's turnover.

In CAP (Agile Product Contracting channel) **the Bank implemented improvements to offer more time and money efficiencies in the processes,** as follows: IDP (Intelligent Document Processing), improvement in the automatic document validation process, implementation of new rules for data comparison and improvement in the machine learning of documents, document dematerialization for the CC (Credit Card) product (151,200 dematerialized documents), storing these in the Bank's Document Manager and eliminating the sending of physical documents to MTI.

On the other hand, from the perspective of financial markets, and continuing with product improvement processes that have consolidated us as the best treasury in Colombia, according to Global Finance, the FX for the Canadian Dollar currency was modified, changing its settlement to T+1, which represented savings of close to COP 347 billion a year.

Data

In 2024, Data Engineering worked on the following areas:

In the context of the Single Data Model project, in 2024 work was done on making the data layer available in the information areas required by global/local strategic projects, promoting construction and ingestion and anticipating project needs:

- **Regulatory projects.** Developments in the Finance and Risk areas were enabled for the following reports: capital, portfolio and risk management, regulatory capital calculation and capital management. In addition, the following reports, Credit risk, sustainability and energy certifications and transformation of local processes, are in the process of being deployed.
- **Digital channels.** The corporate piece that facilitates and manages users and business movements was updated, so that companies can consult their information in the mobile channel. In addition, the necessary data was enabled for the processing of collection method contracts (QR payment) and POS advances.
- **Compliance.** Internal risk control information for Money Laundering - Terrorist Financing was enabled, which is required for projects that control money laundering and fraud.
- **Sustainability.** Profitability information was enabled and the local and holding reporting process was automated.

The data enablement target for the Single Data Model in 2024 was 466 objects at the end of the fourth quarter. This goal was exceeded, reaching 475 objects available, which represents 102% compliance.

- **ADA Project.** As part of the migration of Banco BBVA's Big Data platform to the AWS cloud, the parallel phase between the ADA and DATIO platforms started. This stage represents one of the most significant milestones of the project, as it allows validating the operability and consistency of the processes on both platforms simultaneously, **guaranteeing a controlled and secure transition to the new cloud infrastructure.** This platform change is planned to be made in the second quarter of 2025.
- **Cronos Collection models.** Regarding the strategy, an improvement of the SAS to DATIO model has been obtained, which functionally represents a reduction in time to obtain the roadmap for the allocation of portfolio recovery management (reduction of times from 3 days to 3 hours). In SMEs, an

automated flow was implemented for segment customer assessment, allowing **greater selection capacity and generation of proactive offers, automatically** and recurrently, as well as the reduction of campaign generation times from quarterly to monthly.

- **Generative Artificial Intelligence.** The Bank executed its strategy to deploy and promote the responsible use of the 165 ChatGPT licenses in all areas. To this end, a community of users has been created and mobilized, focusing their training on AI and providing support in the creation of solutions.

As part of this strategy, two AI events were held in the year with the participation of experts and practical demonstrations. In addition, monthly newsletters have been issued with the most relevant topics on the use of this technology.

In terms of initiatives, 147 have been registered, of which 45 are scalable: 14 integrated with channels, 13 for massive internal use and 18 that require additional licenses for deployment. Currently, about 20 operational cases in different areas have generated significant impacts on productivity (+3,000 hours/year), cost reduction (COP 240 million/year) and improvement in delivery times (35% in compliance with SLA).

Infrastructure

During 2024, I&O worked to strengthen platform reliability, with a special focus on availability.

Incident response capabilities have been improved, achieving a **53.33% reduction in the number of relevant incidents** across major channels. In addition, the average availability of the channels reached 99.84%, as measured by customer experience. This result is due to the strengthening of the monitoring capacities implemented in 2022, now with a comprehensive vision that has reduced incident identification times to less than 5 minutes on average.

Likewise, the recovery capacity of critical applications has improved significantly, reducing MTTR (Mean time to repair / recovery time) by 60%.

In association with other technical areas, **progress has been made in standardizing infrastructure and base software**, optimizing resource performance. From the technical aspect, the automation of repetitive IT operations has been promoted, which has allowed a more agile and accurate resolution of incidents.

Finally, NPS (Net Promoter Score) measurement was implemented in the main service groups, reaching an average of over 80, while SLAs have remained above 95%.

Architecture

Following the transformation process promoted by the Architecture area and in line with the group's strategic priorities, in 2024 we achieved enabling pieces that bring globality to our applications, such as Alpha and Security Journeys, providing support to platforms such as Glomo and Gema.

Significant progress was made with the migration of more than 55% of the Bank's online transactions to more efficient, scalable, and lower-cost technologies. At the same time, the migration of batch processing from the Mainframe to a new more efficient and accessible technology (LRBA) began, managing to move 2% of the processes and obtaining efficiencies close to USD 0.5 million.

In 2024, the Architecture area promoted the training of development teams in ETHER capabilities, **certifying more than 700 internal and external developers.** This initiative not only reduced implementation times but also improved the quality of the projects. In addition, more than 80 projects were accompanied to ensure the correct implementation and monitoring of architectural guidelines, document processes and promote the reuse of components, optimizing the delivery of value by the engineering team.

Finally, progress was made in the automation of testing, reaching a coverage of 15 applications and reducing the time spent on regression testing by 92%.

BBVA made significant progress with the migration of more than **55% of its online transactions to more efficient, scalable and lower-cost technologies.**

BPE

In 2024, BPE contributed to transforming various areas, making progress in the evolution of distribution, sales, network, external sales force, operation and management channels in central areas, as follows:

- **Retail segment.** As part of the transformation process in the contracting of products initiated 2 years ago, in 2024 the Bank sought document dematerialization for mortgages, trade finance, SMEs and liabilities. As of November, approximately 1.2 million documents were enabled in the document manager, reducing reliance on custodian MTI, as a third party in physical document management, and reducing factory analysis times by eliminating the transit of physical documents for disbursements.

  In mortgages, the bank made progress in constituting the operational closing, allowing around 10% of penalties to be addressed at this stage and reducing the sanction time in risks from a SLA of 20 hours to 2.30 hours. In addition, with the digitization of documents for legalization in COH, **it was possible to manage digital document traffic with commercial allies, improving customer experience and process agility**. A pilot to unify process stages (document validation and scoring) was also initiated, concluding that this integration allows the SLA to be reduced from 10.5 hours to 6 hours. As a result, the factory team started negotiations to adjust the contract and massify process unification in February 2025.

  In the transformation of vehicles, the Bank defined the strategic deliverables that will be developed next year and maintained, on average, 90% compliance with two hours.

  In terms of cross-cutting processes, the bank participates in the Brickell and SPI roundtables, where the E2E activities involved in these new processes have been mapped, promoting circuit optimization and operational improvements in key areas such as PCC (Petition, Claim, Complaint), accounting, servicing, operations, risks, transactionality, parameterizations, governance, document management, service models and capacity, with the aim of improving customer experience and competitiveness in the market.

  Office network. During 2024, the Bank worked on operational unloading by implementing tactical and strategic initiatives, achieving the materialization of 32,450 hours per month. This optimization, in addition to reducing operational burdens, made it possible to intensify commercial activities. These initiatives included the transformation of the disbursement process, the optimization of the asset, SMEs and servicing, with actions such as the delivery of cards in situ, the sending of Aqua cards by courier, the centralization of some stages of the mortgage process, the improvement in the management of third parties in PCC and the migration of certain transactions to the call center, among others. In addition, the entity had a key participation in the implementation and stabilization of the Nova project (definitions, profiling and applications), as well as in the resizing of 59 clustered offices.

- **Operations transformation.** During 2024, the Bank achieved significant optimization in the Operating Products and Services block, as well as in other cross-cutting lines with an impact on the Operations area. The biggest milestone was the implementation of the Sales Transformation project for CC, which reduced the operation lead time by 60% through the hyper-automation of the

E2E process, allowing CC delivery, in assisted sales, to 5 minutes. In addition, the dematerialization and transversal signature for CC, payroll and consumption loans will allow for 70 jobs to be released in the factory in the first quarter of 2025. In Global Operations, the implementation of the Funds Transfer project stands out, which reduced the operation time from 2 hours to 10 minutes, thanks to the automation of the Front-End and the use of IDP. Fast Track processes were also implemented at CIB & Banca Wealth, achieving minimum service times of 12 minutes and obtaining positive customer feedback. As for Wizard, the annual goal of 240 migrated processes was met, which reduced reprocesses in migrated services by 17%. In addition, progress was made in the socialization of the tool through a governance model, training and a site available to all Operations users.

Finally, BPE led the design and execution of the 3.0 Transformation Plan, with a survey of manual processes from 27 operational services, identifying opportunities and strategic proposals. **A five-year work plan was defined, with an expected impact of 294 FTEs in 2029** (COP 25.1 billion in 5 years). Likewise, the transformation initiatives of the first wave were determined (Servicing payroll loans, PCCs, Servicing CC and Embargoes), with implementation scheduled for 2025.

- **Transformation of processes in central areas. We implemented a comprehensive trans-formation in the PCC process,** We implemented a comprehensive trans-formation in the PCC process, focused on efficiency, automation and, additionally, fraud prevention, thus exceeding the proposed KPI of COP 300 million paid, resulting from this. The filing of complaints was optimized, with improvements in motion capture, consultation of PCC statuses (enabled in the call center and the Internet) and key documentation, such as Annex 3, which identifies modus operandi. Protocols were created to strengthen transactional habit identification and fraud modality thermal mapping, eliminating manual processes in the PCC operation. The Bank automated the Financial Consumer Defender process, integrating it into the Salesforce tool to generate more agile and strategic responses, reducing manual processes by 48%. In addition, it migrated the Third-Party Concept to the Cells tool, training and linking more than 800 employees between AACC, Subsidiaries and RED, which generated 300 hours of operational discharge and allowed total automation.

Response letters processing was also improved, dashboards were implemented for monitoring and protocol assurance. These actions streamlined operational flows, optimized process management and guaranteed quality at every stage, directly impacting productivity and customer satisfaction.

In the procurement process, initiatives were implemented **that reduced the time to E2E by 42%**, from 90 to 52 days, and significantly improved the NPS of the process, which increased by 26 pp, reaching 4.3. In the approval and evaluation of suppliers, a reduction in the average approval time of 65% was achieved, from 20 to 7 days.

In the robotization of processes, the following were put into production:

a. New supplier approval. The bot implemented reduced lead time by 28%, from 5.4 to 3.8 days, by automating the download of bases, the definition of the type of assessment and the automatic sending of emails.

b. Approval of existing suppliers. Lead time was reduced by 65%, from 20 to 7 days, thanks to the renewal alerts and the automation of notifications to suppliers and user areas.

c. Bot for procurement management The daily update of the management and consultation dashboard was enabled, freeing 60 hours of operational work per month.

d. Creation of PEP elements for budget lines in engineering The bot deployed reduced manual loading, freeing 52.8 hours per month.

e. The monitoring and alerting bots in Open Market and CB's will free up 20 hours per month.

The digitalization of documents reduced credit approval times by 60%, speeding up banking processes.

In 2024, BBVA Colombia optimized processes with AI, achieving 95% effectiveness in contracting of payroll and reducing account opening from 2 days to 10 minutes.

Aligned with the Bank's RCP strategy, a model was built to analyze the customer's perspective using the EBW (Emotional Business Writing) methodology with AI (ChatGPT). This identifies needs in received PCCs, open market satisfaction surveys, branch network and application closures, in addition to analyzing emotions and feelings to establish tactical and strategic initiatives to improve customer experience.

- **Financial services marketer.** It was possible to establish the company's portfolio of tactical and strategic projects, establishing follow-up rules. Additionally, a tactical solution was developed for customer identity validation, eliminating the manual fingerprinting process at the credit factory. This allowed for improved response times and an additional validation mechanism, reaching 95% effectiveness in the contracting of payroll, consumption, vehicle, CC and 200 commercial loans by the end of 2024. T**he use of the online account registration process, assisted by salespeople, was enhanced, reducing the account opening lead time by 99%**, going from 2 days to 10 minutes, and eliminating rework at disbursement in the credit factory. Likewise, the process of contracting mortgage loans for Colombians abroad was optimized, implementing a mechanism to ensure resources for the payment of credit installment and offering the customer a BBVA account to monetize foreign currency, making the process more agile and simple.

From Process Architecture, 2024 closed with the continuous updating and adoption of the role of process owner in BBVA Colombia as a key pillar for the transformation and transversal support to NFR, CdN and other teams in BBVA Colombia and its subsidiaries, advancing in the evolution towards Taxonomy 2.0. **1,030 user requests were responded to, supported by the ARIS tool.** In the Process Academy methodology, 71 new practitioners were certified in 2024, and the BPE Expert Network continued to evolve with the support of its local community manager. Across the board, the regulatory update in RI required by the Bank was completed, with the local shutdown of FARO and the management of 1,556 applications during the year. In addition, 741 hours operational were discharged from the branch network. Likewise, controls were established and implemented for NPS, Steel (services and UUAAs) and CCI (Critically Confidential Information), defining clear roles and responsibilities within the processes. As part of the reporting squad, billing and balance information was centralized in DATIO as the sole data source, guaranteeing its availability through the Mis Logros tool.

RCS (Risk Control Specialist)

RCS IT Management manages Technology Security risks (covers risks due to inadequate management of technological change, failures in IT systems, IT availability and performance risk, IT systems integrity risk, among others), Information & Data Security (among others covers risks due to unauthorized access, modification or destruction of infrastructure, risks of loss, theft or misuse of information and cyberattacks that affect privacy/ confidentiality, availability and integrity of information) and Physical Security (risks of inadequate management of the physical security of assets and people). During 2024, the direction's main achievements correspond to:

- Technological risks preventive management in initiatives and outsourcings presented in the WG/CARO Admission Circuit. **The challenge was done on 292 projects during 2024,** generating 18 conditioning factors (28% blocking factors for the transition to production and 72% necessary to manage during the various stages of the project), with a degree of implementation that went from 60% in 2023 to 83% at the end of 2024.

- Strategically, the way of issuing conditions evolved, seeking to improve process controls and implementation of Mitigation and Control Frameworks. "Scrum" type worktables were also created in a concerted way with the Engineering Vice Presidency, whose objective was to add value from the earliest stages of the initiatives, in particular we participated in the worktables of Brickell - Panama Branch (7 sessions on a monthly average with 1 LoD – Line of Defense).

- At the Bank, during 2024, we managed to reach 95% (375 COs) of the 396 Control Objectives defined in the IT Mitigation and Control Frameworks implemented with 1 LoD and formal in MIGRO, covering 48 risks and 196 controls. On the other hand, implementation began in BBVA Seguros, BBVA Fiduciaria and BBVA Valores, going from 0% in 2023 to an implementation of 34% (135 control objectives, 24 risk objectives, formalizing 55 controls in the tools).

- **Technological risk management knowledge was strengthened in the first line of defense,** through various mechanisms, such as risk culture campaigns, training for business officials, RCAs and technical teams, sending "short lines" or "pills" and face-to-face discussions. In general, more than 3,000 employees were reached (1.200 technical employees, 800 subsidiary employees with their RCAs and the rest of the Bank's business teams).

- On the other hand, a Watch List was submitted to Corporate Assurance on the inappropriate use of Office licenses (approximately 7.8 thousand) by more than 10 domains and subsidiaries, which are without an official Microsoft subscription due to the change in the perpetual licensing model, which is now being paid annually (cost per license € 8.91 per user per year). In addition, it closed 2 relevant issues for the mitigation of technological risks of impacts on unavailability, information leakage and errors in access traceability, such as: Issue - Shadow IT and lack of governance over access to Bank technology granted to third parties that provide services.

Operations

In addition to the timely and quality execution of the back office operational services, different tactical and strategic actions were implemented that contributed to continuous improvement and compliance with objectives during 2024.

- **Funds transfer.** Operations has implemented various actions to improve the productivity of the service and optimize customer service; in association with the business teams, the banking correspondents model was strengthened, significantly expanding the channels for collecting and withdrawing cash. BBVA currently has more than 42,000 partner points nationwide, thus facilitating access to services with a monthly average of 329,000 transactions. Additionally, a robust transactional migration plan to digital channels was launched, focused on **10+ thousand customers who make large amount cash** withdrawals; Through this plan, they have been guided for a correct, safe and efficient use of digital channels, facilitating their daily transactions and improving their experience. On the other hand, for those customers who still require the use of the ATM network, the cash withdrawal limit at the machines has been increased. This action ensures the continuous availability of cash, even in high transactionality seasons, reducing depletions and ensuring a more reliable and timely service.

- **Operational transformation.** Interdisciplinary teams have been formed between the various areas of Engineering with the purpose of implementing optimization initiatives aimed at trans-forming operations, through a comprehensive analysis and definition model that guarantees effective solutions to the client needs, with a focus on quality, impact and alignment with strategic objectives. Likewise, **the efficiency of specific internal operations was improved by 32%,** optimizing resources, reducing execution times and minimizing operational risks. Additionally, the Samurai training was expanded to 51 members of the Operations team, who acquired key competencies in leadership of transformational initiatives, RDA, Wizard, Data and Lean Six Sigma. This program strengthens the team's capabilities to design simple and effective operational solutions, optimize internal operations, and prepare them to actively participate in high-impact transformation projects.

- **Uptime.** Key actions, aimed at optimizing and strengthening the operation, were implemented, such as the configuration of early warnings to anticipate possible contingencies, the reduction of interval time to generate availability reports for a more agile decision-making, the cash limit increase in ATMs, with the aim of improving the **availability of cash, and the continuous monitoring of surplus in the machines to avoid service interruptions.** These improvements have made it possible to guarantee a more efficient, timely and reliable operation, thus contributing to better user experience and a greater service availability of +0.97 pbs, reaching 98% availability.

- **Large retailer attention.** Anticipating the needs of businesses through the proactive and efficient generation of reconciliations, their administrative and financial processes were optimized, which not only strengthened the link with large market players but also allowed the expansion of the preferential customer base from 10 to 25 businesses. To achieve this, agreements were implemented with differentiated and personalized service levels that guarantee greater added value, adapting to the specific demands and challenges of each client. This consolidated BBVA's position as a strategic partner in the development of their businesses, **achieving 99% compliance with the indicators agreed** with retailers.

- **Trade Finance.** An exclusive circuit for VIP customers was implemented, designed to optimize and streamline foreign exchange purchase and sale operations. This model offers highly efficient experience, ensuring service times of less than 20 minutes (previously 60 minutes). To achieve these results, a comprehensive process optimization was completed, an automatic prioritization was established in the systems of assignment of specialized personnel with specific training to meet the needs of this customer segment. In this way, service quality was raised, providing VIP customers with an exclusive experience, without setbacks and aligned with their efficiency and confidentiality expectations.

- **Payroll loans.** Tactical actions focused on the automation and standardization of payroll loan reporting and payment application processes were implemented, managing to transform 20% of manual controls into semi-automatic validations. This optimization not only significantly reduced manual intervention, but also improved operational efficiency, decreasing the risk of errors and optimizing processing times. As a result, the quality and consistency in processes execution was strengthened, which contributed to the protection of the product portfolio and a more robust operational risk management. In addition, this improvement laid the foundation for future automations to allow greater control and operations agility.

BBVA strengthened its digital security, blocking cyber attacks and improving the protection of customer data.

Security

Corporate Security's main objective is to securely enable the Bank customers' transactional operations through physical and digital channels. The process is based on comprehensive risk management, where the **controls implemented and operated seek the confidence and peace of mind of customers** in all the operational processes in which they are related to BBVA Colombia.

The main enabler of effective risk management is a layered security model that is composed of multiple protection levels that allow end-to-end, the assessment of vulnerabilities and threats to which the Bank is exposed. With this, Corporate Security contributes to a day-to-day operation that, in addition to taking care of transactional channels, protects people and cash.

The focus to ensure security that are handled by Corporate Security are:

- Individuals
- Transactional channels
- Glomo (Mobile Banking)
- Net Personas (Transactional website for individuals)
- Net Empresarial (Transactional website for legal entities)
- Senda (Business Net)
- GeMa (Mobile Banking for businesses)
- The buildings
- ATMs (ATMs)
- Cash

The security processes established at BBVA Colombia are aligned with the 3 lines of defense NFR model, making a comprehensive analysis of the risks and with an independent verification model, where controls effectiveness and processes operational discipline are constantly assessed to ensure adequate risk management scenarios to which the Bank is exposed. **During 2024 we increased our operational and risk** management capacity through Ethical Hacking, software testing, development teams education, automation in the detection of vulnerabilities, critical assets identification and cyber intelligence processes.

The main efforts of the area are the following:

- **Automation.** During 2024, the number of automatic real-time detections in the construction of software solutions increased, effectively and early mitigating potential problems that could have been transferred to the production systems that interact with the Bank's customers. In addition, new automated endpoint detection and containment systems were deployed through industry-leading global technologies. Finally, the detection of automatic attacks towards transactional channels was implemented, **where there is now protection against botnets,** which has been part of the threats that the industry has received in recent years.

- **Intelligence.** At the level of cybersecurity and physical security, emphasis was placed on deep and dark web inspections, as well as teamwork in different forums and entities such as Asobancaria, other financial institutions and a professional team in SOC (Security Operations Center) monitoring services. Rapprochement processes with local authorities have also been done, so that when criminal activities are detected judicial processes can be undertaken, positively contributing to a healthy financial industry sanitation environment in Colombia.

  Identification. In 2024, the organization's critical information assets were fully identified and, through the CCI (Critically Confidential Information) project, a protection indicator was developed that reached a value of 80% and will continue to be developed in 2025.

  Awareness. People are a fundamental part of the risk management process since processes are executed with them. Awareness efforts have focused mainly on three fronts: development teams, where assessments and training dedicated to safe development was done during the year, reaching 100% of the developers assessed. Second, focus was placed on branch network staff, so that they perform cash protection processes in a disciplined manner. Finally, a simulation exercise was held with Senior Management to prepare the Bank for effective management in the event of a possible cyber threat situation materializing.

- **Analytics.** During 2024, a massive discovery of information associated with Corporate Security was made. From there, dashboards were created that enhanced data analytics at the level of performance and efficiency.

Security is a process of continuous improvement and at BBVA Colombia, the Corporate Security team adopts the best industry practices, is in constant alignment with the vision of the BBVA Group and is immersed in a multi-layered model that seeks to guarantee risk management in the most efficient way.

Financial Crime Prevention

In 2024, the BBVA Group formed the Financial Crime Prevention (FCP) area, which aims to protect customers from external fraud so that they can operate in the transactional channels enabled by BBVA, as well as to monitor suspicious money laundering activities to protect BBVA's reputation.

During 2024, the team's structure was strengthened, focusing on the prevention of external fraud in transaction channels. As a result, **the 2024 plan was developed to extend fraud prevention capabilities in the services offered on the channels.** In addition, in response to the dynamics of the payment ecosystem, the mechanisms for confirming transactions in digital channels were strengthened, which mitigated the risk of fraud in the pharming modality, i.e., the impersonation of recognized merchants pages and mass use, as well as the BBVA page. The construction of the customer transactional profile and the implementation of rules to detect transactions outside of the usual behavior were also deepened.

The main efforts have been aimed at:

Fraud prevention. Our work has focused on offering the customer self-management tools without the need to call the call center. Likewise, the unblocking of the channel for forgetting the password, self-management by the customer to disable cards when unusual operations take place in a non-present environment and signing in Glomo with the reported context of monetary transactions initiated on the Net. In this way, **we hope that customers will have a security based differential experience.**

Additionally, in terms of technical capabilities for fraud detection in the business channel, in 2024:

- Capabilities were strengthened to provide an early response to the identification of transactions made with devices affected by malware so that timely actions can be taken before the transaction is approved.
- New capabilities were implemented in GEMA (the mobile channel for companies) with the aim of doing behavioral analyses that help generate the construction of our customer behavioral profiles to detect when an operation has unusual behavior patterns and thus be able to have a proactive reaction in the decision-making process to approve or not the operation being executed.

99%

of commercial operations with large retailers complied with service agreements in 2024.

On the other hand, awareness was strengthened with a periodic communications schedule through conventional channels (push email) and the use of non-conventional channels such as messages while waiting for call center calls, social networks, radio, television interviews and participation in forums.

The idea is to continue strengthening the Bank's adoption models and that by 2025 the Fraud Prevention area will have an approach that always points to projects that provide **new security controls**, but with a customer perspective that is empathetic and that allows for effective management with the least possible friction with users.

Finally, communication channels were consolidated with other banks, authorities, processors, franchises, etc., to share fraud modus operandi and execute collective actions to prevent fraud.

CORPORATE SOCIAL RESPONSIBILITY

In 2021, BBVA Group made public its commitment to the community, which involves allocating € 550 million to social initiatives until 2025, adding the efforts of all the geographies where the Bank and its foundations have a presence. BBVA Colombia contributes to this commitment through the Social Responsibility and Community Investment Strategy, through which, **in 2024, more than 270 thousand people benefited from social programs and initiatives,** with an investment of close to COP 6 billion.

These social actions focus on education, social inequality reduction and sustainability, with the aim of contributing to inclusive growth and promoting the economic and social development of the country.

Education: The door to opportunities

BBVA-12
Number of people benefiting from education support programs

BBVA understands education as society's growth engine, the door to opportunities and perhaps the most important force in reducing inequalities in society. For this reason, **in 2024, more than 180 thousand people benefited through support programs and strengthening basic, middle, and higher and continuing education,** with an investment of more than COP 3.8 billion, equivalent to 65% of the community investment budget.

Connected by education

Through an alliance with Claro por Colombia, BBVA supports the country's educational institutions through this program that provides free internet, tablets preloaded with digital libraries and teacher training in STEAM skills.

In 3 years, 315 schools in 29 departments and 98 municipalities of the country have benefited, 5,300 hardware equipment has been delivered and 944 teachers have benefited directly, 17,385 teachers indirectly and 465,458 students, with this program that, which for its 2023 and 2024 versions, includes 3 main components:

- Free internet for the technology room.
- 15 tablets per institution, loaded with a digital library that has more than 600 literary, informative and sustainability content, and a digital repository, owned by Fundalectura, with didactic tools for teachers to consult.
- 70-hour training for teachers, aimed at strengthening STEAM (Science, Technology, Engineering, Arts and Mathematics) skills, under a methodology of formulating problems and their alternative solutions through creative, imaginative, collaborative and participatory strategies.

In 2025, **we will continue to work with schools that are part of the program through an academic network** through which teachers will be shared: pedagogical content and tools, STEAM challenges, forums, webinars and experiences exchange, to strengthen their work.

Higher Education Scholarship Programs

BBVA supports 222 young people from 28 departments of the country, so that they can pursue their university studies, through scholarship programs, with an annual investment of more than COP 2.4 billion:

- **Transformando realidades.** This is a scholarship awarded jointly with Bancamía, an entity of the BBVA Microfinance Foundation, through which Bancamía microentrepreneurs' 120 young children are studying higher education. In 2024, 30 more scholarships were awarded, so that, starting in 2025, these young people will start their studies, thus completing 150 students benefited by the program.
- In collaboration with W Radio, in 2024 BBVA supported 33 young people through the **Pa'lante Colombia** initiative. This initiative consists of awarding rescue and maintenance scholarships for one semester to undergraduate students who are at risk of dropping out of school for economic reasons. The students are part of the ICESI, EAFIT, Los Andes and Tecnológica de Bolívar Universities. In addition, BBVA announced its involvement in the 2024 campaign, with an investment of COP 154 million, which in 2025 will benefit 18 students from the EAFIT, ICESI, Technological University of Bolívar, EIA University (School of Engineering of Antioquia), Autonomous University of Bucaramanga and University of Los Andes.
- BBVA continues to support 8 young people through **the Youth and Peacebuilding Fund**, in partnership with Manos Visibles, through scholarships to pursue undergraduate studies at ICESI University. The 8 young people, from Buenaventura, Cali, Quibdó, La Tola, Puerto Tejada and Tumaco, are about to graduate in 2025.

In 2024, BBVA supported 222 young people with university scholarships to pursue their studies.

- Support continues through scholarships for 5 Afro-descendant women who are pursuing bachelor's degrees at ICESI University through the Afro Teachers program.

- Thanks to the donation made to the Gustavo Matamoros Corporation, support was offered to 26 wounded members of the Military Forces or relatives of soldiers who have died in the exercise of their duties.

Continuing education and productive training

During 2024, training programs aimed at promoting sustainable development and productivity in the territories continued, with special attention to Afro-descendant and farming communities:

- **ICESI University Certificates.** The 2 cohorts of the diploma courses in Afrocentric studies, taught to organizations and communities in the Colombian Pacific, aimed at providing tools and knowledge that allow **Afro-descendant leaders to effectively address the challenges and opportunities within their territories,** have ended. The certificate courses developed by the Center for Afrodiasporic Studies - CEAF- of the ICESI University, are:

1. Social management and natural resource management in ancestral and collective territories.
2. Social entrepreneurship and Afrocentric community development.
3. Social project management with an ethnic and gender focus in the Pacific.

From this program, 129 students graduated from Quibdó, Alto and Medio Baudó, Litoral del San Juan, Istmina, and Bahía Solano in Chocó and from Padilla and Buenos Aires in Cauca, achieving the development of social and environmental projects that in turn have allowed them to strengthen their ventures and business ideas.

- **Productive training for farming communities.** Through an alliance with the Soy Doy Foundation, in 2023, BBVA launched a training initiative aimed at coffee and cocoa-producing communities in Tolima and Caquetá, **with the aim of implementing more sustainable agricultural** practices that in turn have an impact on greater productivity for farming associations. In 2024, the project was implemented through a 50-hour training course, in which producers learned about agroecology and strengthened their knowledge in administrative management, marketing, digital marketing, and financial management of their associations and enterprises.

BBVA trained 129 social leaders and 350 producers in sustainable practices, delivered more than 8 thousand school kits and supported education for 344 members of the Public Forces in 2024.

This project has an important practical component that has allowed producers to make significant progress in transitioning to organic farming. Thanks to the biofactories built and the implementation of acquired knowledge, in La Unión - Peneya (Caquetá) **80% of producers, who are part of the project today use organic fertilization** compared to 45% at the beginning of the project and 100% of producers today use phytosanitary management for their crops compared to 5% at the beginning of the project.

For their part, in Planadas, Tolima, producers increased organic fertilization and organic phytosanitary management by 60%, going from 10% at the beginning of the project to 70% of producers who today incorporate these more sustainable agricultural practices.

To date, this project has benefited 350 people.

School kits

In 2024, BBVA delivered more than 8.8 thousand school kits to children in 26 departments of Colombia. This initiative started in 2008 and to date has managed to benefit students from all over the country, adding to more than **468 thousand school kits delivered.** The initiative is part of the Bank's commitment to access to education, by providing essential resources to students to support retention in the education system and ease the financial burden on families.

Education for members of the Military

Since 2014, BBVA has maintained an agreement with the Gustavo Matamoros Corporation, through which the Bank allocates 0.6% of purchases made with the Heroes Card to support social programs focused on the well-being and rehabilitation of Public Force members. During 2024, thanks to the donation made by BBVA to the Corporation, **3 educational programs were developed, benefiting 344 people,** exceeding the goal set for the year by 15%. The programs are:

- **Tech Hero.** Marketing and Digital Business Diploma, whose objective is to prepare active and retired uniformed Public Force personnel in digital competencies and skills to improve their job profiles or develop and maximize their business ideas. In 2024, 3 cohorts of the 90-hour diploma course were completed , in partnership with the Universidad El Bosque and the Universidad Militar Nueva Granada, graduating a total of 130 people.

- **Hero High School Graduate.** This program offers the opportunity for the beneficiaries of the Matamoros Corporation to complete their primary and high school studies. In 2024, 188 people benefited nationwide and 82 of them graduated as high school graduates.

- **Higher education scholarships**.. Support for the professional training of 26 people in different universities nationwide.

Financial education

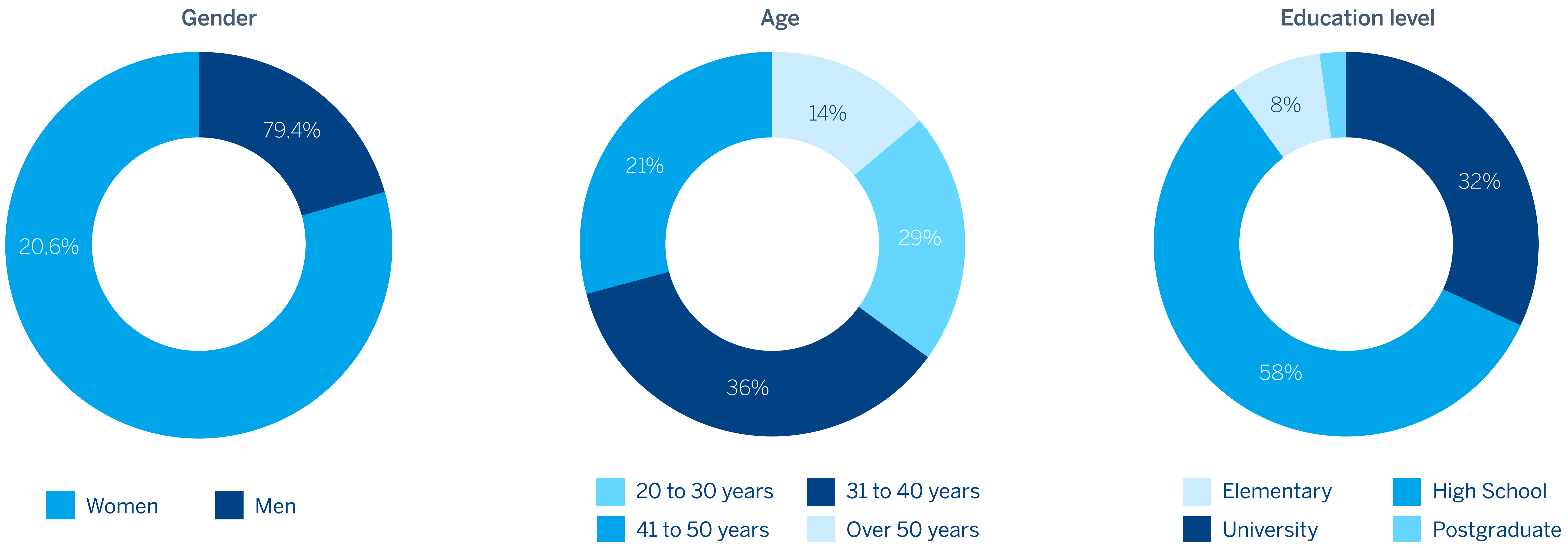
BBVA-1
Number of beneficiaries of the Financial Education program

BBVA believes in the potential of financial education as a key element to improving individuals financial health and contribute to the transition to a more sustainable and just economy. That is why within the Social Responsibility strategy, financial education is a priority. In this regard, the following initiatives were completed in 2024.

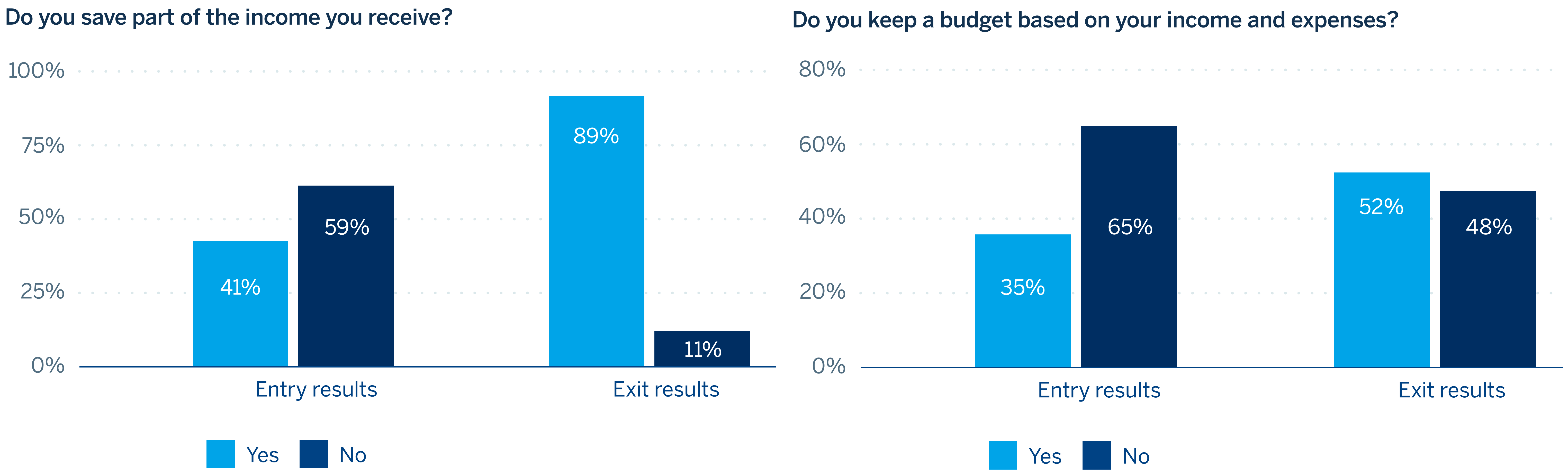
- **Training in financial education.** Through the Corporate Volunteering program, BBVA employees have been trained to provide training in financial education, in order to replicate knowledge on savings, debt management, cash flow, the correct use of credit cards, finances for different life moments, investment, cybersecurity, among others, to different organization employees and students. Through this initiative, **3,460 people from public and private organizations in 7 cities were trained,** as well as the scholarship recipients of the Transforming Realities program.

- **Communal Finance Group.** This project aimed at promoting the inclusion and financial education of vulnerable communities in Chocó and Valle del Cauca, through the voluntary formation of communal finance groups through which people can generate savings and make loans among their members, ended. **A total of 408 people participated in this initiative, through 29 savings groups.**

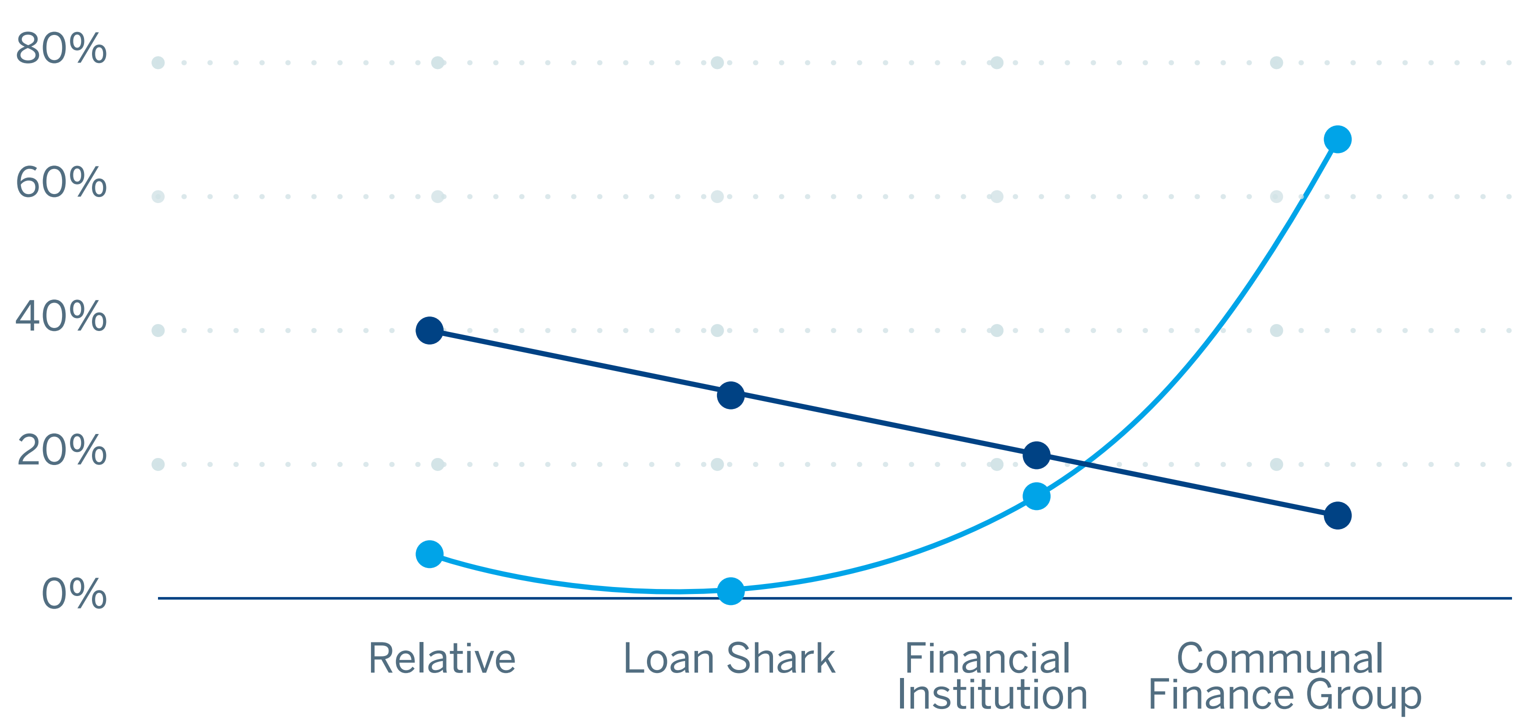
Population characterization



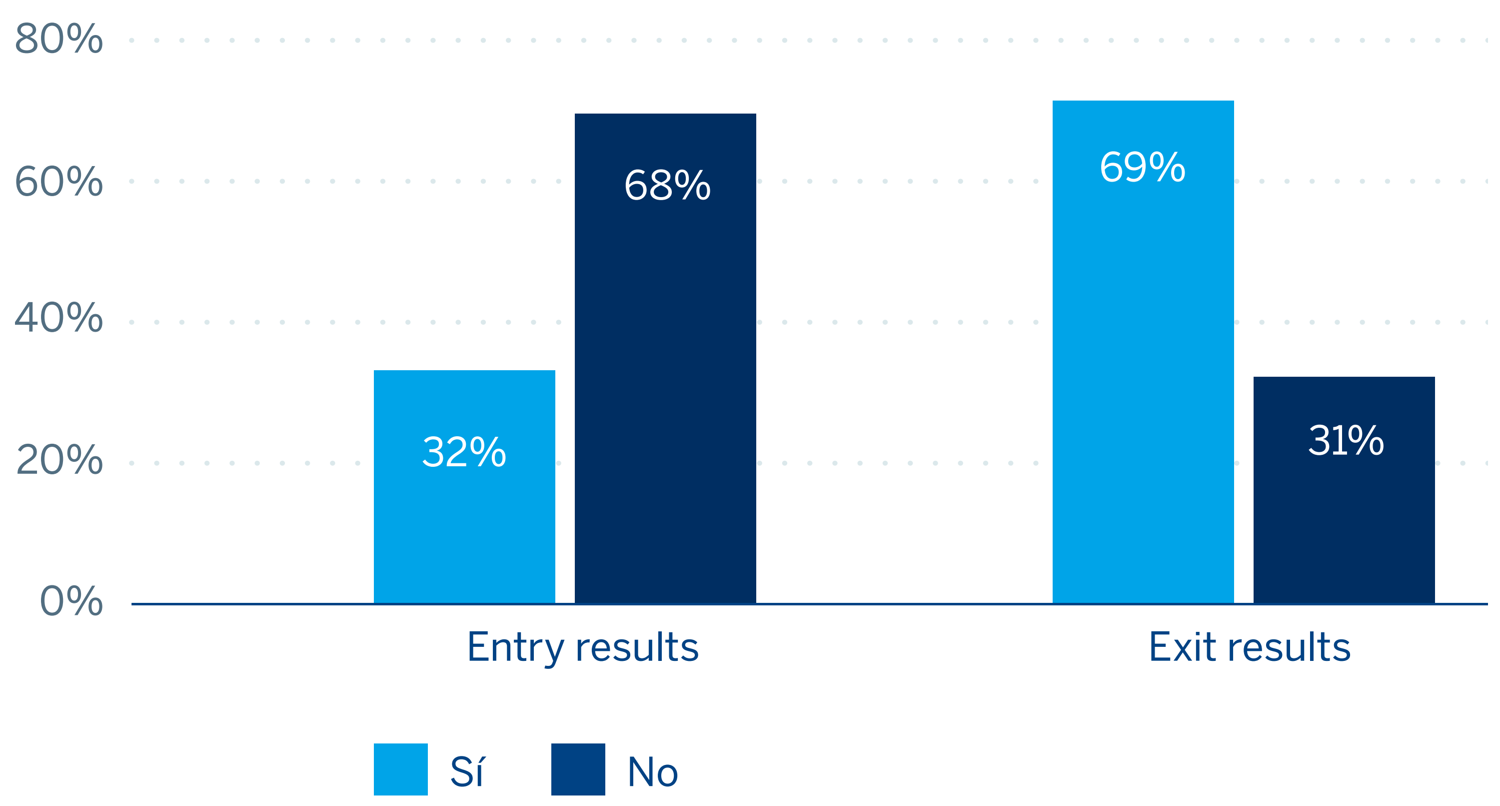
Results based at entry at exit



When needing a loan, where do you get it?



Within your budget do you include small impulse driven expenses?



The bank expanded its social impact with initiatives that benefit thousands of Colombians in the fields of education and entrepreneurship.

This project had an outstanding impact on financial knowledge acquisition, generating habits such as saving and budgeting. Among its main achievements is the **48% increase in the number of people who save a part of their income** and the 28% reduction in the number of people who ask for loan shark loans.

- **Publication of financial health content.** On an ongoing basis and through web portal, social networks and dissemination through the media, BBVA generates financial health content with press releases, videos and publications on social networks.

Some of the initiatives and figures achieved in 2024 are presented below.

- La Facultad. It is a series of YouTube videos that teach, in a simple and didactic way, basic topics about economics and finance with topics of interest such as taxes and carbon credits, with more than a thousand views per chapter.
- A total of 20 articles on financial health were published on the BBVA.com institutional in-formation web portal on topics as diverse as tips to cope with the January slope, making a budget to pay taxes, loans, bank statements, income tax returns, financial well-being for microenterprises, digital accounts, credit bureaus, among other topics. About 34 thousand people consulted these notes.
- BBVA Colombia was the **financial institution most cited by the country's media on financial health and well-being issues,** with 185 publications.

Table 65. Financial education program annual amount
(Figures in number)

Number of people in the area of financial education	1 person full time. 5 people half time.
What was the annual amount (January 2023 to December 2023) allocated for EF, in COP million? Excluding salaries of the entity's strategic team.	There is no specific budget for EF. It is carried out through corporate volunteering and with the support of the Communication area.
Scope measurement (coverage)	37,714 people reached.

Corporate Volunteering Program

BBVA- 11

Within the framework of BBVA's corporate purpose: "To make the opportunities of this new era available to everyone", the Corporate Volunteering program "Connected with our purpose" seeks to bring employees together to contribute their time, knowledge and effort to improve the living conditions of people in vulnerable conditions.

In Colombia, the volunteer program during 2024 focused on 3 main axes: **education, humanitarian and social support, and the environment.** There were 1,109 participants between employees and their families, an increase of 45% compared to 2023, of which 770 are BBVA Colombia employees. 6,434 hours were dedicated to volunteer activities (40% during working hours and 60% outside of working hours).

Volunteers for Education

In line with BBVA's strategic axis of social investment, in 2024 12 volunteer days were held aimed at supporting and strengthening educational processes in schools and universities in different areas of the country, with the activities presented below.

- **Support to public educational institutions** through a day of beautification of a school in Soacha, 2 days of construction of school gardens in Cali and Medellín and 4 workshops on skills for working life and digital skills, aimed at students from Soacha and Bogotá.
- Support to the **cocoa-producing community of Caquetá**, for the positioning of their cocoa brand, through a brand management workshop and the delivery of digital tools, thanks to the support of 10 volunteers from the Marketing area.
- Training for scholarship students of the **Transforming Realities** program, through 3 financial education workshops.

In addition, the 2024 Solidarity Challenge was held, through which BBVA employees become the protagonists of Corporate Volunteering. This challenge consisted of BBVA's work teams proposing initiatives to support education, in order to provide educational solutions to Colombians, through the time and knowledge of volunteers.

These were the winning teams:

- Engineering team with the "Digital Dreams" challenge at the Renacer Association, in the city of Bogotá. Through this project, the computer room of this Association, which serves 75 young people and adults with different cognitive and/or functional disabilities, was adapted in order to have the necessary technological elements to strengthen their digital skills. **In 2025, volunteers will develop 3 basic courses: Basic programming, data management and cybersecurity.**
- Agro sustainability team with the challenge "From the problem to the solution", training in climate change, carbon footprint, regenerative livestock, zero deforestation,

silvopastoral systems and commercialization of carbon credits, aimed at more than 160 ranchers of the Sumapaz Paramo and their families that allowed the community to have knowledge and tools to develop sustainable livestock farming that regenerates and protects biodiversity and at the same time increase productivity.

- Team of the Unicentro Palmira office, with the project “Sowing sustainable futures”, whose objective is to promote from an agri-environmental education perspective a comprehensive approach to achieve sustainable development and contribute to food security, through the strengthening of the school orchard and training workshops for students and the educational community of the José Antonio Galán Educational Institution in the municipality of Yumbo, Valle del Cauca.
- Engineering team with the project “Digital Center of Opportunities”, through which the computer room of the TAVID Emergency Center - La Esperanza de Amali Foundation was equipped, thanks to electrical adaptations, furniture donations, **technological equipment, with 17 computers, and training in digital** skills to Foundation teachers and administrators.

Social and humanitarian volunteering

Aware of the country’s great challenges in terms of equal opportunities and humanitarian needs, 392 BBVA volunteers, together with the Bogota Food Bank, participated in packaging and delivery days for the country’s vulnerable population.

Additionally, blood donation days were held in which 145 donor volunteers participated, benefiting more than 400 people.

Volunteers for the planet

BBVA contributes to the conservation and restoration of strategic ecosystems, to the social appreciation of nature through citizen participation and to the mobilization of employees around these important causes, for which in 2024 2 days of tree planting and construction of biodigester bales were held on the Las Moyas Trail, an ecological reserve located in the eastern hills of Bogotá. 175 volunteers participated in these days, nearly 400 trees of native species were planted and biodigester bales were built, whose objective is to contribute to soil restoration and nutrition.

Table 66. BBVA volunteer number.
(Figures in number)

	2023	2024
Number of participations	767	1,109
Number of BBVA Employee Volunteers	466	770

Humanitarian support

During 2024, a significant effort was made to provide support in climate and social emergency situations in various regions of Colombia, through the alliance with the Food Bank of Bogotá and its allies in various regions, as well as through the alliance with Solidaridad por Colombia Foundation and funds collected in ATMs. With a total investment of COP 639 million donated by BBVA, plus customer contributions, a total of 14,075 humanitarian aids were delivered, including groceries and hygiene kits, benefiting a total of 56.3 thousand people.

Thanks to this initiative, communities in 12 departments and 26 municipalities of the country benefited, mainly affected by natural disasters caused by heavy rains, with a special focus on Chocó, the department most affected during the year by climate emergencies, where BBVA delivered 4.7 thousand aid to the affected communities in Bajo Baudó, Bojayá, Istmina and Quibdó. **In the last 5 years, BBVA has delivered more than 95,000 humanitarian aids, benefiting more than 380,000 people.**

BBVA Microfinance Foundation

FS-13

Created in 2007, within the framework of BBVA's corporate social responsibility, the BBVA Microfinance Foundation (BBVAMF) is a non-profit organization dedicated to promoting the sustainable development of people who have small businesses in vulnerable situations. With its Productive Finance methodology, which combines financial products with personalized training and advice, its entities in 5 Latin American countries serve **3 million entrepreneurs and microentrepreneurs,** 58% of these women, helping them transform their small businesses into progress engines.

A leading philantropic initiative in Latinamerica

Since its creation in 2007, BBVAMF entities have disbursed more than USD 21 billion and have served more than 6 million people with limited resources for the development of their microenterprises, which has made it the largest private philanthropic initiative in Latin America.

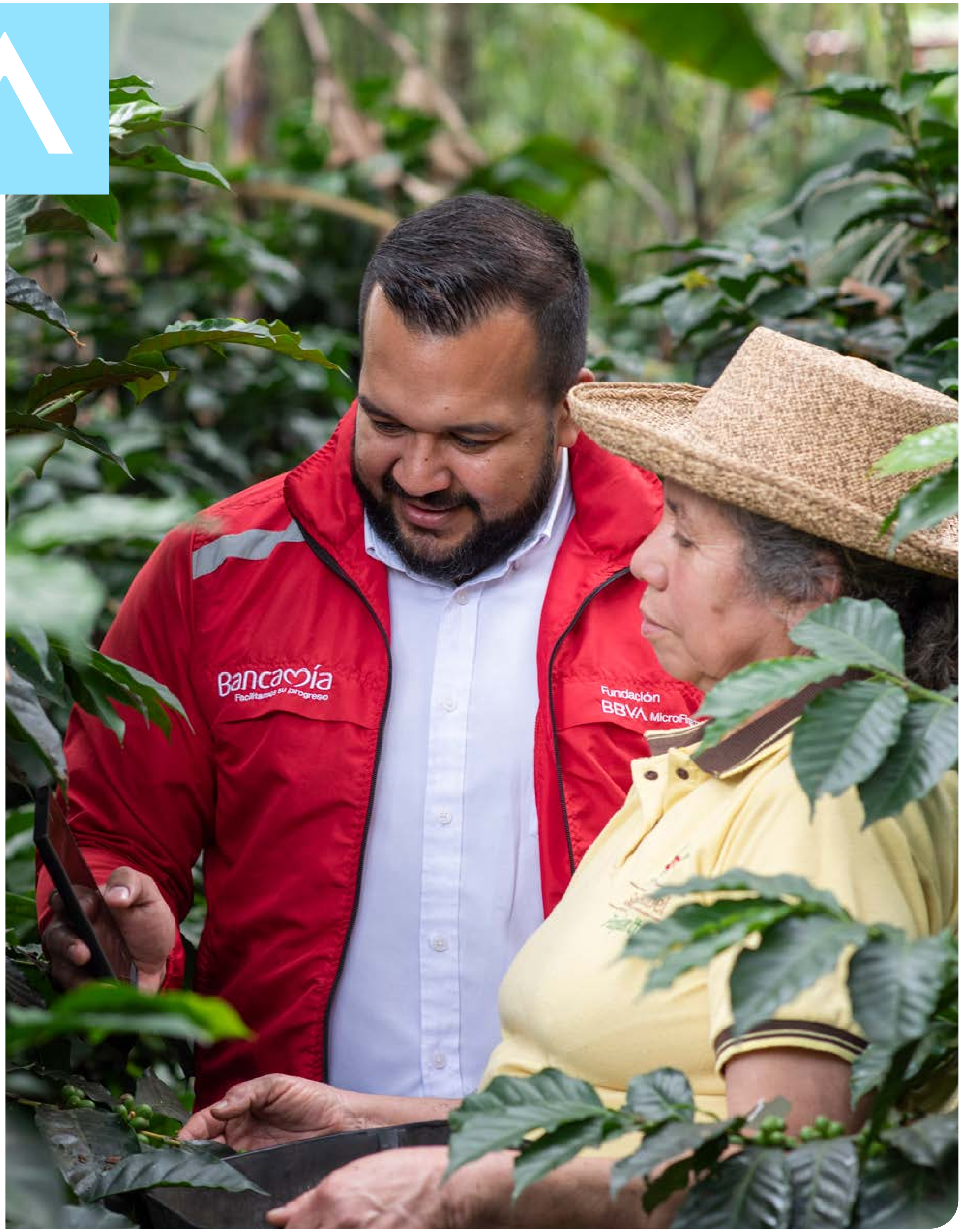
In Colombia, the BBVA Microfinance Foundation is present through the Bancamía Microfinance Bank, whose mission is to improve the quality of life of low-income families, facilitating their access to financial and non-financial products and services, including microcredits for productive activities, savings accounts, CDTs, insurance (operated by third parties), international transfers, digital channels and services such as Mobile Banking and financial education.

Bancamía, at the end of December 2024, served more than 1.6 million people, of which 55% were women. Of the clients with credit, 43% live in rural areas, 37% have at most elementary education, and 85% are vulnerable from the income viewpoint.

BBVA Colombia and Bancamía work together

During 2024, BBVA and Bancamía worked hand in hand in favor of the country's most vulnerable communities, highlighting two high-impact initiatives:

- In order to facilitate transactional services for entrepreneurs and savers, **BBVA and Bancamía joined forces to allow the shared use of ATMs and branches,** making it easier for customers of the 2 entities and micro-entrepreneurs to mobilize their resources in 100% of the country's



departments. In this alliance, BBVA enabled its ATM network for customers with Bancamía savings products, who were able to make transactions at zero cost. For its part, Bancamía made its 194 branches available for BBVA Colombia customers to make deposits to their savings accounts and pay bills for authorized agreements.

- BBVA Colombia and Bancamía reinforced their commitment to the education of the most vulnerable communities and in the 2024 edition of the Transforming Realities Scholarship 30 new university scholarships were awarded, aimed at children of Bancamía microentrepreneurs, completing 150 grants that are allowing these young people to fulfill their dream of having a professional career. In this edition, **nearly a thousand applications were received from 347 municipalities in the country.** It is important to note that 81% of microentrepreneurs who applied for their children are in economic vulnerability condition. In turn, 71% correspond to women, of whom 81% self-identify as household heads, while 36% of the nominees live in Colombia's rural areas.

Benchmark in social impact measurement

BBVAMF publishes its Social Performance Report annually, which shows the social and economic impact on the lives of served entrepreneurs. Its measurement system is a management tool to improve its impact, which has been recognized as a global benchmark by the United Nations (UN). In addition, the BBVAMF is a pioneer in the private sector in the use of the University of Oxford's Multidimensional Poverty measurement methodology, which is used by more than one hundred countries, and which identifies served entrepreneur home deficiencies in health, education and housing, in order to design specific solutions to improve their quality of life.

International cooperation, membership and acknowledgement

The BBVAMF and Bancamía are adhered to several international commitments and cooperation agreements related to social impact and sustainable development. They have also received several awards, including:

- In 2016, the United Nations Economic and Social Council, ECOSOC, granted BBVAMF consultative status, recognizing the Foundation's work in its field of action: microfinance for development. The BBVAMF participates in various meetings at the UN to recommend actions that contribute to sustainable development.
- BBVAMF is a member of the OECD Network of Foundations Working for Development (NetFWD), which brings together the main philanthropic organizations and connects these with authorities and experts from around the world.
- In 2023, the BBVA Microfinance Foundation was designated as an Observer Organization at the United Nations Climate Change Conference, COP28. This status allows it to have representation and to intervene as observer in the sessions of the Parties' Conference.
- The Foundation, together with its entities, Bancamía in Colombia and Financiera Confianza in Peru, joined in 2023, as founding member, the Financial Network for the Amazon promoted by the International Finance Corporation (IFC) and IDB Invest.
- **In 2024, the BBVA Microfinance Foundation became a strategic partner of CGAP,** the global association of more than 30 leading development organizations dedicated to improving the lives of the poor through financial inclusion. Its members include international organizations such as the World Bank, the United Nations Development Program and the European Commission, as well as development cooperation agencies, from the world's leading countries, and large foundations.
- The BBVAMF and the United Nations Development Program (UNDP) in Latin America and the Caribbean have announced their strategic alliance to reduce poverty with joint initiatives focused on financial inclusion, innovation and digitalization of low-income entrepreneurs in Latin America.
- In addition, the Foundation has joined the Women Entrepreneurs Finance Code (WE Finance Code) initiative, coordinated by We-Fi, a global alliance based at the World Bank, which aims to boost financing for companies led by or owned by women.
- The BBVAMF has once again had the support of H.M. **the Queen of Spain, who received in Madrid 6 children of entrepreneurs** who are served by BBVAMF entities in Colombia (Bancamía) and Peru (Financiera Confianza), winners of scholarships to attend university.
- In 2024, the BBVA Microfinance Foundation received the Platinum Award, the highest distinction, in the category of "SME Financier of the Year" in Latin America and the Caribbean, at the Global SME Finance Awards. A prestigious award given by SME Finance Forum, an initiative of the G20 and IFC (World Bank Group), to highlight institutions that offer exceptional products and services to micro, small and medium-sized enterprises.
- BBVAMF was also awarded SDG 1, No Poverty, in the fourth edition of the go! SDGs and **received the global award, Good among the go! SDGs,** among all the winning projects, for being

the most innovative and sustainable. These awards are presented every year by the UN Global Pact and the Rafael del Pino Foundation

- BBVA won the **Global Financial Inclusion Award from The Banker magazine** (of the British Financial Times) for its contribution in this area through the BBVA Microfinance Foundation.

- Bancamía received the **Fintech Americas Award for "Financial Innovators"**. Gold award in the 'Business model innovation' category for its "Virtual visits" strategy, a digital tool that allows small entrepreneurs to meet credit needs, preventing them from having to go to the offices.

- Bancoldex recognized Bancamía as a Strategic Ally, in the category of **'Best Microentrepreneur Ally'**, exalting the Bank's work in delivering microcredits to the largest productive force in the country, which represents Bancamía's main work and with the greatest impact, in 100% of the country's departments.

- BBVA and Bancamía received the 'Gran Solidario' recognition from the Solidaridad por Colombia foundation, for the impact of the Transformando Realidades Scholarships, which are awarded by the 2 entities so that children of entrepreneurs served by Bancamía can attend university.

- In 2024, Bancamía **was awarded the 'Premio Dejando Huella '** by the Presidents' Forum, for the Empropaz program, in the category 'Initiative that leaves a mark', recognizing the contribution made by this initiative in 92 municipalities affected by violence and poverty, in order to accompany from specialized training and financial inclusion, the birth of new businesses and business strengthening in the territories.

- Conversations in the Banking Sector. This is the financial education model for the empowerment and training of microentrepreneur women, which received from the Financial Superintendence of Colombia the Financial Education Seal of Quality, Women's category, which recognizes its relevance, quality and suitability.

In 2025, BBVAMF will maintain **its commitment to economic, social and digital inclusion, women's empowerment and environmental sustainability.** With innovation and impact measurement as strategic drivers, the Foundation will continue to expand its reach to promote the progress of the most vulnerable entrepreneurs and microentrepreneurs. Its purpose remains clear: to accompany those who, with their daily effort, not only transform their lives and those of their families, but also show hope and development in their communities, thus contributing to building a more inclusive, sustainable and prosperous society for all.

COMMITMENT TO HUMAN RIGHTS

GRI 2-23

BBVA Colombia's diversity, equity and inclusion policy indicates the specific foundations of this policy in relation to BBVA's internal regulations, such as BBVA's Code of Conduct, especially in the sections related to inclusion, conduct with our co-workers and commitment to respect human rights. Similarly, BBVA Colombia's General Corporate Social Responsibility Policy is mentioned, where 'subsection b' of the 'third numeral' relates to respect for people's dignity and the rights that are inherent to them. Similarly, the provisions of numeral 4.1, that mentions the provisions in relation to interest groups and other groups, specifically with regard to employees, and numeral 4.2., which contains the provisions in relation to areas of action, when it mentions the Commitment to Human Rights. All this **ratifies the bank's and the group's commitment to BBVA's declaration of principles against discrimination and harassment.** In keeping with this commitment, campaigns have been generated and promoted related to the proper and upright behavior that people who provide services to BBVA must have, as well as the promotion of reporting channels when a harassment or discrimination situation is evidenced or is a victim, through the reporting channel or the company's labor coexistence committee.

During 2024, with regards to the integrity committee, commitments were established to develop actions to visualize and promote the culture of respect and rejection of any harassment and discrimination type, generating communication pieces with the slogan "I am upright", where tips or recommendations to be considered in the daily relationship were presented, likewise, channels to promote reporting and the labor coexistence committee. In March, an invitation was made to the entire organization, for a workshop on workplace and/or sexual harassment, led by the UNDP and the Ministry of Labor of Colombia, within the framework of the "Equipares" Certification, with the participation of 857 people, of which 228 were managers. Similarly, **face-to-face training on workplace and sexual harassment was done for specialized BBVA and subsidiaries teams,** in order to update the content and tools for the teams that accompany these processes (pax 32).

BBVA Colombia promoted a culture of respect in 2024 and trained 857 people in the prevention of harassment and discrimination.

In October, the invitation was launched to all employees BBVA companies in Colombia to participate in the webinar "Culture of respect: Zero tolerance to harassment", where the executive chairman of BBVA Colombia, Mario Pardo Bayona, participated, along with 3 other expert panelists, on the subject of aspects related to workplace harassment and sexual harassment in Colombia, the action routes, as well as the clear protocols and procedures established for workers who need to report situations of harassment, with panelists highlighting the commitment of companies and especially that of BBVA Colombia to visualize and reject this type of situation in an open and visible way. Among the invited panelists was the secretary of BBVA Colombia's current Coexistence Committee, who illustrated within her speech the channels, stages and elements that the workplace harassment report must have in order to be activated and be known by the Coexistence Committee. Finally, in December, a communication piece was launched that collected frequently asked questions about workplace and sexual harassment, answers which lead to the webinar held in October.

GRI 406-1

In 2024, one (1) case was reported and managed through the workplace coexistence committee procedure. The case involved concerns related to labor relations, task demands, and an alleged differential or discriminatory treatment regarding the evaluation of work and permissions requested, compared to other team members. During the case handling, **the report and its details were shared with the person in question,** spaces for listening to the involved parties were opened, and discussions were held with the team leader and employee regarding their assigned roles and responsibilities, including an update on labor relations.

Following a comprehensive analysis and dialogue, the committee decided to close the case with actions assigned to the team leader, the employee, and the broader team. These actions focused on promoting respectful and continuous feedback, empathetic teamwork, and a commitment from both parties to create team-building spaces and activities aimed at improving workplace relations and fostering equitable treatment. This process was carried out under the guidance of the Talent & Culture advisor. The case closure and preventive actions were communicated in writing to the involved parties, in line with the committee's authority. **No corrective or disciplinary measures were activated for this case.**

Additionally, two (2) other cases were submitted to the committee referencing various situations and behaviors suggestive of workplace harassment, with the term 'discrimination' also being mentioned. In accordance with protocol, the committee requested clarification, specificity of the initial report, and identification of the alleged individuals involved. However, the employees contacted by the committee remained silent within the provided timeframe, making it impossible to proceed with the protocol or generate a clear and actionable complaint. As per Law 1010 of 2006 and internal CCL regulations, the preliminary closure of the cases was communicated to the employees, while reminding them that the workplace coexistence committee channel remains open and available for reporting this or any other potential harassment situations.

In October 2024, BBVA Colombia held a webinar titled **Culture of Respect: Zero Tolerance for Harassment,** with the participation of the CEO, Mario Pardo Bayona, and three expert panelists. They discussed workplace and sexual harassment in Colombia, the available action routes, and the procedures established for employees, as well as companies' responsibility to address and reject such behaviors. One of the panelists, the current secretary of BBVA Colombia's coexistence committee, explained the reporting channels, steps, and key elements required for a harassment complaint to activate the committee's protocol.

Annual Report 2024

5 Governance

Committed to the sustainable development of Colombia

Governance

GRI 2-1, GRI 2-2, GRI 2-3

GOVERNANCE MODEL (CORPORATE GOVERNANCE REPORT)

Bank ownership structure

Capital and ownership structure of BBVA Colombia

As of December 31, 2024, BBVA Colombia had a capital of COP 645 Billion divided into 103,365,384,615 shares, of which 85,576,658,507 are in reserve and 17,788,726,108 are outstanding. Of the outstanding shares, 17,308,966,108 are common shares and 479,760,000 are preferred dividend shares.
As of the same date, the Bank registered 65,084 shareholders.

The Bank recorded the Group's control status with respect to its subsidiaries BBVA Asset Management S.A. Sociedad Fiduciaria and BBVA Valores Colombia S.A. Comisionista de Bolsa, as follows:

Table 67. Shareholder composition and distribution of the share capital of BBVA Colombia
(Figures in number and percentage)

BBVA COLOMBIA - SHAREHOLDER COMPOSITION			
Name	Number of common shares	Number of Preferred dividend shares	Shareholding Percentage
Banco Bilbao Vizcaya Argentaria S.A.	13.522.601.422	196,857,652	77,13%
BBV América SL	3.154.061.835	256,150,000	19,17%
Others	632.302.851	26,752,348	3,70%
TOTAL	**17.308.966.108**	**479,760,000**	**100.00%**

DISTRIBUTION OF CAPITAL STOCK			
Type of Share	Number of shares	Number of stockholders	Shareholding %
Common shares	17.308.966.108	64,854	97.30
Preferred dividend shares.	479,760,000	230	2.70
TOTAL	**17.788.726.108**	**65,084**	**100**

BBVA Colombia S.A.	
BBVA S.A.	77.13%
BBVA America SL	19.17%
Other	3.70%

BBVA Asset Mangement	
BBVA Colombia S.A.	94.51%
BBVA Seguros Colombia S.A.	2.74%
BBVA Seguro de Vida de Colombia S.A.	2.74%
Other	0.01%

BBVA Valores S.A.	
BBVA Colombia S.A.	94.44%
BBVA Seguros Colombia S.A.	2.77%
BBVA Seguro de Vida de Colombia S.A.	2.77%
Other	0.02%

Information on shares owned by members of the Board of Directors: Members of the Board of Directors do not hold shares in BBVA Colombia.

Family, commercial, contractual or corporate relationships that exist between the holders of significant shareholdings and BBVA Colombia: The main shareholders of BBVA Colombia are Banco Bilbao Vizcaya Argentaria, S.A. and BBV América, SL. The details of the commercial and/or contractual relationships of these shareholders with the Bank are presented in the financial statements section "Transactions with related parties".

Negotiation of shares owned by members of the Board of Directors and Senior Management: In 2024, there were no negotiations of shares issued by BBVA Colombia with members of the Board of Directors or Senior Management.

Summary of shareholders' agreements in force as of December 31, 2024: BBVA Colombia did not enter into shareholders' agreements.

Treasury shares held by BBVA Colombia: The Bank does not have treasury shares.

Structure of the company's administration

GRI 2-9, GRI 405-1

BBVA Colombia's Corporate Governance System (hereinafter, also the "System") follows international and corporate recommendations and trends. Its principles and practices are contained in different instruments that guide the structure and functions of corporate bodies, such as the Bylaws, the Corporate Governance Code, the General Shareholders' Meeting Regulations, the Board of Directors Regulations and the Shareholders' Meeting support committees regulations.

The System is comprised of the internal rules of conduct contained in the BBVA Group's Code of Conduct, the Securities Market Code of Conduct and the Prevention of Money Laundering and Terrorist Financing Code of Conduct, which contain the postulates that govern the actions of its executives, Board of Directors members, managers and employees.

The System is conceived as a dynamic process, under continuous review, with a focus on improvement and adaptability to the new realities of the Bank and its subsidiaries, using as a reference regulations and recommendations for best practices in corporate governance.

Organizational Structure

The composition of the Board of Directors is a key element of the Corporate Governance System. According to the Board's Selection, Appointment and Succession Policy, the Board must have an appropriate balance in the origin of its members (hereinafter, also, the "Members of the Board of Directors" or "Directors"), with shareholders and independence having a majority with respect to the executives.

In 2024, the Board of Directors was made up of 9 Directors, 5 of independent origin, 3 shareholders and one executive.

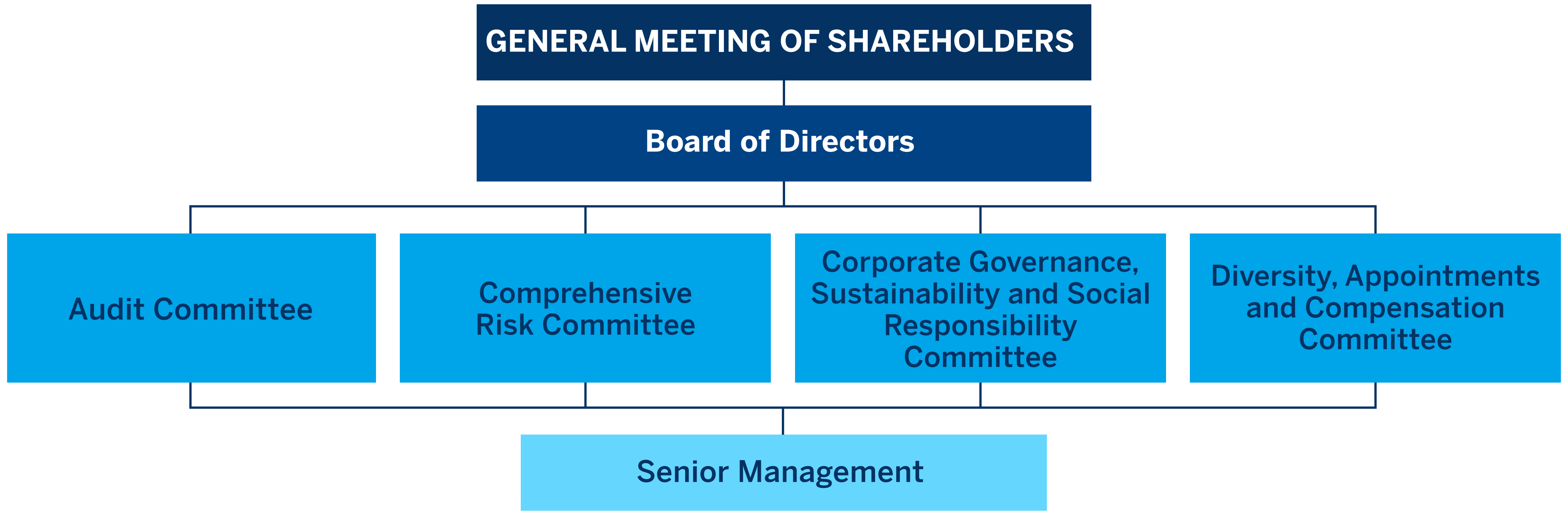


Table 68. Composition of the Board of Directors 2024

Director	Origin	Position	Date of first appointment	Date of last re-election	Membership in other Board of Directors
Carlos Eduardo Caballero Argáez	Independent	Chairman of the Board of Directors	03/17/2005	10/18/2024	Promigas
Xavier Queralt Blanch	Shareholder	First Vice Chairman of the Board of Directors	05/30/2018	10/18/2024	Not applicable
Camila Escobar Corredor	Independent	Second Vice Chair of the Board of Directors	03/26/2021	10/18/2024	Farmatodo, CCI (Corporacion Colombiana Internacional), Andi, Yellowstone, WIC (Women in Connection) and "High Level Expert Group 2022" on climate change of the United Nations.
Luis Julián Carranza Ugarte	Independent	Member of the Board of Directors	03/16/2022	10/18/2024	Not applicable
Cristina Vélez Valencia	Independent	Member of the Board of Directors	03/22/2024	10/18/2024	Pragma S.A., Fundación Poderosas y Fundación Extituto de Política Abierta
Fernando del Carre González del Rey	Shareholder	Member of the Board of Directors	03/22/2024	18/10/2024	Not applicable
Gloria Amparo Alonso Masmela	Independent	Member of the Board of Directors	18/10/2024	Not applicable	Not applicable
José Agustín Antón Burgos	Shareholder	Member of the Board of Directors	18/10/2024	Not applicable	Not applicable
Mario Pardo Bayona	Executive	Member of the Board of Directors and Chief Executive Officer of the Bank	02/28/2020	18/10/2024	Asociacion Bancaria de Colombia and Spanish Chamber of Commerce in Colombia

Profiles of Board Directors

The full profiles of the Directors are published on the Bank's website. Click here. Click here this link.

Carlos Eduardo Caballero Argáez

Chairman of the Board of Directors
Independent Origin

Civil Engineer from Universidad de los Andes, with a Master of Science from the University of California and in Public Affairs from Princeton University and in History from Universidad de Los Andes. He served as director of Fedesarrollo, was advisor to the Monetary Board, president of the Banking Association, director of Proexpo, president of Bancoldex, president of the Bogotá Stock Exchange, Minister of Mines and Energy and member of the Board of Directors of Banco de la República. He was a columnist for El Colombiano, a writer, author of several books, a business advisor and a member of the boards of directors of Promigas and BBVA Colombia. In 2006 he was appointed the first director of the "Alberto Lleras Camargo" School of Government at Universidad de los Andes, a position he held until 2016. He is currently a Full Professor at this institution.

Xavier Queralt Blanch

First Vice Chairman of the Board of Directors
Shareholder Origin

He holds a degree in Law from the Central University of Barcelona, with studies in the Executive Program for Financial Sector Strategy at the London Business School, and advanced leadership programs at Axia lent and Insead. At BBVA, S.A. Spain, he has held management positions in Corporate Banking in Spain and Portugal; he is Director of Productivity, Organization and Compliance, and Territorial Director of Catalonia. He held the positions of CEO of UNNIM Banc and Banco Catalunya Caixa. He chaired the Board of Directors of the insurance companies UNNIM Vida and CX Vida.

Camila Escobar Corredor

Second Vice Chairman of the Board of Directors
Independent Origin

Industrial Engineer from Universidad de los Andes with a master's degree in business administration from Harvard University. She has more than 15 years of professional experience, serving as a summer associate and business analyst at McKinsey & Company, associate in risk management strategies, risk management analyst at the National Federation of Coffee Growers of Colombia, marketing and business intelligence manager at Belcorp, and currently CEO of Procafecol (Juan Valdez Café). In addition, she is a member of the boards of directors of Corferias, Farmatodo and Andi Cundinamarca and Boyacá Regions.

Luis Julián Martín Carranza Ugarte
Member of the Board of Directors
Independent Origin

He holds a bachelor's degree in economics from the Pontificia Universidad Católica del Perú, a master's degree and a doctorate from the University of Minnesota. He has served as Manager of Economic Studies at BBVA Banco Continental - Peru, Vice Minister of Finance and Member of the Board of Directors of the Central Bank of Peru. He was Chief Economist for Latin America and Emerging Countries at BBVA Group, Minister of Economy and Finance of Peru, Director of BBVA Chile, Director of Sigma Capital and Executive Chairman of CAF - Development Bank of Latin America.

Cristina Vélez Valencia
Member of the Board of Directors
Independent Origin

She holds a degree in Business Administration and Management and History. She has been a research assistant at the Universidad de los Andes and held management positions in the Secretariat of Women's Affairs and in the Secretariat of Social Integration. She served as Vice President of Public-Private Articulation and as a professor of Colombian Business History for undergraduate at Cesa. She is currently Eafit University's School of Management Dean and a principal member of the Board of Directors of Pragma S.A., Fundación Poderosas and Fundación Extituto de Política Abierta.

Fernando del Carré González del Rey
Member of the Board of Directors
Shareholder Origin

He holds a degree in Law from the University of León, with a master's degree in general business management-international MBA from the Esden Business School. He joined BBVA, S.A. Spain in 1992 as Director of Audit at Network and Credit, later holding the same position for Spain, Portugal and South America. He also served as Director of Audit in Mexico for BBVA Bancomer and BBVA Spain, a position he held until 2022.

Gloría Amparo Alonso Masmela
Member of the Board of Directors
Independent Origin

She holds a degree of Economist from the Universidad de los Andes, with a master's degrees in economics from the National University of Colombia and Columbia University. She has specialized studies in Corporate Governance, Sustainability Management and Business Management, as well as experience in the design, management and assessment of public policies, strategic planning, sustainable economic development, fiscal reforms and royalty systems. She has worked with multilateral organizations and in international negotiations, with extensive knowledge in organizational control and transparency, her career includes leadership in organizational transformation and relations with governments, financial and non-financial private sector, unions and communities.

José Agustín Antón Burgos
Member of the Board of Directors
Shareholder Origin

He holds a degree in Economics and Business Administration from Icade, a diploma in Latin American Economics from the United Nations Economic Commission for Latin America and the Caribbean and a European Financial Analyst certification from the Spanish Institute of Financial Analysts. He has a strong track record in the financial sector, leading teams in money markets, derivatives, fixed income and treasury. His international experience spans capital markets management and wholesale banking, driving strategic initiatives in commercial and corporate banking. In addition, he served as Country Manager of BBVA in Paraguay and Venezuela until 2023.

Mario Pardo Bayona
Executive President
Executive origin

He holds a bachelor's degree in Economic and Business Sciences from Icade; he joined the BBVA Group in 2008 after accumulating more than 10 years of experience in the world's leading investment banks. Since his arrival at BBVA Colombia, he has worked in M&A within CIB (Corporate & Investment Banking). Subsequently, he assumed the role of Director of Strategy and Transformation for CIB, in 2017 he held the position of Director Enterprise Clients in the corporate team Client Solutions. Since 2020 he has been Executive Chairman of BBVA Colombia.

Changes in the Board of Directors

In 2024, the General Shareholders' Meeting approved two amendments to the bylaws. At the regular meeting on March 22, it was decided to expand the Board of Directors from 5 to 7 members, and at the extraordinary meeting on October 18, it was increased again from 7 to 9 members.

The Corporate Governance, Sustainability and Social Responsibility Committee assessed the profiles of Cristina Vélez Valencia and Fernando del Carré González del Rey in the first appointment, and those of Gloria Amparo Alonso Masmela and José Agustín Antón Burgos in the second. After the analysis, it was concluded that all the candidates met the suitability requirements, standing out for their honorability, knowledge and experience. In addition, **it was verified that they did not have legal incompatibility, disqualifications or conflicts of interest,** and that they had the time availability required for their functions.

To ensure their preparation, the new directors participated in an induction process led by the General Secretariat. This program covered three key aspects

1. Structure and operation of the Financial Conglomerate.
2. The Bank's vision and strategy, presented by the Executive Chairman, the Vice Presidencies and Staff areas, including business model, strategic objectives and key indicators.
3. Functioning of the Board of Directors, addressing roles, functions, management of conflicts of interest and shareholder rights.

This process ensured that the new directors understood their role and the Bank's strategic dynamics from the beginning of their roles. It should be noted that BBVA Colombia Directors are not members of the Boards of Directors or hold executive positions in the subsidiaries.

In 2024, BBVA expanded its Board of Directors to 9 members, incorporating suitable profiles and conducting inductions to ensure their preparation and alignment with the Bank's strategy.

Policies approved by the Board in 2024

Table 69. Approved policies

General Policy on BBVA Colombia´s Tax Strategy	The Bank´s fiscal policy is based on **principles of international compliance and promotes responsible taxation,** aligned with global standards. Its objective is to contribute to social development and guarantee the payment of taxes where economic activity is generated.
Information Security and Cyber-security General Policy	Its purpose is to define parameters to protect the confidentiality, integrity and availability of information at all life cycle stages: generation, processing, storage and destruction. In addition, it covers its management, governance and application, in order to minimize the impact on the Bank´s assets.
Board of Directors Induction and Training Policy	It seeks to establish a structured induction and training program so that new Board of Directors members know their responsibilities and functions. In addition, it updates directors on developments in the financial and banking sectors and in current regulations. This policy also applies to existing members, **promoting continuous development that strengthens the performance of their duties.**
Internal Control System Policy	Its objective is to establish the guidelines of the ICS, defining a conceptual framework that integrates the applicable policies, regulations and definitions. In addition, it maintains the guidance established by the BBVA Group and guarantees compliance with the regulations issued by the SFC through External Circular 008 of 2023.
Communication Protocol	It aims to lead to the implementation of communication strategies that promote productive and responsible behaviors with employees, society and the environment, contributing to strengthening of corporate culture. In addition, it seeks to optimize the communication processes between the organization and its different stakeholders, both internal and external, **ensuring an aligned management with needs and requirements.**
General Financial Analysis Policy	It establishes principles to guarantee an efficient process that ensures the availability of quality financial information, its detailed analysis and a 3- level validation control. In addition, it establishes the generation of accurate reports for senior management and promotes continuous improvement through the use of up-to-date tools.
Materiality and relevance Policy	It defines clear criteria and methodologies to determine the materiality applicable in the operations of the Bank and BBVA Colombia entities. Accounting inaccuracies or errors are considered relevant if they can affect financial decisions based on the financial statements. The materiality assessment considers the magnitude and context of such inaccuracies, ensuring that financial statements, both individual and consolidated, are a reliable source for decision-making.

These documents can be consulted on the Bank's website, at:
Bylaws:
https://www.bbva.com.co/personas/investor-relations/corporate-governance/corporate-bylaws.html
Regulations of the Board of Directors:
https://www.bbva.com.co/personas/investor-relations/corporate-governance/board-of-directors.html

In 2024, the Board of Directors of BBVA Colombia approved key policies on taxation, cybersecurity, internal control, training and financial analysis, strengthening its corporate governance and sustainability.

Board Member Appointment Process

GRI 2-10

BBVA Colombia has a Policy for the Selection, Appointment and Succession of the Board of Directors, approved by the General Shareholders' Meeting in March 2016, with the principles and criteria that govern the selection, appointment and renewal process, and the legal requirements that directors must meet. The Policy provides for the elements concerning the composition of the corporate bodies, including diversity, which will be considered to ensure the fulfilment of their functions. The policy can be consulted on the Bank's website. Click here.

This policy establishes that **the Board of Directors must be made up of a number of directors determined by the General Shareholders' Meeting,** within the limits set by the Law and the Bylaws. The appointment is the responsibility of the highest corporate body, and candidates must meet the necessary suitability requirements for the position, have adequate experience and knowledge, avoid conflicts of interest and comply with the incompatibility and limitations statute.

Procedure established in the policy for the election of Board members

POLICY FOR THE SELECTION, APPOINTMENT AND SUCCESSION

1. Proposal presentation to the Corporate Governance Committee

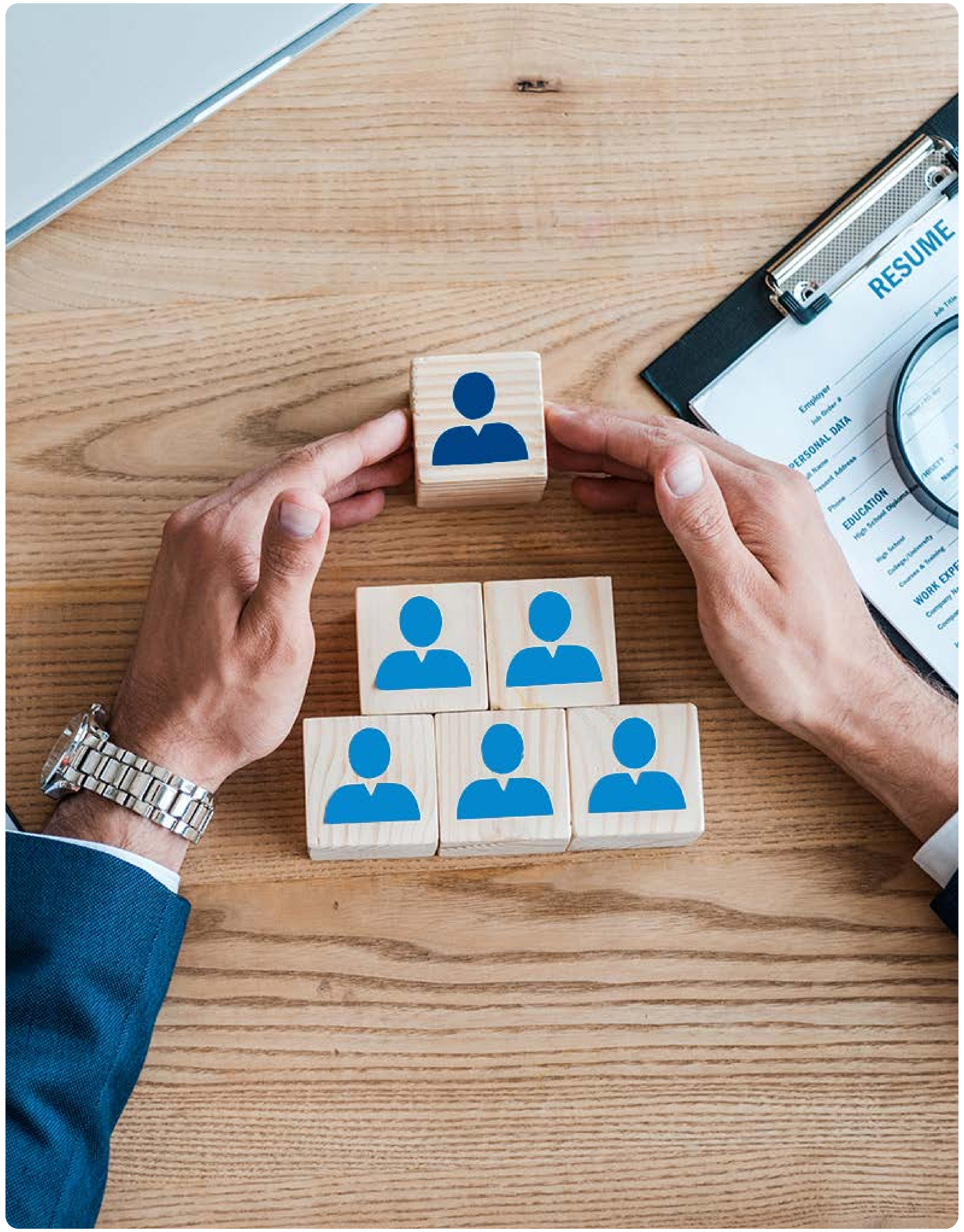
- Assesses candidates considering their suitability, time dedication and meeting of legal criteria, including statute of incompatibilities and limitations.
- Encourages profile diversity and the selection of candidates with different education, experience and perspectives, to guarantee an adequate balance.

2. Report presentation and publication

- The committee reports and the information on the candidates is made available to shareholders prior to the meetings of the General Shareholders Meeting.

3. Election in General Shareholders Meeting

- The election is done applying the electoral quotient system, according to the law and the Bylaws.
- If the proposed lists do not include the minimum number of independent directors required by law, two votes are held, one exclusively to elect independent directors and another to elect the remaining ones.



Main characteristics of the composition of the Board of Directors

Independence

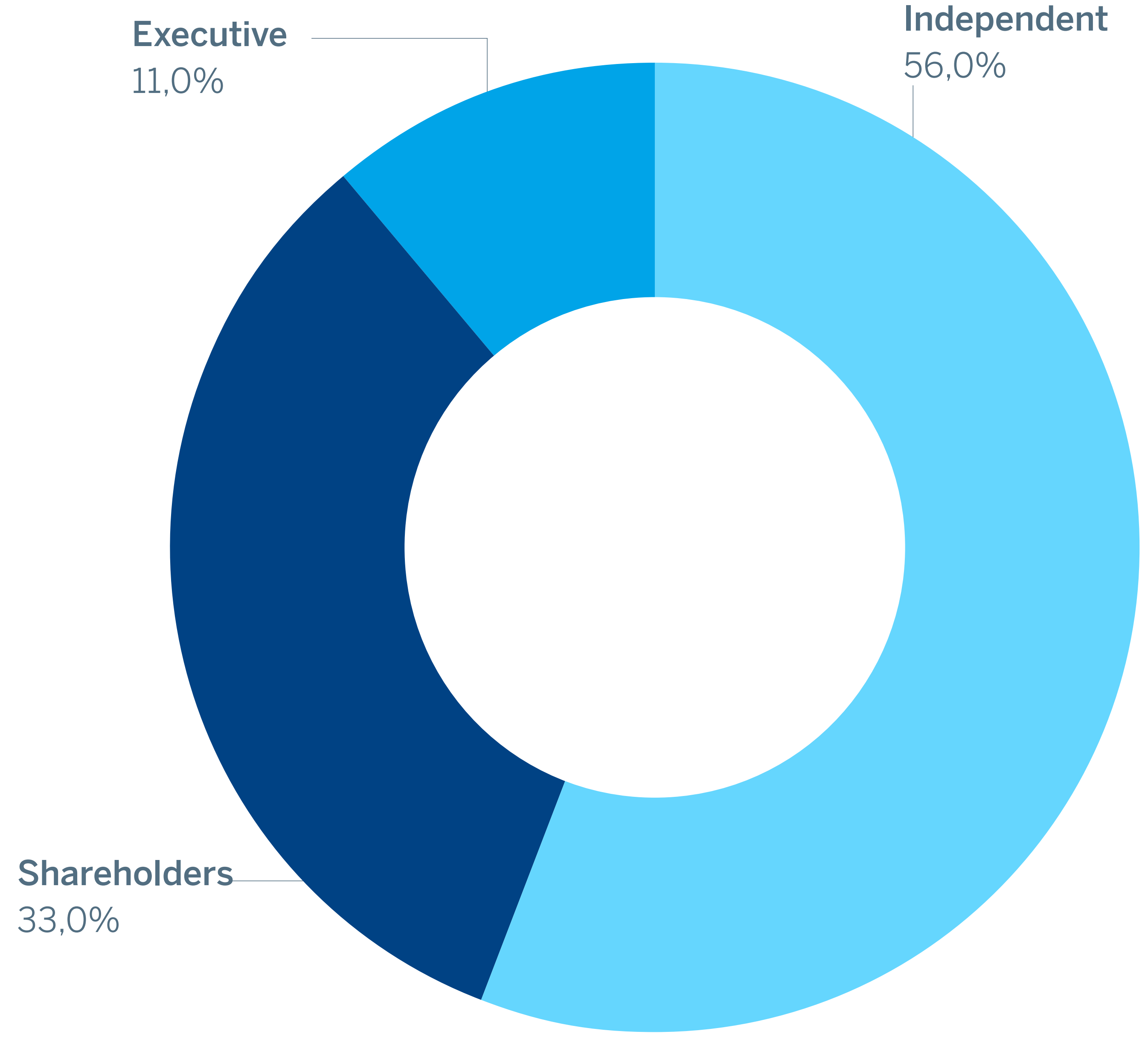
Law 964 of 2005 establishes that at least 25% of directors must be of independent origin.

Paragraph 6 of BBVA Colombia's Board of Directors Regulations state that in order **to determine the independence of members, compliance with the requirements set forth in Law 964 of 2005** (or that which modifies or replaces it), as well as the relationship, of any nature, of the candidate for independent member with a controlling or significant shareholders and their associated parties, both domestic and foreign, is assessed, thus requiring two statements of independence:

1. From the candidate to the company, its shareholders and Senior Management members, as demonstrated through the letter of acceptance.
2. From the Board of Directors regarding the candidate's independence.

This high level of independence favors the fulfilment of management, supervision and control functions of the corporate bodies, guaranteeing the objectivity of decisions.

Origin of Board members



Origin of Board Members	Gender diversity	AGE
Independent	Women	30 – 50
Shareholders	Man	Older than 50

The Board of Directors has a diverse composition that combines profile with experience and knowledge of the Bank and its subsidiaries, its businesses and the financial sector in general, and profile with business background, knowledge of the environment and the local market.

Diversity

GRI 405-1

The Board of Directors has a diverse composition that combines profiles with experience and knowledge of the Bank and its subsidiaries, its businesses and the financial sector in general, and profiles with business background, knowledge of the environment and the local market.

Currently, the Board of Directors is gender, age, nationality and profession diverse.

Gender diversity

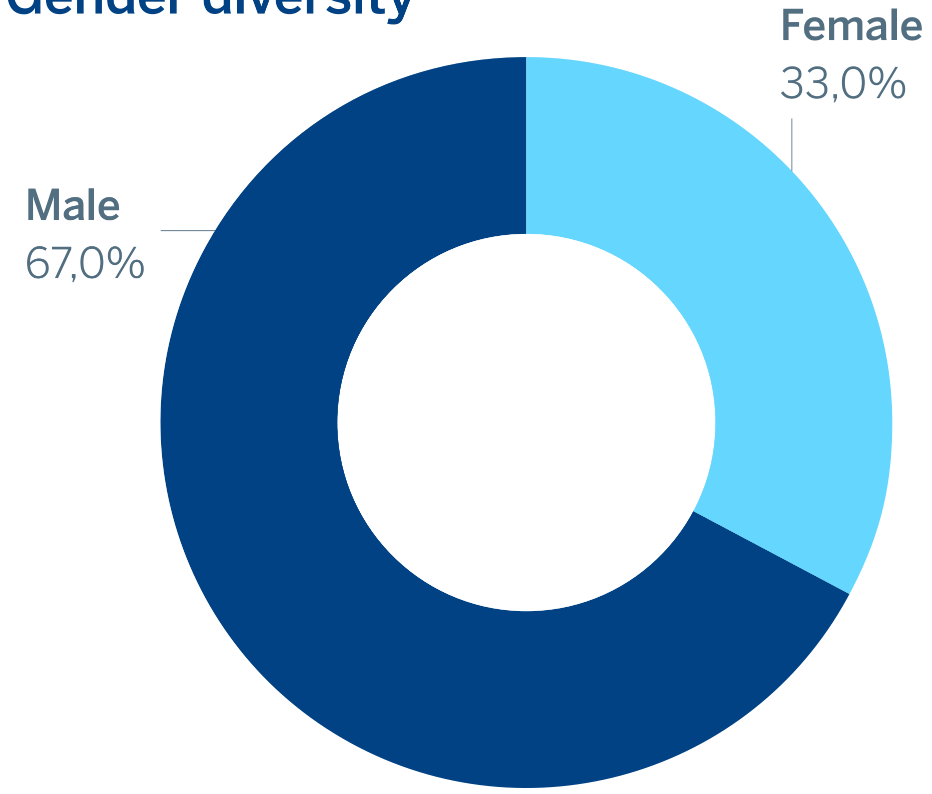


Table 70. Board Diversity 2024

Director	Gender	Age	Nationality	Profession
Carlos Eduardo Caballero Argáez	Male	77	Colombian	Bachelor of Civil Engineer
Xavier Queralt Blanch	Male	65	Spanish	Bachelor of Law
Camila Escobar Corredor	Female	43	Colombian	Bachelor of Industrial Engineer
Luis Julián Carranza Ugarte	Male	58	Peruvian	Bachelor of Economics
Cristina Vélez Valencia	Female	43	Colombian	Bachelor of Business Administration, Management and history
Fernando del Carré González del Rey	Male	64	Spanish	Bachelor of Law
Gloria Amparo Alonso Masmela	Female	61	Colombian	Bachelor of Economics
José Agustín Antón Burgos	Male	63	Spanish	Bachelor of Economics and Business Administration
Mario Pardo Bayona	Male	49	Spanish	Bachelor of Economics and Business Administration

Suitability

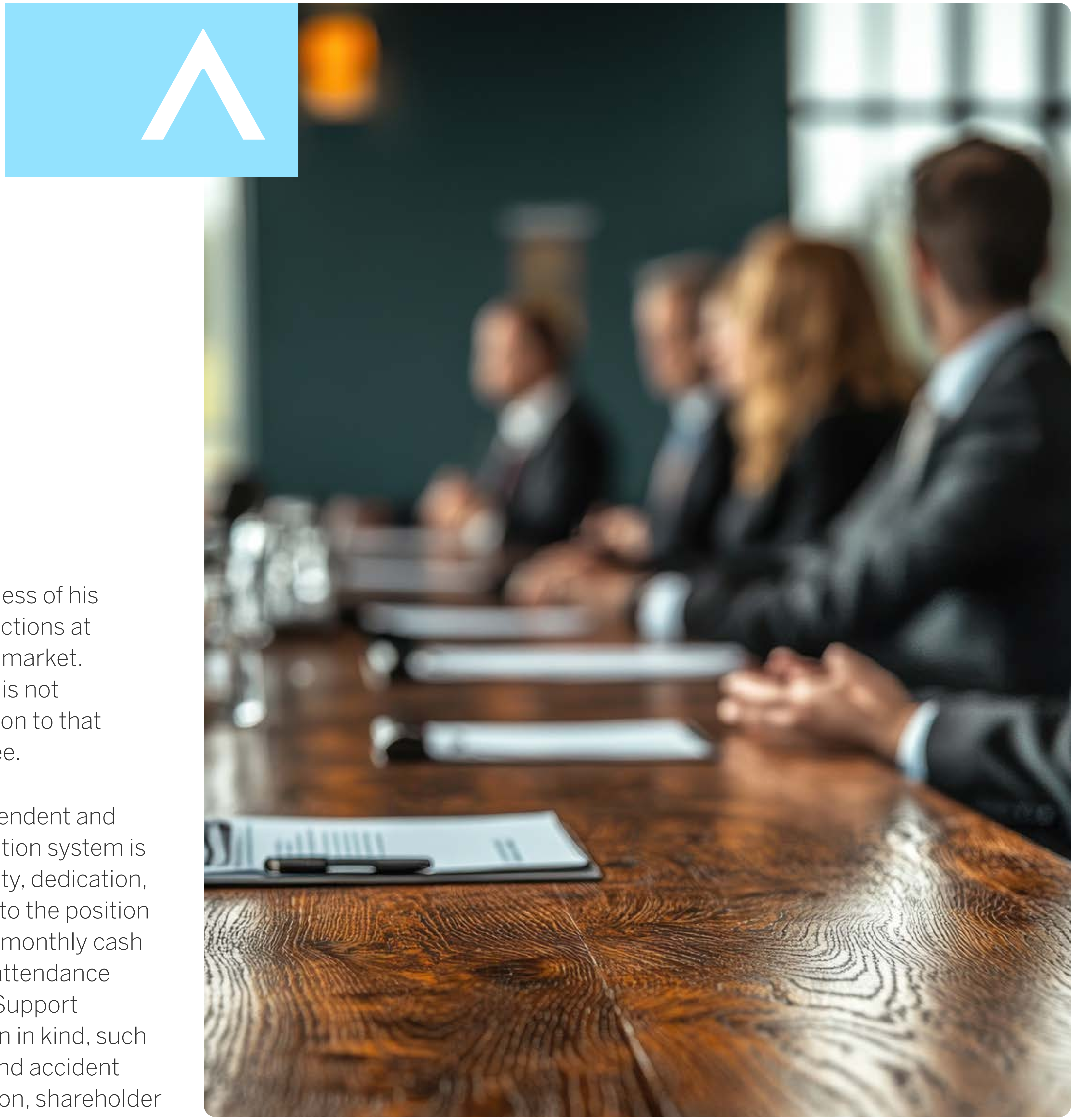
The Bank seeks to ensure that the members of both the Board of Directors and the support committees have a strong academic background, broad experience and professional background required to perform their functions and the good governance of the institution, which guarantees the necessary suitability for the position, which is a regulatory requirement.

The Corporate Governance, Sustainability and Social Responsibility Committee is responsible for supervising compliance with the requirements and the selection procedure, assessing the competencies, skills, limitations, professional and academic trajectory, and in general completing a suitability assessment of the candidates who hold the position.

In 2024, no circumstances were known to affect the suitability of directors in the performance of their position.

Table 71. Composition of the Board of Directors by gender, age and job category

Job category	Gender	Under 30 years of age	Between the ages of 30 and 50 years	Over the age of 50 years	Total
Executive directors	Man		1		1
	Woman				
Independent directors	Man			2	2
	Woman		2	1	3
Other non-executive directors	Man			3	3
	Woman				
Total expressed in percentage		0%	33.33%	66.66%	



Compensation policy of the Board of Directors.

GRI 2-9

BBVA Colombia has the Compensation Policy for the Board of Directors, approved by the General Shareholders Meeting of March 2016. This policy distinguishes between the compensation system for non-executive and executive directors, as follows:

- For the Executive Director, who is the legal representative, who participates in the ordinary course of the Bank's business and is a member of the Board of Directors, his compensation is governed by the principles applicable to the Senior Management group of employees, whose professional activities have an impact on the Group's risk profile or exercise control functions. The compensation criteria includes the level of responsibility of his functions and the competitiveness of his compensation against equivalent functions at peer financial institutions in the local market. Consequently, the executive director is not recognized an additional compensation to that earned as a BBVA Colombia employee.

- With regards to non-executive, independent and shareholder directors, the compensation system is based on criteria such as responsibility, dedication, inability and incompatibility inherent to the position they hold. This translates into a fixed monthly cash compensation for membership and attendance to the Board of Directors and Board Support Committees, as well as compensation in kind, such as directors and administrators life and accident insurance policy premiums. In addition, shareholder directors who reside abroad receive travel expenses and the necessary compensation to attend face-to-face sessions.

- The Chairman of the Board of Directors, due to the scope of the duties and the greater dedication of time, has a higher fixed compensation, within the margins managed by local market peer financial institutions.

Finally, the General Shareholders Meeting sets the annual allowance that the Bank must grant to its directors.

Board of Directors and Senior Management Compensation

On March 26, 2022, the General Shareholders Meeting approved setting fees for non-executive members of the Board of Directors at COP 8.5 Million, and for the Chairman of the Board, considering his additional functions, at COP 10.5 Million. Payment is made on a monthly basis for membership, attendance and participation in Board and support committees meetings. This compensation level was ratified at the extraordinary meeting of the General Shareholders' Meeting on October 18, 2024.

The proposed compensation for the members of the Board of Directors for the statutory period 2024-2026 was approved, with the following quorum present:

The General Shareholders Meeting also agreed to set the payment of approved fees and the budget, as well as other expenses that this administrative body may require for its operation.
Thus, the Corporate Governance, Sustainability and Social Responsibility Committee verified the follow-up to the Compensation Policy of the Board of Directors and the appropriations approved for 2023, determining that BBVA Colombia paid the Board of Directors COP 472.1 Million in labor compensation, as follows:

Table 72. Board Compensation
(Figures in COP million and percentage)

Concept	Quantity/Percentage
Total Bank common shares	13.907.929.071
Total common shares represented at the meeting	13.417.865.754
Percentage of Common Shares Represented at Meeting	96,48%

The Assembly also agreed to set for the payment of approved fees, and the budget, as well as other expenses required by this administrative body for its operation.

In this way, the Corporate Governance, Sustainability and Social Responsibility Committee verified the monitoring of the Compensation Policy of the Board of Directors and the appropriations approved for 2024, determining that BBVA Colombia paid the Board of Directors COP 654.2 million in labor compensation, as follows:

Table 73. Board of Directors Labor Compensation
(Figures in COP millions)

Concept	Amount
Fixed compensation	490.000.000
Compensation in kind	164.221.855
TOTAL	**654.221.855**

Board of Directors members are covered by a global Directors and Officers - D&O policy, civil liability insurance, which covers compensation for which senior managers are legally liable for alleged damages caused to third parties in the performance of their duties, as well as legal defense fees.

Details on the compensation received by directors can be found in the "Transactions with related parties" section of the Financial Statements.

Board of Directors compensation is fixed and established by the General Shareholders' Meeting, with no variable components associated to KPIs or performance. The only additional payments correspond to travel expenses.

Senior Management

The Bank's Senior Management is headed by the Executive President, the Vice Presidents and the Directors of the staff areas:

Mario Pardo Bayona
Executive President
Bachelor of Economics and Business Administration from Icade, Madrid; He joined BBVA Colombia in 2008 after more than a decade of experience in some of the world's leading investment banks, including Lehman Brothers International and Goldman Sachs International. Since his arrival at BBVA Colombia, he worked in M&A within CIB and later assumed the role of Director of Strategy and Transformation for CIB; in 2017 he held the position of Head of Enterprise Customers as part of the corporate Customer Solution team; since 2020 he has served as Executive Chairman of BBVA Colombia.

Alberto Parra Alonso
Executive Vice President, Talent & Culture
Bachelor of Business Sciences from the Universidad Vicálvaro (Spain), with courses in Management Development Program at IESE and coaching at the European School of Coaching in Madrid. More than 22 years of experience in personnel management at the BBVA Group, where he has worked as Personnel Manager and Human Resources Manager Spain and Portugal at BBVA Madrid; He has also served as Director of Talent and Culture in Las Palmas de Gran Canaria and Valencia. From 2019 to February 2023 he served as Vice President of Talent and Culture in Uruguay. He is currently Vice President of Talent and Culture at BBVA Colombia.

Carlos Alberto Rodríguez López
Executive Vice President, Corporate & Investment
Bachelor of Economics, specialist in finance and master's degree in economics from Universidad de los Andes, Bogotá, with an MBA from Insead, Fontainebleau, France. He has extensive professional experience, holding, among other positions, the Vice Presidency of Corporate Finance of ISA, the International Vice Presidency of Bancolombia and the Vice President of Market Development of the Colombian Stock Exchange. He served as Director General of Public Credit and National Treasury of the Ministry of Finance and Public Credit. He currently is Executive Vice President of Corporate & Investment Banking at BBVA Colombia.

Esther Dafauce Velázquez
Executive Vice President of the Finance Area
Bachelor of Business Administration and Management from the Complutense University of Madrid, with more than 20 years of international experience and, particularly, in Latin America. Between 2000 and 2009 she worked as a Senior Auditor for KPMG Spain and as KPMG Audit Manager in Calgary; She later joined BBVA Group, holding positions as Market Audit Manager - IA, Process Audit Manager for South America and Real Estate - IA in Madrid, Director of Internal Audit at BBVA Argentina and CFO at BBVA Provincial in Venezuela. She is currently Executive Vice President at BBVA Colombia's Financial Area.

Miguel Ángel Charria Liévano
Executive Vice President, Networks Division
Bachelor of Finance and Foreign Trade from the Sergio Arboleda University of Bogotá, specialized in Corporate Finance from CESA. He has academic training in Business Management programs from INALDE and Universidad de la Sabana, and Risk and Credit Management from the Universidad de los Andes. He has 25 years of experience in the national and international financial sector. He has held different positions at BBVA Colombia in the area of Risks, was appointed Director of Retail Risk and Global Risk Management for South America of BBVA Group in Spain and later assumed different responsibilities within the BBVA Microfinance Foundation until 2017, when he returned to the country to act as Executive President of Bancamía S.A. He is currently Commercial Network Executive Vice-president.

Gregorio Blanco Mesa
Executive Vice President, Engineering
Bachelor of Mathematics from the University of Seville. He has more than 10 years being part of BBVA Colombia, initially as responsible, from Accenture, for BBVA's new core banking project in USA, then part of the Group to lead the first stage of the deployment of the new Nextgen platform for the Americas and later in the role of Executive Director for Enterprise Digital Products, within the Architecture team. He is current Executive Vice President of the Engineering Area of BBVA Colombia.

Sergio Andrés Lizarazo Lizarazo
Business and Government Banking Executive Vice President
Bachelor of Economics from the Universidad de Los Andes, with a master's degree in administration from Icesi University and a Master of Management from Tulane University. More than 10 years of experience in the financial sector, where he has held positions such as Account Manager at Banco Corpbanca, Relationship Manager at Citibank, Segment Leader at Scotiabank and Director of Business Banking at BBVA Colombia. He is the current BBVA Colombia Banking and Government Executive Vice President.

Pablo Andrés García
Executive Vice President of the Risk Area
Bachelor of Economics and master's degree in finance from the Universidad del Salvador in Buenos Aires, Argentina, and an MBA in Finance from New York University. With more than 20 years of experience, he worked at Lloyd's Bank TSB Bs As, Argentina, as a commercial officer in retail businesses and SMEs. In 2005 he joined the BBVA Group in Argentina in Global Risk Management and for a year he participated in the comprehensive training program on credit risks and global management at the BBVA Spain School of Finance. He returned to Argentina as a Senior Retail Risk Analyst, and in 2010 assumed the position of Global Risk Management for South America. In 2017 he was Risk Manager at BBVA Peru and, in 2021, Chief Risk Officer at BBVA Forum Financial Services. He is the current Executive Vice President of the Risk Area of BBVA Colombia.

Olga Lucía Calzada Estupiñán

Executive Vice President, Legal Services and General Secretary

Bachelor of Law from the Faculty of Law and Legal Sciences at Universidad Nacional de Colombia, Bogotá, with a specialization in Financial Legislation from Universidad de los Andes. She has more than 25 years of experience as General Secretary and Vice President of Legal and Compliance at Bancamía S.A., head of the Special Legal Department area of BBVA Colombia, Legal Vice President and General Secretary of Banco Granahorrar, General Secretary and Legal Director of Fogafín. She was an advisor in the Ministries of Justice and Law, and Finance and Public Credit, and a member of the boards of directors of several financial institutions. She is the Executive Vice President of Legal Services and General Secretary at BBVA Colombia.

Carlos Tolosana Gómez

Internal Audit

Bachelor of Economics and Business Sciences, International and Development from the Complutense University of Madrid, with studies in Law from UNED, Bogotá, and business at IESE. Director with more than 20 years of experience in auditing activities. He has coordinated audit groups in most BBVA Group countries and areas. He has given training courses to more than 400 auditors in Spain, Latin America and the United States. He has relationships with financial regulators such as ECB, BdE, Superintendency of Finance of Colombia, Asobancaria, IAI and Isaca. He has more than 17 years of experience in the BBVA Group, where he has served as Senior Manager of the IT and Internal Audit Processes unit, Head of Digital Processes and IT of the Spanish Internal Audit and Manager of the Global Program for the Development of Audit Solutions. He is currently the Internal Audit Director at BBVA Colombia.

Sandra Milena Meza Cuervo

Executive Vice President of Internal Control and Compliance

Bachelor of Law from Universidad Javeriana, Bogotá, with a specialization in Capital Markets (Financial Law and Securities Market) from the same university. She has more than 4 years of experience as Compliance Officer at BBVA Colombia. She has extensive knowledge in financial and commercial law and risk management associated with the compliance function and non-financial risks. She is currently Internal Control and Compliance Executive Vice President of BBVA Colombia.

Juana Téllez

Chief Economist for Colombia, BBVA Research

Bachelor of Economics from Universidad Javeriana, Bogotá, with a master's degree and doctorate in Economics from Queen Mary University of London. She has extensive experience in the financial sector, serving as an Advisor to the General Management of Banco de la República and more than 15 years of experience at BBVA Colombia, where she holds the Chief Economist position.

Constanza García

Director of Communications and Image

Bachelor of social communications and journalism from Universidad de la Sabana, Bogotá, with a specialization in Economics from Universidad de los Andes and a master's degree in Online Reputation Management and Community Manager from University de Barcelona. She has experience in comprehensive corporate communications management, crisis management, inter-institutional relations and social media strategy. She has more than 10 years of experience at BBVA Colombia, where she has served as External Communication Analyst, Head of Press and currently as Director of Communication and Responsible Business.

Quorum of the Board of Directors

Board Attendance and Quorum

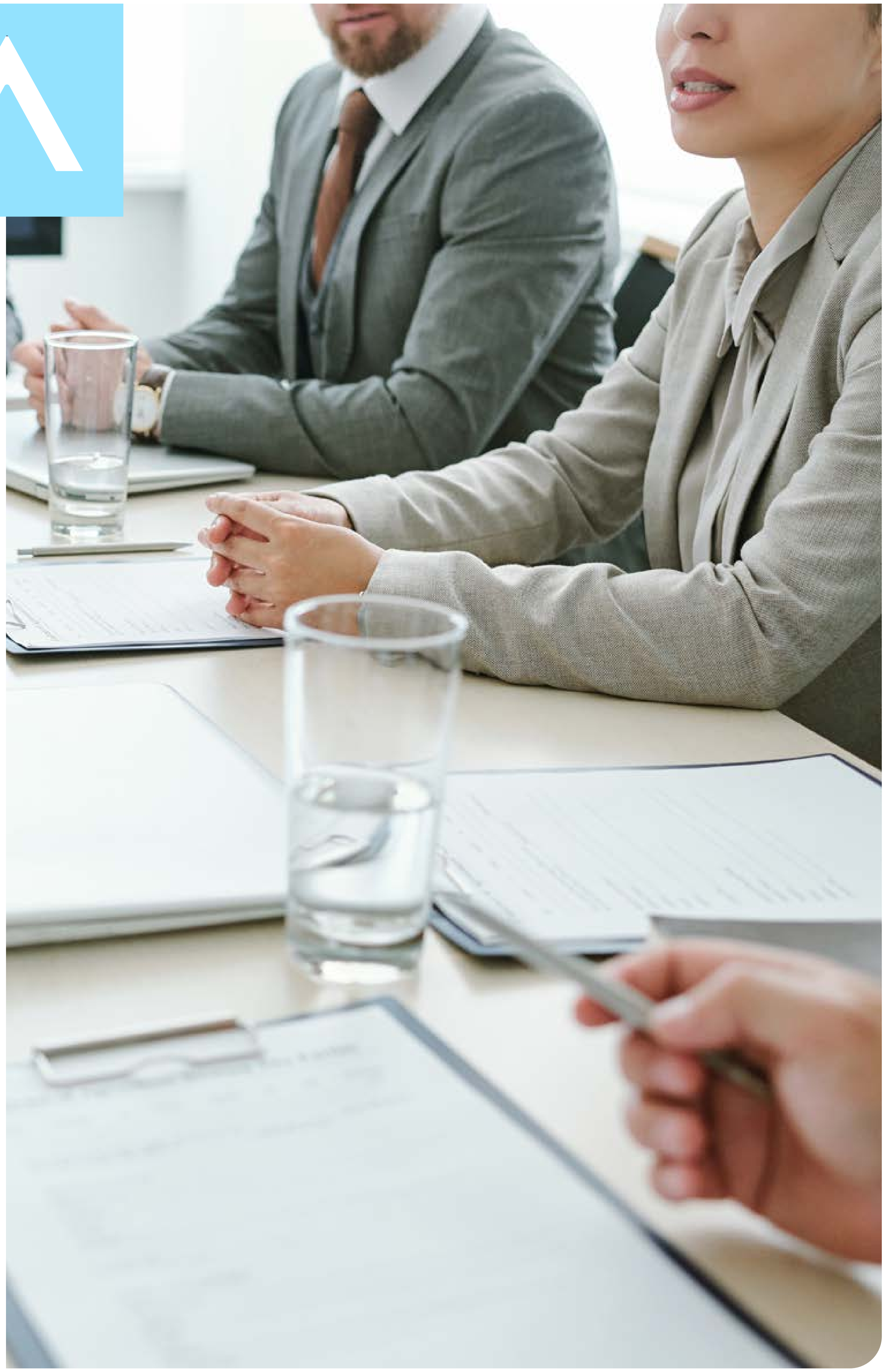
In 2024, **the Board of Directors met 12 times,** complying with the schedule established at the beginning of the year, and met 4 extraordinarily.

Board rules require a minimum **attendance of 75%,** and decided with a majority of the members present and voting.

Members' attendance to ordinary and extraordinary sessions and committees during the year is detailed below.

Table 74. Attendance at ordinary and extraordinary sessions and committees
(Figures in percentages)

Corporate Body/ Director	Board of directors	Audit Committee	Com-prehensive Risk Committee	Corporate Governance, Sustainability and Social Responsibility Committee	Diversity, Nomination and Compensation Committee
Carlos Eduardo Caballero Argáez	100%	100%	100%	N/A	N/A
Xavier Queralt Blanch	100%	N/A	100%	N/A	100%
Camila Escobar Corredor	94%	N/A	N/A	100%	100%
Luis Julián Martín Carranza Ugarte	85%	100%	N/A	100%	N/A
Cristina Vélez Valencia	100%	N/A	N/A	100%	100%
Fernando del Carré González del Rey	100%	100%	100%	N/A	N/A
Mario Pardo Bayona	100%	100%	100%	100%	100%



Board of Directors Chairman

GRI 2-11

The President of the highest governing body is not a senior manager of the organization; the Chairman of the Board of Directors is of independent origin.

On April 24, 2024, the Board of Directors installed the Board and held the election of officers, appointing Carlos Caballero Argáez as its President. The functions of the Chairman of the Board of Directors and his responsibilities are set out in the Articles of Association, Article 43, and in the Internal Regulations of the Board of Directors, number 11A.

These documents can be consulted on the Bank's website at:
Bylaws:
https://www.bbva.com.co/personas/atencion-al-inversionista/gobierno-corporativo/estatutos-sociales.html
Board of Directors' Regulations:
https://www.bbva.com.co/personas/atencion-al-inversionista/gobierno-corporativo/junta-directiva.html

Secretary of the Board of Directors

According to Bylaws Article 43 Bis, the Bank has an official in the position of Executive Vice President of Legal Services and General Secretary, appointed by the Board of Directors, who in turn serves as its Secretary.

The Board elected Olga Lucía Calzada Estupiñán, Executive Vice President of Legal Services and General Secretary, as Secretary of the Board of Directors of BBVA Colombia, on October 25, 2023.

The functions of the Secretary of the Board of Directors are specified the Board of Directors Internal Regulations, numeral 11B.

Relations of the Board of Directors with the Statutory Auditor

During 2024, the Board of Directors and the Audit Committee maintained constant communication with the Statutory Auditor, Ernst & Young Audit S.A.S., which was elected at the General Shareholders Meeting on March 22, 2024. In these interactions, direct information was provided to these governing bodies at all sessions.

The Audit Committee reviewed and approved the 2024 Statutory Auditor's Office Work Plan, followed up on the development of the actions, the recommendations made and the plans adopted by the Bank.

External Advice Received by the Board

No external advice was required during the year.

Board Information Handling

Paragraph 10.4. of the Board's Rules of Procedure establish that directors have access to meeting information five days prior to the meeting. The information can be consulted through Google Drive, with restricted access, for security reasons and confidential information adequacy. Directors can access this information using an assigned username and password, from anywhere and on any device. This allows them to make informed decisions by having permanent and timely access to reports.

Board of Directors Functions

GRI 2-12, GRI 2-13, GRI 2-14

BBVA Colombia's Board of Directors is responsible for the general functions of defining the bank's strategy, supervision, governance and control of key matters. It approves the general policies that guide the Bank, such as the strategic plan, financial and investment policies, and policies related to corporate governance.

It also appoints key officers and executives who are granted legal representation of the Bank and supervises and controls matters related to the management of financial and non-financial risks, conflicts of interest and criteria applicable to business transactions with related parties.

The Board of Directors' rules and functions are available here.

On a quarterly basis, the Sustainability Department reports on the progress of the strategy and proposes new KPIs to the Corporate Governance, Sustainability and Social Responsibility Committee. Additionally, monitors on a monthly basis, the KPIs of **both the Board of Directors and the Management Committee**, the latter made up by Senior Management.

The Bank's Board of Directors oversees due diligence and other processes that address the impacts of operations on the economy, the environment and people. The Board, periodically, monitors

the performance of the Bank's business, the Strategic Plan and manages risks, considering material aspects related to sustainability. In addition, it participates in the approval of key policies affecting investment, communication with shareholders and other relevant aspects to ensure alignment with environmental and social objectives.

The Board of Directors monitors on **a monthly basis material issues that are submitted to it for consideration** by virtue of the functions described and attributed by the bylaws. The Board has delegated to the Sustainability area, which reports to the Vice-Presidency of Business Banking and Government, the responsibility for the green and social business, and the communication between all the vice-presidencies and areas that are part of the 14 strategic sustainability workstreams in the Group.

- Corporate Area
- Retail & SMEs
- Businesses
- Social
- Data and Technology
- Processes
- Risks
- Marketing
- Direct impact
- Public engagement
- Talent and culture
- Asset management
- Reporting and transparency
- Standard

The monitoring of the agenda, work plans and the fulfilment of goals related to sustainability and responsible business is done by the Corporate Governance, Sustainability and Social Responsibility Committee.

With regard to the management of impacts on people, with an internal focus on the bank's employees, the Bank has implemented the **Diversity, Equity and Inclusion Policy,** which seeks to "make the opportunities of this new era available to everyone" and guides actions to promote a culture of respect for equity, diversity, inclusion and equality for all employees. This involves the development of equal opportunity initiatives for employees of different ethnic or racial backgrounds to eliminate barriers originating in Colombia's multiculturalism.

Compliance monitoring with this Policy is reviewed, among other issues, in the agenda of **the Diversity, Appointments and Compensation Committee,** made up of members of the Board of Directors; the Diversity, Equity and Inclusion Committee, made up of members of Senior Management, and the Internal Diversity, Equity and Inclusion Committee, made up of members of the Vice Presidency of Talent and Culture.

On the other hand, the management of the entity's impacts on the economy is presented and analyzed by the Board of Directors once a month, with the report on the economic situation and the report of the Executive Chairman. **Impacts on the environment and people are reported quarterly** to the Corporate Governance, Sustainability and Social Responsibility Committee and the Diversity, Appointments and Compensation Committee; the latter is responsible for the impacts related to the Bank's employees.

The Board of Directors is reported on a monthly basis, in the Executive Chairman's presentation, on the progress of KPIs. Sustainability and responsible business issues are reported to the Corporate Governance, Sustainability and Social Responsibility Committee. This committee supports the Board of Directors by monitoring the agenda, work plans and the fulfillment of goals set by the Entity in this area. In this space, the results presented by management are discussed and efforts aimed at **materializing the bank's strategic priority, aimed at helping customers in this transition to a sustainable future, are encouraged.**

Table 75. Independent or non-executive members with industry experience
(Figures in number)

Number of independent or non-executive members with industry experience (excluding executives)	Independent or non-executive directors included in the above count:
5	• Carlos Caballero Argáez • Xavier Queralt Blanch • Luis Julián Martín Carranza Ugarte • Fernando Del Carré González del Rey • José Agustín Antón Burgos

GRI 2-16, GRI 2-17

Critical concerns are communicated directly to the Board of Directors by Senior Management members through monthly reports. If these concerns address issues that are presented in the periodic reports that are brought to the Board for consideration and deliberation, these are included in the agenda. Otherwise, these are communicated by request for the inclusion of the topic to be discussed by the Board of Directors or are addressed by the support committees within their quarterly agenda.

In 2024, 8 critical concerns were presented to the Board of Directors that addressed 4 topics: **operations, financial management, auditing, and organizational restructuring.**

"To bring the opportunities of this new era to everyone." This is BBVA Colombia's commitment to make a positive impact on the lives of people, companies and society as a whole. Thus, the Bank's commitment to sustainability is one of the clearest ways to materialize this goal and help its clients in the transition to a sustainable future. One strategy to achieve this is to consolidate the knowledge of the governing body in this aspect, which will be strengthened through different action lines.

In 2024, the Board of Directors was informed on a quarterly basis about the work plans and the sustainability strategy monitoring, responsible business, investment in the community and corporate governance, through the Corporate Governance, Sustainability and Social Responsibility Committee. Additionally, it followed up on issues related to **diversity and inclusion** through the Diversity, Appointments and Compensation Committee.

By reviewing these reports, Board members engaged and strengthened their knowledge on ESG (Environmental, Social and Governance) issues.

Board of Directors Support Committees

GRI 2-9

Table 76. Committees to support the board of directors and their functions

Support Committee	Description
Audit Committee	It supports the supervision of the Financial Statements and the management of the Board of Directors in the implementation and improvement of the Bank's control architecture, addressing the control environment, risk management, internal systems, information, communication and monitoring. In addition, it ensures compliance with laws and regulations, as well as the effectiveness of controls against employee conflicts of interest and fraud. It ensures that the Entity complies with relevant laws and regulations and that effective controls against employee conflicts of interest and fraud are followed when doing business.
Comprehensive Risk Committee	Supports the Board of Directors in reviewing risk appetite, identifying and monitoring risks, reviewing policies, and overseeing the entity's financial and non-financial risk management and function. It analyzes the corporate strategies and policies for each type and promotes the establishment of a risk culture that guarantees control model coherence throughout the Bank, applying it at all organization levels.
Diversity, Appointments and Compensation Committee	It assists the Board of Directors in supervising and advising on talent management processes, promoting cultural, gender, skill, and sexual orientation diversity, among others.
Corporate Governance, Sustainability and Social Responsibility Committee	It protects shareholders, investors and the market, ensuring access to accurate and transparent information. It oversees the Bank's performance, sustainability policies, under ESG criteria, and assesses Board of Directors performance. It ensures compliance with requirements for the appointment of directors and maintains the expertise balance on the Board. In addition, the Committee's agenda includes monitoring, on a quarterly basis, the Bank's management and corporate governance system, as well as sustainability and corporate social responsibility policies.

In 2024, the Board Support Committees were formed as follows:

AUDIT COMMITTEE	
Name	**Position**
Carlos Caballero Argáez	President
Fernando del Carré González	Member
Luis Julián Carranza Ugarte	Member

RISK COMMITTEE	
Name	**Position**
Carlos Caballero Argáez	President
Xavier Queralt Blanch	Member
Fernando del Carré González	Member

CORPORATE GOVERNANCE, SUSTAINABILITY AND SOCIAL RESPONSIBILITY COMMITTEE	
Name	**Position**
Camila Escobar Corredor	President
Luis Julián Carranza Ugarte	Member
Cristina Vélez Valencia	Member

DIVERSITY, APPOINTMENTS AND COMPENSATION COMMITTEE	
Name	**Position**
Camila Escobar Corredor	President
Xavier Queralt Blanch	Member
Cristina Vélez Valencia	Member

Board Assessment Process

GRI 2-18

According to BBVA Colombia's Bylaws Article 38, paragraph 7, the Board of Directors must organize the annual assessment process of the Board of Directors, according to accepted self-assessment or assessment methodologies that may consider the participation of external advisors.

In the Established Regulatory Framework, the Board of Directors assesses its operation based on the evolution and improvement of BBVA Group's corporate governance system, so that it remains aligned with the needs of the corporate bodies, the environment in which it performs its activity, and regulatory requirements and best practices. This has allowed the corporate bodies to deepen the implementation of improvement measures agreed by the Board of Directors over the course of the past few years.

In 2024, the Board of Directors approved the implementation of the self-assessment methodology, which consists of a questionnaire that **allows to learn the directors perception regarding the functioning of the Board of Directors and support committees,** both as a collegiate body and the directors individually considered, among others.

The self-assessments were completed by each of the directors and based on these, the Corporate Governance, Sustainability and Social Responsibility Committee prepared a report to review the results of the process and make suggestions for the better functioning of the Board.

The questionnaire was structured as follows:

The assessment axes were measured with a 5-point scale, where 5 meant strongly agree and 1 strongly disagree.

The outcome of the 2024 assessment was positive and made possible to verify that the Board of Directors adequately fulfilled its functions. In addition, the Committees supported decision-making by the Board and all the issues within their competence were addressed in the sessions, dedicating the necessary time to debating matters included in each session's agenda and those that were extraordinarily presented.

The Board of Directors' assessment was done through self-assessment modality and on an annual basis. As a result of the 2023 assessment, **greater diversity in gender, experience and professional training was promoted with the incorporation of 4 new members,** 2 of them women, with profiles in economics, law, business administration and management, and history.

Board members also received training on financial sector antitrust. In addition, the 2024 self-assessment form included a section to suggest topics of interest in order to structure a training plan for the next period.

In 2024, the Board of Directors of **BBVA Colombia implemented a self-assessment, obtaining positive results and promoting diversity,** training and continuous improvement in its performance.

Table 77. Board Effectiveness Indicators

Indicators	Description
Average Attendance at Board Meetings	In 2024, the average attendance was 97%. Regular meetings were scheduled in advance, according to the schedule agreed upon by all members, first presented to the Corporate Governance, Sustainability and Social Responsibility Committee and then approved by the Board of Directors. This process is done at the end of each year to plan well in advance for the following year's sessions and ensure the maximum possible attendance.
Shareholders' approval for the amendment of the bylaws	According to Article 20 of the Bylaws, any amendment to the Bylaws must be approved by the General Shareholders' Meeting.
Directors with 4 or fewer board appointments	On the Bank's website, in the Board of Directors section, it is specified whether its members are part of other board of directors.
Board performance assessments	According to the Bylaws, on an annual basis, BBVA Colombia's Board of Directors completes an assessment of its operation through self-assessments or with external advisors. This process seeks to improve the Corporate Governance System, aligning it with institutional needs, the environment, regulation and best practices, allowing the implementation of improvements agreed in previous years.
Limitation of Directors' Liabilities	There are none.
Board Members are elected annually	The statutory term for BBVA Colombia's Board of Directors members is 2 years, with the possibility of indefinite re-election.
CEO Succession Plan	BBVA Colombia, as part of the BBVA Group, is subject to the decisions of the region's CEO Succession Plans, which are determined directly by the Holding in Spain.

Related-party transactions

In relation to transactions with related parties, the Board of Directors monitored the matter on a monthly basis, with the support of the Comprehensive Risk Committee, determining that in all cases, for all purposes and in all types of transactions, whether derivatives or any other active operation, with the parent company, subsidiaries or related parties, compliance with rules on limits on the granting of credit or maximum risk concentration limits had been verified, were in force on the date of approval of these operations.

In addition, it was confirmed that transactions were done under general market conditions in place for similar transactions with third parties, except in the cases of education, housing, transportation and health loans made to Bank employees, which were made according to Bank policy, as expressly permitted by the legal provisions that regulate the matter.

The details of transactions with related parties are included in the Financial Statements, in the note "Transactions with related parties."

Follow-up was also done with the Compliance area, through direct verification and considering the information received from Board of Directors' Members, on the actions and operations that, on their own account, in the securities market, were executed by Board Directors and their equivalents, without incidents regarding privileged information or other aspects. The Compliance area dealt with conflicts of interest situations in which Board Directors and legal representatives may had been eventually involved.

Conflicts of interest

GRI 2-15

Board of Directors Regulation Chapter II includes paragraph 4 on conflicts of interest, which states the duty of directors to avoid conflict of interest situations and establishes a procedure where provisions are made on actions or operations that Board Members must refrain from doing, either directly or with related parties.

BBVA Colombia also has the Internal Code of Conduct in the field of the securities market, which regulates conflict of interest situations (number 5), to control possible conflicts of interest, applying it to individuals, including Board of Directors' Members.

Finally, Article 67 of the Bylaws establishes the mechanism for the prevention, management and disclosure of conflicts of interest, indicating that the Bank's directors and officers must report on possible conflicts of interest that may arise in the exercise of their duties and refrain from making decisions, doing transactions or intervening in operations, unless authorized as per the procedure established for this purpose.

On the Bank's website, in the Board of Directors section, **it is specified whether members are part of other boards.** In addition, the Bank's shareholding composition and the structure of the financial conglomerate are presented in the corresponding links.

Conflicts of interest presented and actions of the members of the Board of Directors

In 2024, there were no conflicts of interest regarding shareholders or directors.

Mechanisms for resolving conflicts of interest between companies of the same con-glomerate

The mechanisms for resolving conflicts of interest between BBVA Colombia and its subsidiaries are those set forth in BBVA Group's Code of Conduct, the Corporate Governance Code, the Board of Directors Rules and Procedures, the procedure for the valuation, approval and disclosure of transactions with related parties set forth in the General Shareholders Meeting Regulations, seeking to ensure that these are approved under market conditions.

Risk management system

The General Risk Management and Control Model, which includes the Risk Policy, its application and the materialization of risks, as well as the response and supervision plans for the main risks, are detailed in this report, Chapter 6, "Risk Management".

Regarding the Internal Control System, its model and other aspects, this is detailed in this report, in the section Internal Control and Compliance, which has been accepted by the Board of Directors and is published on the Bank's website.

General Shareholders' Meeting

Differences in the functioning of the Meeting between the minimum regime of the regulations in force and that defined by the bylaws and regulations of the Company's Assembly

The Bank has adopted **18 of the 19 recommendations of the Code of Best Corporate Governance Practices recommendations,** known as the Country Code, as it relates to the General Shareholders Meeting. This is reflected in the bylaws and the rules and regulations of the Shareholders Meeting, which establish provisions related to the summons, the exercise of the inspection rights, the publication of the agenda information and the representation of shareholders at the Shareholders Meeting.

- The General Shareholders Meeting's functions are expressly established as exclusive and non-delegable.
- The summon to the General Meeting is published on the Bank's website, in the "Investor Services" section, available in English and Spanish, ensuring its maximum dissemination, along with information related to the proposals to be presented by the Board of Directors.
- In cases where a shareholder requests information that may give him or her an advantage, the Bank ensures that all have access to it by publishing it on its website.
- Shareholders may be represented at the meetings of the General Shareholders Meeting by means of power of attorney granted in writing. To facilitate this process, the website offers a standard representation model that contains the agenda, allowing voting instructions to be indicated.

Shareholder information and communication

Equitable treatment of shareholders and investors

BBVA Colombia has the Bylaws, the Corporate Governance Code and the General Shareholders Meeting rules and regulations, which are published on the Bank's website. These documents contain the rights and obligations inherent to the status of shareholder. **All shareholders and investors have the right to receive equitable treatment** from the Bank's directors and other officers, respecting their rights to information, inspection and summon according to law, bylaws and Corporate Governance Code provisions.

Through the Bank's website, "Investor Services" section, BBVA Colombia periodically discloses information related to the operation of its Corporate Governance System. This includes decisions taken by the General Shareholders Meeting, the composition of the Board of Directors, the annual report containing the management dossier, information on outstanding common and preferred shares, as well as the stock exchange listing price, issues and relevant financial information.

In compliance with the guidelines established in Resolution 116 of 2002 of the Superintendency of Securities, now the Financial Superintendency of Colombia, BBVA Colombia discloses content of interest in the "Relevant Information" section and communicates internally **the obligation to act with neutrality** with respect to the different shareholders. This is done in order to ensure equitable treatment and guarantee the effective participation of all shareholders as well as the full exercise of their rights at the General Shareholders Meeting.

In addition, the Bank has a specific procedure for shareholders to interact with the community, access information, resolve requests, establish communication channels and exercise the right of inspection. To this end, the Bank has **the Shareholder and Investor Services Office,** whose function is to provide clear and objective information related to the Bank, allowing them to make informed decisions.

This office constitutes a direct connection between shareholders and governing bodies, reinforcing transparency and effective communication.

In addition, in compliance with Annex 49 of the Single Circular of the Colombian Stock Exchange, known as "Accreditation of the adoption of best practices initiative recognition IR issuers", an agenda has been created that plans events for the delivery of quarterly and annual results. These events provide an opportunity to present the entity's results and highlight business performance.

Number of requests and matters on which shareholders have requested information from the company

During the year, shareholders did not submit requests for information.

Main resolutions taken at the 2024 General Shareholders' Meeting

On March 22, 2024, BBVA Colombia held the ordinary meeting of the General Shareholders' Meeting in a mixed manner (face-to-face and virtual). The shareholders who participated in a non-face-to-face manner connected through Webex Events, in accordance with the provisions of Article 422 of the Commercial Code, Article 19 of Law 222 of 1995 (amended by Article 148 of Decree 019 of 2012) and Decree 398 of 2020. Those who attended in person did so at the Bank's General Direction, located at Carrera 9 No. 72-2, 12th floor, Bogotá.

Table 78. Resolutions of the Shareholders' Meeting during the year 2024

Theme	Date
Summon dissemination	In the newspaper Portafolio, February 19, 2024 edition, and on the Bank's website www.bbva.com.co
Right to inspect documents	Starting March 4, 2024
Publication of information related to the agenda of the Assembly	On the BBVA Colombia website, 15 days before the meeting
Deliberative and Decision-Making Quorum	96,48%
Dissemination of the Assembly	Publication of decisions on the website and in the National Registry of Securities and Issuers – RNVE for its acronym in Spanish
Sending minutes to the SFC	April 23, 2024
Submission by the Statutory Auditor	Within 15 business days following the ordinary meeting of the Shareholders' Meeting
Publication of Financial Statements	Within the month following the ordinary meeting of the Shareholders' Meeting, the general purpose Financial Statements were published on the website, compared to the same period of the previous year, their notes and the opinion of the Tax Auditor's Office.

The following documents and proposals were presented and adopted at the meeting:

1. Approve the 2023 management report presented by the Board of Directors and the Executive Chairman to shareholders, along with regulatory reports.

2. To approve the Separate and Consolidated Financial Statements as of December 31, 2023 with their notes.

3. Approve the Substitute Profit Distribution Project for the 2023 fiscal year.

4. Approve a partial Bylaws reform (Articles 6, 26, 27 and 38).

5. Approve a partial Corporate Governance Code, the Internal Regulations of the General Shareholders' Meeting and the Internal Regulations of the Board of Directors reform.

6. Appoint the Bank's Board of Directors for the period 2024-2026:

Table 79. Members of the Board of Directors for the period 2024-2026

Name	Type
Carlos Eduardo Caballero Arráez	Independent
Camila Escobar Corredor	Independent
Luis Carranza Ugarte	Independent
Cristina Vélez Valencia*	Independent
Fernando del Carré González del Rey*	Shareholder
Xavier Queralt Blanch	Shareholder
Mario Pardo Bayona	Executive

7. Approve the Board of Directors' compensation proposal.

8. Elect ERNST & YOUNG AUDIT S.A.S. as Statutory Auditor of the Bank and its subsidiaries for the 2024 fiscal year, until the approval of the Financial Statements for that year. In addition, approve fees of COP 3.4 billion, plus VAT and other necessary appropriations.

9. Re-elect Guillermo Enrique Dajud Fernández and Francisco Javier Perdomo Londoño as BBVA Colombia's principal and alternate Financial Consumer Defenders for the 2024-2026 period, along with the approval of their fees and other necessary appropriations.

Extraordinary Meeting of the General Shareholders' Meeting

On October 18, 2024, the General Shareholders' Meeting held a virtual mode extraordinary session. **During the meeting, reform of Bylaws article 26 was approved, to expand the Board of Directors from 7 to 9 members,** as well as a partial modification to the Corporate Governance Code. In addition, two new members were elected to complete the statutory period, the amount of the fees defined in the March Ordinary Assembly was ratified and the budget was adjusted to cover the costs associated with these incorporations.

BBVA expanded its Board of Directors from 7 to 9 members and elected two new directors in an extraordinary session.

Table 80. Board of Directors' Members appointed at the extraordinary meeting

Name	Type
Carlos Eduardo Caballero Arráez	Independent
Camila Escobar Corredor	Independent
Luis Carranza Ugarte	Independent
Cristina Vélez Valencia*	Independent
Fernando del Carré González del Rey*	Shareholder
Xavier Queralt Blanch	Shareholder
Gloria Amparo Alonso Másmela*	Independiente
José Agustín Antón Burgos*	Patrimonial
Mario Pardo Bayona	Executive

* New members

The deliberative and decision-making **quorum was 96.35% of the shares.** For both meetings of the Assembly, the information necessary for decision-making was published on the Bank's website.

Implementation Report on the New Country Code 2024

On January 29, 2024, BBVA Colombia completed and transmitted to the SFC the Report on the Implementation on Best Corporate Practices-Country Code, corresponding to 2024. This report is available on the Bank's website.

Recognition of IR Issuers (Investor Relations)

BBVA Colombia has **once again been awarded the IR Issuer Recognition,** granted by the Colombian Stock Exchange to those issuers that voluntarily adopt high standards of disclosure and comply with best practices in investor relations; disclosure of information to investors and the market in general, and Corporate Governance. According to the study done by Cesa and the BVC during 2024, **the Bank complied with 96.2% of the standard for disclosure of information and Corporate Governance practices.** This recognition highlights that BBVA Colombia maintains a direct communication channel with investors as a key stakeholder, which positions it as the main foreign bank in the country. In addition, it reaffirms its commitment to the implementation of good practices in terms of disclosure and Corporate Governance, contributing to strengthening security, trust and credibility in both the national and international investment community.

Other Corporate Governance Matters

Compliance with legislation and regulations

GRI 2-27

There were no significant breaches of legislation and regulations during the 2024 period.

Membership of associations

GRI 2-28

Asobancaria: Non-profit association under private law. Its objectives are **aimed at promoting and maintaining public confidence in the financial sector.** It functions as a consulting entity for the financial sector by proposing actions to its members that aim to improve the state of this industry. In addition, it seeks to generate trust within society in the banking sector, and to promote financial sustainability and actions that have a positive impact on society.

Asobolsa: The Stockbrokers Association of Colombia is a non-profit association, of which BBVA Valores Colombia S.A., a subsidiary of BBVA Colombia, is a member of. Its objective is to **promote an ecosystem that allows the development of the Capital Markets, represent the interests of its Associates,** act as the spokesperson for all stakeholders such as investors, regulators and supervisors, infrastructure, media, issuers and others. In addition, it provides updated information on the Capital Markets and its main players..

Asofiduciarias: The Asociación de Fiduciarias de Colombia, an association of which BBVA Asset Management S.A. - Sociedad Fiduciaria is a member. This entity represents and is the spokesperson of its members, **ensures that fiduciary activity, collective investment funds and the custody of securities** are developed within a legal and ethical framework that tends to consolidate a sector purpose that ensures the trust of the community, promotes the sustainable development of its activities and contributes to the development of the country.

Consejo Privado de Competitividad (CPC): The Private Competitiveness Council is a non-profit organization whose objective is to contribute directly to the articulation of short, medium and long-term strategies, to **achieve significant improvements in Colombia's competitiveness level.**

Governance mechanisms for monitoring information security

BBVA has established governance mechanisms to supervise information security activities, highlighting the following aspects:

- On a quarterly basis, the Board of Directors receives a detailed report on cybersecurity and information security, ensuring direct supervision.
- As part of their induction, Board members receive information on the operation of each Vice Presidency, including security aspects presented by the Vice Presidency of Engineering.
- There is a fluid dialogue between Senior Management and the Board of Directors, which allows for a deeper understanding of security issues and demonstrates management's commitment.

These mechanisms ensure effective supervision aligned with best practices.

ECONOMIC PERFORMANCE
Macroeconomic environment

In 2024, **the world economy presented moderate growth,** reaching an estimated expansion of 3.2%, driven mainly by consumption dynamism in the United States and a partial euro area recovery. The United States closed the year with a projected growth of 2.7%, supported by a resilient labor market and robust consumption, while in the Eurozone growth of 0.8% is forecast, affected by weak domestic demand and the implementation of restrictive fiscal policies. For its part, China recorded growth of 4.8%, thanks to government stimulus that moderated the impact of imbalances in its real estate market and the persistent private consumption weakness.

Global inflation continued its downward trend, with a slowdown in food and energy prices. In the United States, inflation closed at 2.8%, approaching the Fed's target, which maintained a cautious focus on rate cuts. The eurozone reached inflation of 2.6%, benefiting from lower energy costs and contained demand. In contrast, China maintained low inflation of 0.3%, reflecting domestic demand weakness.

The oil market recorded volatile prices during 2024, averaging $80 per barrel, driven by geopolitical tensions in the Middle East and OPEC+ production cuts. The global exchange rate was marked by the appreciation of the dollar against the euro, due to the persistence of higher rates in the United States, closing the year at USD/EUR 1.05. This strength of the dollar generated additional pressures on emerging economies, making external financing difficult and causing episodes of exchange rate volatility, which intensified during the electoral period in the United States, due to uncertainty about trade, migratory and fiscal measures that the new government would adopt.

In Colombia, economic growth in 2024 stood at 2%, reflecting a gradual recovery, although uneven between sectors. This performance was marked by the leadership of domestic demand, which grew by 2.8%, driven mainly by private consumption of goods and investment in infrastructure.

Private consumption, which is estimated to have increased by 2.1%, was key in this process, with durable and semi-durable goods standing out, benefiting from better credit conditions after interest rate reduction by the Banco de la Republica, which closed the year at 9.25%. The recovery in consumption was also supported by moderate improvements in employment, with an estimated unemployment rate of 10.2%, slightly above the 2023 level. Job creation was concentrated in service sectors related to public spending, such as health and education. **Despite this, significant challenges remain in terms of labor inclusion for youth and women,** which keeps the overall labor participation rate below previous records. On the other hand, services consumption showed moderation, reflecting the exhaustion of the post-pandemic momentum in sectors such as entertainment and tourism.

Fixed investment grew by 1.8%, with a significant contribution from civil works and investment in machinery and equipment, while residential construction continues to lag behind. This mixed behavior reflects both progress in infrastructure projects and weakness in demand for new housing previous years, when high interest

inflation, deteriorating household incomes due to lower economic growth, and the absence of some public subsidies reduced housing purchases.

Services exports reached historic levels, led by tourism and other logistics services, while goods exports faced challenges from low global demand and less favorable commodities prices, such as oil. This services exports dynamism contributed to diversifying external revenues in a context in exports of goods weakness, which highlighted the importance of strengthening non-traditional sectors to improve the trade balance and reduce external vulnerabilities. On the other hand, imports grew moderately, driven by higher demand for durable consumer goods and investment in machinery and equipment, reflecting the positive impact of domestic dynamism on economic activity. As a result, the current account deficit was projected at 2.4% of GDP for the full year, financed mostly by foreign direct investment. However, the latter closed the year with double-digit year-on-year declines compared to 2023, due to a lower inflow of resources into the mining-oil sector.

As mentioned above, the Colombian economy showed an uneven sector performance, with services and the agricultural sectors leading growth. **In the services sector, education and health stood out as the main drivers,** driven by public spending and an increase in demand for private health. The agricultural sector also had a positive year, with a prominent performance in export crops such as coffee and other agro-industrial products.

The manufacturing industry faced challenges due to the moderation in domestic and external demand, while construction presented mixed results. Although civil works registered a significant rebound, residential construction continued to lag behind due to low activity levels in the construction of new housing, impacting sectors linked to construction. Retail started to recover in the latter part of the year, as consumers improved their purchasing decisions and interest rates and inflation consolidated their decrease.

In fact, the inflation index closed the year at 5.1%, consolidating its downward trend thanks to price moderation of basic foodstuffs and goods such as household appliances and technology. These improvements in inflation were also driven by less dynamism in domestic demand and the stabilization of prices of key inputs, such as imported fuels and raw materials. However, services maintained significant downward resilience due to structural tightness in sectors such as housing and transportation. In addition, the gradual adjustment in energy costs and the increase in the price of diesel in the last quarter also limited a more accelerated reduction.

This behavior posed a challenge for Banco de la Republica, which had to balance the rates reduction with persistent services inflationary pressure, while facing risks of exchange rate transmission and global volatility. Throughout the year, the interest rate of Banco de la Republica was progressively reduced, closing at 9.25%. This adjustment sought to accompany the inflationary moderation and support the economic reactivation, without generating a rebound in inflationary pressures. Decisions were taken cautiously, constantly assessing the risks associated with fiscal imbalances and their effects on the exchange rate.

Market interest rates, both credit and deposits, reflected this moderation, with sharper declines in the consumer and housing segments, whose declines exceeded those of the policy rate. This favored the reactivation of key sectors, although it also drove a slight acceleration in the placement of credit at the end of the year.

The total credit portfolio balance in Colombia had a differentiated dynamic among its main segments. With data from the SFC, as of November 2024, the total portfolio had an annual nominal variation of 1.9%; however, when adjusted for inflation, it registered a real decrease of -3.4%, mainly affected by the weak evolution of consumption and commercial portfolios.

The consumer portfolio, which includes unrestricted personal loans, revolving credit and other low amount segments, had a real annual fall of -9.5%, explained by household prudence in the face of a slow economic recovery, despite a reduction in financing costs. In turn, **the commercial portfolio accumulated 17 consecutive months of negative real variation,** with an annual real contraction of 2.0%, affected by moderate business investment and weak domestic demand.

In contrast, the mortgage portfolio maintained a more favorable performance, with an annual growth of 3%, driven by VIS financing, which offset the slow recovery of the Non-VIS segment.

These results were accompanied by an increase in non-performing and write off portfolio, especially in consumer and commercial loans, reflecting debtor difficulties to meet obligations in an environment of slow economic recovery and labor market deterioration for much of the year, which affected financial system results.

For its part, the exchange rate closed at COP/USD 4,320 with moderate volatility episodes due to global uncertainty, influenced by factors such as geopolitical and electoral tensions, as well as the tightening of monetary policy in advanced economies. In addition, domestic imbalances and lower inflows of foreign investment, both direct and portfolio, intensified these fluctuations.

Finally, in the fiscal sphere, **the projected deficit for the end of 2024 was close to 5.6% of GDP.** To meet fiscal targets, the government implemented deferrals and spending cuts, which resulted in a national budget execution below the averages of the last decade, since tax collection was lower than initially estimated.

Digitalization and the change in customer behavior

Financial system digitalization has consolidated in recent years, after the strong boost over the most intense moments of confinement. As of June 2024, 79% of financial institution customers or users transactions were made through digital channels (mobile applications[1] or the internet), remaining relatively stable compared to the same period in 2023, when it was 78%.

In 2020, when mobility restrictions were at their peak, 7**3% of customer transactions were made jointly via mobile telephony and the internet,** levels much higher than those observed before the pandemic in 2019, when these accounted for 64%. As of June 2024, mobile telephony continued to be the main channel of operation for customers, with applications responsible for 65% of customers' financial operations, compared to 53% in 2020. For its part, the internet is the channel through which the largest amounts are made (COP 2.8 trillion), participating with 55% of the total (COP 5.2 trillion) of the amounts transacted by financial customers in the first half of 2024.

1. Applications refer to the channel used on mobile devices to perform transactions, either by associating your line number with the service or by using apps (applications running on cell phones, tablets, and other mobile devices).

Economic outlook for 2025

2025: Consolidating the recovery with better financial conditions

Before addressing the national outlook, **global projections indicate moderate economic growth for 2025, with an estimated expansion of 3.1%.** In the United States, growth of 2% is expected, driven by private consumption and a tighter labor market. In contrast, the eurozone would grow by 1%, limited by fiscal restrictions and moderate consumption. For its part, China will continue its gradual slowdown process, with a projected growth of 4.1%, conditioned by structural adjustments in the real estate market.

79% of financial transactions were made through digital channels; mobile apps led with 65% of the total.

With regards to inflation, advanced economies are projected to maintain divergent trajectories in 2025 and 2026. In the United States, inflation is expected to reach 3.4% in 2025 due to persistent pressures on services such as housing and health, exacerbated by the new government's fiscal and tariff policies. A moderation is expected towards 2026, with inflation of 2.5%, approaching the Fed's target as a result of cumulative monetary policy effects.

In the Eurozone, projected inflation for 2025 and 2026 would stand at 1.8%, thanks to lower energy costs and contained demand as a result of restrictive fiscal policies. In China, inflation would remain under control, with projections of 0.7% for 2025 and 1% in 2026, in a context of gradual recovery in private consumption and stability in food and commodity prices.

With regards to interest rates, in the main economies these will continue to be adjusted downwards. The FED would take its benchmark rate to 4.0% in 2025, seeking to support a soft landing for the U.S. economy and taking a cautious approach to an expected inflation pickup. The European Central Bank, in a more flexible stance, will cut its rates to 2% by the end of 2025, while the People's Bank of China will maintain its expansionary monetary policy, keeping its main rate at low levels to encourage consumption and investment.

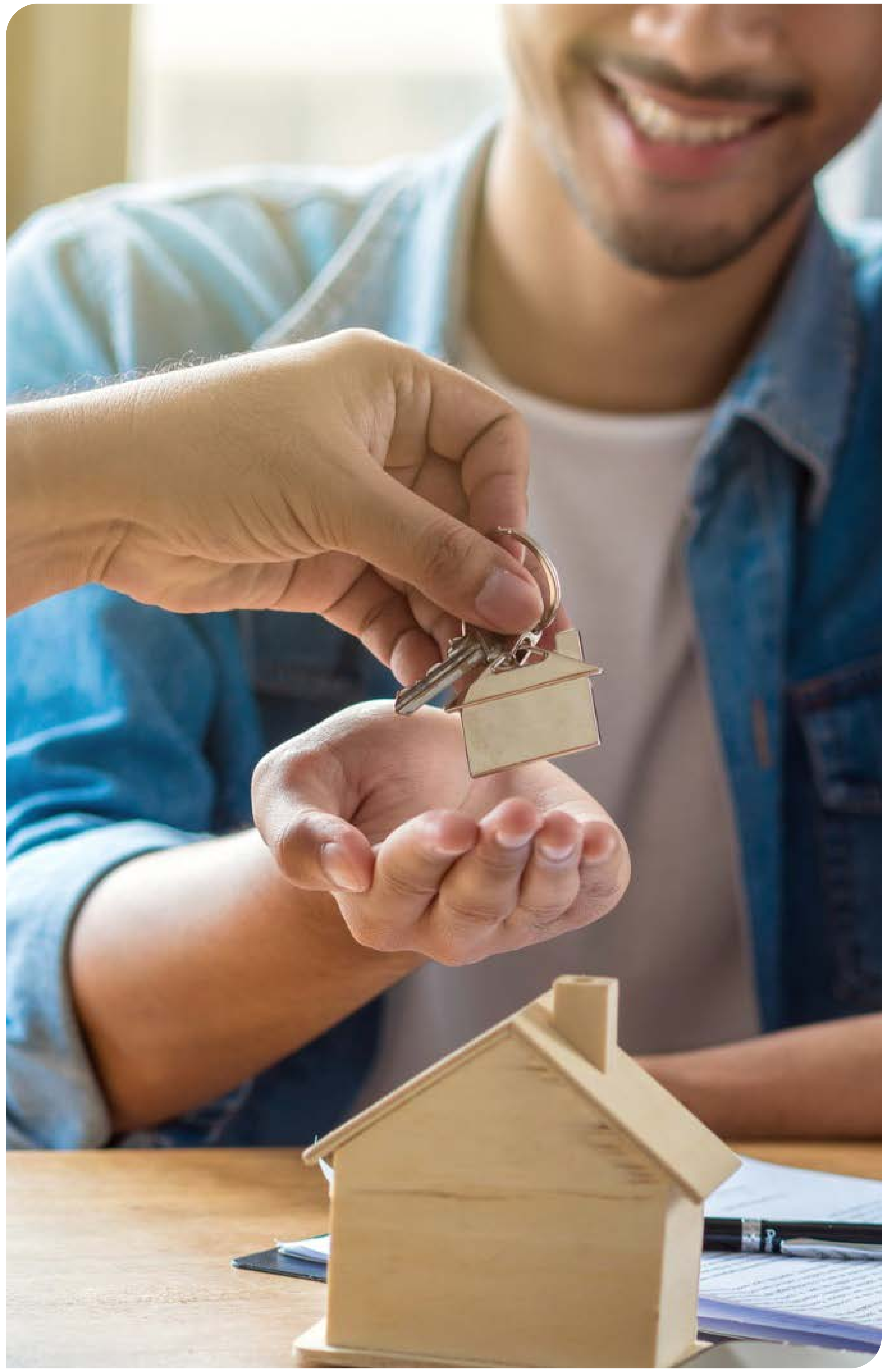
In the case of Colombia, GDP is projected to grow 2.5% in 2025, driven by an acceleration in all domestic demand components. Private consumption will continue to be the main driver of economic activity, with an estimated growth of 3.1%, favored by projected inflation of 3.9%, and a reduction in interest rates, which would stand at 7%. **This environment will help improve household purchasing power and strengthen consumer confidence.**

Fixed investment will grow by 3.9%, contributing to the progressive economic activity recovery. A significant rebound in residential construction is expected from the middle of the year, thanks to lower mortgage rates and a greater willingness of households to buy. Likewise, investment in infrastructure and machinery will continue to be a key pillar, leveraged by public projects, mostly regional, and by private initiatives in strategic sectors. On the other hand, real exports could moderate due to external factors, while real imports will increase, driven by domestic demand dynamism .

The labor market will show gradual improvements, with a marginal reduction in the unemployment rate to 9.9%, thanks to greater job creation dynamism. This progress, together with inflation moderation, will favor the recovery of services consumption, which will gain greater momentum towards year end.

On the external front, the current account deficit is projected to increase to 3.2% of GDP, reflecting an increase in imports due to higher domestic demand, as well as a moderation in exports of goods. However, services exports will continue to play a key role in diversifying external earnings, and foreign direct investment will continue to be the main source of external financing.

The fiscal outlook will remain challenging, with an estimated 4.7% GDP deficit. The 2025 budget issued by decree was of COP 511 billion, after the shelving of the financing law and the non-approval of the draft budget submitted by the government, which poses additional challenges after being reduced COP 12 billion compared to the project submitted to Congress and implies additional downward adjustments to guarantee fiscal sustainability in the face of insufficient revenues. Such adjustments could involve cuts in some public spending areas and restructurings to improves spending efficiency. In the short term, fiscal sustainability will depend on maintaining a balance between fiscal discipline and growth-promoting economic stimulus.



In summary, 2025 will be a year of progressive consolidation for the Colombian economy, with favorable prospects for consumption and investment, but also with significant challenges in the fiscal and external spheres. On the political level, Gustavo Petro's administration faces the challenge of implementing its reformist agenda in a context of legislative fragmentation and low popularity. Economic policies will need to strike a balance between boosting growth and the need to maintain long-term macroeconomic stability.

A key structural challenge for the Colombian economy is its limited savings generation capacity, both domestic and external, which restricts the investment needed to sustain medium-term growth. Despite recent economic activity developments, gross domestic savings remain insufficient, affected by the low savings capacity of firms and households, as well as persistent public sector dissaving. As of September 2024, gross domestic savings represented only 11.3% of GDP, a level considerably lower than that of previous decades and that of countries with characteristics similar to Colombia.

The ability to generate external savings, largely through exports and greater trade openness, also lags significantly. Colombia's share of exports of goods and services as a percentage of GDP remains below the regional and global average. This not only reflects export portfolio concentration in primary goods such as oil and coal, but also the existence of structural barriers that limit diversification towards more competitive sectors. These challenges include the difficulty to establish trade agreements with more countries and not taking advantage of dynamic markets in sectors such as advanced services and manufacturing.

In addition, **the country faces logistical, regulatory, and tariff obstacles that hinder greater trade liberalization.** Road infrastructure to ports is inadequate, port capacity is limited, and customs processes are slow, delaying trade operations and increasing export costs.

In contrast, **foreign direct investment (FDI) has played a key role as a source of financing, supporting investment in strategic sectors such as mining, energy, and manufacturing.** However, in order to continue attracting sustainable FDI aligned with long-term strategic projects, it is essential to guarantee favorable conditions. This implies strengthening macroeconomic stability, improving the business climate, and prioritizing sectors with high potential for diversification and added value generation.

Looking ahead, Colombia must adopt a set of policies that address these structural challenges. **To raise investment rates, projected at 17.9% of GDP in 2025 and 18.6% in 2026, it is crucial to encourage both private and public savings.** This requires improving public spending efficiency, fostering financial inclusion, and promoting business and household savings.

In 2025, Colombia projects higher consumption and investment, with exports of key services to diversify external revenues.

In addition, it is essential to advance reforms that enhance export competitiveness, which implies reducing logistics costs, facilitating the opening of new markets and promoting greater integration into global value chains.

Medium term growth sustainability will depend on the country's ability to close domestic and external savings gaps. This requires not only more efficient domestic resource mobilization, but also greater economic diversification that strengthens resilience to external shocks. Only with a solid savings base and a strategic focus on investment will it be possible to increase the potential growth rate and ensure balanced and sustainable development in the coming years.

Direct economic value generated and distributed

GRI 201-1

BBVA Group is committed to maximizing sustainable and shared value creation for its shareholders and society as a whole, through its Corporate Social Responsibility policy. A sustainable and shared value that, as a whole and according to the methodology established by GRI, can be measured and detailed as economic value generated, distributed and retained by BBVA Colombia.

Table 81. Economic value generated and distributed
(Figures in COP millions)

Item	2024	2023	2022	2021	2020
Economic Value Generated (EVG)	4,353,696	3,784,445	4,178,376	3,682,433	3,550,513
Interest Margin	3,719,355	3,099,253	3,402,719	3,155,633	3,092,598
Net commissions	518,180	572,810	509,136	428,547	324,976
NTR (Net Trading Results)	418,180	386,940	473,883	279,403	300,179
Other Net Gains or Losses	-302,019	-274,558	-207,362	-181,150	-167,239
Distributed Economic Value (DEV)	1,963,010	2,369,077	2,548,804	2,071,506	1,616,153
Dividends	0	445,426	425,627	224,055	352,313
Results attributed to minority interest	3,598	21,330	20,383	10.735	16,872
Suppliers and other administrative expenses (excluding salaries and wages)	968,361	800,262	694,260	531,440	500,780
Taxes	17,036	260,375	567,788	490,695	294,639
Personnel expense	974,015	841,683	798,689	603,352	585,809
Retained Economic Value (EVR = EVG - DEV)	2,390,686	1,415,368	1,629,571	1,610,928	1,934,360
Reserves	191,090	194,688	449,232	235,066	369,185
Provisions and amortization	2,763,233	1,681,236	1,184,125	1,158,819	1,699,435

Table 82. Tangible direct value creation: Breakdown by stakeholder
(Figures in COP millions, except percentages)

Group	Value Indicator	2024	2023	2022	2021	2020	Var. %
Shareholders	Dividends	3,598	466,736,6	446,019	234,807	369,188	4,7
Employees	Personnel Costs	999,924	898,619	816,056	648,650	618,502	10,1
Clients	Interest and similar charges	6,555,853	7,053,602	3,306,989	1,382,468	1,899,076	113,3
Suppliers	Other administration costs	1,484,983	1,347,420	1,172,692	981,319	850,744	14,9
Companies	Contributions, Taxes on Profits, and Other Taxes	321,805	367,336	625,319	532,111	335,026	-41,3

In 2024, COLCAP grew 15.4% and was one of the most highly valued indices in Latin America, reflecting the recovery of the Colombian stock market.

Main stock market indices performance during 2024

During 2024, COLCAP, Colombia's main stock market index that measures the performance of the 20 most liquid stocks on the Colombian Stock Exchange (BVC for its Spanish acronym), showed a significant recovery in a context of interest rate moderation and economic reactivation. The reduction in inflation allowed Banco de la Republica to adopt a more flexible monetary policy, with interest rates cuts, benefiting the financial performance of companies and share prices.

At the end of the year, the COLCAP reached 1,379.58 points, with a year-on-year growth of 15.4%, driven by the rise in the prices of the most representative shares, especially Mineros with 131.9%, the preferred share of Grupo Sura with 92.7%, the preferred share of Grupo Argos with 82.5% and Grupo Argos with 65.8%. On the other hand, the most devalued stocks were Canacol Energy with a fall of 46.6%, Ecopetrol with 28.4% and ETB with 22.1%. In the regional context, COLCAP was one of the most valued indices in Latin America in 2024, ranking among the three best performers and surpassing markets such as Brazil's Bovespa and Mexico's CPI. This marked a remarkable recovery after its 7.1% drop in 2023.

Other indices also showed positive trends. COLEQTY, which measures a wider range of stocks according to capitalization and liquidity, closed at 1,052.5 points, with a growth of 26.0%. The COLIR, which groups issuers with good corporate practices, reached 1,002.03 points, with an increase of 27.2%. The COLSC, the liquidity indicator in the BVC, closed at 977.8 points, with a growth of 20.5%. At the international level, COLIR and COLEQTY ranked ninth and tenth among the most appreciated indices in the Americas, after a negative performance between 2022 and 2023.

The price of the common share closed the year 2024 at COP 180, decreasing by 24.37% compared to December 31, 2023, when it closed at COP 238.

BBVA Colombia's common share is considered by the Colombian Stock Exchange to be a Continuous Instrument, due to its stock market presence.

As for the preferential dividend share, without voting rights, the price closed 2024 at COP 350 and did not report changes with respect to the closing value as of December 31, 2023; this type of shares are considered under Auction Instruments.

The Bank's free float is 3.70%.

Type of share	Quantity
Common	630,302,851
Non-voting preferred dividend share	26,752,348

Table 83. BBVA Colombia's free float

Table 84. BBVA Colombia's market capitalization

Year	2021	2022	2023	2024
Amount	4,635,244	5,035,691	3,478,003	3,283,529

(Figures in COP millions)

Year	2021	2022	2023	2024
Common Share - Final Price	320	350	238	180
Non-voting preferred share - Final listing	385	350	350	350

Table 85. Evolution of BBVA Colombia's stock priceColombia

Concept	12/31/22	12/31/23	12/31/24
Number of shareholders	65,121	65,106	65,084
Number of shares outstanding	14,387,689,071	14,387,689,071	17,788,726,108
Maximum price (common share)	398	350	238
Final price (common share)		238	180
Minimum price (common share)	320	231	174
Maximum price (preferred share without voting rights)	390	350	350
Final listing (non,voting preferred share)	350	350	350
Minimum listing (preferred share without voting rights)	350	299	350
Book value per share	428,62	412.57	368,45
Market capitalization (COP million)	5,035,691	3,478,003	3,283,529
Price / Book Value , Common Share	0.817	0.577	0.489
Price / Book Value , Preferred Dividend Share	0.817	0.848	0.950
P/E (Price/Earnings) ,, Common Share	5.62	3.67	13.27
P/E (Price/Earnings) ,, Preferred Dividend Share	5.62	5.39	25.81
Dividend Yield (Dividend / Price) Common Share	0.0886	0.1363	0.00
Dividend Yield (Dividend / Price) Preferred Dividend Share	0.0886	0.0927	0.0214
Dividends decreed	31.00	32,44	7.50 preferred shares
Earnings per share	62.22	64,88	13.56

Table 86. BBVA Colombia stock and stock market ratios

Since 2007 and consecutively, the General Meeting of shareholders has approved the payment of cash dividends for the two types of shares, shares with preferred dividends without voting rights and common shares, the payout has been 50%.

BBVA Colombia's General Shareholders Meeting, at its March 22, 2024 ordinary meeting, approved the distribution of profits for the 2023 financial year and the payment of dividends of COP 7.50 per share, applicable only to preferred shares. The payment was made in a single installment, in cash, on June 12, 2024. According to the payment date, the ex-dividend period was from June 5 to 11, 2024.

Customer Relations

Experience

In 2024, **BBVA Colombia reinforced its commitment to customers by launching the RCP (Radical Customer Perspective) strategy.** This initiative identifies events that generate negative experiences and works on implementing solutions to reduce complaints, particularly in the typologies with the greatest impact. In addition, the bank conducted constant customer satisfaction measurements through the Net Promoter Score (NPS) and other tools, such as the Mystery Shopper, which allowed to monitor and improve service quality in the commercial network nationwide.

It also continued to optimize branch network satisfaction by improving support processes provided by the Bank's central areas. As for the red lines, it managed key aspects linked to channel service experience. In offices, it focused on reducing waiting time in tellers, abandonment rate and first contact solution in the contact center and remote manager. In digital channels, it prioritized ATM service availability, mobile applications and website.

To mitigate other negative experiences, **the Bank worked on timely credit card delivery, quality and speed of response to complaints, and fraud protection.** In this sense, it addressed cases such as rejections in card payment operations (e-commerce and other channels) and managed the perception of undue charges for not applying agreement benefits.

In PCCs (Petitions, Complaints and Claims), BBVA monitored the types with the greatest impact, such as:

- Customer who does not recognize a transaction on their card.
- Debits for cash not delivered at ATMs.
- Disagreement in dataphone purchases.
- Account blocking due to garnishment or other reasons.
- Information updates in Financial Information Centers.
- Non-approval of credit product applications.

Consumer Service System (CSS)

FS-14

Service provision to improve access to potentially disadvantaged people

1. Physical adaptations: The real estate area is in charge of making the necessary modifications in accordance with ICONTEC accessibility regulations. Currently, branch network facilities have:

1.1. Access ramps, both in branches and in own ATMs
1.2. Double-leaf doors, equipped with inclusive signage.
1.3. Spacious halls, designed to provide comfort to people with physical disabilities, with demarcated evacuation routes.

2. Communication barriers: In 2024, the Bank renewed the contract with an expert provider to **provide virtual interpretation services in Colombian sign language, allowing deaf people to communicate without barriers when going to the branch network.** Likewise, care for deaf-blind people was guaranteed through interpreter guide services.

In August, training was done on the new care circuit for deaf people in the office, where employees were instructed in the step-by-step process and in specialized care techniques. This information was massified through Notired #1093.

Finally, the interpretation scheduling route, called "In Office Communication Service for Deaf People", was enabled in the Banking Business Portal. On this platform, employees can access the QR code and read it through the corporate cell phone to manage interpretation in an agile and simple way.

3. Branch service: 100% of the Bank's branch network guarantees service without distinction of gender, age or cultural level. In addition, the shift system, through QR codes remains in place, which includes a preferential option for people with special conditions such as the elderly, people of short height or dwarfism, pregnant women and people with children in in their arms.

4. Control frameworks: In September 2024, an accessibility audit was done for the first time, identifying the following as main milestones:

- Governance in the management of care protocols according to the type of disability at the time of providing the service in person, this topic is in charge of the Relationship Models area.
- Lack of accessibility in non-face-to-face channels, an aspect led by Solutions Development.
- Physical interventions in the network with reasonable adaptations, this is the responsibility of the Real Estate - T&C area.
- Inclusive training in financial education programs, this is the responsibility of Financial Education - T&C area.

5. Training reinforcement: In the last quarter of the year, the annual CSS training course was launched, in which, in a dynamic way, key tips for officials in the central areas and the network of offices to **provide due attention to people with disabilities were reviewed.**

Handling complaints and claims

GRI 2-26, GRI 418-1, BBVA-6, BBVA-7, BBVA-8

BBVA Colombia did not receive substantiated claims, which correspond to "alleged" cases where after analysis, investigation and closure it is concluded that there was no breach or violation of information, during the year 2024 for cases of leaks, theft or loss of customer data. A 20% increase in the Personal Data Protection Law was identified due to seasonal information update campaigns sent to customers without current products, advertising and pre-approved products. The following are the complaints reported, which are received in the Bank's PQR management associated with the processing of personal data (updating or deletion of data in information centers).

Table 87. Complaints received by third parties and corroborated by the organization

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total cases
							2023						
Personal Data Protection Law	23	35	18	6	13	37	27	27	16	20	18	20	260
							2024						
	45	28	14	13	21	22	16	20	25	30	18	71	323

Table 88. Complaints received by regulatory entities

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total cases
							2023						
Personal Data Protection Law	16	24	10	2	6	26	15	14	7	7	10	7	144
							2024						
	22	19	5	7	14	9	3	5	6	13	12	42	157

During the year, the Bank identified negative impacts on financial consumers related to PCCs, mainly due to disagreements regarding purchases, duplicate charges in interbank networks, electronic transfers failures, transactions not recognized on non-BBVA pages and non-conformity with conditions. These factors were a priority in the Bank as a whole, allowing their effects to be mitigated through tactical and strategic actions leveraged on:

- Creation of specialized cells for the mass management of typologies with the greatest impact, supported by the experience of the central areas involved in the E2E process.
- Establishment of synergies with actors in the financial system, such as operating banks, interbank networks and transactional operators.
- Training of a team specialized in speed reading to speed up closing and responding cases to financial consumers.
- Implementation of control and monitoring models with early warnings and dashboards (Dashboard) to mitigate case expirations.
- Reinforcement of the Financial Consumer Defender module in Salesforce, eliminating manual processes and improving the monitoring of PCCs.
- Salesforce automation of third-party inputs and concepts to optimize PCC resolution times.
- Development of control panels to monitor execution times, deadlines and case closing in areas and suppliers.
- Training and support in the office network for the correct routing of PCCs, with an emphasis on critical offices.
- Coordination with the Banking Business and Legal Processes teams for training and legal updating.
- Training and continuous feedback to improve the quality PCC responses.
- Implementation of quality models through monitoring and control of processes.

BBVA Colombia's policy considers the following channels to be enabled for the receipt of PCCs from financial consumers:

Own
- Network of Offices
- Call Center

Alternate
- Financial Consumer Ombudsman (DFC)
- Financial Superintendence of Colombia (SFC)

In 2024, the Bank maintained the same service channels, both its own and alternate. **In its own channels, it applied the first contact solution strategy to offer immediate responses to financial consumers,** guaranteeing effectiveness and efficiency in the process.

Depending on the complexity of the case, an escalation is made to expert management groups to respond within the TCR framework and within the deadlines established by the SFC. In addition, the PCC service process made it possible to identify key factors for root cause analysis and customer experience, facilitating the design of strategies aimed at eliminating events that generate dissatisfaction.

Supported by Financial Education strategies, the Bank deployed campaigns focused on processes security to prevent incidents with financial consumers. These included sending push notifications with recommendations, alerts and warnings about the

proper use of channels and means of payment. In terms of security, actions were implemented such as:

- OOB signature in GloMo: Push notification for transactions made on the web.
- Identification of new modus operandi: Application of rules in ARIC to detect and block suspicious transactions.
- Monitoring of atypical transactions: Detection of operations outside the usual profile in digital channels.
- Removal of fraudulent pages: Immediate management of takedown and reporting to domain owners.

The Bank continues to identify cases of claims through the root cause and RCP project, seeking to eliminate the reasons that generate reports and improve customer service.

Finally, to guarantee financial consumer protection rights, all the information on the PCC circuit is available on the www.bbva.com.co website through the link "Financial Consumer Services".

The effectiveness of these mechanisms is done through models that identify weaknesses and opportunities for improvement, with specific follow-ups, ad hoc sessions, detailed volumetry and casuistry. These actions make it possible to improve the timeliness and quality of PCC attention within the established times. Likewise, contact channels are evaluated, such as offices, call centers and the Consumer Defender Office, reflecting the customer's UX (User Experience) through the internal NPS indicator – Assessment of the PCC Service Process.

As a result, **a sustained reduction in the total stock of PCCs was achieved at the end of each month during 2024.**

Monthly behavior:

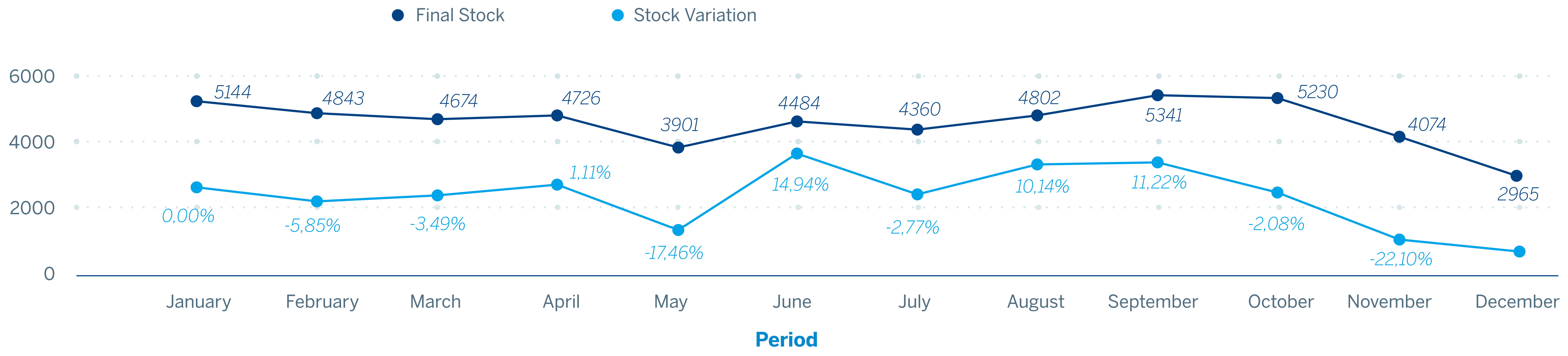


Table 89. Top 5 typologies and solving times

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total cases
Internet													
Managed transactions	3.278	3.114	2.981	3.567	4.123	3.750	3.915	3.367	3.185	2.952	2.565	2.475	39.272
Transactions managed on time	3.142	3.029	2.898	3.407	4.019	3.688	3.750	3.174	3.063	2.828	2.484	2.391	37.873
Timeliness (%)	96%	97%	97%	96%	97%	98%	96%	94%	96%	96%	97%	97%	96%
Review and/or settlement													
Managed transactions	2.680	2.634	2.344	2.728	3.158	2.480	2.775	3.109	3.133	3.169	3.030	2.981	34.221
Transactions Managed on Time	2.541	2.538	2.287	2.517	2.908	2.366	2.638	2.891	2.870	2.866	2.691	2.687	31.800
Timeliness (%)	95%	96%	98%	92%	92%	95%	95%	93%	92%	90%	89%	90%	93%
Product Blocking													
Managed transactions	820	785	815	878	894	830	879	837	839	1.103	1.005	1.008	10.693
Transactions managed on time	778	752	794	733	794	801	839	789	816	1.051	962	976	10.085
Timeliness (%)	95%	96%	97%	83%	89%	97%	95%	94%	97%	95%	96%	97%	94%
Collection, services or commissions													
Transactions managed on time	600	748	624	665	893	672	873	1.067	1.002	1.183	865	617	9.809
Timeliness (%)	579	731	611	623	845	649	842	1.039	986	1.145	828	583	9.461
Oportunity (%)	97%	98%	98%	94%	95%	97%	96%	97%	98%	97%	96%	94%	96%
ATM													
Managed transactions	741	677	872	834	824	849	1.037	845	661	745	652	883	9.620
Transactions managed on time	728	668	863	816	805	833	1.025	821	638	724	636	859	9.416
Oportunity (%)	98%	99%	99%	98%	98%	98%	99%	97%	97%	97%	98%	97%	98%

The top typologies, with the greatest impact, in 2024 maintained the same trend as in previous years, influenced by internal and external factors. As for fraud (unrecognized transactions), which affects the entire financial sector, new modalities were identified with an impact on digital channels and that generated significant monetary consequences. In disagreement with conditions, review and settlement, there was an increase in interest rates and errors in the marking of conditions in some portfolios.

The blocking of products was mainly related to garnishment processes done by the Bank at the request of judicial and administrative authorities, without prior knowledge of the customers. Finally, changes in conditions and portfolios generated complaints about commissions applied outside contracts stipulations.

Based on PCC data, the 2024 strategy focused on the Root Cause project, explained above. For these, work plans were designed focused on:

1. Tactical actions

1.1. Campaign to migrate more customers to digital channels, promoting self-service.
1.2. Campaign to update Customer data, focused on emails.
1.3. Advance delivery of tax certificates through automated processes.
1.4. Implementation of automation in order to anticipate customer retention when management fee waiver benefit is about to expire.

2. Strategic actions

2.1. Advance notification to customers about rejections of transfers and purchases, with the option of reporting through GloMo.
2.2. Communication to the customer on payroll loan and loan balance payments are applied.
2.3. Improvements in the detail of bank statements and account movements.
2.4. Automatic delivery of product good standing certificates.
2.5. Development of a welcome kit with key information on product features, conditions, service channels, support manual and offers.
2.6. Implementation of automatic notifications in case of initial condition changes.

RCP will drive the strategy in 2025. Regarding figures, the following results are presented:

Table 90. Claims Resolution Time

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2023													
Days	4.0	5.7	7.0	6.6	7.3	9.7	9.2	9.3	11.0	13.6	12.7	12.1	9.4
2024													
Days	9.8	9.3	8.1	9.9	8.9	7.1	8.2	8.0	9.4	10.9	10.1	9.7	9.1

* For this calculation, only claims are considered, not requests.

BBVA Colombia implemented measures to guarantee **accessible and inclusive customer service** in all its branches and service channels.

For 2024, a decrease of 0.3% was recorded, driven by synergies between the different Bank areas.

Table 91. Claims resolved on time

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2023													
Claims Managed	8,141	9,225	10,600	8,877	9,822	10,708	10,125	11,397	9,856	10,732	11,113	11,559	122,155
Claims handled on time	8,121	9,156	10,444	8,516	9,607	10,083	9,578	11,175	9,563	10,297	10,549	10,635	117,724
Timeliness (%)	99.8%	99.3%	98.5%	95.9%	97.8%	94.2%	94.6%	98.1%	97.0%	95.9%	94.9%	92.0%	96.4%
2024													
Total Managed	13,211	12,530	12,330	13,737	15,091	13,353	14,876	14,401	13,568	14,352	11,913	12,766	162,128
Total managed on time	12,361	12,111	11,694	12,620	14,639	12,466	14,120	13,250	12,378	13,440	12,133	12,608	153,820
Timeliness (%)	94%	96%	97%	92%	94%	96%	95%	94%	94%	94%	93%	93%	94%

Table 90. Percentage of complaints and claims handled by SPC (Spanish acronym for first contact solution)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average
2023													
SPC Claims Filed	3,577	3,318	3,588	2,726	3,137	2,966	3,085	3,060	2,767	3,237	3,595	3,789	38,845
SPC Claims Managed	3,151	3,461	3,743	2,656	3,506	3,054	2,660	2,977	2,687	3,249	2,823	2,927	36,894
SPC Share (%)	88%	104%	104%	97%	112%	103%	86%	97%	97%	100%	79%	77%	95%
2024													
SPC Claims Filed	3,939	3,798	3,704	3,605	4,634	4,520	4,912	4,529	3,887	4,548	3,682	4,186	49,944
SPC Claims Managed	2,725	2,698	2,691	2,749	3,576	2,951	3,637	3,410	3,146	3,479	2,724	3,302	37,088
SPC Share (%)	69%	71%	73%	76%	77%	65%	74%	75%	81%	76%	74%	79%	74%

Processes for remediating negative impacts

GRI 2-25

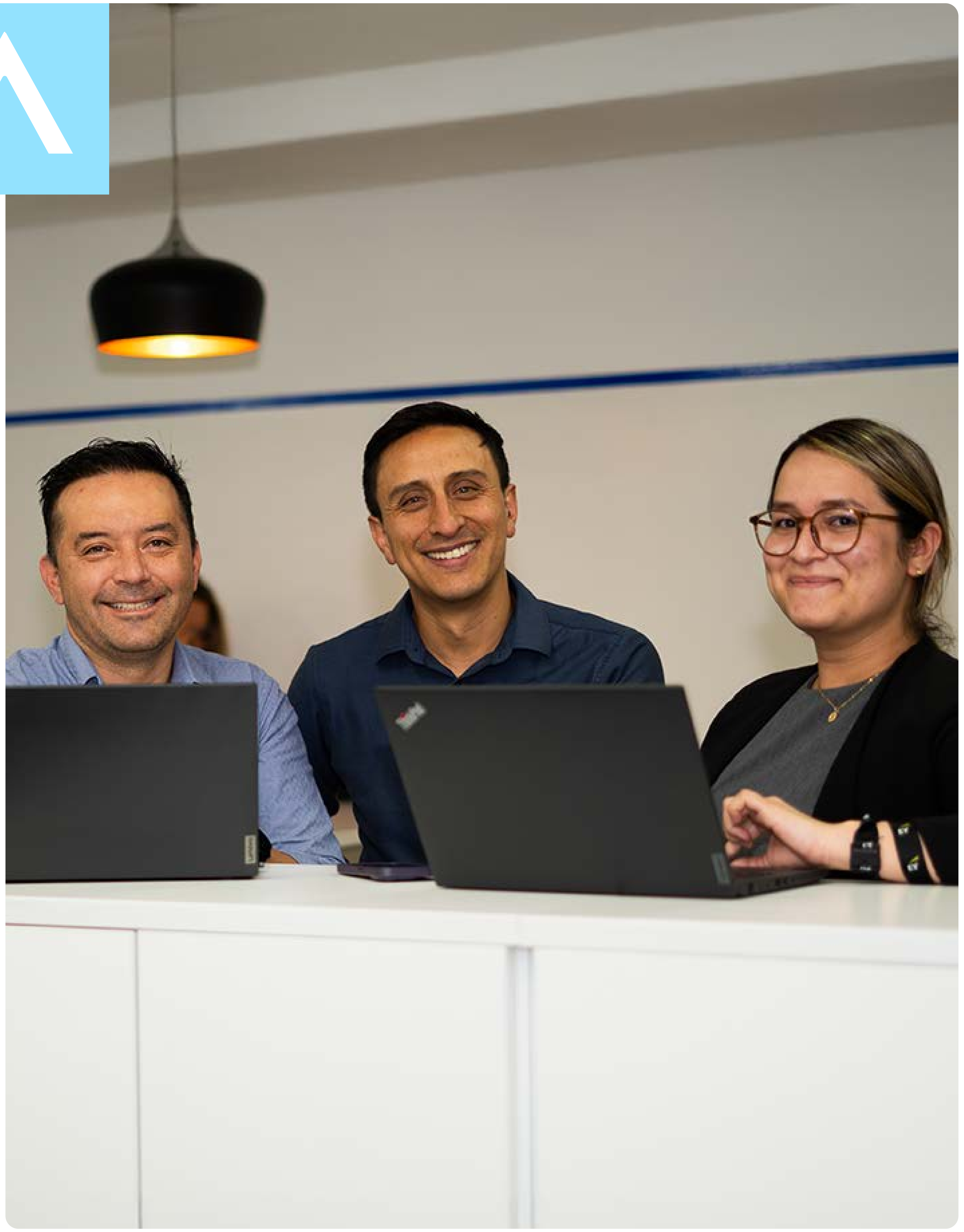
BBVA Colombia remains committed to identifying and mitigating the negative impacts derived from its activities through the implementation of care mechanisms, root cause analysis and anticipation strategies. To this end, it guarantees a solution in the first contact in its service channels and executes the process of resolving complaints and claims in a timely and effective manner. These efforts are aligned with the RCP strategy, which prioritizes proactive management of events that impact customer experience.

Through an approach based on root cause analysis, BBVA Colombia identifies the main reasons for dissatisfaction that generate PCCs. Under CPR, "Red Lines," negative experiences, and other categories of PCCs are managed in conjunction with product and service managers to design mitigation actions and reduce complaint volume.

The Bank involves its stakeholders in the design, review, operation and improvement of complaints and grievance management mechanisms, ensuring that these are effective and aligned with customer needs. In addition, it continuously monitors effectiveness through key indicators and feedback from care teams. This monitoring encompasses the reduction in response times and the improvement in the quality and simplicity of the solutions offered.

Remediation processes include **concrete actions in the service channels, focused on optimizing waiting times in branches,** strengthening service on customer service lines, improving the quality and timeliness of responses to complaints, as well as preventing and resolving fraud and unrecognized transactions.

To assess the effectiveness of these remediation mechanisms and processes, BBVA Colombia analyzes the variation in the volumes of PCCs, the rate of replies to the responses issued by the bank and the measurement of the recommendation through the NPS (Net Promoter Score), which reflects the level of customer satisfaction and loyalty in the branch network nationwide.



Marketing

GRI 417-1, 417-2, 417-3

In 2024 and through different communication channels (emails, communication on social networks, white page content, among others) the Bank delivered savings, credit and investment solutions to customers and non-customers, individuals and companies, which they can manage through different communication channels. Within the framework of these solutions, **the Bank generates proactive recommendations that will help existing and potential customers to have a good balance to face their present and future with quality of life, peace of mind and security.**

Finally, through Red Lines, a global integrity project that seeks to mitigate potential transparency risks and uninformed decision-making, communications are assessed to put the customer and their well-being first. In this regard, the Bank adheres to the global Red Lines Integrity standard with Clients, which establishes the minimum mandatory principles to be respected in preparing deliverables, as well as the phases for their correct integration.

At the same time, **communications seek to deliver financial health messages across the board,** so that the customer knows how to make the best use of their financial resources. From the Marketing area, although no physical products are developed and there is no relationship with the labeling of physical products, a detailed review and approval process of 100% of the material that is delivered to customers is performed; In this way, both the area and the business and the legal team communicate to clients with transparency, clarity and responsibility.

No non-compliances were recorded in Marketing communications during the period from January 1 to December 31, 2024.

Operations by channel

BBVA-9

In 2024, BBVA Colombia implemented several initiatives, including:

- Vuelve Gana Ahorro Campaign: It offered customers the possibility of earning up to COP 50 million by increasing their savings account balance by at least COP 300 thousand and keeping it blocked for 4 months.
- Olympic Games Campaign: In the second quarter, in partnership with Visa, it allowed customers to enter a raffle to win a trip to the Olympic Games opening ceremony in Paris.
- Upgrades Campaign: During the third quarter, Visa credit cardholders were invited to upgrade their card status by using it.

BBVA Colombia continues to facilitate access to alternative channels through the BBVA app, bank correspondents and ATMs. **In 2024, 79 multifunctional ATMs were installed, and a total of 158 are expected by 2025.** These devices allow customers and non-customers to make cash deposits, loans and credit card payments.

Thanks to strategic alliances with cash transaction correspondents, such as Efecty and Puntored, **BBVA Colombia closed the year with 66,578 service points.** At these points, 22.2 million transactions were made, which represented an 18.77% transaction growth compared to the previous year.

Banco BBVA also strengthened its digital services. In 2024, new functionalities were enabled:

- Adding BBVA cards to digital wallets
- Hire and generate payment QR code
- Contactless card activation
- Secure transaction confirmation
- Digital opening of pension and payroll accounts
- Meta account introduction, which allows managing up to five savings to meet different objectives

SMEs

BBVA-2, BBVA-3

During 2024, the SME segment (small and medium-sized enterprises) showed remarkable evolution and growth, positively impacting several key economic development indicators. These companies, which are critical to innovation and employment, were able to overcome challenges and adapt to a dynamic economic environment. In this context, the performance of SMEs evidenced their capacity for resilience, digital transformation and adaptation to new market demands, consolidating themselves as an essential pillar for sustainable economic development and value creation.

Below are the most relevant achievements evidenced in this segment:

a. **10% double-digit growth, more than 5,000 new target customers,** through a comprehensive strategy that included a binding portfolio composed of a collection channel and account. This allowed for greater market penetration and streamlined operations. In addition, this strategy was complemented with the identification of customers who receive ACH transfers, offering an identification service to reconcile in the GeMa app. This made it easier to deepen business relationships and customize payment solutions, fostering loyalty and increasing long-term profitability.

b. Strengthening the digital value offer through the integration of innovative financial services on platforms such as the GeMa app. This included the digitization of products such as TDs, allowing users to manage their investments efficiently and facilitate fund raising through the application. In addition, services such as currency trading, ACH transfer tracking, credit drawdown through the Virtual Credit product, and business loan payment through PSE on the white page were incorporated, all easily and securely accessible.

c. **Customer service levels ranked first with an NPS of 45.4%,** outperforming the second place by a difference of 420 basis points. This achievement was the result of the strategies implemented to follow up on the recurring detractor verbatim, which allowed SME executives to effectively address opportunity areas. In addition, the core values of responsibility, excellence, integrity and respect (REIR) were promoted, which define its bankers and enable them to offer superior and differentiated service.

d. The SME segment experienced significant growth in both investment and resources. **Investment increased by COP 279 billion, which represented an increase of 10.04%** compared to the previous year, while resources grew by COP 650 billion, reaching an expansion of 13.41% compared to the same period of the previous year. This growth reflected the strong performance and successful strategies implemented by the segment on its path to strengthening its operations.

During 2024, a detailed study was done on the financial behavior of SME segment customers, with the aim of optimizing the offer of digital financial products. As a result of this analysis, 23,211 pre-approved offers were granted in Virtual Credit and Sales Advance (ADV for its acronym in Spanish) products, for a total amount of COP 1.6 trillion. Of these offers, 14.22% (equivalent to 3,300 customers) contracted the digital offer, which represented a cumulative amount of COP 290 million.

This performance represented an increase of 18.24% compared to the previous year, reflecting a positive trend in the adoption of digital solutions within this segment. Likewise, the turnover derived from these digital contracts grew by more than 20.33% compared to the previous period, consolidating the success of the digital strategy implemented. Additionally, the digital offer through the Sales Advance product provided SMEs with innovative access to credit, based on transactional flows. This approach eliminated the need for physical documents and enabled a fully digital process. As a result, 2,550 SME customers efficiently accessed banking, achieving an increase of 43.26% compared to the previous year and reaching a total amount of COP 172 billion. This advance represented a significant contribution of 9.29% in the total turnover of the segment, **consolidating the relevance of the digital offer in SME growth and development.**

The impact of this strategy was significant, **contributing 9.23% to total SME segment turnover,** which reaffirmed the importance of the digital offer in the growth and consolidation of this market. This progress was possible thanks to the implementation of various strategies, such as the strengthening of product knowledge and the contracting process aimed at the commercial network. This made it possible to offer a more specialized and efficient service, supported by the business line's specialized digital cell, which helped to support when contracting offers. These actions were fundamental to the success achieved, demonstrating that combining adequate offer and personalized support generates positive results when adopting digital products.

Likewise, this segment promoted the implementation of a binding portfolio with the aim of offering a comprehensive and flexible solution for PJ (legal entities for its acronym in Spanish) and PNN (individuals with a business for its acronym in Spanish) customers, adapting to their specific needs with various financial services. For PJ, this portfolio includes a savings or checking account, along with multiple collection methods, such as merchant payment processing, MPOs , collection links and QR, which facilitated receiving payments. In addition, services such as PSE collection, ACH transfers and the possibility of making payments to other banks at no cost in BBVA accounts were incorporated. For PNN, access to portfolios was offered with preferential fees, free transactions to other banks and access to free QR. This differentiated value offer favored making web transactions in a simple and accessible way, bringing customers closer to a complete and uncomplicated transactional system.

Transactional solutions based on the digital contracting of the ADV product on platforms such as Single APP and GeMa represented a significant advance for NNPs, facilitating their access to banking digitalization in an efficient and simple way. Through this innovation, they had the opportunity to integrate into the digital world with tools that allow them to manage their financial needs without needing advanced technical knowledge. These solutions promoted more accessible financial inclusion, removing technological barriers that traditionally hindered access to banking services. The ease with which these were able to contract the ADV product on these platforms, added to their ability to carry out digital transactions, opened new doors to a broader financial ecosystem. Ultimately, by offering simplified access to services that were previously complex or exclusive, these platforms are a bridge that connects NNPs to a more inclusive financial future, where growth and development opportunities are within everyone's reach.

In 2024, agro-sustainability in the SME segment reached a significant milestone in the agricultural segment, evidencing notable income generation growth and the implementation of environmentally responsible practices. **More than COP 55 billion were invoiced, through 59 sustainable operations,** exceeding the 2023 figure by COP 52 billion, for a growth of 1,733%.

This advance highlighted the importance of sustainability in the agro-industrial field and reflected the success of the policies implemented to strengthen investment in projects that promote economic development and the conservation of natural resources. During the year, 9 new agro-sustainable credit lines were created, focused on 6 strategic sectors: cattle and pig farming, poultry, sugarcane, rice and oil palm.

These developments not only reaffirmed the segment's commitment to agricultural production sustainability, but also **generated new opportunities for producers, who now have financial support to implement innovative and environmentally responsible solutions** in their production processes. Thus, the agricultural sector in 2024 was consolidated as an inclusive and environmentally viable economic development model, in which sustainability and profitability go hand in hand.

Companies

BBVA-5

In 2024, with the aim of improving customer service and experience, BBVA Colombia consolidated the Wholesale Banking Vice Presidency, offering a more comprehensive and agile service to entrepreneurs and institutions that require advanced financial solutions to optimize operations. This Vice Presidency assumed responsibility for the business holistically, encompassing customer experience, financial results, strategic development and the value proposition for customers.

In terms of portfolio growth, 2024 presented a favorable dynamic, compared to 2023, driven by the decrease in market interest rates. We worked together with the credit area to identify the economic sectors with the greatest growth potential, which included visits to strategic customers with the aim of strengthening relationships and expanding opportunities.

To expedite large amount financing operation approval, the New Business Committee was created in April. This committee, made up of risk and network leaders, evaluated new financing operations, allowing a more agile and efficient allocation of credit lines.

The financing needs of key customers in the agro-industrial chain were met, identifying six main sectors that concentrated most operations. **Growth was driven by the creation of the Agro-Integrative Model, a product designed to finance the Colombian agribusiness value chain.** Through this model, resources were disbursed for the purchase of raw materials, with advances aimed at farmers and ranchers, which made it possible to benefit anchor companies through differential rates and, at the same time, promote small and medium-sized producer financial inclusion. This ensured the purchase of crops and strengthened agro-industrial activity with technical assistance.

For its part, **Agrocomex consolidated itself as the key credit line for Business Banking,** offering preferential rates and maintaining high profitability. Finally, the agro-sustainability chapter made it possible to mobilize more than COP 1.16 trillion, of which more than 50% was allocated to the African palm production chain, thanks to the RSPO (Round Table on Sustainable Palm Oil) sustainability seal.

In terms of fund raising, efforts were focused on attracting transactional deposits, adapting to the needs of customers according to their industry and size. This included the implementation of innovative solutions, such as collection through QR codes, and the creation of strategic alliances through structured businesses with representative merchants in the Colombian market.

In addition, **BBVA Group's cross-border and pivot program was promoted, aimed at meeting the financial needs of multinational companies.** Through this program, the relationship with customers in Colombia operating in the countries where the BBVA Group has a presence was strengthened, and customers referred from other geographies of the group were onboarded in 2024, including names from Germany and Italy. Thanks to this initiative, a differentiated proposal was presented through the pivot ecosystem, which integrates global channels and solutions for automated treasury management. This allowed it to offer a specialized

In 2024, BBVA Colombia mobilized COP 1.16 trillion in agri-sustainability and strengthened wholesale banking with comprehensive and global solutions.

transactional services portfolio to local clients with operations in multiple countries.

Government

Government banking offers **financial solutions designed to meet specific public sector needs.** Its clients include governorates, municipalities, decentralized entities, state commercial and industrial enterprises, and the central level of government.

In 2024, government banking disbursed 204 operations for a total of COP 1 trillion, further strengthening public sector projects. In addition, 88 transactional solutions were implemented to improve the population's access to these customers' collection channels. In terms of fund raising, segment customers' consolidated their confidence in BBVA Colombia, increasing their deposits by 5% (COP 1 trillion)

Corporate and Investment Banking - CIB

Corporate and Investment Banking is the area in charge of providing financial solutions to the needs of the most relevant companies in the country, such as large corporations and financial institutions. From Corporate and Investment Banking, BBVA Colombia offers solutions through a diversified products and services portfolio, with high added value, being a differentiator both locally and internationally.

The first quarter of 2024 was marked by a slight slowdown in Corporate Banking activity, due to the economic slowdown in Colombia, continuing the trend observed since the end of 2023. However, the Bank stood out for its ability to adapt and for maintaining stability in a highly competitive financial environment. Throughout the year, market conditions adjusted, but continued offering efficient solutions to customers, maintaining participation levels and consolidating itself as a key financial sector ally.

These are some of the strategies executed by the Corporate and Investment Banking area:

- **Improve the financial health of customers.** BBVA's Corporate Banking has stood out for offering solutions tailored to the needs of its customers. In 2024, CIB participated in relevant M&A, project finance, corporate finance and debt capital markets transactions for clients such as Actis, Celsia, Metro de Bogotá Line 1, Puerto Spia, OnNet Fibra Colombia, Grupo Sura, Sura Asset Management, Financiera de Desarrollo Nacional, EPM, Ecopetrol and the Republic of Colombia, among others.

- Thanks to these operations, BBVA was recognized as the best Investment Bank in Colombia for 2024, by Global Banking and Markets, a company specialized in financial events in global markets in for emerging economies, which highlighted the most innovative and transformative transactions of the year. Additionally, BBVA Colombia was recognized as the Best Foreign Exchange Bank in the country in the Global Finance Magazine's World Best Foreign Exchange Awards 2024.

- **Help clients in the transition to a sustainable future.** Sustainability continued being a central axis in BBVA Colombia's operations, and in 2024, Corporate Banking consolidated itself as an ally in the transition to a sustainable future for its customers. During the year, its participation in significant operations was highlighted, such as the project financing of Bogotá's first metro line, an all-electric railway system. In addition, it participated in the green TES fifth issuance placement in the Republic of Colombia, reaffirming its commitment to a sustainable future and strengthening the relationship with its customers by offering solutions aligned with their objectives.

- **Grow in customers.** The Bank maintained a strategy focused on increasing its customer portfolio. Despite the economic slowdown and growing competitiveness, it managed to maintain the growth of its portfolio in both short- and long-term products. The key was to anticipate to customer needs, which made it possible to make loan purchases, disburse new loans and manage maturities. This approach strengthened the relationship with key customers and facilitated new business acquisition.

- **Pursing operational excellence.** Work was done on optimizing operational processes to offer greater value added to its customers. This commitment to operational excellence was critical to maintaining its leadership position, even in a highly competitive environment. In addition, the ability to anticipate customer needs and offer unsolicited financing proposals allowed it to stand out, especially in a challenging year.

In 2024, BBVA Colombia disbursed COP 1 trillion to the public sector and strengthened collections with 88 transactional solutions for governments.

- **The best and most committed team.** One of the factors that allowed CIB to maintain a solid market position was its work team. During 2024, the development and continuous staff training was encouraged, which allowed the CIB team to maintain a high capacity to respond to market challenges. The positive perception of the work environment continues to be high, generating a strong sense of belonging and commitment, which are essential to meet the ambitious objectives set.

- **Data and technology.** As financial sector digitalization advances, BBVA Colombia continues to promote the use of data analytics as an essential tool to propose innovative business solutions. Thanks to this analytics, it was able to anticipate market trends and offer products that are more tailored to customer needs. In addition, it implemented technological improvements in reporting processes automation, which allowed its teams to be more agile and effective in decision-making.

2024 was a year of challenges and adjustments for CIB, but also of growth and consolidation. Despite challenging economic conditions and strong competition, the Bank maintained stability in its liquidity, efficiently managed its loan portfolio and increased its customer base. **Strong customer relationships, product innovation, and team adaptability were key to overcoming obstacles and closing the year with positive results.** Looking ahead to 2025, BBVA's Corporate Banking is well positioned to capitalize on the opportunities arising from the economic recovery, with a strategy focused on expansion and long-term sustainability.

BBVA Asset Management

BBVA AM positioned itself as one of the top 5 fiduciaries in collective investment fund management (without considering private equity funds), with a differentiated product offering, being a strategic ally for clients that require fiduciary structures. **BBVA AM's success lies in its team, the investment and global risk control processes it uses**, the comprehensive control in the structuring of trust businesses and execution, and in the search for consistent performance over time for its clients.

2024 was a year of consolidation in the trust industry, despite the continued local and global pressure that affected financial assets. BBVA AM had a good performance in the management of resources, closing with a peak balance of **COP 8.3 trillion in collective investment funds managed,** which represents an increase of 16.8% compared to 2023.

In terms of participants, the result was also positive with an annual variation of 6% closing at 101,998 with a 67 basis points market share gain. Total assets under management amounted to COP 23.3 trillion[2], represented by trust business and investment funds.
BBVA AM closed the year with an online plan, with the Group's strategic priorities and the objective of boosting business profitability, seeking to be a benchmark in the market and the best customer ally. This is thanks to the strategy developed by the company that has as its main axis customer experience, improving service, quality of service and corporate responsibility.

Among the most outstanding achievements in 2024, was the excellent work done by the investment team, which once again led in the prestigious Prixtar awards in the Short-Term Peso Fixed Income Funds, Long-Term Peso Fixed Income Funds, Liquidity Pesos Fixed Income and Balanced Higher Risk categories, compared to competitors in year-to-date profitability. **These recognitions demonstrate the strength of BBVA AM's investment and risk control processes, highlighting BBVA AM's local and global management capabilities.**

On the other hand, the Bank executed the third project of the BBVA Páramo Investment Fund in partnership with the BioCuenca Alliance Foundation. BBVA AM contributed to the recovery of three hectares, by planting 1,800 trees of native species, rescuing and conserving wildlife, and strengthening community participation through training on the conservation of Páramo de Santurbán ecosystem, located in the departments of Santander and Norte de Santander. These actions were done in response to the fires that occurred at the beginning of 2024, which significantly affected the environment. These initiatives have been made possible by the BBVA Páramo Investment Fund, which allocates 25% of its management fee to ecosystem preservation projects in Colombia.

In summary, for BBVA AM, 2024 was a year of success as measured by key indicators, generating value for the BBVA Group.

BBVA Asset Management ranked among the top 5 fiduciaries in collective investment fund managing, with a differentiated product offering.

2. Total trust business amount as of November 2024.

BBVA Valores Colombia S.A.

BBVA Valores Colombia S.A., a subsidiary of BBVA Colombia, with more than 30 year experience, offers advisory, investment and support services in the Colombian capital market, aimed at BBVA premium banking, corporate banking, business banking, private banking and personal banking customers in the country, as well as direct customers and international customers, with interests in the fixed income and local equity markets.

In addition, BBVA Valores, through its Investment Banking and Structured Finance team, is responsible for providing strategic support and advice to companies in Colombia and the region.

BBVA Valores' strategic priorities for 2024 were:

Providing the best possible customer experience: BBVA Valores improved its relationship with customers through the comprehensive offering of its own products and including the Fiduciary's collective investment funds, offering personalized investment alternatives tailored to the needs of each of these, achieving better interaction within the group and always seeking to serve and provide a comprehensive solution to customer needs.

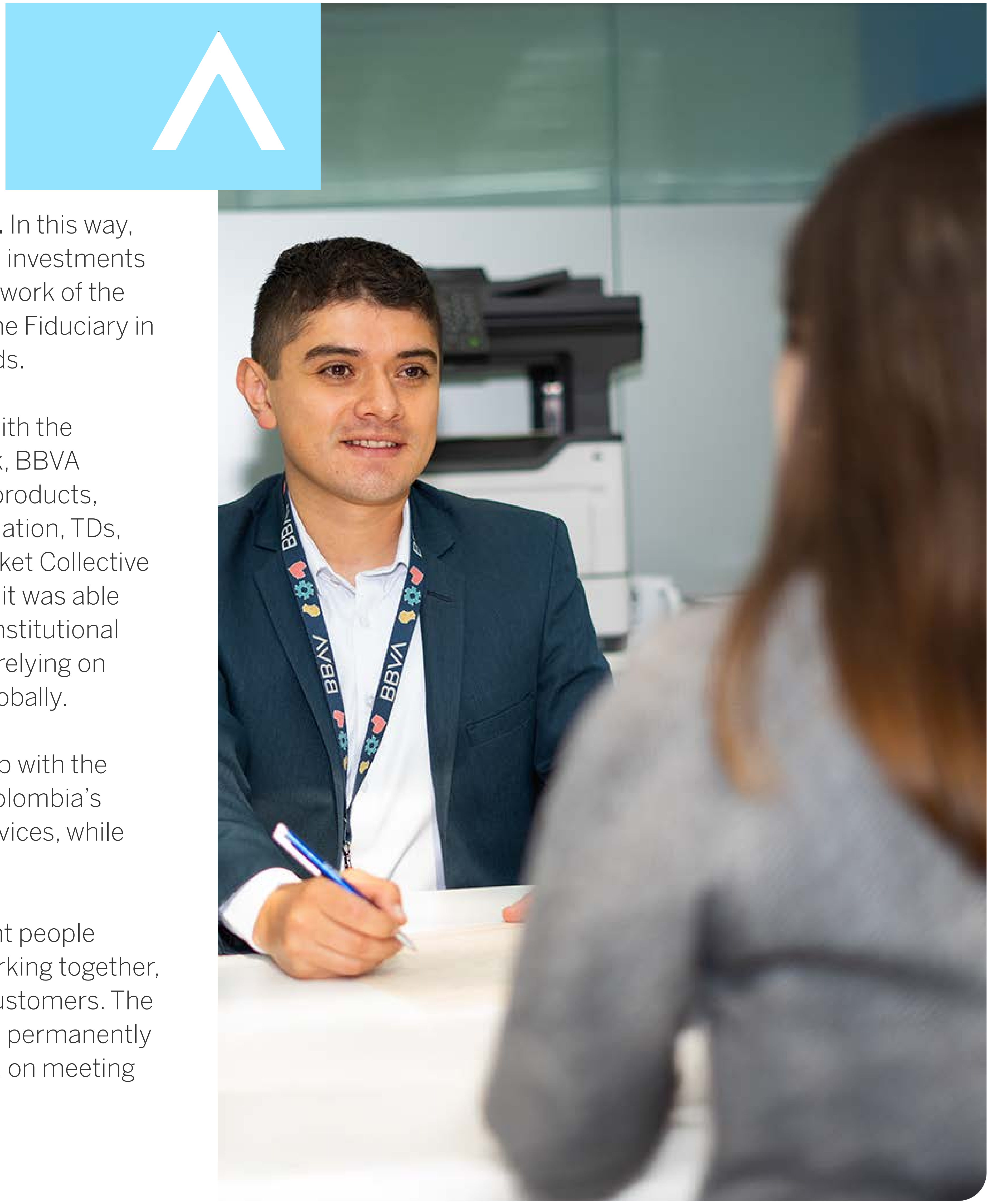
Digital channels: An adjustment was made to the Bank's website so that customers and the brokerage firm can see the consolidated information of the two entities and thus improve customer experience. This development made it possible to provide customers a 360° view of the products they have with BBVA Colombia.

Business models: BBVA Valores continues to implement its Strategic Plan, initiated in 2020, aimed at deepening its 3 business lines, reinforcing the Brokerage's work and complementing the Group's work in Colombia. With different levels of attention and advice, in line with each business line, **the Bank seeks to convey to its customers all the potential that a global group like BBVA can offer.** In this way, during the year, the commercial team specialized in investments was centralized in BBVA Valores, concentrating the work of the Brokerage in advisory and investment and that of the Fiduciary in creating investment products that meet client needs.

Leadership in efficiency: GThanks to teamwork with the Fiduciary, the Bank's network and the bankers work, BBVA Valores facilitated the offer of portfolio investment products, as well as specific products such as bond intermediation, TDs, Tidis (tax refund tittles), shares, its own Money Market Collective Investment Fund and Fiduciary's funds. In addition, it was able to execute transactions for local and international institutional clients in the fixed income and local equity market, relying on BBVA's relationship with these clients locally and globally.

On the other hand, and as a result of the relationship with the Group, BBVA Valores has agreements with BBVA Colombia's suppliers, ensuring the provision of high-quality services, while optimizing costs.

The best team: BBVA Valores has a team of upright people committed to the Group's objectives, that when working together, creates opportunities to offer excellent service to customers. The Brokerage's own internal areas work and cooperate permanently with Group companies in Colombia, always focused on meeting proposed goals to always provide the best service.



INTERNAL CONTROL AND COMPLIANCE

BBVA Group has a general risk management and control model appropriate to its business model and organization, which allows it to perform its activity within the strategy and regulatory body framework, as well as adapt to a changing economic and regulatory environment.

BBVA Colombia adopts the Operational Risk definition proposed by the Financial Superintendence of Colombia (SFC) which establishes:

“The possibility that the Entity incurs losses due to deficiencies, failures or inadequate functioning of processes, technology, infrastructure or human resources, as well as the occurrence of external events associated with these. This includes legal risk.”

Legal Risk is defined as:

“The loss possibility for being sanctioned or forced to compensate damages for breaching rules or regulations and contractual obligations.”

Likewise, the BBVA Group adopts the Operational Risk definition established at any time by competent authorities. Currently, the Bank for International Settlements in Basel (BIS) defines that:

“Operational Risk is that which can lead to losses as a result of human error, inadequate or faulty internal processes, systems failures and as a consequence of external events, including legal risk.”

This definition includes compliance, conduct risk, money laundering and terrorist financing and excludes strategic and/or business risk and reputational risk. However, reputational risk management, entrusted to the Reputation (communication and image) unit, is done in coordination with operational risks to the extent that this occurs as a result of operational events.

BBVA Colombia has developed a definition of Operational Risk to define its management scope, as follows:

“Operational risk materializes in losses caused as a result of human error; inadequate or faulty internal processes; inappropriate conduct towards customers, in the markets or against the entity; money laundering and terrorist financing; systems or communications failures, interruptions or deficiencies, theft, loss or misuse of information, as well as deterioration of its quality, internal or external fraud including, in all cases, those derived from cyberattacks; theft or physical damage to assets or persons; legal risks, risks derived from workforce and occupational health management, and inadequate service provided by suppliers as well as damages derived from extreme weather events, pandemics and other natural disasters”.

BBVA Colombia’s Operational Risk management is covered by the Group’s internal control model, it is structured in 3 differentiated lines of defense, which constitute the organizational structure and aim to comprehensively manage risk life cycle.

BBVA Colombia has an internal control model with 3 lines of defense, covering human error, system failures, cyber-attacks and external events.

3-line defense model

The management model is structured in 3 defense lines:

- **First line (1LdD).** This is made up of the Business and Support areas, **responsible for the management of operational risks in its products, activities, processes and systems; which identify and assess operational risks,** for which they must execute controls and mitigation plans for those risks with a higher than acceptable residual level. To support the units in managing risks and ensuring a control environment within these, there is a Risk Control Assurer (RCA) in place.

- **Second line (2LdD). This is led by the Internal Control and Compliance Vice presidency, which reports directly to the Chief Executive Officer and is composed of:**

  - Internal Control and Country Operational Risk, it is responsible for **designing and maintaining the operational**

risk management model and assessing the degree of application within the scope of the different areas and the Risk Control Specialists (RCS), in the areas of compliance, risks, finance, processes, technological security, physical security, information and data security, legal, persons and third parties.

- **Risk Control Specialists (RCS) define the Mitigation, Control and Monitoring Framework** in their area of expertise and contrast it with the one implemented by the first line. They act in a transversal manner, exercising their function in those areas in which the operational risks of their field of specialization may materialize.
- **Communication and Image, responsible for managing reputation risk,** in coordination with the internal control model in those cases in which reputational risk derives from operational events.

- **Third line (3LdD).** It is addressed by Internal Audit, which conducts an independent management model review.

Operational risk governance model

BBVA Colombia has a specific governance model for operational risk management, which is implemented through different committees:

Corporate Assurance Committee

Its main function is to provide Senior Management with a comprehensive and homogeneous main non-financial risks view, control environment relevant situations, main reputational risks self-assessment results, Volcker Rule supervision and Security and Cybersecurity Committee activity Information. This allows it to implement measures in advance to mitigate these risks, or to assume them within the appetite thresholds defined by the Group.

In line with the discussed aspects relevance and decisions scope, the forum is composed by the Chief Executive Officer (President) and the Management Committee, with the attendance of the Internal Control and Country Operational Risk Unit (Secretariat).

The main non-financial risks and relevant issues faced by BBVA Colombia, known as "issues", are escalated and dealt with in previous instances (working groups), with the assistance of the 3 lines of defense, which allows to anticipate action plans aimed at mitigating their effects.

The main responsibilities of this Committee are focused on:

- Analyze the issues, approve the proposed action plan, assign the priority and designate the person in charge of coordinating, follow up until the risks are considered mitigated and approve closing issues.

BBVA Colombia applies a 3 lines of defense model, which is aimed at the integral management of the risk life cycle.

- Make decisions on proposals received for assuming risks.
- Monitor compliance with the Volcker Rule and the activity of the Data Security & Protection Committee.
- Monitor the Non-Financial Risks model.
- Follow up on "critical" and "significant" recommendations, overdue and about to expire.
- Follow up on recommendations or relevant aspects submitted by external auditors and supervisors.
- Monitor existing risks in most relevant regulatory requirement implementation.

Operational Risk Admission and Product Governance Committee (CARO&GP for its acronym in Spanish)

Its objective is to ensure adequate assessment of initiatives with operational risk (new businesses, products, outsourcing, process transformation, new systems, among others) from the operational risk perspective and proposed control framework approval. In the same vein, it strives to comply with the Product Governance Policy, to protect the customer interests and comply with regulations on financial consumer protection in all BBVA Colombia entities.

Assumption as a stage of the operational risk life cycle has evolved comprehensively to leverage business processes and contribute to the Group's sustained growth. In this regard, improvements have been made to optimize assumption, as follows:

- In advance definition of initiatives subject to assumption through the operational risk admission flow.
- Control formalization to ensure that the framework and the defined control requirements (conditions) are implemented prior to implementation and/or operation.

Over 2024, 125 initiatives went through the admission flow, which were delegated to 4 instances:

- 4 in the CARO&GP forum, associated with initiatives with TIER 1 corresponding to the Brickell project.
- 66 in the CARO&GP forum (outsourcing: 34; process reengineering: 20; new business: 4; new products: 3; technological changes: 2; new services: 2; new channel: 1).
- 15 were approved in 2LdD, presented at the WG forum and approved by the CARO&GP Secretariat under control considerations issued by the RCSs (outsourcing: 7; process reengineering: 5; technological changes: 3).

- 40 in 1FoD presented at WG forum and approved by the RCA under the considerations of the RCSs and the Secretariat's review (outsourcing: 19; process reengineering: 13; techno-logical changes: 5; and new products: 3).

Activity development concluded with the generation of 275 conditioning factors by the Risk Control Specialists, necessary considerations and strict compliance by the first line (1LdD). These make it possible to guarantee, shield and strengthen possible non-financial risks in the initiatives over implementation.

Internal Control and Area Operational Risk Committee

Its objective is to ensure operational risk management model implementation to promote its active management. It makes mitigation decisions in case control weaknesses are identified and monitors relevant rules and/or regulations, both internal and external, in force or about to come into force. This includes area processes, as well as relationships with customers and third parties, and, consequently, the control of the environment.

The Committee must be attended by the unit's management team, with executive capacity to make decisions during its meeting, as well as the Risk Control Specialists who cover the main risks presented.

Compliance risk and conduct

The BBVA Group has a Code of Conduct that states that:

"... All BBVA members must behave in a manner that respects applicable laws and regulations, in an honest and transparent manner, with the prudence and professionalism that corresponds to financial activity social impact and the trust that our shareholders and customers have placed in us."

It also establishes that the **BBVA Group is committed to acting with honesty, respect and responsibility in its relationship with customers, employees, society and with the company itself;** and to know and respect the limits, acting in accordance with the law, the Code of Conduct and its internal regulation.

To put this commitment into practice, BBVA Colombia relies on a control model that includes elements involved in the management of non-financial risks, such as the Compliance System, made up of a set of policies, rules and procedures (internal regulation); the organizational scheme, governance, tools and technological solutions put in place to ensure that the organization's conduct and that of its employees is in line with Group values.

This System seeks to prevent, mitigate and manage the so-called Compliance and Conduct Risk, understood as:

"Risk of significant financial or reputational loss that BBVA may suffer: i) As a result of failing to comply with laws or regulations regarding the prevention of money laundering, conduct with customers, conduct in the markets or protection of personal data; ii) As a result of non-compliance with internal regulatory standards; or iii) As a result of conduct that involves breaches attributable to the entity that may cause damage to customers, employees, the integrity of the markets or the company itself".

According to the definition of Compliance and Conduct Risk set forth above, the following are understood as Compliance and Conduct Issues integrated into the prevention, mitigation and management of such risk:

BBVA Colombia manages compliance and conduct risks with **a model that promotes integrity, legality and responsibility.**

- Prevention of money laundering and the financing of terrorism, as well as compliance with sanctions and restrictions imposed by national and international law.
- Conduct in the securities market and market abuse prevention, including Internal Rules of Conduct application in the Securities Market.
- **Customer protection when creating or distributing banking or financial products or in banking or investment services provision,** including transparency in the information provided, the product adequacy to their profile and needs, and the fair customer treatment.
- Conduct integrity within BBVA Group, understood as the dissemination, promotion, application and promotion to maintain up to date the Code of Conduct and its implementing regulations, including corruption prevention, competition defense of, and conflict of interest prevention.
- Personal data protection, according to law and regulatory requirements, applicable at any given time.
- Group internal regulation standards coordination and promotion.

In 2024, the Compliance System continued to be strengthened to give greater independence to the functions of the second line of defense, promoting an organizational level in accordance with the internal control model. With an adequate organizational structure and a clear assignment of roles and responsibilities, BBVA Colombia's Compliance area fully met the objectives focused on aspects such as the following:

- Properly manage and mitigate risks in their fields.
- Actively participate in the Operational Risk Admission and Product Governance Committee.
- Provide support and accompaniment to BBVA Colombia's commercial management.
- Strictly comply in send internal and external reports.
- Respond in a timely manner to government control and surveillance entity requirements.
- Maintain training and communication strategies on compliance issues to further strengthen the ethical culture in the entity and review policies, procedures and manuals related to the function, in order to verify proposed preventive measure effectiveness, their validity and effective compliance, making pertinent modifications in each case.

During the year, the monitoring internal regulations updates, published on BBVA Colombia Internal Regulation Portal was consolidated. With the aim of strengthening regulatory framework and its development application, several work lines were implemented focused on guaranteeing quality information, making systematic reports to senior management and impacted areas, preparing support training material and executing complementary actions. These initiatives were taken in coordination with the Internal Control team, which made it possible to formalize and expand monitoring in the different bank areas.

In addition, within BBVA Group's Data Quality and Governance regulation framework, the T&C areas were asked to validate information quality related to training and disciplinary processes, and the Engineering area was asked to verify Financial Crime Prevention information, in order to certify data quality reported for compliance.

Business integrity

2024 was significant for BBVA Colombia in its constant commitment to business integrity, betting on continuously improving policies and practices, in order to ensure a relationship based on integrity with all stakeholders, as reflected in the Bank's values, its leadership model and its Code of Conduct. For this reason, various activities were carried out:

- **The framework for controlling conduct risk in BBVA Colombia's entities was strengthened** through guideline definition by the area as part of the second line of defense, supporting the different areas in the implementation of standards, controls and procedures aimed at strengthening BBVA Group's integrity culture.
- Support was provided to BBVA Colombia's entities in meeting the Supervisor's requirements related to conduct risk, especially with information provision to financial consumer monitoring throughout different product life cycle.
- Follow up on the implementation and assessment of the Anti-Corruption Program within the established Policy framework continued, following corporate and BBVA Group Board of Directors guidelines.
- New and existing measures and controls were strengthened and documented to mitigate corruption risks in an appropriate manner, as well as engaging in measures promotion to address opportunities for improvement.

In addition, **the Code of Conduct was modified in order to align its content with the internal regulations developed and best industry practices.**

Among the adjustments made, the following stand out:

- The development of other professional activities by BBVA Colombia employees regulation was included in Other Professional Activities Standard, within the scope of Talent & Culture.
- A reference to the General Anti-Corruption Policy, specifying the incompatibility periods applicable to the hiring of public employees was included.
- A general section on the appropriate use of artificial intelligence was included.
- A reference to the General Sustainability Policy adopted by BBVA Colombia, reinforcing its commitment to respect human rights was included.
- The glossary, replacing the "gifts and personal benefits" definition with "personal benefits", in line with General Anti-Corruption Policy and Gifts and Events Regulation provisions, was updated.

In addition to the above:

- Whistleblowing Channel management continued, in compliance with the principles established in the Code of Conduct, adopting a Whistleblowing Channel Management Policy that includes applicable principles on whistleblower bona fide protection, whistleblower and information revealed confidentiality, as well as procedure objectivity and impartiality . Likewise, training and permanent communication for officials on code content and channel use were promoted.
- In addition, Code and Whistleblowing Channel tool content dissemination, applicable to all BBVA Group entities, was maintained, with parameters that allow for the registration, monitoring and traceability of communications, guaranteeing received complaints confidentiality and anonymity in the Compliance area.
- The promotion to use the tool to Register Gifts and Events, which aims to detect undue influences on or from third parties, was continued through training campaigns, communication and the monitoring of indicators on the matter in the Corporate Integrity Management Committee and in the Boards of Directors of BBVA Colombia entities.

- Individual and synthetic indicator design, implementation and monitoring continued to prevent and detect possible bad sales practices, financial consumer protection regulation breaches, and to analyze the complaint causes filed by BBVA Colombia customers.

- The requested reports related to the Code of Conduct, Whistleblowing Channel, Complaints and applicable regulations on consumer protection, personal data protection, Smart supervision and Customer Compliance Indicators were sent to the Corporate offices.

- The second-line functions in the area of Personal Data Protection continued to be strengthened, with the aim to protect and ensure the proper treatment of personal information obtained by BBVA Colombia entities in business development activities, from their customers, shareholders, employees, administrators, suppliers, users or other persons with whom they interact.

- In addition, we participated in the risks and controls review in order to update Corporate Compliance, Customer Compliance, and Personal Data Protection area matrices and adapt these for BBVA Colombia entities, according to corporate guidelines. The objective is to align these with the methodological criteria, structures and new tools implemented in the entity.

- The regulatory framework and risk matrix in the area of personal data protection review continued to ensure a homogeneous regulation application that allow for the adoption of standards and tools in all BBVA Colombia entities.

- As part of the continuous work to improve the function, controls were reinforced and measures were established to strengthen the 3-line of defense model, based on the area's review and risk analysis. We Participated in action plan design to address detected improvement opportunities.

- Integrity area applicable regulations were reviewed and Internal Regulation Framework contents and validity were updated, as well as its publication on the Internal Regulation Portal.

Standards of conduct

GRI 2-23, 2-24, 205-1

BBVA Group's Code of Conduct establishes behavior guidelines that reflect its principles of prudence, honesty, transparency and integrity, aligned with corporate values. Its objective is to ensure that the customer is the priority in all functions, driving a team that aspires to great goals and directs its actions in a coordinated manner, towards local and corporate objective achievement, maintaining strict and high conduct standards.

In order to strengthen code awareness and knowledge, the Bank implemented a mandatory corporate course for all its employees. This course includes messages from Senior Management members on various conduct aspects to be considered in daily activity, thus reflecting the commitment and importance that the BBVA Group's Senior Management attaches to consolidating a compliance corporate culture in the entity: "tone from the top".

At the end of December 2024, 5,448 Bank employees (94%) successfully completed this course.

In this context, one of the main tasks carried out in 2024 by the Compliance Unit was continuous advice on the application of the Code of Conduct. Specifically, formal attention was provided to individual queries of various kinds through the Consultation Channel. These consultations were related, among other topics, to conflicts of interest management, gifts and/or personal benefits delivery or acceptance, event attendance and organization, and other professional activities performance.

Both the Code of Conduct and the Anti-Corruption Policy define the framework for action by BBVA Group entities to prevent, detect and report corrupt practices or risk situations, establish specific guidelines for behavior in sensitive areas or activities, facilitate situation identification that require special caution and, in case of doubt, provide adequate guidance in all the Bank's processes to assess corruption-related risks.

The Anti-Corruption Policy identifies activities likely to be exposed to corruption risk and establishes clear and mandatory guidelines for all employees, including administrators, managers and employees. In some cases, these guidelines may be extended to third parties or entities with which the Bank has business or professional ties.

Among the activities covered are:

- Offering, giving, and accepting gifts or personal benefits

- Promotional events

- Donations and sponsorships
- Relationships with suppliers, agents, intermediaries and business partners (mergers, acquisitions and joint ventures)
- Facilitation payment provisions
- Personnel recruitment
- Expenditure provisions
- Transaction posting and recording

In addition, **BBVA Colombia has specific policies such as the Anti-Corruption, Customer Conduct and Product Governance Policies, Conduct in the Securities Markets, Competition, Conflicts of Interest and Money Laundering and Terrorist Financing Risk Management System.** These policies develop the principles contained in the Code of Conduct, incorporating specific rules and establishing guidelines for action expected of the members of BBVA Colombia's institutions in each of these areas.

Consumer protection

In compliance with SFC Circular 019/2021 and Securities Market Self-Regulator Circular 116/2021 provisions, during 2024, the Compliance area continued its participation in training sessions and meeting in timely manner Securities Market Self-Regulator requirements, as well as those of control bodies on integrity issues.

BBVA Colombia provided support to its entities in implement controls to ensure compliance with external and internal regulations, including the review to implement Decree 1239/2024, which amended Decree 2555/2010 in relation to the instruments that contribute to the liquidity of the securities market and established provisions to comply with the duty to advice.

Within the Global CPR Program framework, a work plan was established with a projection until 2029, aimed at strengthening the relationship with customers and achieving a deep knowledge of their behaviors and expectations.

This plan includes 11 lines of work:

1. Listen and know the customer
2. Position BBVA under the concept of "projective accompaniment"
3. Red lines or minimum service standards
4. Eliminate negative customer experiences
5. Clearer communications
6. Rethinking products based on customer experience
7. Product and services innovation
8. Financial Coach
9. RCP culture for all employees
10. Superbanker: How Officers Support Customers
11. Empower Sales Managers as "Brand Owners"

Although the business areas are the front of the program and are responsible for defining the RCP strategy, the different BBVA entities' areas in Colombia, including the Compliance area, are responsible for ensuring these lines of work implementation within their competencies. In addition, they must continue to ensure compliance with internal regulations on customer conduct.

Personal data protection

BBVA Colombia, in compliance with local regulations, has a Personal Data Processing Policy, privacy notices and internal regulations, which establish the principles and guidelines for the proper handling of the personal data to which it has access, including that of customers, suppliers, employees and third parties.

These internal regulations are reviewed and updated periodically, in accordance with Internal Regulation Framework provisions.

In 2024, the second-line specialty in Personal Data Protection, attached to the Compliance area, continued to supervise and control compliance within BBVA's entities in Colombia. In addition, following a review done by Compliance Testing, **action plans were implemented to strengthen control and monitoring of suppliers who have access to personal BBVA Colombia customer or employee data.**

GRI-205-2

In 2024, BBVA Colombia maintained communication and training activities related to anti-corruption policies and procedures aimed at officers and boards of directors. Email communications were sent to the entire workforce, addressing issues related to the Code of Conduct, and it was ensured that 100% of employees enrolled in the mandatory training on the General Anti-Corruption Policy, Conflicts of Interest and Code of Conduct through the Campus Platform, which had to be completed before the year end.

Regarding the third party Anti-Corruption Policy communication, BBVA Colombia released a public statement on its website that summarizes its content. Likewise, on the supplier portal, it made available to its suppliers, the Code of Conduct, where section 5.3 details information on this policy.

In terms of training, between January and November 2024, 97.8% of the workforce as of December 2024 completed the anti-corruption course. This course was updated in December 2024. Table 93 reports the status of the course completed for BBVA's vice presidencies based in Bogota. This course was updated in December 2024, broken down as follows:

Table 92. Course status "completed" by Management Level

	Number	Percentage
Management level II	11	100%
Management level III	172	99%
Management level IV	1,728	99%
Management level V	2,138	99%
Management level VI	1,084	90%

Table 93. Course status "completed" by Vice-Presidencies

	Number	Percentage
Corporate and Government Banking	404	99%
Retail Banking Colombia	2,297	95%
BBVA Research	5	100%
Client Solutions	429	100%
Colombia	2	100%
Communication and Image	7	100%
Internal Control and Compliance	46	98%
Corporate & Investment Banking	135	100%
Branch Network Direction	3,077	94.6%
Financial	159	100%
Engineering & Hod	1,073	99%
Internal Audit	34	100%
Others without a structural position Colombia	3	50%
Risks	375	99%
Legal Services and General Secretary	36	100%
Talent & Culture	177	100%

Table 94. Course status "completed" by regions

Department	Number	Percentage
Amazonas	8	100%
Antioquia	336	99%
Arauca	13	100%
Archipiélago de San Andrés y Providencia	5	100%
Atlántico	175	96%
Bolívar	59	95%
Boyacá	55	100%
Caldas	51	91%
Caquetá	12	75%
Casanare	56	100%
Cauca	27	100%
Cesar	49	89%
Chocó	5	83%
Córdoba	57	89%
Cundinamarca	108	93%
Distrito Capital de Bogotá	3,194	98%
Guaviare	4	100%
Huila	39	75%
La Guajira	38	93%
Magdalena	48	85%
Meta	66	94%
Nariño	42	98%
Norte de Santander	48	88%
Putumayo	33	100%
Quindío	25	100%
Risaralda	44	100%
Santander	153	98%
Sucre	26	96%
Tolima	75	97%
Valle del Cauca	261	95%
Vaupés	3	100%
Vichada	5	100%

*The regional data does not include the 11 management level 2 positions, as all 11 employees are based in the city of Bogotá.

Likewise, communications were sent to all employees, reminding them of the guidelines established in the Code of Conduct through the AIDía mailbox. Specific channels were also provided to report conduct contrary to these guidelines or to raise queries about any Code of Conduct provision.

On the other hand, training on corruption was provided to 100% of the members of BBVA Colombia Board of Directors, updating the corresponding regulations.

Regarding business partners, as of December 31, 2024, there were 16,305 third parties and suppliers whose contracts include obligations and guidelines for behavior in anti-corruption matters.

Whistleblowing channel

FN-CB-510a.2

In 2024, the Compliance Area disseminated the Whistleblowing Channel as the main mechanism for managing conduct risk in the BBVA Group. This was done through the socialization of the tool designed for the reception of complaints and , mainly, through virtual training. Legal update training contents were reviewed and reinforced through the Legal Requirements course, which was completed by 94% of employees. In addition, communications with content and case studies were sent through the AIDía mailbox, with the support of Talent & Culture and Responsible Business areas.

In addition, **the General Policy for the Management of Communications in the Whistleblower and Whistleblower Protection Channel was adopted.** This policy ratifies BBVA Colombia's commitment to the fight against corruption and the protection of those who report internally on conduct that is not aligned with existing legislation, the Code of Conduct or Internal Regulations. Policy highlights include:

- General Whistleblower Protection Principles.
- Communication management procedure description in BBVA Group's Whistleblowing Channel.
- Retaliation prohibits or other adverse consequences against good faith whistleblowers.
- Obligation to maintain confidentiality regarding informant identity and to comply with regulations on personal data protection.

In the different campaigns, it was emphasized that through the Whistleblowing Channel, BBVA Group entities' employees, customers and suppliers can report any breach they observe or are informed of, reminding them of their obligation not to tolerate behaviors that deviate from the Code.

The Compliance area has diligently and promptly managed complaints received, promoting verification and promoting resolution measures, according to whistleblowing management channel procedures. An information analysis has been done in an objective, impartial and confidential manner.

Main aspects that can be informed through the Whistleblowing Channel

RESPECT FOR PEOPLE	TRANSACTIONS LOG
• Work environment • Nondiscrimination	• Collection appropriation • Customer appropriation • Credit concessions • Inactive account appropriation • Accounting manipulation • Third party favoring
BREACH OF LAW	**MARKET INTEGRITY**
• Laws, decrees • Resolutions or bulletins issued by regulators	• Insider information use • Conflicts of interest • Market manipulation

Anti-corruption and other aspects

2024 was an important year for BBVA Group within the Global Integrity Plan framework, in a challenging and innovating environment, continuing its efforts in Code of Conduct review, adoption and dissemination. Training and content updating programs were designed **considering internationally recognized anti-corruption and integrity good practice standards** and BBVA Group's Anti-Corruption Program implementation monitoring.

To implement the Program, controls were strengthened and participated in adopting and following up on audit actions derived commitments.

Likewise, training sessions focused on new groups, to reinforce contents aimed at mitigating risks in terms of anti-corruption, consumer protection, conflicts of interest, prevention of money laundering and financing of terrorism, market conduct, personal data protection, as well as to optimize attention to petitions, claims and complaints.

In terms of consumer protection, the Customer Conduct and Product Governance Policy was adopted, which establishes the principles that the BBVA Group must observe when assessing product and service characteristics and risks, as well as when defining distribution conditions and monitoring, in such a way that customers' interests are considered at all times and applicable regulation compliance is guaranteed, observing transparency, adequacy and fair treatment principles.

Throughout the year, a duly completed checklist of minimum compliance requirements continued to be requested before issuing an assessment from Compliance for any outsourcing initiative, as well as for the products and services offered aimed at the open market or BBVA Group clients. In addition, the section on Product Governance related to investment products was included in the CARO&GP forum, in order to comply with regulations regarding advisory activity, monitoring the target market, client profiling, product classification, distribution strategy, training, indicators, conflicts of interest, among others.

Additionally, in 2024, the Compliance area, together with Talent and Culture, worked on the Communication Campaign **"I do respect, I am BBVA" and "Captain BBVA," aimed at reinforcing the integrity and respect culture, creating trust spaces, in confidentiality and permanent awareness environments,** Code of Conduct dissemination and integrity and respect culture.

The "Do the Right Thing" campaign also continued, promoting integrity, honesty and transparency principles, disseminating the importance to act according to BBVA Group values in all activities in which it participates.

On the other hand, action plans established by the Compliance Area, established by control and supervisory bodies, were met within the deadlines, and permanent monitoring and accompaniment was made to other entity areas, fulfilling assumed commitments.

There was active participation, in a transversal manner, in committees and meetings, in different entities and at different levels, issuing concepts that involved those aspects that are within its competence, as well as in all those in which it had a voice and vote considering the nature of the functions that are part of it.

Finally, compliance plans were promoted in Compliance Function Statute provision development, approved by the board of directors, in order to prevent, mitigate and manage the so-called Compliance and Conduct Risk.

GRI-205-3, 206-1

It is important to highlight that in 2024 **the Bank did not have knowledge of confirmed corruption cases** and did not receive legal actions for corruption cases, and therefore, it was not necessary to take disciplinary measures, terminate contracts or initiate legal proceedings related to this issue. In addition, no legal actions related to unfair competition, monopolistic practices or public legal cases were received.

Financial Markets & Sustainability - FM&S

The activity expansion related to trade and communication surveillance in the securities and foreign exchange markets field was aligned with BBVA Group's strategic objective to consolidate itself as a digital bank, by migrating existing scenarios to Datio and parametrizing new behavioral typology monitoring tools during 2024.

The FM&S specialty continued to be a reference point in BBVA Colombia's entities, thanks to the efforts made in the development of a regulatory framework adapted to business particularities. Concepts were issued continuously and monitoring scenarios were strengthened to generate effective alerts related to alleged behaviors associated with Market Abuse.

In this area, management reports were submitted to the Board of Directors and the Compliance area Operational Risks Committee, and the following activities were completed:

- A monitoring scenario was established in the mitigation and control framework associated with regulatory license compliance. Through this parameterization, preventive 2LdD typical controls were implemented, based on the data available and provided by supervisory entity portals for the group subject to certification duty.

- The mitigation and control framework for hybrid work schemes was consolidated, adjusting the entity's processes related to the use of confidential, privileged and/or confidential information, supported by the specialty challenge.

- A scenario was incorporated to monitor the use and manage privileged information, using SFC available data, the trading systems and other tools available to the entity.

- Training and communication on ICR (Internal Conduct Regulations) contents to persons subject continued.

- Internal and external training were done related to the duty of certification for the groups responsible for complying with the licensing duty.

- Progress was made in monitoring scenario design, structuring, implementation, and strengthening by participating in technological infrastructure projects to prevent practices constituting market abuse under patterns associated with conflicts of interest when contributing to benchmark indices in order to comply with internal regulations.

- The challenge was generated, from the second line of defense, to develop controls required to establish a secure remote work environment from BBVA Group entities money desks, with the aim of complying with external regulations related operations, confidential and privileged information monitoring and conflict of interest disclosure for activities related to securities intermediation done in hybrid workspaces.

- The requested reports were sent to the Corporation related to: ICR, Own account operations, management limits, separate areas, market abuse and special measures generated by the different work modalities.

- The area participated in risks and controls review aimed at updating the area matrices and their adaptation, in accordance with corporate guidelines in order to align these with the methodological criteria, structures and tools implemented in the entity.

- The challenge of existing controls to prevent and mitigate FM&S' own risks was done. During this process, it was evident that the Entity has the tools that contribute to prevent market abuse. These tools are supported by executing scenarios on both corporate and local platforms, generating alerts that are analyzed to prevent inappropriate conduct by officials, which could lead to infraction materialization in the securities market, as well as possible breaches related to licensing.

- Work was done with the business areas related to privileged information and special confidential projects, to ensure compliance with confidentiality obligations and mitigate improper use of privileged information risk by people with access to it.

- Participated in Colombia Standards Working Group sessions, whose purpose is "To ensure good governance, implementation and technical rigor in activities eligibility that can be classified as sustainable and/or linked to sustainability in order to subsequently count it for sustainable mobilization KPI purposes and the objectives for mobilizing BBVA's sustainable business in Colombia."

- The Securities and Foreign Exchange Market Integrity Committee was created, whose main purpose is the joint analysis of: "i. Market abuse alerts that may lead to supervisory body notification due to the potential impact on BBVA participating market integrity. ii. Potential non-compliance cases with certification duty."

BBVA Colombia strengthened controls for hybrid work, insider information monitoring and market abuse prevention, aligning with sustainability and regulatory compliance standards.

- FM&S area applicable regulations were reviewed, making required adjustments in accordance with the Internal Regulation Standard and updating Portal publications.

- The area participated in information attention, consolidation, submission and in action plan execution, as well as in preparing responses to regulators, by virtue of requirements received related to licensing.

- Securities Market Self-Regulator requirements, as well as those of control bodies, were met in a timely manner.

- Review of alerts and preparation of reports related to market activity were managed as part of the second-line Internal Control and Compliance functions.

- Alert review and report preparation, related to market activity was performed, exercising Internal Control and Compliance second line functions.

- Actively participated in regulatory framework review and implementation that impacts Sustainability Policy in BBVA entities.

Money laundering, terrorist financing and weapons of mass destruction proliferation financing risk

Money laundering, terrorist financing and proliferation of weapons of mass destruction financing (hereinafter, "AML&CFT") prevention is, above all, a constant in the objectives that BBVA Colombia relates with its commitment to improve the different social environments in which it operates.

For BBVA Colombia, preventing its products and services from being used for criminal purposes is also an essential requirement to preserve corporate integrity and, with it, one of its main assets: trust of the people and institutions with which it interacts on a daily basis (customers, employees, shareholders, suppliers, etc.).

To achieve this goal, BBVA Group, as part of a global financial group with branches and subsidiaries operating in numerous countries, has a corporate risk management model that encompasses all compliance issues. This model not only considers Colombian regulation but also incorporates best international financial industry practices in this area, as well as the recommendations issued by international organizations such as FATF (Financial Action Task Force).

It should be noted that the AML&CFT's risk management model is constantly evolving and subject to continuous independent review.

In particular, the risk analyses performed make it possible to strengthen controls and, where appropriate, establish additional mitigation measures to strengthen the model.

In 2024, BBVA Colombia continued to strengthen the aforementioned model, for which it completed important actions focused on preventing illicit origin funds from accessing and using the financial system. In compliance with current regulations and in response to recommendations issued by the Colombian Financial Superintendency, the following activities were performed:

- Actively participated in the development of activities in the CSF (Comprehensive Supervision Framework) established by Financial Superintendence of Colombia's Delegation for Money Laundering and Terrorist Financing Risk, generating knowledge and new methodologies to manage AML&CFT risk more efficiently, contributing to the strengthening of AML&CFT prevention programs in the financial system.
- The Entity's external context variables were updated, which made it easier to adjust the AML&CFT risk matrix and the inputs for the profiling of risk factors, as well as to review the methodology for segmenting these factors. This made it possible to provide an adequate and precise response to the geographical environment in which the Bank has a presence and/or in which its customers carry out their economic activity.
- The pieces that would make up the KYC Program started being implemented with the participation of the Business Process Engineering and Compliance teams, both locally and at the holding. This was intended to join forces and coordinate initiatives related to improving customer updating and documentation, broadening customer knowledge perspective and moving from a conventional or reactive approach to a proactive one. This program will continue for the next three years.
- The local FCPH (Financial Crime Prevention Hub) was implemented with adjustments in procedures, regulations and organizational structure updating, ensuring that the responsibility for the design, implementation and monitoring of the AML&CFT model will continue to be developed in the Compliance area, as well as the governance model between the two areas.

The bank strengthened its model for preventing money laundering and the financing of terrorism, ensuring financial security.

- The graph model (customer relationship) was implemented in order to improve understanding and analysis, supported by new technologies, and the construction of the single data model and the initiatives related to data mining models were continued.
- SFC and State investigation agencies requirements, as well as those of control bodies, were met in a timely manner.
- Special risk-based studies were done, following the established analysis methodologies.
- The area's internal process management application continued to be strengthened, automating sources and establishing controls in the tool to guarantee management integrity and traceability in each operational line.
- The study of MLFT (Money Laundering and Financing of Terrorism) typologies applicable to the entity's business continued, as well as specific groups review and local monitoring scenarios to make adjustments and calibrations required in the model, in order to detect

possible money laundering and terrorist financing operations.

- Participation in the Information Update Committee continued, which seeks to analyze and assess strategies and processes to obtain and update customer information in the branch network and through mass processes, in order to improve population indicators, customer information quality and updating.

- Shareholder and client legal entity final beneficiary database completion management and monitoring continued, by the Network Directorate, maintaining acceptable database completion percentages.

- Control monitoring and corresponding risks and controls surveys were conducted every six months.

- Specific controls continued to be implemented to identify and prevent potential transactions involving virtual currencies.

- The centralized review of monitoring scenarios continued as part of the continuous improvement plan for BBVA Colombia companies. Also with the implementation of the Bank's transactional monitoring tool, capable of processing source data and dynamically applying criteria and rules to detect potentially unusual transactions.

- Participated in the Admission and Operational Risk and Product Governance Committee, issuing concepts for new products and services, ensuring compliance with applicable MLTF regulations.

- The updates to the matrix for "AML&CFT Risk Management" were adjusted and approved by the Board of Directors, complementing those existing for managing other risks such as operational or typically financial.

- Internal MLFT area regulations were adjusted and published on the Internal Regulation Portal, considering the Internal Regulation Standard and the new risk matrix.

- The improvement plan, to address SFC previous year's visit report recommendations continued. The report concluded that the Entity understands the threats that may lead it to be used for MLFT operations, has an effective AML&CFT System and a risk matrix in accordance with supervision expectation, which can be improved in regard to cause identification and control design and execution for some risks. **Improvement suggestions raised by the Internal Audit in reviewing the AML&CFT System for the period were addressed, resulting in an adequate opinion.**

Internal control and country operational risk

Internal Control and Country Operational Risk is the unit responsible for defining the instruments, methodologies and procedures for the Bank to effectively manage operational risks, according to the guidelines, stages and elements provided for in the local operational risk and internal control regulation, particularly those included in the Basic Accounting and Financial Memorandum's Chapter XXXI - Comprehensive Risk Management System (SIAR for its acronym in Spanish), and the Basic Legal Memorandum's Part I, Title I, Chapter IV - Internal Control System (ICS).

The unit has an anticipatory and preventive approach ("ex ante") to cause analysis for their mitigation, and another that measures the consequences ("ex post") through established control effectiveness, in order to define transversal action plans and achieve a continuous control environment improvement.

This methodology allows potential and real operational risks identification, based on reviewing processes, standards and regulations in place, applying self-assessment techniques, which are completed and contrasted with other relevant internal and external information. It also generates analyses to prioritize risks, with the aim of separating critical risks from those that are not; and also the identification, documentation, mitigating factors and controls testing that contribute to risk reduction, allowing for residual risk to be calculated based on their effectiveness.

Operational risk appetite

BBVA Colombia **has a Risk Appetite Framework integrated into the General Risk Control and Management Model approved by the Board of Directors.** This framework is the fundamental element in risk management and allows determining the level that the Bank is willing to assume to achieve objectives expressed in solvency terms, with a yearly review.

Operational risk management is aimed at identifying its root cause, in order to prevent its occurrence and mitigate its possible consequences, by establishing control and monitoring frameworks and developing mitigation plans. This is done with the aim of minimizing economic losses, reputational consequences and the impact on the recurrent results generation. In order to measure this, the following is available:

- **Operational Risk Appetite Indicator (ORI).** This shows the ratio of net losses materialized as a result of operational risk events to gross margin. This is calculated and monitored on a monthly basis and the limit is approved by the Board of Directors.
- **Management Limits.** These are associated with relevant risks (digital and physical fraud, people management, transaction processing, technology, information security, compliance and conduct, legal contingencies, third parties and taxes) and followed up in different control committees, executive committees, Board of Directors and corporate bodies.

High-Quality Event Logging

According to the certification extended by the SFC on July 19, 2022, **the Bank has used its high-quality operational risk event registry to determine the Loss Component (LC),** input required to calculate the "Value of Exposure to Operational Risk (VerRo)", which has led to a capital reduction, related to operational risks, of approximately COP 2 Trillion in 2024.

CORMF TOOL (Comprehensive Operational Risk Management Framework)

A specialized **technological tool for operational risk management is available,** which facilitates the homogeneous development of the methodology, based on identifying risks by processes, control documentation, inherent risk assessment, residual risk and model weaknesses monitoring, on which action plans are determined and are managed and documented in the tool.

In addition, there are modules related to admitting operational risk and generating reports that accompany the integration and the methodological components of risk management review.

Operational risk culture

With regards to the prevention culture, in conjunction with the Talent & Culture area, training activities were made for the staff. Virtual and legal courses were made available to employees, which include aspects related to Operational Risk Management System (ORMS) and Third-Party Management, with a focus on outsourcing risk management. The OMRS training for third-party outsourcing service providers was done through Asobancaria and finished in October with the participation of an expert trainer from the entity.

Third Party - Risk Control Specialist (RCS)

It ensures compliance with regulations in terms of specialty control and discipline, at the level of BBVA Colombia. It develops its action framework for outsourcing that includes outsourcing, vendors and third parties.

Responsibility, as a control specialty, is aimed at generating mitigation and control frameworks and to challenge what has been implemented, providing greater support to units in order to **minimize risk materialization derived from inadequate relationship management with third parties** (interruptions and/or inadequate levels in the provision of services, incorrect billing, financial losses, attrition, and negative customer experiences, among others). The area of discipline manages matters related to operational risk admission in outsourcing, implementing the regulations and methodologies defined, ensuring the monitoring and reporting of initiatives to local and corporate bodies, and deploying best practices.

- **Regulatory framework.** In order to achieve third-party risk management best practices and to comply with regulatory requirements, the Outsourcing Lifecycle Management Standard was updated locally, allowing for the development of an action, control and mitigation framework that is better suited to the challenges and geography particularities. Its application scope was specified for Group companies with a stake higher than 50%.
- **Assurance.** In order to deploy the specialty's control framework, and in accordance with the service assessment by operational risk admission circuit and specialty definitions, monitoring was done to validate compliance with SLAs, billing comparisons and updated information available in the management tools.

In 2025, with the entry into force of the European DORA (Digital Operational Resilience Act) regulation, focused on strengthening digital operational resilience, it is estimated that it will cover a new scope in the perimeter of third parties, mainly limited to critical ICT (Information and Communication Technologies) services.

Processes - Risk Control Specialist

Its main objective is to **promote the general mitigation and control framework defined for the risks specific to its scope**, in order to manage and adapt these by the 1LdD, both in operational risk admission processes and in the risk model in general. Processes RCS, as a control specialty, mainly covers the following risks:

- **Fraud.** External fraud committed by a third party through a product or process in face-to-face channels, presented through the provision of fraudulent documentation or identity theft, and internal fraud due to unauthorized activities done by employees or the use or internal operational or business information disclosure. Covers all impersonations in face-to-face channels.

- **Transaction processing.** Deficiencies in product design, erroneous design and processes, models and parameterization of applications implementation; inadequate, incomplete or late execution of processes and deficiencies in product delivery, services or execution of customer instructions; errors in operational information communication and documentation loss in the face-to-face channel.

- **Data management.** Risks due to deficiencies in data governance, not related to technological aspects, encompassing the dimensions: ownership risk lack, content knowledge lack and quality lack and, from a functional viewpoint, integrity lack and not being available risk. It occurs in existing data processing processes, in order to carry out internal reporting (relevant decision-making) or external reporting (regulators, supervisors, among others), subject to the Data Governance Standard.

To support reinforcing the process plan related to control framework development, progress was made in the following lines of action:

- The following processes associated with operational risk mitigation and control framework tools were collected and recorded: i) Claims Management and ii) Fraudulent Operational Monitoring. To this end, work lines focused on ensuring process ownership, identifying the units involved, reviewing regulations, and verifying and comparing theoretical control frameworks for each of the specialties, were created.

The bank implemented new supervision and control strategies to prevent malpractice in the financial sector.

Internal Risk Control – Risk Control Specialist

The Internal Risk Control area **acts as a control unit in Risk area activities and, in general, those related to risk management and financial risk controls** (credit, markets and structural risks - liquidity, interest, exchange rate). In this regard, it verifies that the regulatory framework and the management and control measures established are sufficient and appropriate for each type of such risk.

It is also the **area's duty to guarantee a control framework on 4 basic elements: 1) Governance and organization, 2) Risk Appetite Framework, 3) Assessment, monitoring and reporting, and 4) Infrastructure.**

The Internal Risk Control area has the following dependencies:

- **CIR Processes.** It is responsible for reviewing whether financial risk control and management processes operation is adequate and in accordance with regulations, detecting possible improvement opportunities. To this end, it has an annual work plan and a main work methodology through assessments framed in each type of risk (credit, credit delegations, issuer, counterparty, liquidity and IFRS9, among others) with coverage in the Bank, Joint Venture and subsidiaries where this risk type originates and is managed.

- **Technical Secretariat (TS).** It is responsible for promoting regulation consistency and completeness within BBVA Colombia's Risk area. In addition, it coordinates Risk Committees definition and structure and verifies application and proper functioning. Its work is supported by 8 committees established to make decisions on financial risk management in terms of policies, processes, credit delegation, regulations and customer credit admission in all segments.

- **Internal Validation (IV).** Its main function is to independently verify Risk area models, in order to guarantee accuracy, robustness and stability. To this end, an annual plan is established whose activity seeks to cover the models with a focus on regulation and those with the greatest relevance and/or materiality. In any case, it is necessary to guarantee model total coverage according to tiering, materiality and outdatedness.

The synergies between the 3 dependencies allows to broadly exercise the function, highlighting, additionally, the assistance to Risk area committees (as secretary or as a member) of the unit, in order to anticipate potential additional risks or reinforcements needs in the related control environments.

In 2024, financial risk assurance work was done through a 10 specific assessment methodology, to mainly assess admission, delegation and credit recovery management, compliance with the risk appetite framework, decision drivers, leasing portfolio insurance, market risk management, liquidity, structural and, in general, credit risks; compliance with committee governance, internal regulatory management, monitoring & reporting.

Planned activity compliance was 100%, giving rise to 14 action plans: 12 significant and 2 moderate. In addition, 11 have been resolved, related to market risk, uses of portfolio rating models, monitoring and structural risk and retail recovery reporting. In total,

at the end of 2024, there were 9 open plans, of which one expired, in terms model use (periodic SME portfolio update).
In terms of model validation, assurance activities were done for 40 models, broken down into 32 regulatory models, related to economic capital and provision calculation, 7 strategy and 1 assigned by the regulation. Among the main findings, and for the provisioning model under IFRS9, the methodological considerations adopted in the calculation with the GRMLab package that could affect accuracy were presented. In addition to using the ND factor as an approximation, instead of direct calculation, the elimination of 2022 observations for the draft portfolio and the LGD macroeconomic model for companies with low explanatory and predictive capacity.

The specialty also has an indicator dashboard, "CIR Indicators," with which, through a "constant" 47 indicator assessment, it is possible to have an activities operation status within Risks.

It is concluded that, in general terms, the operation has been adequate, although improvement opportunities have been detected that have continuous assurance management.

Regarding the Technical Secretariat work, objectives were met, such as ensuring most relevant issues or those that by regulatory requirement should be escalated to the risk committees monitoring and/or authorization and the structuring of corporate rules applicable to geographies with more synthetic wording, as well as strict compliance with deadlines on accessions and transpositions.

IT - Risk Control Specialist

RCS IT's Management manages technology security risks (covers risks due to inadequate technological change management, IT systems failures, IT availability and performance risk and IT systems integrity risk, among others), information & data security (among others, covers risks due to unauthorized access, infrastructure modification or destruction, loss, theft or misuse of information risks and cyberattacks that affect information privacy/confidentiality, availability and integrity) and physical security (inadequate physical assets and people security management risks).

In 2024, the work and challenge focused on the following main sources of risk:

1. Technological risks in initiatives and outsourcings, presented in the WG/CARO Admission Circuit, preventive management. Over 2024, we challenged 292 projects during, generating 18 conditioning factors (28% blocking for the transition to production and 72% necessary to manage during the various project stages), with an implementation degree that went from 60% in 2023 to 83% at the end of 2024.

   Strategically, conditioning factors issuance was optimized, strengthening process controls and implementing Mitigation and Control Frameworks. In addition, in partnership with the Engineering Vice Presidency, "Scrum" type working groups were established to add value from the initiative's initial stages. In particular, we actively participated in the Brickell - Panama Branch working groups (an average of 7 monthly sessions and the intervention of 1 LoD).

2. During 2024, **BBVA Colombia achieved 95% (375 OCs) of the 396 control objectives defined in the IT Mitigation and Control Frameworks implemented with 1 LoD and formalized in CORMF,** thus covering 48 risks and 196 controls. In addition, we started implementation in BBVA Seguros, BBVA Fiduciaria and BBVA Valores, in a structured manner, achieving a 34% advance (135 control objectives and 24 risk objectives, formalizing 55 controls in the tools).

3. Technological risk management knowledge, in the first line of defense, was strengthened through risk culture campaigns, training for business officers, RCAs and technical teams, as well as the sending of "short lines" or "pills" and face-to-face discussions. These initiatives reached more than 3,000 employees (1,200 technicians, 800 from subsidiaries with their RCAs and the Bank's other business teams).

4. A Watch List was submitted to Corporate Assurance on the misuse of approximately 7,800 Office licenses in more than 10 domains and subsidiaries, due to the change from perpetual licensing model to annual subscription (cost of € 8.91 per user per year). Two relevant issues were also closed to mitigate technological risks related to unavailability, information leakage and errors in access traceability, as was the case with: Issue - Shadow IT and lack of governance over access to the Bank's technology granted to third parties with service provision.

Finance - Risk Control Specialist

The Financial Risk Control area **is mainly responsible for maintaining an adequate mitigation and control environment related to inaccurate,** incomplete or untimely reporting risk and deficiencies in the interpretation and application of accounting and tax criteria risk.

Among the main activities to improve and strengthen the financial risk control environment in 2024 are:

- Implementing new mitigation and control frameworks for software accounting and activation processes, regulatory information reporting, to the holding company and locally, total tax contribution, as well as simplifying the control framework for various processes, among others.
- Continue assessing the local regulatory reporting process to the Colombian Financial Superintendency at the Bank to assess implementation degree of established internal control frameworks and define work plans for completion.
- Continue implementing the IPEs (information produced by the entity) procedure process to establish a framework to ensure information accuracy and integrity used to execute SOX controls.
- Coordinate the SOX testing process, issuing corresponding instructions, schedule, and conclusions documentation, as well as ensure evidence collection to assess the design and control operation done by involved areas' RCA, and/or perform direct testing on affected processes controls .
- Implement new mitigation and control frameworks for sustainability processes from the Finance perspective.

Regulatory Front:

With the aim of continuing to align the functions and local structure with Regulation standards and Holding Internal Control area, **as of October 2024, the function of Front with the Supervisors, whose main responsibility is to maintain the dialogue with the SFC,** was incorporated into the Vice Presidency of Internal Control and Compliance, the AMV (Self-Regulator of the Securities Market for its acronym in Spanish) and the SIC (Superintendence of Industry and Commerce for its acronym in Spanish), in BBVA Colombia entities. In addition, it was put in charge to define the strategy to meet the requirements and visits made by the aforementioned supervisory bodies, ensuring at all times that the areas responsible were properly coordinated.

People - Risk Control Specialist

It is in charge of the People management function, transversal throughout the organization, of the **risks that originate from the breach of employees' labor rights, deficiencies in personnel management and employee litigation** (due to discrimination, harassment, forced admission, talent drain or compensation claims from former employees). In this line, the general mitigation and control framework is defined, and its adaptation is supervised.

Among the activities performed by the People specialty in 2024, the following stand out:

- **Management Limits.** Permanent monitoring of the actions implemented to stabilize diversity and talent drain indicators.
- **Global People Risk Assessment.** This exercise aimed to identify, from a global perspective, the main risks related to employees. Based on this, a scheme was established that allowed the specialty to assess the most relevant risks periodically and homogeneously in all geographies.
- **Risk Control Frameworks People.** In coordination with subsidiaries' RCAs, specialty risks and controls were recorded in the corresponding matrices. In addition, risk maps were standardized using the model implemented in the Bank as a reference.

Legal - Risk Control Specialist

The Legal RCS covers the risk of losses arising from applicable regulation incorrect legal interpretation, incorrect contractual legal advice, **deficiencies or errors related to litigation procedures or one's own rights incorrect legal protection.** In this regard, the key areas of legal risk cover the entire legal function of the Group: regulatory changes, contractual and non-contractual advice and litigation activity.

BBVA established action plans in 2024 to **strengthen information security and customer privacy.**

The legal specialist ensures legal risks proper identification throughout the organization and control frameworks correct implementation, standardizing action forms in the different countries and Group companies. In addition, it has a supervisory and challenge function on what is identified in the processes by the first line, with the aim of monitoring that legal risks are being mitigated, controlled and adequately reported.

Among the main steps taken in 2024, the following stand out:

- **New contentious risk control framework implementation, with a focus on SOX risks:** A contentious risks global project for standardization was planned, coordinated and executed in all the geographies where the legal risk control model was deployed. The project consisted of identifying the current state ("As Is") in each geography and, based on this, proposing a future state ("To Be"). Currently, the model is implemented in all geographies, including Colombia, which was confirmed at the RCSA (Risk and Control Self-Assessment) 2024.
- **New function sizing:** As a result of data cleaning (2023) and the subsequent risks alignment with the library, there was a significant increase in the legal specialty perimeter compared to 2023. The figures are as follows: a 29% increase in risks, a 22% increase in controls and a 27% increase in impacted business lines. By 2025, approximately 15 processes are reviewed in the backlog, which could imply other risks and their respective controls creation.
- **Assessment Petitions, Complaints and Claims (PCC).** It was done in 2024 with the aim of establishing action plans to improve the quality of responses to clients' PCCs. 4 action plans were defined, including the creation of a KPI to record tutela actions filed against the Bank in the PCC monitoring dashboard of the Engineering VP and, subsequently, in the CoDir .

In July, the final version of this KPI was presented at the Engineering VP's CIRO. As a result, coordination between the **Operations area and the Contentious Judicial Processes area was strengthened,** which implied the creation of a joint strategy to better manage the volume of cases and reduce the legal risk for the Entity and its employees.

Thanks to this strategy, attention and response time for both PCCs and tutela actions defense were significantly improved, with positive and favorable results.

- **New SSJJ team training indicator.** Although training spaces are frequent in SSJJ, RCS Holding considered necessary to create a specific indicator for its monitoring, given that training is one of the most effective mitigators of legal risk within the regulatory control framework. This indicator measures a minimum number of training courses per quarter, with a minimum attendance percentage required.
- **External Circular 008/23 Implementation on new Internal Control System features.** RCS Legal revised each of the 70 minimum requirements that the Bank, BBVA Valores and BBVA Fiduciaria had to comply with in terms of corporate governance, achieving 100% compliance within the established times.

Other Information of Interest

BBVA Group's Code of Conduct establishes Political Neutrality Commitment, which implies that the Holding does not contribute to electoral campaigns nor makes donations to political parties.

On the bank's website you can find information and policies related to the Regulation agreement for political campaign resource control and management, in the annex to the demand deposit or savings account contract.

BBVA Group interests are managed mainly through trade associations to which it belongs. There, from technical and collective construction spaces, strategic issues that impact the financial system as a whole are addressed, always under a responsible management approach. As far as political campaign financing is concerned, BBVA Colombia does not participate in this activity.

Contributions and other expenses related to memberships are detailed below.

Table 95. Contributions and other expenses
(Figures in COP millions, except percentages)

	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Lobbying, Interest Representation or Similar	0	0	0	0	0
Political campaigns, organizations, local, regional or national candidates	0	0	0	0	0
Trade associations or tax-exempt groups (e.g. expert groups)	369,290,021	1,547,746,443	3,369,642,594	4,048,146,674	4,313,097,405
Other (e.g., expenditure related to ballot measures or referendums)	0	0	0	0	
Total contributions and other expenditures	369,290,021	1,547,746,443	3,369,642,594	4,048,146,674	4,313,097,405
Data coverage (as % of denominator, indicating the organizational scope of the data reported)	90%	90%	90%	90%	90%

Table 96. Total contributions
(Figures in COP millions, except percentages)

	Currency	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Total contributions and other expenditures	COP	369,290,021	1,547,746,443	3,369,642,594	4,048,146,674	4,313,097,405
Data coverage (as % of denominator)	Percentage of:	90%	90%	90%	90%	90%

Table 97. Increased contributions and expenditures
(Figures in COP millions)

Commercial association or external entities	Corporate position	Job description / commitment	Total Spending in Fiscal Year 2024
ASOBANCARIA	Maintenance fee	Maintenance fee	3,553,024,967
ANDI	Maintenance fee	Maintenance fee	243,080,000
Consejo Privado de Competitividad	Maintenance fee	Maintenance fee	148,200,000

Table 98. Other big expenses
(Figures in COP millions)

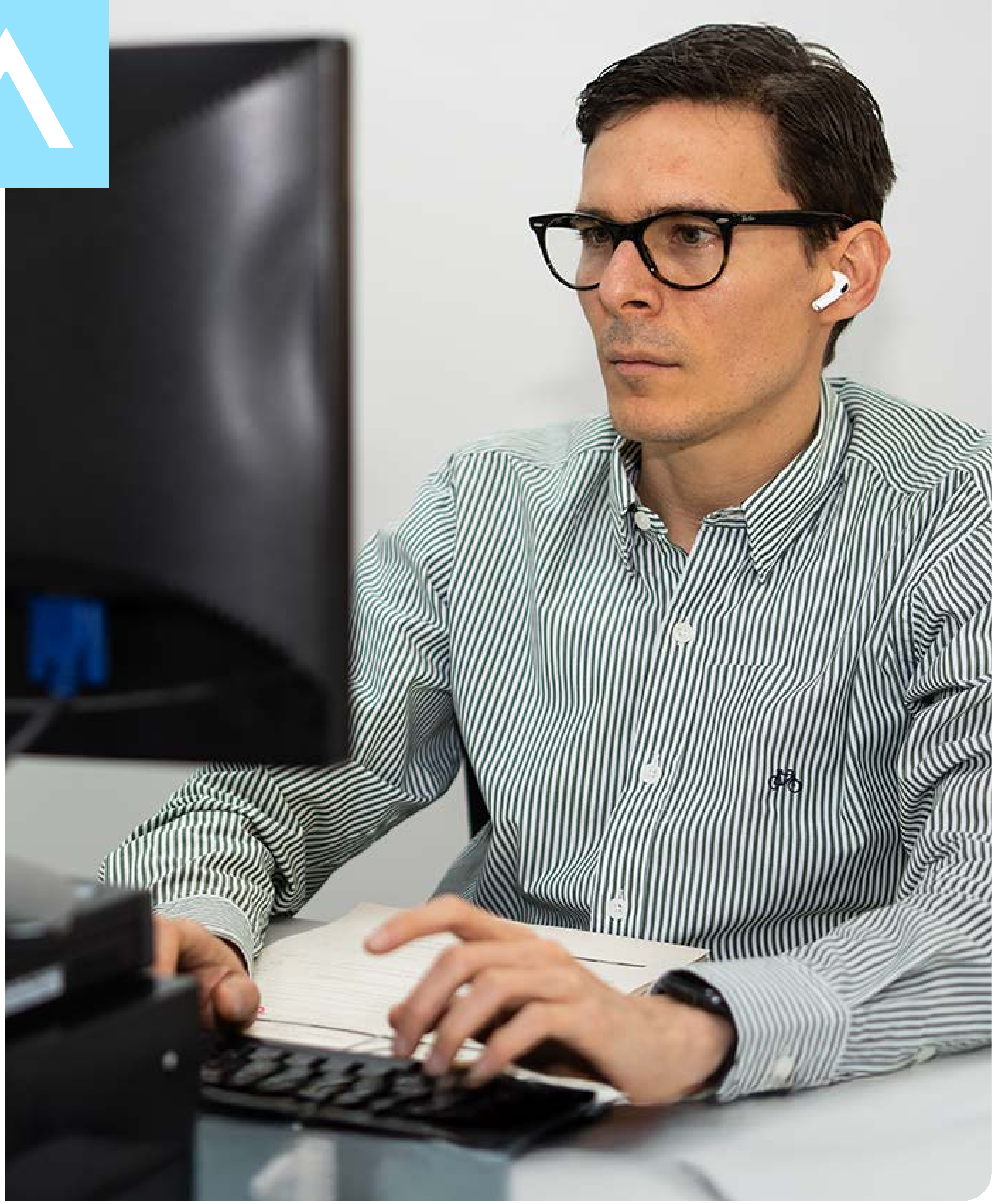
Organization name, candidate, or topic	Type of organization	Total amount paid in tax year 2024
CAMACOL	Commercial partnership	136,764,000
ASSOCIATION OF COMMERCIAL FINANCE COMPANIES (AFIC)	Commercial partnership	65,737,434

Table 99. Effective Tax Rate
(Figures in COP millions)

Financial Reporting	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Earnings before taxes	1,401,596	282,959	(516,052)
Declared taxes	468,082	88,271	(147,103)
Cumulative Acceptable Settings* (see below)	numerical	numerical	
Effective tax rate (in %)	33,41%	31.20%	28.51%
Taxes paid in cash	467,119	0	0
Cash Tax Rate (in %)	33.33%	0%	0%

Regarding net operating losses and non-recurring losses, in accordance with local tax regulations, no operating tax profit or loss is determined, instead, tax income or loss is calculated on the total of the operation. As for the acquisition of companies, this information is recorded only in accounting terms.

All adjustments are considered in the accounting, there are no deferred tax assets that have not been recognized in the accounts, nor have adjustments been made due to changes in accounting policies.



6 Risk Management

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Risk Management

GENERAL RISK MANAGEMENT AND CONTROL MODEL

BBVA Colombia has a **General Risk Management and Control Model aligned with BBVA Group's General Model,** locally adapted to its business model and its organization. This Model allows it to carry out its activity within the framework of the strategy and the Risk Management and Control Policy defined by the Board of Directors, which considers sustainability and adaptation to a changing economic and regulatory environment, in order to face the work globally and adapt to the specific circumstances of the environment.

The Model is applied in a comprehensive way in the Bank and is made up as follows:

- Governance and organization
- Risk Appetite Framework
- Assessment, monitoring and reporting
- Infrastructure

BBVA Colombia promotes a risk culture development that ensures the consistent Risk Management and Control Model application, which also guarantees that the risk function is understood and internalized by the entire organization.

GOVERNANCE AND ORGANIZATION

The Risk Governance Model at BBVA Colombia is characterized by special Board of Directors involvement in establishing the risk strategy and its implementation monitoring and supervision. In this way, the Board of Directors approves the risk strategy and the general policies adapted to the different types of risks, in which the Risk and Internal Control and Compliance areas are responsible for their development, reporting to the Comprehensive Risk Committee and the Board of Directors.

In addition, **the Board of Directors is responsible for approving and monitoring the strategic plan, the annual budget,** the capital, liquidity and financing plans, and for defining the rest of the management objectives.

The Risk area function is supported by a series of decision-making committees, such as the RMC (Risk Management Committee), which proposes, reviews, and approves the internal regulatory risk framework, the procedures and infrastructure necessary to identify, evaluate, measure, and manage the risks BBVA Colombia faces in developing its businesses, and the risk limits for each portfolio, among others, for consideration by the Board of Directors.

The Risk area head, in the Senior Management line, is BBVA Colombia's Executive Risks Vice President, appointed by the Board of Directors as a member of Senior Management. To better fulfill its functions, the Risks Executive Vice President relies on a structure of specific units that are: Market & Structural Risk, Risk Planning & Reporting, GRM Data & Analytics - COE, Recoveries & Collections, Wholesale Credit, Retail Credit, SME Credit and risks RCA.

The risk units have their own risk management committees, with objectives and content similar to those of the corporate area, which carry out their functions in a consistent manner and in line with corporate policies and standards on risks, and whose decisions are evidenced in minutes.

BBVA Colombia's governance model **stands out for the leadership of the Board of Directors in defining and supervising its execution.**

With respect to non-financial risks and internal control, BBVA Colombia has an Internal Control and Compliance Unit, independent of the other units, whose head is the Internal Control and Compliance Executive Director, who is also appointed by the Board of Directors and hierarchically dependent to the Bank's Country Manager, to whom it reports. **This area is responsible for proposing and implementing policies related to non-financial risks and the Internal Control Model,** and integrates Internal Control and Country Operational Risk, Compliance, Internal Risk Control and RCS areas, among others,

With this organization, the Risk function ensures Risk Strategy integration, regulatory framework, infrastructures and homogeneous risk controls, while benefiting from knowledge and proximity to the customer, transmitting the corporate culture in this field to different BBVA Colombia levels. Likewise, the Local Risks area makes and reports to the Bank's Board of Directors an integrated entire Entity risk monitoring and control.

RISK APPETITE FRAMEWORK

BBVA Colombia's Risk Appetite Framework, approved by the Board of Directors, determines the risks and the level that the Bank is willing to assume to achieve its objectives, considering the business' organic evolution. These risks are expressed in terms of solvency, liquidity and funding, profitability and recurrence of results, and are reviewed periodically, such as in case of material changes in the entity's business strategy or relevant corporate operations.

Risk Appetite Framework:

- Risk Appetite Statement: It includes the general principles of the Bank's Risk Strategy and the target risk profile.

- Fundamental statements and metrics: Based on the appetite statement, statements are established that specify the general principles of risk management in terms of solvency, liquidity and funding and profitability and recurrence of results. Likewise, the fundamental metrics ex-press in quantitative terms the principles and the target risk profile set out in the Risk Appetite statement.

Each of the metrics has 3 thresholds that range from habitual business management to higher levels of deterioration.

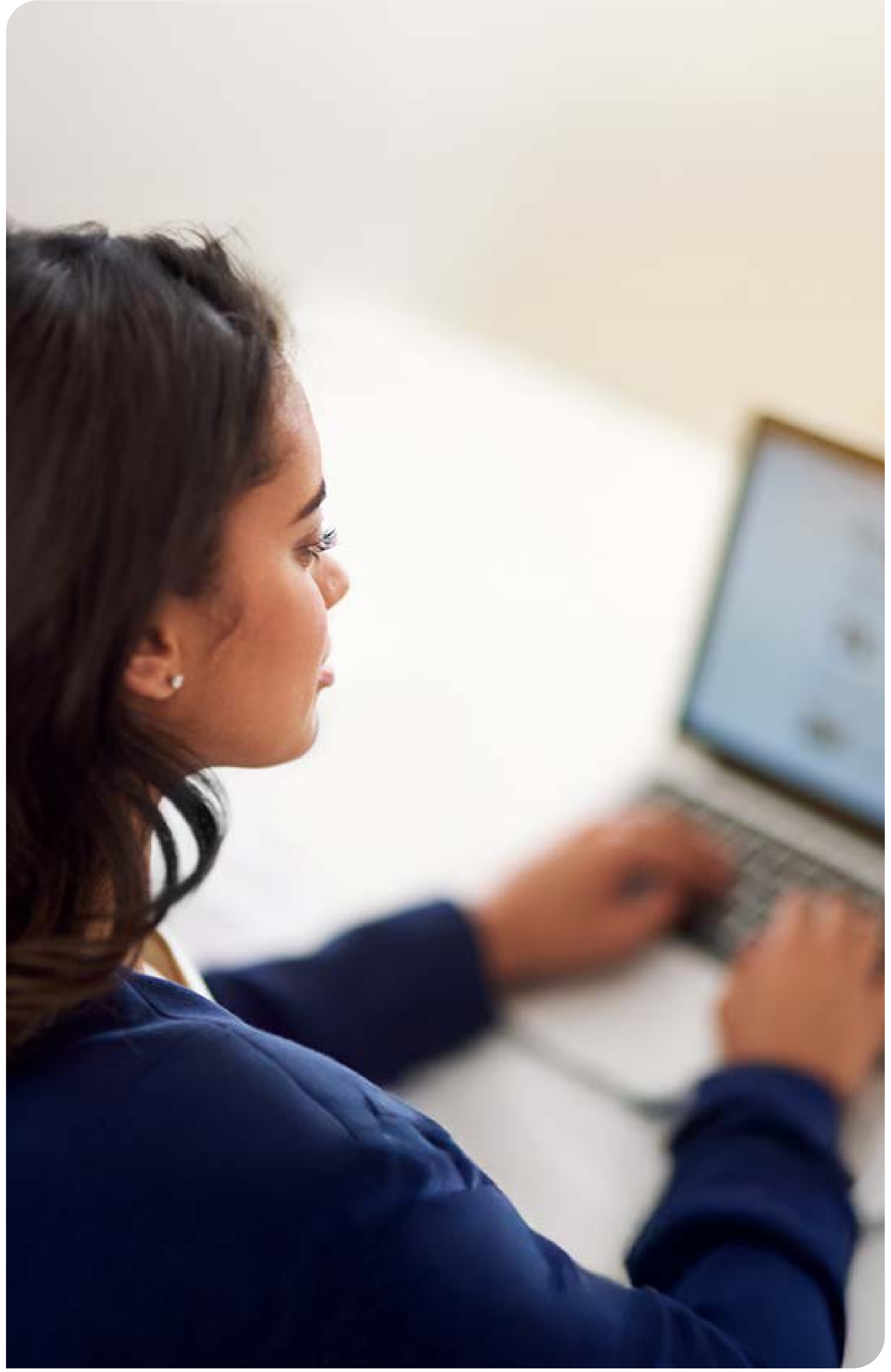
  - Management Reference: A reference that determines a comfortable management level for the Bank.

  - Maximum appetite: Highest risk level the Bank is willing to accept in developing its ordinary activity.

  - Maximum capacity: Highest risk level the Bank could assume; For some metrics, it is associated with regulatory requirements.

- Statements and metrics by risk type: Based on fundamental metrics and their thresholds, a number of metrics are determined for each risk type, whose observance allows compliance with fundamental metrics and the Bank's general declaration.

Additionally, there is a management limit defined by the areas responsible for managing each risk when developing the metrics structure by risk type, to ensure anticipatory risk management, whether by subcategory or sub portfolio, complies with the Risk Appetite Framework.



BBVA Colombia has its own Risk Appetite Framework, made up by its Local Risk Appetite Declaration, fundamental statements and metrics, and metrics and statements by risk type, which must be consistent with those set at the BBVA Group level, but adapted to local reality and approved by the Board of Directors. This framework limits structure subordinates according with the above.

The Corporate Risks area works together with the different BBVA Colombia risk units on the effects to define its Risk Appetite Framework, so that it is coordinated and framed within that of BBVA Group and ensuring that its profile fits the one defined. For monitoring purposes at the local level, the Risk Vice-Presidency periodically reports to the Board of Directors on Local Appetite Framework metrics' evolution, as well as to Risk area RMC, following a scheme similar to that of the Group and in accordance with its corporate governance systems.

ASSESSMENT, MONITORING AND REPORTING

Assessment, monitoring and reporting is a cross-cutting function that ensures that the Model has a dynamic and anticipatory view for compliance with the Risk Appetite Framework approved by the Board of Directors, even in the face of unfavorable scenarios.

BBVA Colombia has a risk management model aligned with the BBVA Group, adapted to the local and regulatory environment.

The implementation of this process is integrated into the activity of the risk units together with the units specializing in non-financial risks, included in Internal Control and Compliance, in order to generate a global and unique vision of the Bank's risk profile and is developed in the following phases:

1. Material risks to which the Bank is exposed identification, i.e., major risk events and increased vulnerabilities, both in absolute terms and in relation to its ability to generate results.
2. Bank's risk profile and the risk factors identified through various internal, market and competitor indicators monitoring, with the aim of anticipating their future evolution.
3. Impact of the materialization of risk factors on the metrics defined in the Risk Appetite Framework assessment, based on different scenarios, including stress scenarios.
4. Response to unwanted situations and propose remediation measures to the corresponding area, allowing dynamic management of the situation, even before it occurs.
5. Reporting: Complete and reliable information on risks evolution for the Board of Directors and Senior Management, according to accuracy, completeness, clarity and usefulness, frequency, adequate distribution and confidentiality principles. Transparency principle presides over all risk information reporting.

INFRASTRUCTURE

To implement the Risk Management and Control Model, **the Bank has the resources for effective risk management** and supervision, and to achieve its objectives. Thus, BBVA Colombia's risk function:

1. It has sufficient resources, structures and tools to develop risk management in accordance with the corporate model.
2. It develops the appropriate methodologies and models to measure and manage different risk factors, as well as assess the capital to assume these.
3. It has technological systems that support the Risk Appetite Framework in its broadest definition, enabling the calculation and measurement of risk function specific variables and data, supporting risk management in accordance with this Model, and providing an environment for the storage and exploitation of data necessary to manage risk and report to supervisory bodies.
4. It promotes adequate data governance, in accordance with the principles of governance, infrastructure, accuracy and integrity, completeness, promptness and adaptability, following quality standards in accordance with internal regulations related to this matter.

Within the risk function, the aim is for profiles, infrastructures and data to maintain a global and homogeneous approach.

Based on this, a report is made to BBVA Colombia's Board of Directors, so that it can guarantee the Bank has the appropriate means, systems, structures and resources.

CREDIT RISK

Credit risk management at BBVA Colombia is based on a general model that includes guidelines and policies for each risk management stage.

This internal rules set **establishes the framework for action in which the Bank's credit risk management and control must be oriented, determining respective standards and limits.**

The principles underpinning credit risk management at the Bank are:

- **The risks assumed must conform with the general risk strategy set by BBVA Group's Board** of Directors and approved by BBVA Colombia's Board of Directors.
- The risks assumed must be proportional to resources and generation of recurring results levels, prioritizing risk diversification and avoiding relevant concentrations.
- Risks must be identified, measured and assessed, and there must be procedures for their monitoring and management, as well as robust control and mitigation mechanisms.
- All risks must be managed in a prudent and integrated manner throughout their life cycle, with a differentiated treatment according to their type, and actively managing portfolios, based on a common measure (economic capital).
- The borrower's or obligor's ability to pay, in a timely manner, to meet the total financial obligations assumed from the income generated from his or her usual business or source of income, without depending on guarantors, joint obligor or assets provided as collateral, is the main criterion for credit granting.
- Improve the financial health of customers, helping them in decision-making and in the daily management of their finances based on personalized advice.
- Help customers transition to a sustainable future, with an emphasis on climate change and inclusive and sustainable social development.

During the 2024 financial year, in compliance with the provisions of Chapter XXXI of the SIAR and the CE issued by the SFC on provisioning methodology, the instructions to execute the decumulation phases and the reconstitution consumer and commercial portfolio plan were complied with. This information was previously approved by the Board of Directors and subsequently reported to the regulator, without any objections being raised.

Credit risk exposure

With October 2024 figures, the latest available at the sector level, **BBVA Colombia positioned itself as the fourth largest competitor in the Colombian market,** with an 11.2% share in lending activity. From December to the reference cut-off, investment grew by 2.2%. As for the portfolio mix, the commercial portfolio share was 43%, the consumer portfolio 37% and the mortgage portfolio 20%. During this period, the annual commercial portfolio growth was 5.2%, while the consumer portfolio registered a -0.3% variation and the mortgage portfolio increased by 3.4%. From retail risk, in particular, the following changes were defined in the admission and product policies, aligned with the Global Risk Framework mandated by BBVA Group and national regulations. The main decisions were:

1. In order to control 2024 portfolio deterioration, considering the macroeconomic situation, a higher bureau requirement was established, effort rate adjustments were made, minimum income requirement and alignment in SMMLV was increased, as well as adjusted length of service in temporary jobs.
2. Support digital front evolution improvements with adjustments in control rules in digital payroll loan, digital housing loan and web vehicle loan, which will attract a greater number of customers and leverage the open market.
3. The evaluation model for digital credit card contracting was consolidated, applying cut-off point adjustments and management rules control.
4. The effort rate applied to unrestricted personal and vehicle loans was redefined, adopting a new methodology that calculated the amount available on debtors' credit cards. With the new limits, the debt capacity was linked to a variable (bureau) that made it possible to efficiently discriminate risk quality. By 2025, the effort rate will be implemented in mortgage, payroll and CC loans.
5. Regulatory adjustments were made in the Secretariats of Education for teacher groups due to mass retirement, with a greater demand in provisional hiring. In the private sector, bureau and seniority was adjusted to improve the group metrics. In addition, the launch of pre-approved digital payments through the consumer channel and agreement authorization with Payer OK.

As a strategy and approach to control deterioration and increase turnover, the following guidelines were defined:

1. During the first half of 2024, offer campaigns were restricted due to profile-based policies with higher payroll concentration, better bureau cuts, higher incomes, and behavioral model risk groups.
2. In the second half of 2024, the number of offers delivered gradually increased, thanks to unrestricted loan policy opening and credit cards for customers with a slightly riskier profile, such as Non-Payroll. This was controlled by implementing a new behavioral model. Additionally, more payroll loan agreements were authorized with the payer's OK for inclusion in the Digital Payroll Loan (One Click) offers. As a result, proactive placement in unrestricted loans reached 95% and in credit cards, close to 60%.
3. Growth was promoted in the creation of unrestricted personal loan agreements with private sector companies.
4. The D+0 Credit Card strategy was continued, with the incorporation of allies such as ARA and the launch of the Coral Card, which became a main mobilizer for this segment.
5. The mortgage segment, focused especially on VIS segment customers, with a UVR (Real Value Unit for its acronym in Spanish) amortization system, promoting portfolio growth through the Digital Housing tool. Campaigns to acquire loans and finance remodeling were carried out, aimed at payroll customers, in addition to reducing interest rates to encourage house buying.

The SME Risk area continued a strategy aligned with the country's economic situation and business behavior in each territory; admission policies were maintained in accordance with the Global Risk Framework defined by BBVA Group and local regulatory circulars. The main actions were:

1. The pre-approved credit strategy was promoted for resilient, high-value and high-level loyalty profiles, leveraged on proposals according to their financial needs.
2. Viability was maintained in sectors with stable and growing financial dynamics, with a financing proposal in accordance with their working capital and investment needs.
3. The collateral allocation strategy remained leveraged on guarantees extended by FNG (Spanish acronym for National Guarantee Fund) with an allocation structure according to each client's risk profile, financing term and resource use.

The segment's transformation path and the strategy to promote an agile and efficient evaluation for our customers and non-customers were maintained.

In 2024, the Wholesale Risk area managed risk admission and monitoring of risks with BBVA Group defined Credit Risk Framework guidelines. The portfolio registered a 5.8% growth, an COP 0.2 trillion increase in Corporate banking (annual variation of 2.6%), COP 1.6 trillion in Business banking (annual variation of 15%) and COP -0.4 trillion in Government banking (annual variation of -7.5%).

As a strategy to anticipate portfolio deterioration, efforts were focused on the preventive warning of customers with activity in greater vulnerability economic sectors, with a rating decrease and eventual early period defaults in BBVA Colombia and in other financial sector entities, maintaining joint monitoring with the business area. **This allowed the Non Performing Loan ratio to be reduced from 1.44% in December 2023 to 1.01% in 2024.**

At the end of 2024, the rating validation indicator was 99% in terms of amounts and 79% in number of customers.

Table 100. Modality of credit portfolio
(Figures in COP millions)

Credit portfolio	Capital	Intereses	Otros
COMMERCIAL			
Category A	30,430,341	337,081	6,043
Category B	709,473	8,886	786
Category C	258,718	7,671	2,136
Category D	65,143	3,381	721
Category E	320,488	21,564	19,693
TOTAL COMMERCIAL	**31,784,163**	**378,583**	**29,379**
CONSUMER			
Category A	24,334,156	342,789	10,116
Category B	361,345	13,294	717
Category C	282,042	12,870	821
Category D	566,365	28,156	2,118
Category E	2,285,548	145,305	17,767
TOTAL CONSUMER	**27,829,456**	**542,414**	**31,539**

Credit portfolio	Capital	Intereses	Otros
MICROCREDIT			
Category A	–	–	–
Category B	–	–	–
Category C	–	–	–
Category D	–	–	–
Category E	2	–	–
TOTAL MICROCREDIT	**2**	**–**	**–**
MORTGAGE			
Category A	14,045,572	174,008	15,093
Category B	395,793	19,201	2,608
Category C	143,021	6,576	1,472
Category D	131,785	6,689	1,485
Category E	276,532	15,381	6,243
TOTAL MORTGAGE	**14,992,703**	**221,855**	**26,901**
TOTAL CREDIT PORTFOLIO	**74,606,324**	**1,142,852**	**87,819**

Credit risk mitigation, collateral and other credit enhancements

In most cases, **maximum credit risk exposure was reduced by collateral, credit enhancements, and other actions that mitigated the Bank's exposure.** BBVA Colombia's credit risk coverage and mitigation policy stems from its banking business conception, focused on relationship banking. In this line, requiring guarantees may be a necessary instrument, but not sufficient to grant risks, since risks assumption requires verifying in advance the debtor's ability to pay or that the debtor can generate sufficient resources to allow the debtor to amortize the risk incurred, under the agreed conditions.

The credit risk-taking policy is implemented in 3 levels:

- Operation's financial risk Analysis based on the borrower's ability to repay or generate resources.
- Provision of guarantees appropriate to the risk assumed, in any of the generally accepted forms: monetary, real, personal or hedging guarantees.
- Received guarantee recovery risk assessment (liquidity of the asset).

BBVA Colombia's approach to risk assessment is based on resource generation and not on the guarantees provided. For this reason, the Bank does not extend credit operations based solely on guarantees.

Considering the Colombian macroeconomic environment, which is going through deteriorating indicators in specific sectors, particular portfolio monitoring and analysis processes were aimed at detecting deterioration pockets, mainly in consumer lines, where the reaction has been to adjust policies and onboarding tools, towards restricting greater default probability profiles.

The teamwork strategy and value chain transversality, from the customer's request to loan recovery, has made it possible to visualize where to direct efforts to achieve the risk balance, as a fundamental driver that contributes to the income statement.

Risk concentration

With regards to mitigating credit risk concentration, the BBVA Colombia kept maximum authorized concentration indices updated, both for individual and sectors, based on the different observable variables related to credit risk.

The Bank's financial presence or share in a specific customer is conditioned by its credit quality, the nature of the risks that are maintained with it and the Bank's presence in the market, according to the following guidelines:

- An attempt is made to reconcile the customer's financing needs (commercial/financial, short-term/long-term, etc.) with the Bank's interests, in as much as possible.
- Consideration is given to the legal limits that may exist on risks concentration (the relationship between the risks held with a customer and the equity of the entity that assumes these), the markets situation, the macroeconomic situation, etc.

Table 101. Bank's loan portfolio as of December 31, 2024, distributed in economic activities
(Figures in COP million)

Activity	2024	2023
Association, education and health activities	1,759,244	1,826,627
Leisure activities and cultural activities	194,253	191,749
Real estate, corporate and rental activities	2,112,265	2,085,594
Water collection, purification and distribution	88,376	92,624
Wholesale, commission and contracting	2,897,140	2,605,402
Retail trade and non-specialized establishments	3,561,642	3,096,900
Construction, conditioning and finishes	1,184,227	1,264,619
Mail and telecommunications	1,635,100	878,354
Food and beverage production	3,150,780	3,014,251
Exploitation, public administration and defense	3,104,624	3,648,944
Exploitation of non-metallic minerals	14,794	14,456
Coal mining	83,585	75,981
Metallic minerals extraction	1,551	2,154
Oil, gas and natural gas extraction	80,825	259,611
Paper, cardboard and paperboard mill and their products	157,560	140,814
Manufacturing, refining, petroleum and chemicals	1,079,969	1,316,494
Non-metallic mineral manufacture	359,358	380,881
Other manufacturing industries manufacturing	69,142	42,851
Metal products and machinery manufacturing	481,778	392,356
Textile manufacturing	471,771	479,753
Insurance plan financing	20,974	49,122
Generation, Manufacturing, Electricity, Gas & Water	4,114,814	3,726,441
Hotels and restaurants	289,611	280,878
Industrial, Manufacturing & Metals	289,611	280,878
Financial intermediation	193,856	78,475
Employees	3,142,799	3,426,750
Capital rentiers	40,565,895	40,504,561
Printing Activities	272,014	298,838
Individual household undifferentiated activities	49,076	61,627
Extraterritorial organizations and bodies	9,271	7,926
Other Community Service Activities	3,058	3,229
Fishing, fish production, hatchery and farm	354,073	381,250
Agricultural and livestock production	45,467	35,871
Sanitation and similar services	1,244,612	998,260
Forestry, timber extraction and services	78,191	91,702
Processing, factory, basketry and wood	4,530	26,917
Transport	14,901	14,450
Total	1,715,198	1,973,004
TOTAL	**74,606,324**	**73,769,716**

The teamwork strategy and value chain transversality, from the customer's request to loan recovery, has made it possible to visualize where to direct efforts to achieve the risk balance, as a fundamental driver that contributes to the income statement.

Credit quality of non-maturing and impaired financial assets

BBVA Group has rating tools to order operations or customers credit quality based on a valuation and its correspondence with the so-called probabilities of default (PD). To study how this probability varies, there are monitoring tools and historical databases to collect the internal information generated, which can be grouped into scoring and rating models.

Scoring

Scoring is a decision-making model used for the granting and management of retail loans, such as consumer loans, mortgages, and credit cards. This tool is essential to determine if a loan is approved, the amount to be granted and the strategies that influence its price. The model is based on an algorithm that classifies applications according to credit quality, assigning a score to each request made by a customer. This score is calculated from a series of objective characteristics that, from a statistical perspective, have proven to be effective in differentiating each operation's risk level. **This model's main advantage lies in its simplicity and consistency:** for each client, it is only necessary to have objective data, whose analysis is carried out automatically through the algorithm.

There are 3 types of scoring depending on the information used and its purpose.

- **Reactive scoring.** It measures the risk of a transaction requested by an individual through variables relating to the transaction, as well as the customer's socio-economic data available at the time of the request. Based on the score awarded by the scoring, it is decided to grant or deny the new transaction.
- **Behavioral scoring.** It rates certain product's transactions in an entity's outstanding risk portfolio, allowing credit quality monitoring and customer needs identification. Operation and customer variables, available internally, are used. Specifically, variables that refer to the behavior of both the product and the customer.
- **Proactive scoring.** It assigns a customer-level score, with individual's general behavior variables with the entity, as well as their payment behavior in all engaged products. Its purpose is to monitor customer credit quality, and it is used to pre-approve new operations.

Rating

The rating, unlike the scorings that rate operations, **is a tool focused on customer qualification such as companies, corporations, SMEs, public administrations, etc.** A rating is an instrument that determines, based on a detailed financial analysis, a customer's ability to meet its financial obligations. Usually, the final rating is a combination of different nature factors, such as quantitative and qualitative factors. It is a midpoint between individual and statistical analysis.

The fundamental difference with scoring is that it is used to evaluate retail products, while ratings use a wholesale banking customer approach. In addition, the scorings only include objective variables, while the ratings incorporate qualitative information. Although both are based on statistical studies incorporating a business vision, in the development of rating tools, greater weight is given to business criteria than in scoring tools.

In those portfolios in which the number of defaults is very low (sovereign risks, corporate risks, financial institution risks, etc.), the internal information is complemented with external rating agencies (Moody's, Standard & Poor's and Fitch) benchmarking. For this reason, each year default probabilities estimated by rating agencies for each risk level are compared and an equivalence is obtained between different agencies' levels and BBVA Group's Master Scale.

Once operation or customer default probability has been estimated, the "cycle adjustment" is performed to establish a risk quality measure beyond the estimation moment, aiming to capture representative portfolio behavior information over a complete economic cycle. This probability is linked to the Master Scale developed by BBVA Group to facilitate different risk portfolios classification, in homogeneous terms.

Table 102. Reduced scale used to classify BBVA Colombia's outstanding risks

Level	S&P Rating	Moody's Rating	Fitch	Rating BBVA	PD EMC BBVA
1	AAA	Aaa	AAA	AAA	0.01%
2	AA+	Aa1	AA+	AA+	0.02%
3	AA	Aa2	AA	AA	0.03%
4	AA-	Aa3	AA-	AA-	0.04%
5	A+	A1	A+	A+	0.05%
6	A	A2			0.08%
7	A-I	A3	A-	A-	0.10%
8	BBB+	Baa1	BBB+	BBB+	0.14%
9	BBB	Baa2	BBB	BBB	0.20%
10	BBB-	Baa3	BBB-	BBB-	0.31%
11	BB+	Ba1	BB+	BB+	0.51%
12	BB	Ba2	BB	BB	0.88%
13	BB-	Ba3	BB-	BB-	1.50%
14	B+	B1	B+	B+	2.55%
15	B	B2	B	B	4.41%
16	B-		B-	B-	7.85%
17	CCC	Caa-C	CCC	C	21.22%

These levels determination and their default limits probability was done using as a reference external rating agencies Standard & Poor's and Moody's rating scales and default rates. In this manner, the Bank's Master Scale probability default levels were established. On the other hand, adjustments, i.e., scores mapping to Master Scale default probability brackets and levels, are made at the BBVA tool level.

In 2024, Analytics management advanced NGA project implementation, which forms the basis for model development and implementation. This initiative provides teams with the tools needed to ingest, develop, and more efficiently deploy in the Bank's platforms.

Throughout the year, model implementation and production deployment for various portfolios was completed. In the first quarter, the EWS (Early Warning System) model was made available for SME and corporate portfolios. This model, developed with machine learning algorithms, has guaranteed a more robust and stable solution over time.

In the individuals area, two key model developments and implementations were completed: one for the mortgage portfolio and the other for the allocation of credit limits. These initiatives focused on reducing development times, incorporating non-traditional information sources and opening segments with greater granularity, aligning with business needs.
In the fourth quarter, analytical re-estimation, ingest and information certification phases in Datio were completed for two new models: a recovery model for the individuals' segment with early and late defaults, and a 360° model for the SME segment, which evaluates both reactive and proactive aspects.

By 2025, progress will be made in these models' implementation in the Bank's tools and engines (Cronos and Arce), to exploit them productively.

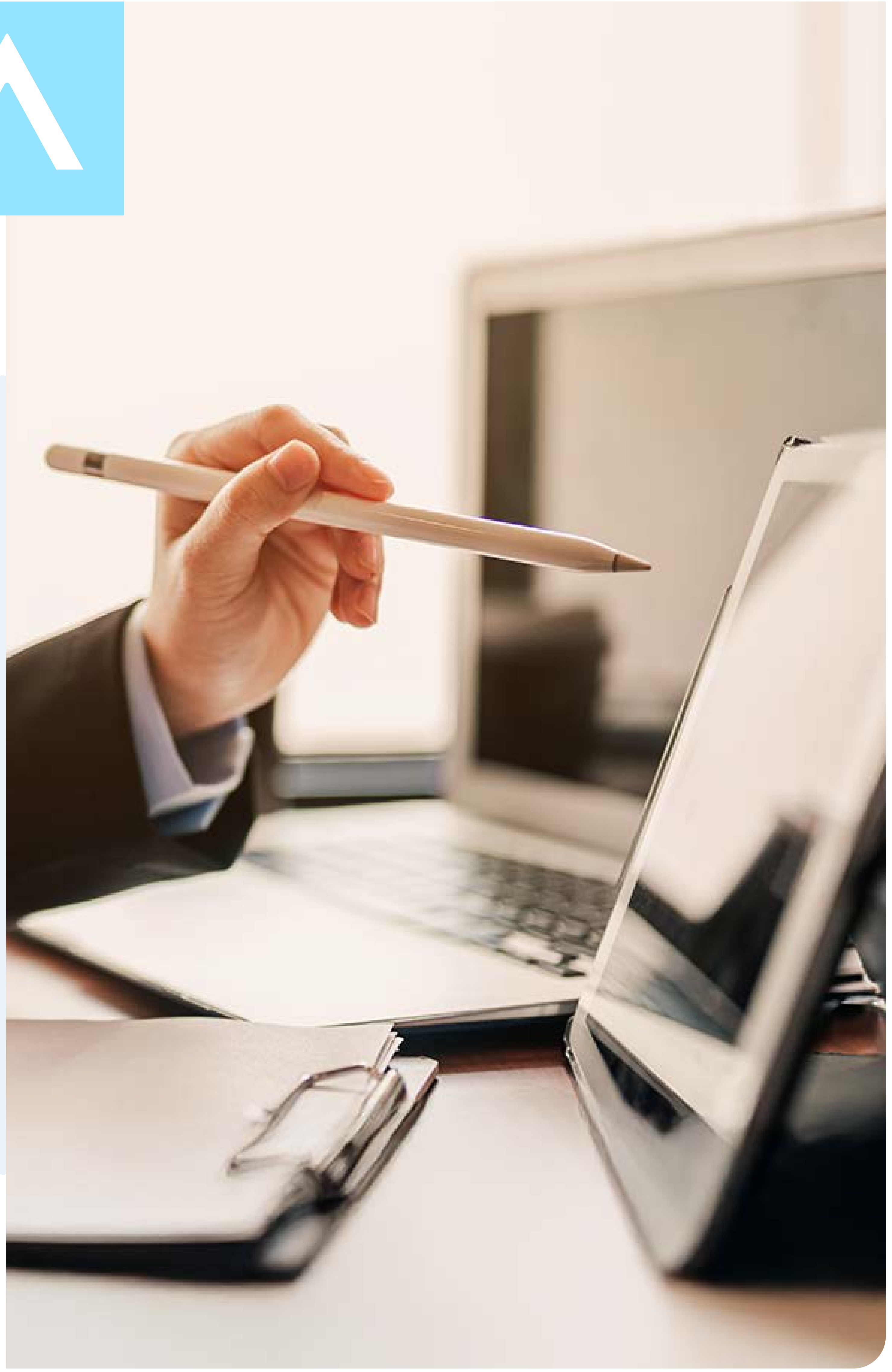
Finally, the annual parameters calibration process under international IFRS9 methodologies was worked on. This methodology manages to anticipate credit loss recognition, making use of expected loss parameters (PD, LGD, CCF) and macroeconomic models for collective provision calculations, including total parameter development on GMR Lab / Datio by 2024. During this process, improvements identified in previous calibrations were incorporated, resulting in more robust estimates adjusted to the geographical reality.

In Data project terms, progress was made complying and developing regulatory projects such as BCBS 239 and RdT (Risk Data Transformations), consolidating information integration in accordance with local and corporate needs.

Overdue and unimpaired risks

At BBVA Colombia, although there is an "overdue" segmentation, which is understood as any credit operation that has exceeded 30 day non-payment but has not yet entered into default, **the monitoring focuses on the non-performing portfolio.**

Credit risk at BBVA is managed with rigorous policies, ensuring soundness and sustainability in the loan portfolio.



Non-performing or impaired risks

In classifying a credit operation according to doubtful criteria, the portfolio to which it belongs and the non-payment days incurred must be considered, as follows:

Table 103. Credit Transaction Classification

	Non-payment days
Consumer	>60 days
Credit Card	>60 days
Mortgage	>120 days
Commercial	>90 days

BBVA Colombia's non-performing portfolio, according to figures published by the regulator at the end of October 2024, presented an annual variation of 39.48%. The sector's variation was 43.25%.

Local provisions were made as established by the SFC, in SIAR's chapter XXXI annexes 1 and 2, regarding the Commercial and Consumer Reference Model, with a more prudent consumption portfolio management severity.

In addition, the Bank, according to CBCF's SIAR Chapter XXXI, since August 2024, started applying the calculation methodology for the consumer portfolio decumulation phase.

Balance sheet recognized provisions to cover estimated impairment losses as of December 31, 2024:

Table 104. Provisions recorded in the balance sheets to cover estimated impairment losses as of December 31, 2024
(Figures in COP million)

Credit Portfolio	Capital provision	Interest provision	Other Provision
COMMERCIAL			
Category A	$ 30,430,341	$ 337,081	$ 6,043
Category B	709,473	8,886	786
Category C	258,718	7,671	2,136
Category D	65,143	3,381	721
Category E	320,488	21,564	19,693
TOTAL COMMERCIAL	**31,784,163**	**378,583**	**29,379**
CONSUMER			
Category A	24,334,156	342,789	10,116
Category B	361,345	13,294	717
Category C	282,042	12,870	821
Category D	566,365	28,156	2,118
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TOTAL CONSUMER	**27,829,456**	**542,414**	**31,539**

Credit Portfolio	Capital provision	Interest provision	Other Provision
MICROCREDIT			
Category A	-	-	-
Category B	-	-	-
Category C	-	-	-
Category D	-	-	-
Category E	2	-	-
TOTAL MICROCREDIT	**2**	**-**	**-**
MORTGAGE			
Category A	14,045,572	174,008	15,093
Category B	395,793	19,201	2,608
Category C	143,021	6,576	1,472
Category D	131,785	6,689	1,485
Category E	276,532	15,381	6,243
TOTAL MORTGAGE	**14,992,703**	**221,855**	**26,901**
TOTAL CREDIT PORTFOLIO	**$ 74,606,324**	**$ 1,142,852**	**$ 87,819**

Recoveries

2024 was a challenging year for non-performing and non-performing loan indicators. Lags from recent, higher-risk placements persisted, compounded by macroeconomic situation impact, where factors such as inflation and unemployment reduced the clients' ability to pay.

To mitigate these effects and improve the indicators, various strategies were implemented throughout the year:

- **Adjustment in the structure of central areas and factory creation**

The risk monitoring teams, previously reporting to the branch network, were transferred to the Risk area at the central level, creating the concepts of Recovery, Containment and Normalization Factories. Each factory has specific roles, which made it possible to specialize functions, optimize processes and focus management on all channels to maximize portfolio recovery.

- **Increased allocation to digital channels**

BBVA Colombia has two fully digital payment channels, whose management has been strengthened in the face of customers' growing preference for self-management or assistance without advisor intervention. At the end of December, after segmentation by profile and payment behavior, 47% of customers were assigned to these channels.

- **Cronos strategy**

In May 2024, a strategy engine was implemented in the system, which uses parameterizable decision trees to assess each client's risk level and determine where they are assigned based on this analysis.

- **Collection Shock Plan**

It was implemented in the second half of the year to redirect figures and focus efforts on ticket containment, based on 10 main roll rate KPIs, vintages harvests and contact ratios. From October onwards, impairment indicators showed a notable improvement, especially in consumer, CC and mortgages. As a result, a recovery efficiency ratio of more than 40% was achieved, which is expected to continue improving over 2025.

MARKET RISK

Market risk in portfolios

Market risk **is generated by movements in market variables that affect the valuation of financial products and assets** with which trading is done.

We categorize the main risks as follows:

- **Interest rate risk.** This is a consequence of interest rate curve movement exposure in which it is being traded. Although the typical products sensible to interest rate movements are money market and traditional interest rate derivatives, in practice, **all financial products have exposure to interest rate movements, due to financial discount effect on valuation.**
- **Foreign exchange rate risk.** This is caused by the movement of the different foreign exchange currency rates in which positions are held. Like equities, this risk arises in spot currency positions, as well as in any derivative product, whose underlying is a foreign exchange rate.

The metrics developed for controlling and monitoring market risk at BBVA Colombia are aligned with international best practices, positioning the Bank as a benchmark in the local market. Measurement procedures are established considering how a possible negative evolution would impact on the markets, under trading portfolio ordinary circumstances or stress situations.

The standard metric for measuring market risk is VaR (value at risk), which indicates the maximum losses that may occur in portfolios at a given confidence level (99%) and over a time horizon (one day). This statistical value, widely used in the market, has the advantage of summarizing, in a single metric, trading inherent risks, considering the relationships between all of these and providing losses prediction that the trading portfolio could experience as a result of price variations in the interest rate and foreign exchange rate markets. Market risk analysis includes base risk consideration between different instruments and correlation risk.

Most BBVA Colombia's balance sheet items that are subject to market risk are positions whose main metric to measure their market risk is VaR. The current structure to manage this includes market risk limit monitoring, which consists of a limits scheme based on VaR, economic capital (based on VaR measurements) and VaR sub-limits, as well as each treasury business unit's stop-loss.

The VaR measurement methodology used by the Bank is a historical simulation, which includes the negative effects that the trading portfolio income statement may suffer due to the negative impacts generated by the risk factors' historical impact on the Bank's current position. By using historical data, the correlation between historical data and their occurrence distributions is naturally included.

VaR figures are estimated following the VaR methodology without straightening. From a 2-year sample of simulated results, the fifth worst data point is used.

Following guidelines established by European authorities, BBVA Colombia incorporates additional metrics to the VaR to meet Bank of Spain regulatory requirements, for trading book equity calculation purposes. Specifically, the measures incorporated in BBVA Colombia since February 2015, which follow the guidelines established by Basel 2.5, are:

- **CEMO** (Spanish acronym for Average Objective Economic Capital): Average Economic Capital Objective, a measurement of stressed VaR is added to the calculation of the VaR, resulting in the final measure being the maximum of the two (VaR and VaR stress) for an average of 3 months. In this way, greater weight is assigned to current or past market stress events. This measure is scaled by the Basel multiplier (3√10) to calculate the economic capital burden. The CEMO is consolidated together with the IRC, as a management measure.
- **Specific risk:** IRC (incremental risk capital), is a default risks and credit rating downgrade of bond positions quantification.

The incremental capital burden is determined based on associated losses (at 99.9% over a one-year horizon under constant risk hypothesis) as a result of rating migration and/or asset issuer default status. In addition, sovereign bond position price risk is included for the aforementioned items.

Periodically, validity tests are done on the risk measurement models used by BBVA Colombia, which estimate the maximum loss that could have occurred in the positions considered with a certain probability (back testing) level, as well as extreme market movement impact measurements on risk positions held (stress testing).

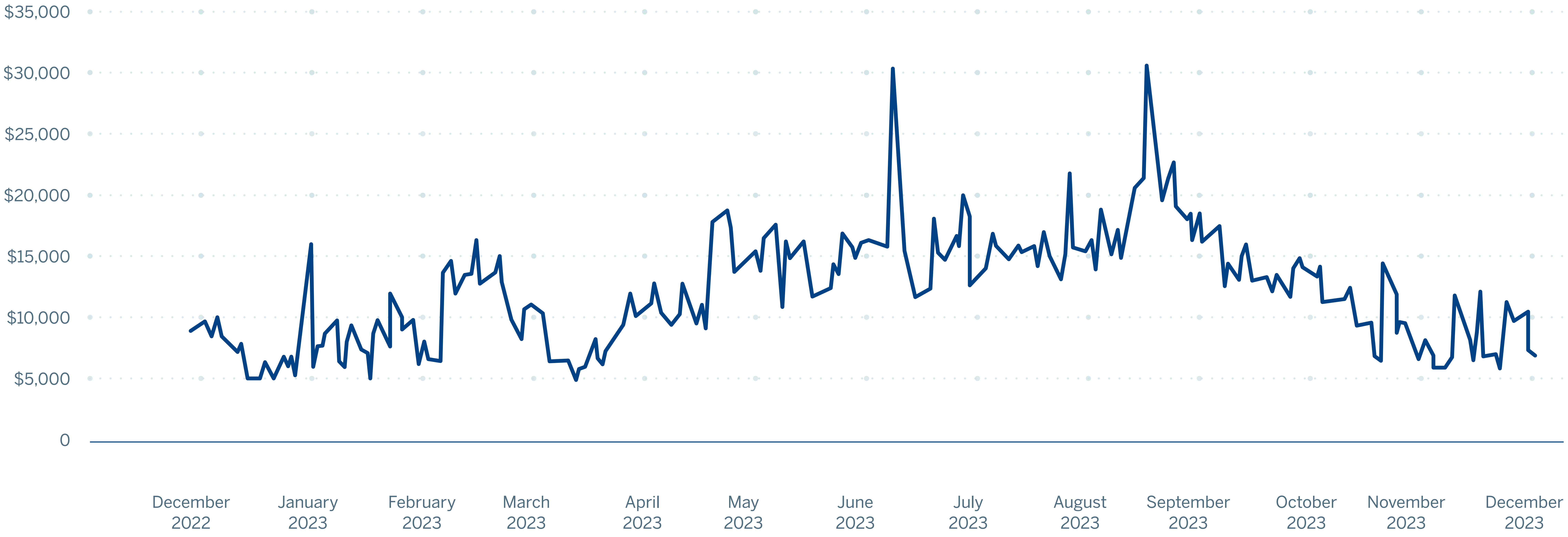
2024 Market risk

BBVA Colombia's market risk remained stable despite increased risk being managed in the trading book, which increased the average VaR to 57% and the average consumption to 60%, compared to 2023 risk levels. This is due to the fact that most of the activity was done as franchise operations, resulting in the assumption of low leverage risk in the proprietary position. In 2024, the total average VaR stood at COP $12,478 million, with a year-to-date high of COP $30,847 million reached on September 14.

The Bank's 2024 market risk evolution

Measured in terms of unsmoothed VaR, 99% confidence level, and one-day horizon in COP million.

Unsmoothed VaR



During the year, **the fixed income trading portfolio was concentrated in short and medium term positions,** mainly in Fixed Rate TES and TD, with a maturity between 1 and 2 years. The derivatives portfolio maintained the composition by product type, with the main forwards being dollar-peso and IBR Interest Rate Swaps. Homogeneously with the composition of the portfolio, the sensitivities were concentrated by type in peso and dollar. The characteristics of the portfolio described here cause the average VaR to increase, as an increase in short- and medium-term positions produces greater sensitivities. In the same way, interest deltas had a higher risks consumption throughout the period, with a relative variation of 67% compared to the previous year.

It is important to highlight that in 2024, financial markets faced a dynamic environment marked by monetary policy decisions by both Banco de la Republica and the Federal Reserve, as well as significant fluctuations in the peso-dollar exchange rate due to uncertainties in the local fiscal outlook and the strengthening of the United States economy.

The most relevant points are highlighted below:

Banco de la Republica faced a challenging context in 2024, characterized by inflation that, while moderating compared to 2023 observed levels, showed resilience in some basic components, closing the year at 5.20%, compared to 9.28% in December 2023. During the year, Banco de la Republica's Board of Directors adopted a prudent and gradualist stance in its monetary policy to avoid imbalances in the economy, reducing a total of 350 bps throughout 2024 and only 25 bps at its last meeting of the year, setting the rate at 9.50%.

In turn, the Federal Open Market Committee (FOMC) decided to reduce the interest rate by 25 basis points, placing it within a target range of 4.25% to 4.50%. This was the third consecutive rate cut since September 2024, for a total reduction of 100 basis points this year. The decision was made in the context of inflation still above the 2% target and a robust labor market, which led the Fed to adopt a more cautious stance regarding future rate cuts.

The Colombian peso appreciated significantly in the first half of the year, supported by an improvement in the terms of trade due to the rebound in oil prices and greater foreign currency inflows. However, volatility increased in the second half of the year due to global geopolitical tensions and changing monetary policy expectations in the United States. The exchange rate closed at around COP 4,200/USD, reflecting an annual decline of nearly 8% compared to the close of 2023.

Although there were warnings regarding market risk metrics, these were managed to ensure that risk levels remained within limits by the end of 2024.

As of December 31, 2023 and 2024, the VaR balance was COP 7.1 billion and COP 8.8 billion, respectively.

Table 105. VaR balance at the end of fiscal year 2024.
(Figures in COP million)

VAR BY RISK FACTORS	INTEREST RATE RISK	FOREIGN EXCHANGE RISK	TOTAL
Year 2024			
Year 2024	13,986	2,237	13,768
Average period VaR	29,357	8,153	30,963
Maximum period VaR	7,290	213	7,235
MINIMUM PERIOD VAR	**9,112**	**772**	**8,886**
Year 2023			
Average period VaR	11,934	2,964	12,478
Maximum period VaR	27,693	15,781	30,847
Minimum period VaR	4,908	125	5,115
VAR AT THE END OF THE PERIOD	**7,366**	**891**	**7,113**

Model validation

The internal market risk model is periodically validated through back testing to verify the quality and accuracy of the internal model that BBVA Colombia uses to estimate the portfolio's maximum daily loss, for 99% confidence and a 250 day time horizon, by comparing the Bank's results and the risk measures generated by the model. These tests have found that the Bank's internal market risk models are adequate and accurate.

In back testing, the daily VaR is compared to the clean results once the results and portfolio positions generated during the day are subtracted. This validates the market risk metric suitability. In such a way that the VaR model adequately captures changes in the trading portfolio results.

Stress Test Analysis

Stress tests are performed on BBVA Group's trading portfolios. On the one hand, historical scenarios, global and local, are used that replicate past extreme event behavior, such as the bankruptcy of Lehman Brothers. T**hese stress exercises are complemented by simulated scenarios, where the aim is to generate scenarios that significantly impact the different portfolios,** but without being anchored in any specific historical scenario.

Historical Scenarios

The Bank's historical stress scenario is Lehman Brothers, whose bankruptcy in September 2008 had a significant impact on global financial market performance. The most relevant effects of this historical scenario were:

- Increase in the volatility of a large part of the financial markets, leading to variations in different assets (currencies, equity and debt) prices.
- Liquidity shock in the financial systems, causing strong interbank curve movements, especially in euro and dollar shorter tranche curves.

Simulated Scenarios

Unlike historical scenarios, which are fixed and, therefore, do not adapt to the portfolio's risks composition, the scenario used to perform economic stress exercises is based on the resampling methodology.

This methodology is based on the use of dynamic scenarios that are periodically recalculated based on the main risks held in trading portfolios. Using a large enough data window to capture different stress periods (data taken from June 1, 2008), a simulation exercise is performed by resampling historical observations, generating a profits and losses distribution that allows for more extreme event analysis than those that occurred in the selected historical window. The advantage of this methodology is that the stress period is not predetermined but rather depends on the portfolio held at any given time. The large number of simulations (10,000) allows for expected shortfall analyses, with a greater information wealth than that available in the scenarios included in the VaR calculation.

The main features of this methodology are the following: a) simulations generated respect the data correlation structure, b) flexibility to include new risk factors and c) allows introducing significant simulation variability (desirable to consider extreme events).

Liquidity Risk

The Bank's liquidity and funding management **supports the banking business under appropriate term and cost conditions,** through instruments that allow access to sources of financing that meet regulatory and corporate requirements.

Liquidity and financing management is done autonomously, with a corporate approach, to prevent and mitigate contagion due to crises that could affect only one or more Group subsidiaries. For this reason, **the bank acts independently to cover its liquidity needs in the market in which it operates,** a strategy that guarantees the adequate transmission of liquidity and financing costs to the price formation process.

BBVA Colombia's financial strength is based on the financing of lending activity, mainly through stable customer funding; the Loan to Stable Customer Deposits (LtSCD) ratio measures the ratio between net lending and customers' stable funds. These stable resources are computed by analyzing customer segments balances behavior identified as likely to provide stability to the financing structure, prioritizing belonging and transaction ease, and applying greater haircuts to less stable customer financing lines.

In order to establish maximum LtSCD target levels and provide an optimal financing structure reference, in terms of risk appetite Market and Structural risks identifies and consolidates some economic and financial variables that can be understood as geography financing structure conditioning factors. **The Bank has maintained a solid financing structure, which is reflected in self-financing levels with stable customer funds above what is required.**

Table 106. LtSCD target levels

LOAN TO STABLE CUSTOMER DEPOSITS (LTSCD)	
December 2023	December 2024
111%	106%

A second axis in liquidity and funding risk management is to achieve a correct funding structure diversification, avoiding a high dependence on wholesale funding. Thus, a maximum short-term financing level is established that includes wholesale financing and the least stable customer funds.

To promote short-term liquidity risk profile resilience, ensuring that BBVA Colombia has sufficient collateral to meet wholesale market closure risk, the basic capacity metric is established, a short-term liquidity risk management and control metric, defined as the ratio between the explicit assets available and wholesale liabilities and wholesale fund maturities, at different time frames, giving relevance to 30 and 90 days.

The liquidity available by instrument, which is part of the collateral, as of December 28, 2023 for BBVA Colombia, is presented below: To promote the resilience of the short-term liquidity risk profile, ensuring that BBVA Colombia has sufficient collateral to meet the risk of closing the wholesale markets, the basic capacity metric is established, a metric for managing and controlling short-term liquidity risk, which is defined as the ratio between explicit assets available and the maturities of wholesale liabilities and wholesale funds. to different time periods, with relevance in 30 and 90 days.

The following table shows the available liquidity by instruments, which are part of the collateral, as of December 28, 2023 for BBVA Colombia: (It will be updated with year-end figures for 2024)

Table 107. Available liquidity by instrument
(Figures in COP million)

Dec-24	BBVA Colombia
Available	8,774,351
Eligible Fixed Income	6,925,166
TES	3,274,106
Corporate bonds and others	2,689,069
Collateral received as collateral	961,991

These metrics are complemented by a series of indicators on which thresholds are established to avoid concentration in wholesale financing by product, counterparty, markets and term. In addition, reference thresholds are established on a series of leading indicators that allow anticipating market tension situations and adopting preventive actions.

In the liquidity and funding risk management analysis, stress analyses is a fundamental monitoring scheme element as it allows to anticipate deviations with respect to liquidity targets and limits established in the appetite guidelines and establish tolerance ranges in different management axes. These also play a key role in Liquidity Contingency Plan design and in the definition of actions to redirect the risk profile.

Each scenarios is contrasted with whether **the Bank has a sufficient liquid asset stock to guarantee the response to liquidity commitments and outflows in the periods analyzed.** In the development of the analysis, 4 scenarios are considered; that is, a central one and 3 of crisis. Each scenario considers the following factors: market liquidity, customer behavior and funding sources, rating downgrades impact, liquid and collateral asset market values, and the interaction between liquidity requirements and the Bank's credit quality evolution.

From the stress exercises made periodically, BBVA Colombia has maintained a sufficient liquid asset buffer (stress buffer) to respond to the estimated liquidity outflows in a scenario resulting from systemic crisis and self-crisis combination.

In addition to these indicators, BBVA Colombia reports to the SFC the Regulatory Liquidity Indicator (RLI), in a weekly and monthly regulatory format that presents short-term contractual and non-contractual flows. The RLI must meet the ratio of liquid assets adjusted for market liquidity to foreign exchange risk, as well as the total net liquidity requirement, to remain above 100% for each band (7-day and 30-day). During 2024, **the Bank's RLI level remained above 100%, with ample levels, indicating its strong liquidity.**

Since March 2020 , the CFEN (Spanish acronym for Net Stable Funding Coefficient), in which Available Stable Funding vs. Required Stable Funding is compared, had to be above 90% for 2021 and 100% for de 2022. As of December 2024, the ratio closed at 120.36% vs. 118.33% at the end of 2023, well above the regulatory limit.

Considering BBVA Colombia's participation in the BBVA Group, a compliance level with the LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio) ratios was established, according to Basel mandated criteria and the highest requirement with respect to liquidity risk. The required internal levels are aimed at meeting 2024 regulatory requirement implementation in a timely and efficient manner.

In summary, in 2024, the bank maintained a solid liquidity position, with portfolio growth funded by customer funds, as well as specific use bond and credit issuances with multilateral banks.

Structural Risks

The Assets and Liabilities Committee (ALCO) is the primary body responsible for managing structural risks related to liquidity, financing, interest rates, and currency in the bank's balance sheet. It meets monthly and with representatives of ALCO Financial Management Areas, Research, Market and Structural Risks, and Business Areas. This Committee monitors the aforementioned risks and submits management proposals for approval. These management proposals are prepared by the ALCO Financial Management Area with a forward-looking approach, considering the risk appetite framework and seeking to ensure results recurrence and to preserve the entity's solvency.

For its part, Market and Structural Risks is responsible for identifying, measuring, monitoring and controlling structural risks and presenting these to corresponding management bodies and committees.

Structural interest rate risk

Structural Interest Rate Risk (RIE for its acronym in Spanish) reflects the potential impact that changes in market interest rates have on the Bank's net interest income and equity value. To measure this, BBVA Colombia considers as key risk generators: repricing risk, yield curve risk, optionality risk and basis risk, which are analyzed from two complementary perspectives: results (net interest income + MtM (mark-to-market) Fixed Income Portfolio), (short term), and the economic value (long term).

The management objective is **to promote net interest income and equity value stability in the face of market rate changes,** respecting solvency and internal limits, in addition to complying with requirements to keep interest rate risk within the approved limits, according to regulatory criteria.

The control and monitoring of the Bank's structural interest rate risk management are based on a set of metrics and tools to monitor the bank's risk profile. Among other aspects, sensitivities to parallel movements in the face of different shocks, changes in slope and curvature are included. In addition, other probabilistic metrics based on statistical scenario simulation methods are evaluated, such as MeR (Spanish acronym for Margin at Risk) and CER (Spanish acronym for Economic Capital at Risk), defined as the maximum unfavorable deviations in net interest income and economic value, respectively, for a given confidence level and time horizon.

All this is done in a differentiated way for each of the main currencies addressed in BBVA Colombia's balance sheet, considering the diversification effect between currencies.

The exercises consider both unfavorable macroeconomic scenarios analysis, specifically designed by BBVA Research, and potential scenarios, to identify interest rate environments harmful to the bank. This generates extreme breakdown of interest rate levels and historical correlations scenarios, generating abrupt changes in slopes and even inverted curves.

The model necessarily relies on a complex set of assumptions designed to reproduce the balance sheet behavior as closely as possible to reality. Among these assumptions, those relating to "accounts without explicit maturity" behavior are particularly relevant. These assumptions establish stability and compensation assumptions consistent with appropriate segmentation by product type and customer, as well as prepayment estimates (implicit optionality).

The bank adjusts its portfolio recovery strategies **to mitigate economic impacts and strengthen financial stability.**

During 2024, the prepayment models, which depend on interest rates, were updated, as well as the deposits without contractual maturity model. These updates were aligned with corporate guidance to meet local and European regulatory requirements.

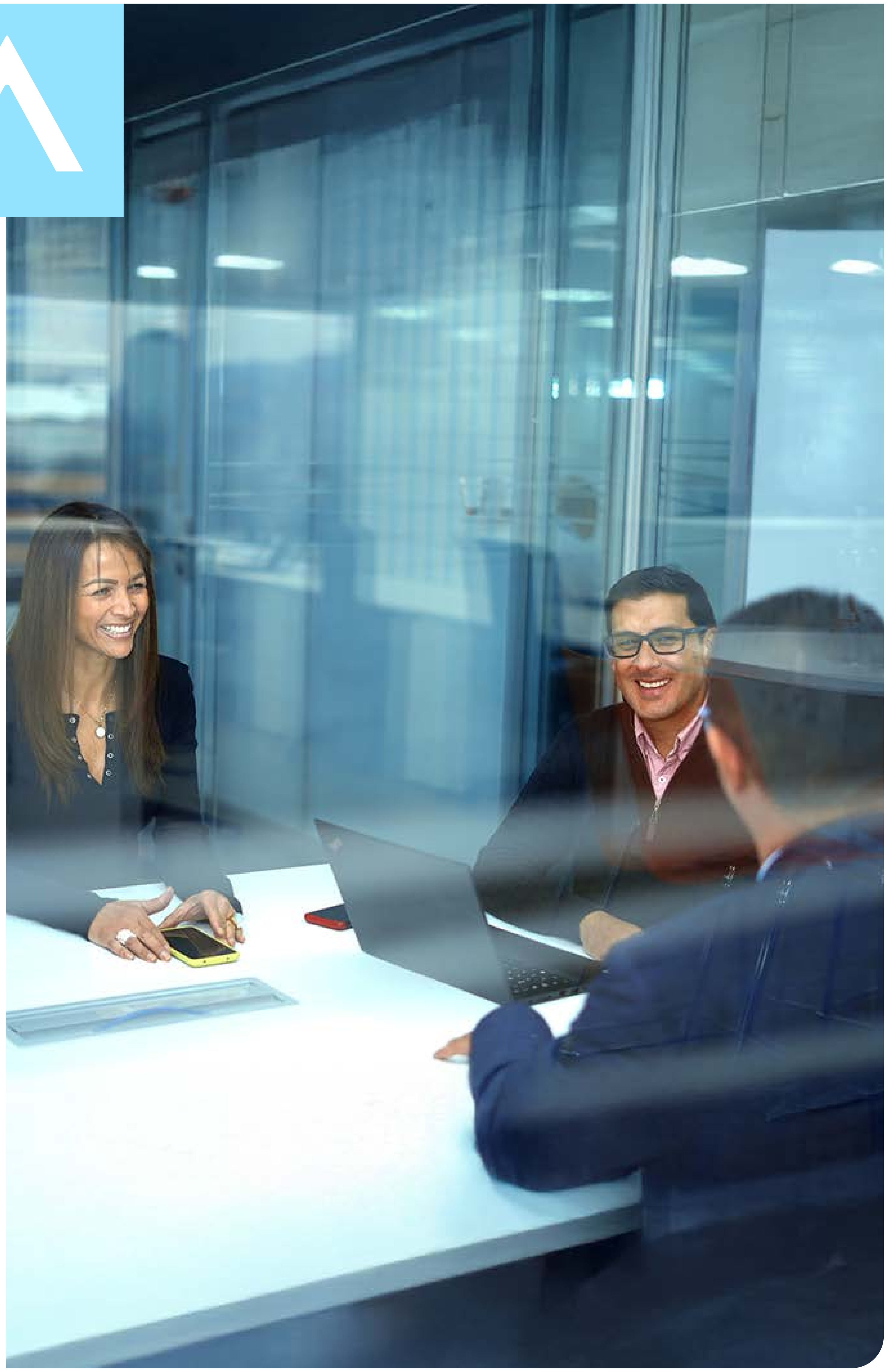
Table 108. Average levels of interest rate risks
(Figures in COP million)

AGGREGATE INTEREST RATE SENSITIVITY ANALYSIS	INTEREST MARGIN IMPACT		ECONOMIC VALUE IMPACT	
	100 bp increment	100 bps detriment	100 bp increment	100 bps detriment
January - December 2023	9,928	-8,181	January - December 2023	9,928
January - October 2024	-22,476	23,499	January - October 2024	-22,476

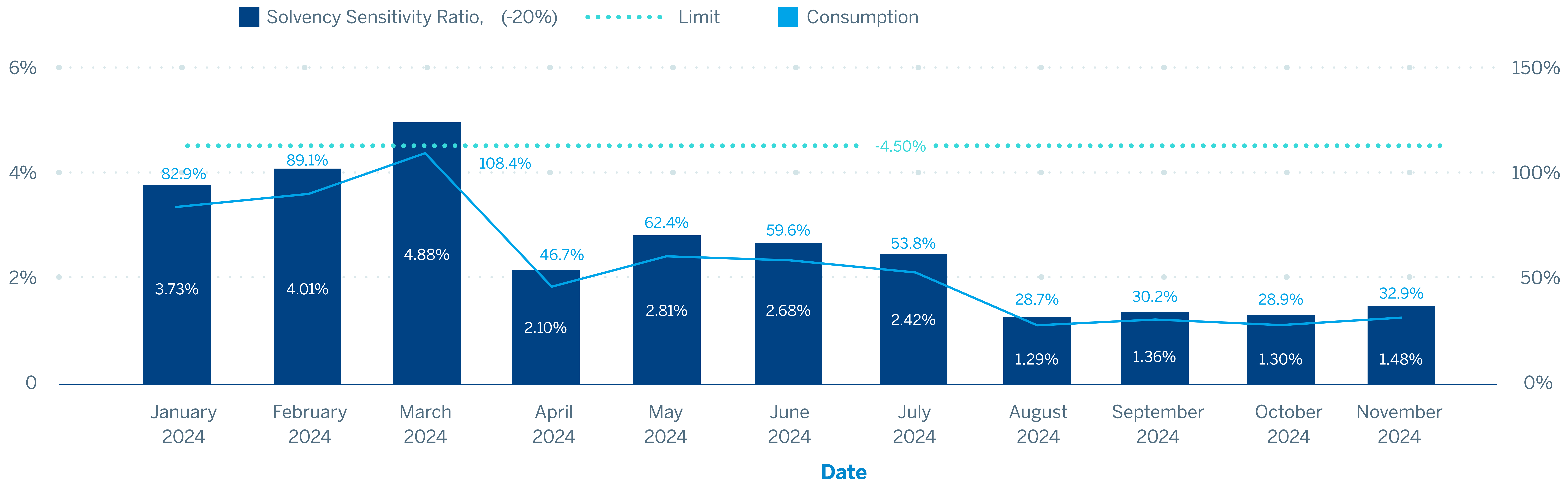
Structural exchange rate risk

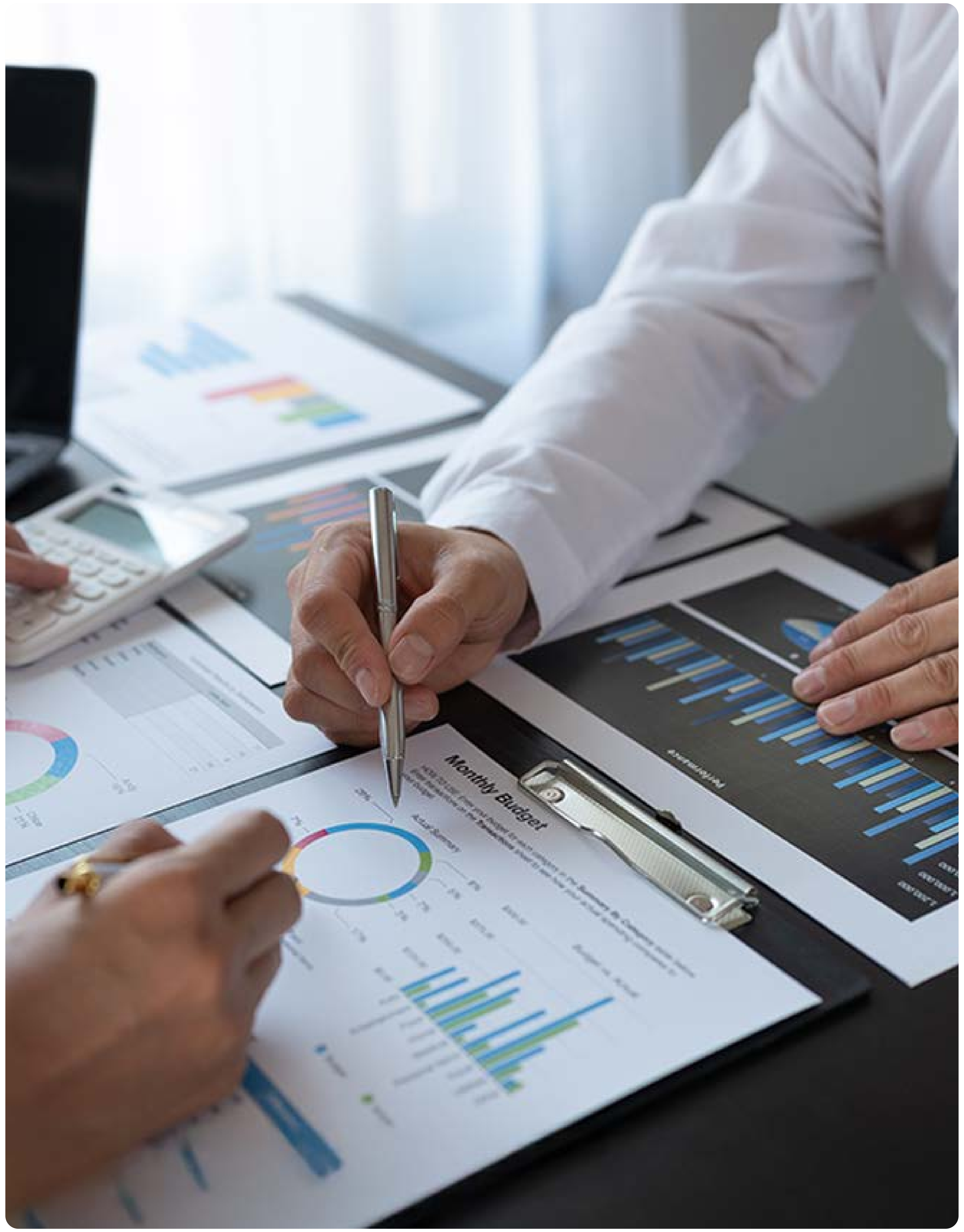
At BBVA Colombia, structural exchange rate risk arises from structural balance sheet exposure to foreign currency positions and its impact on solvency.

ALCO Financial Management designs and executes strategies to control exchange rate fluctuation with potential negative impacts on capital ratios. Market and Structural Risks monitors and controls structural change risk. Likewise, it periodically controls and monitors open structural balance sheet exposures.



Risk monitoring metrics are reported to the ALCO Committee and are complemented by indicators for assessing the Bank's foreign currency operating position, to ensure regulatory compliance with foreign currency position limits and risk management.





OPERATIONAL RISK MANAGEMENT

Operational risk management is done from two perspectives:

I. The "ex ante" point of view that consists of identifying, evaluating and prioritizing potential operational risks for mitigation. From this perspective, responsible units do anticipatory and preventive operational risk management.

II. The "ex post" point of view, which consists of evaluating exposure to operational risk, measuring its consequences, identifying its root causes and verifying defined control effectiveness, in order to create action plans that allow for continuous control environment improvements.

Three-Line of Defense Internal Control Model

Operational risk management is based in the Group's control model, which is structured in 3 different levels and constitutes the Group's internal control model organizational structure, for risk life cycle comprehensive management:

First line of defense.

Comprised by Business and Support areas, responsible for managing operational risks in their products, activities, processes and systems.

Each area is responsible for managing the operational risks implicit in their activity. In addition, there is Risk Control Assurer (RCA) that guarantees the area's adequate operational risk management, and extends the methodology to identify risks, encourage establishing the necessary mitigation measures and controls in all operational processes performed and outsourced by the area, and monitors their proper implementation and effectiveness.

Second line of defense.

Composed of:

I. Internal Control and Compliance Unit, which designs and maintains the operational risk management model and assesses application degree in the different areas.

II. Risk Control Specialists (RCS), corporate and local, in the areas of compliance, risk, finance, processes, technological security, physical security, information and data security, legal, third parties, and talent & culture. The RCS define the Mitigation, Control, and Monitoring Framework in their area of expertise and compare it with the one implemented by the first line.

Third line of defense.

Internal Audit area: conducts an independent review of the control model, verifying established general policies compliance and effectiveness.

Operational Risk Monitoring and Management

It is a continuous exercise that extends throughout the year and has among its main objectives:

- Ensuring that the unit's risk and control map is documented reflects the area's activities at all times and maintains evidence of the controls and mitigants implemented and the action plans undertaken to address identified weaknesses.
- Assess control processes' execution in the Unit's activities and validate control environment effectiveness.
- Anticipate situations of increased risk or deterioration of the control environment before these result in operational events, allowing preventive measures to be taken.
- Identify operational events materialized in the Unit, manage these to reduce their impact and take measures to prevent recurrence; in addition, to monitor the consistency of the Unit's risk map with the operational events it experiences.

In order to comply with the monitoring and management of operational risk, the RCSA (Risk and Control Self-Assessment) is done annually, which is the Unit's risk and control map comprehensive review process to ensure its validity, detect control weaknesses and promote these being fixed.

COPORATE SECURITY

GRI 416-1, GRI 416-2

The security processes established at BBVA Colombia are aligned with the internal three lines of defense control model, which will actively and regularly cooperate in supervising policy application and controlling information security risks. The security impacts assessment on products and services is done through the Group's initiative acceptance process, which considers Technology and Security, Information Security, and Data Security risks. Depending on the nature of the initiative, appropriate measures and/or controls will be required to implement it according to its risk level.

Additionally, Corporate Security as the first line of defense is in charge of managing risks related to security and cybersecurity, where it deploys capabilities at the level of people, processes and technologies to mitigate events that may impact on the confidentiality, availability and integrity of our clients' information. Therefore, in our security assessments we cover 100% of face-to-face and digital transactional channels among which are:

- ATM, Glomo (Mobile banking for individuals)
- Gema (Mobile banking for legal entities)
- Net Personas (Web banking for individual)
- Net Cash (Web banking for legal entities)
- Senda (New business Net)

The assessments performed involve exhaustive software and infrastructure testing to discover and remediate detected vulnerabilities, which enter into a vulnerability life cycle management process, to guarantee an adequate security position, tests made are:

Some of the types of tests we perform are:

1. Vulnerability assessment: This test aims to identify weaknesses in information assets to address flaws before these have a negative impact.
2. Static source code analysis: These tests perform vulnerability assessments and scans on the source code produced at BBVA Group.
3. Open source software analysis tests: This test aims to track the use of third-party libraries to identify vulnerabilities that may affect open source or third-party software used by the BBVA Group.
4. Penetration tests: These are manual reviews performed by experts to identify vulnerabilities.

BBVA Colombia has demonstrated an unwavering commitment to information security, rigorously complying with SFC and other applicable regulations standards. Through periodic internal and external assessments, audits, and security tests, we ensure that these are conducted in accordance with best practices in the industry. Furthermore, ongoing staff training on

cybersecurity and the constant policies, standards, and procedures updating ensure that BBVA Colombia remains at the forefront of information protection.

Our comprehensive security strategy, supported by a robust technological infrastructure, the use of specialized security tools, and the 24/7 surveillance of our Security Operations Center (SOC), allows us to **monitor any suspicious activity in real time and proactively respond to potential threats.**

Thanks to these robust security measures, BBVA Colombia has maintained a track record of regulatory compliance. In both 2023 and 2024, the entity demonstrated strict adherence to all applicable regulations and voluntary codes, reaffirming its commitment to protecting its users' information.

BBVA Colombia has implemented an information security governance framework designed to ensure the organization's digital assets protection. The entity has a General Information Security and Cybersecurity Policy that establishes each area's fundamental principles, strategic objectives and responsibilities in terms of security. This guiding document serves as the basis for the development of detailed standards and procedures that govern the organization's various activities.

BBVA Colombia's organizational structure promotes an embedded security approach, where information protection is all employees' responsibility. The Chief Information Security Officer (CISO) leads the security strategy, defines the necessary controls, and ensures regulatory compliance. In addition, a Security Committee, comprised of senior management, is responsible for assessing, reviewing, and approving policies, standards, and procedures.

Through this governance framework, **BBVA Colombia ensures security initiative alignment with the institution's strategic objectives** and promotes a security culture throughout the organization.

Additionally, to ensure proper security management, as well as adequate security risk identification, assessment, and management, BBVA has established the following governing bodies:

- **Global CISO Steering Committee:** Its objective is to ensure that security is integrated into all engineering actions, supervising and ensuring action lines implementation to mitigate BBVA's main security threats.

- **Security Operations Committee:** Its main objective is to conduct exhaustive progress and potential deviation monitoring from strategic lines.

Infrastructure Processes

BBVA Colombia has an information security and cybersecurity policy that defines information security management fundamental principles. It seeks to reduce the impact on its assets caused by risk materialization, maintaining an exposure level that allows for information integrity, confidentiality, and availability, consistent with the entity's needs. Furthermore, the entity is certified under the PCI-DSS standard and adopts industry best practices and security measures established in standards such as ISO/IEC 27002 and the ISO 2700 family, as well as the NIST Cybersecurity Framework.

External verification and vulnerability analysis

In recent years, **BBVA Colombia has multiplied its efforts to implement projects to safeguard its technological infrastructure and reduce the likelihood of cyber incidents occurring.**

- These include extensive capabilities to detect malware events and potentially dangerous behaviors and their timely containment.
- Ongoing vulnerability identification and remediation management in the IT infrastructure based on a prioritization model for assets relevant to the bank's operations and their level of exposure.
- Perimeter controls to promptly detect anomalous behavior that could affect applications exposed to the internet.
- And the evolution of cybersecurity event detection processes to promptly address anomalies, with 24/7 monitoring involving subject matter experts, technologies, and processes based on international standards such as the NIST 2.0 Cybersecurity Framework.
- Likewise, ongoing management is done to keep technologies up-to-date and continuously parameterize security hardening for devices.

Furthermore, **BBVA Colombia adopts the controls established in the PCI-DSS standard for securing cardholder data,** which combine best practices for securing technological infrastructure, management procedures, and security governance. With this, the Bank achieved PCI-DSS certification in version 3.2.1 after passing the assessment process conducted by a bank independent certification body.

Throughout 2024, **the statutory auditor conducted monitored controls' effectiveness in the cybersecurity monitoring, logical access, vulnerability management, and physical security processes,** where corrective actions were developed to mitigate identified risks.

External audits

In the last year, BBVA Colombia has performed Red Team exercises executed by the Global team, whose objective is to **identify and remedy security breaches in assets critical to the bank's operations.** These exercises have strengthened controls to detect anomalous events in a timely manner and prevent assets being compromised. Likewise, a Tabletop cyber crisis simulation exercise was done with the participation of Senior Management, focused on raising awareness about possible operational, legal, reputational and financial impacts that could be generated by a cyber incident. This exercise made it possible to speed up decision-making in crisis situations and strengthen technological and operational continuity protocols.

On the other hand, an exhaustive unavailability scenario analysis due to technological services denial, Active Directory compromise and unavailability due to ransomware attack was completed. **Based on this analysis, specific controls were defined to prevent these incidents.** At a later stage, a controlled simulation will be done to assess control and response protocol effectiveness.

Infringements

For BBVA Colombia, 2024 was a year in which it worked to assess the company's needs, improve currently implemented processes and standards, and define the risks associated with these. To this end, it has focused on generating awareness and training strategies for employees, educating them on cyber risks through phishing campaigns, training courses, developing new security policies, strengthening controls, and acquiring tools that provide the entity and its assets with protection, prevention, monitoring, and detection to respond promptly to cybersecurity threats.

Advanced strategies were implemented to reduce the impact of exchange rate fluctuations on capital ratios.

Table 109. Infractions that occurred during 2024

	2024
Total information security breaches	During 2024, At BBVA Colombia, no phishing alerts were registered. Thanks to the controls in place, there were no incidents affecting service availability or data loss.
Total customers, consumers, and employees affected by violations	During 2024, At BBVA Colombia, there were no information breach incidents and/or breaches affecting customers, employees or third parties.

Artificial Intelligence

The bank is **developing artificial intelligence-based initiatives to transform and optimize its key processes,** such as credit card issuance. In this context, an automation system was implemented in the document validation phase, which uses AI to process documents such as ID cards, pay stubs, and employment certificates. This solution enables automatic normalization, extraction and data validation, ensuring that the information provided by customers matches existing records in the bank's databases. Furthermore, the system automatically identifies cases in which validation cannot be completed, redirecting them to a manual residual process to ensure continuity. With this technology, manual activities were significantly reduced, processing times improved, and validation accuracy increased. Metrics used to measure the impact include a reduction in average times per request, successful automation percentage, and decrease in human errors, reflecting an improvement in operational efficiency and customer experience, aligned with the bank's strategic digital transformation objectives.

Additional information on cybersecurity

2024 was a year of challenges in terms of security and cybersecurity. We implemented an embedded security model through which we incorporated security into all organization pillars, increasing security awareness and mindset in processes, people, and technology, applied to the organizational model. Four CISOs were assigned direct reporting to execution units head where protection measures used to protect the Bank and its clients are implemented. Their role is to ensure that these units assume ownership of the protection tasks defined by Corporate Security.

Significant progress was made in strategic projects development, aimed at strengthening the Bank's security position. These include:

Authentication Strengthening: Implementation of multi-factor authentication mechanisms, prioritizing biometric methods. Session time limits to ensure greater security. Each access to BBVA systems will require strong authentication and will be done exclusively from controlled devices.

System access control: Access authorization is only required through managed devices that comply with BBVA's software and security policies. Mandatory registration for devices (corporate and non-corporate) used to access systems.

Attack protection: Technological capability deployment to protect internet-exposed domains and endpoints against industrialized request attacks.

Secure browsing: Employees secure browsing from anywhere, both on the internal and external network.

Monitoring and privileged access: Secure access management and monitoring to the Bank's infrastructure by privileged users.

Endpoint and server security: Advanced protection with antivirus solutions and EDR tools, enabling processes running on devices verification.

The Critically Confidential Information (CCI) Project aims to identify, classify, and improve confidential critical information protection within the organization. In 2024, significant progress was made in several key areas, ensuring proper information management in line with global security standards.

Project highlights include:

- Sensitive data protection
- Internal User Authentication
- Profiling
- Monitoring
- Infrastructure protection
- Encryption
- Obsolescence
- Vulnerabilities
- IT asset inventory management

This comprehensive approach streamlined critical information protection, ensuring compliance with security regulations and consolidating a safer and more efficient environment for the organization.

These initiatives reflect the bank's commitment to continuous improvement in security, aligning with best practices and international standards.

7 Internal audit

Commited to the sustanaible of development of Colombia

Internal audit

In 2024, **we continued to monitor risk management and controls through detailed and continuous reviews.** The area's production exceeded the commitments made with the Internal Audit Committee for the year. On te other hand, recommendations made implementation follow-up, together with the audited areas commitment for their resolution, made it possible to close the year without overdue recommendations.

At the same time, the 2020-2024 Strategic Plan was fulfilled in advance. Thanks to the initiatives included in the plan, the Internal Audit area was significantly transformed, consolidating itself as a reference for all our stakeholders.

It should be noted that according to the five-year external review conducted the previous year, KPMG concluded that the Internal **Audit function, as well as the bank, is in the most advanced position globally,** compared to similar entities and did not identify any weaknesses that required a recommendation.

These achievements were possible thanks to the effort, competence and commitment of the Internal Audit team, as well as the coordinated work of the Holding Audit Committee, the Audit Committee and all areas, whose permanent teamwork contributes to the Internal Audit objective of adding value to the Group.

Our Agile structure, consolidated as a model, allows the area's production and value contribution to be maintained, directly accompanying administration's and regulator's management, for a consolidated and efficient organization. The established roles are:

Head of Audit Colombia / Audit Partners: Responsible for establishing relationships with each business area and supervisors, assuming responsibilities in terms of continuous risk assessment and the Internal Audit Plan, recommendation follow-up and reporting to the governing and control bodies.

Program Managers (PMs): Supported by team leaders and audit pool team, they are responsible for program execution (a set of projects in a specific field). PMs define the work execution strategy and lead the various teams to ensure project quality and time-to-market.

People: It is in charge of managing talent and people who are part of Internal Audit, according with policies defined by Talent & Culture. Among its functions is Solutions Development Team (auditor pool) resource allocation to the projects that comprise the Internal Audit Plan.

As part of the activities performed by the Internal Audit team in the holding company, there are transversal teams such as:

Core Service & Portfolio: It is responsible for defining and maintaining the area's global methodology and ensuring its correct application through the Technical Forum. In addition, it prioritizes the Single Audit Project Portfolio and monitors its execution. Lastly, it manages the area's tools.

Strategy: Defines the area's global strategy and supports the Audit Partners teams, especially with regards to risk assessment. It is also responsible for information, budgeting and relations with third parties management, including supervisors. It supports the CAE (Chief Audit Executive) in its reports to the governing bodies and ensures compliance with the methodology through the QA (Quality Assurance) function.

Transformation: Promotes and ensures area transformation towards a totally Agile scheme, both in the cultural aspect and in the working ways.

As part of the Internal Government, the area's management is supported through forums and working groups:

Business Review: Monthly meetings between the CAE and the Internal Audit Colombia Head.

PM Office, periodic coordination sessions and contribution channeling to the PM area.

Audit Plan, three-year plan definition and quarterly emission commitment establishment.

Intra-Q prioritizations, sessions to identify work that, although not prioritized for the current quarter, should be executed for opportunity reasons.

Internal Audit Leadership Team (IALT), main management group in the area. It is a consultative and informative forum to share information, experiences and best practices among Internal Audit Management team members and serve to support CAE decision-making, where the Audit Colombia Head participates.

As part of the structure and governance, Internal Audit reports to the Board of

Directors through the Audit Committee (Holding), a situation that is replicated in Colombia, where there is a direct report to the Audit Committee. This reporting line ensures a high level of function independence and adequate scaling of review results and related weaknesses.

In addition to the Audit Committee quarterly sessions, constant and fluid communication is maintained with its Chairman, through follow-up meetings on the most relevant aspects of the activity.

Within the topics reported on a recurring basis to the Audit Committee, the following information is reported:

- Internal Audit Plan and quarterly commitment updates.
- Plan activity monitoring.
- Most relevant conclusions of work done.
- Internal Audit recommendation follow-up.

Likewise, Internal Audit is part, as an observer, of the Corporate Assurance and presents the following information to this committee:

- Identified TCIs (Thematic Control Issues) details, their root causes and improvement plans in progress, if already defined.
- Significant and critical action overdue status, if any.

It also participates as an observer in the Management Committee and is part of several relevant working groups and committees at the local level, such as the Operational Risk Admission and Product Governance Committee and the Disciplinary Committee, among others.

The Internal Audit work plan is determined in a triennial reference that is updated annually. The annual vision materializes in quarterly plans that result from a prioritization process that Internal Audit does every quarter. To define these plans, a continuous RA (Risk Assessment) is done to analyze the risk level and the degree of control of the activity carried out by each company in the Group. The RA's result materializes in the annual prioritization ceremonies, which facilitate triennial reference formation, and in the quarterly prioritization ceremonies, in which it is determined which works are to be started and a commitment is established on the number of works that are going to be issued in the following quarter.

In the quarterly prioritizations, in addition to the result of continuous RA, supervisors' commitments and expectations, the Group's strategic objectives, the strategic Internal Audit lines and the requests received from the units are considered. Some of the attention focuses considered in the 2024 plan were:

Credit: Assessment of portfolios that are significant, in terms of risk and relevance level, such as SMEs and the developer portfolios, as well as the mortgage portfolio, in onboarding and management process terms .

Sustainability: Design and established policy monitoring adequacy to comply with local and global accessibility standards.

Information security: Cybersecurity function existence, its governance, and the degree of alignment of its objectives with corporate objectives.

Fraud: Monitoring and management in the marketing of products.

Data management: Implementation assessment by Group defined models and their alignment at the local level.

As a result of the activities performed, situations were identified in some areas that led to the definition of action plans by the administration, in line with the commitment to add value to the organization. Some significant aspects are highlighted below, but these were not the only ones reported to the Audit Committee and the Board of Directors:

Information and data security where management was recommended to strengthen security measures and controls against exposing sensitive, confidential and privileged information, as well as to improve the timely monitoring and alerting of possible malicious activities on the platformed computers, including deactivation of security tools, which are the first line of defense against malware. It was also suggested to activate some Data Loss Prevention rules that were not active.

Credit, we created a work item to strengthen early warning tools for the wholesale and SME portfolio.

Fraud guidance was provided on the product selling process in the commercial network, focused on operation filing, network use contract with subsidiaries, operating processes, control operations and process governance.

The Risk Management Systems (Comprehensive Risk Management System - SIAR, Consumer Service System - CSS, Internal Control System - SCI, and Money Laundering and Terrorist Financing Risk Management System - SARLAFT), were assessed evaluated in accordance with the regulations and periodicity defined by the regulator.

For each of these activities, management established action plans to mitigate identified risks. Internal Audit monitors these plans.

Other coverage activities have been made that contributed to providing greater value as the Group's third line of defense:

- Deep Assessment: Cross-sectional and holistic review of Group companies.
- Special investigations: Suspected potentially fraudulent activity case analysis. These jobs can lead to disciplinary action for employees involved and legal proceedings for those responsible.

During the 2024 financial year, Internal Audit maintained fluid contact with the SFC's oversight teams, both in the context of inspections and in ad hoc sessions on special interest aspects in its ongoing monitoring work. At the end of the year, the SFC's Internal Audit function review concluded without any observations.

Finally, Internal Audit has a Quality Assurance and Improvement Program (PAMC for its acronym in Spanish) that covers all the activities it develops. This model has been designed to ensure that the area carries out its work in accordance with International Standards on Internal Auditing and complies with the internal methodology.

The PAMC includes internal and external assessments:

Quality Assurance: Internal review cycle with a 3 year time horizon. Continuous risk analysis is done, with a triennial review plan defined with an annual assessment and update schedule. The Quality Assurance (QA) team conducts these reviews.

The Voice of the Auditee: Internal Audit makes surveys to learn the opinion of the auditees at the end of each work. Communication, personal treatment, knowledge and auditor team value contribution are assessed.

External assessments: They are carried out every 5 years by an independent expert. The last assessment was in 2023 by KPMG. The QA function coordinates and follows up on the observations derived from these reviews.

BBVA

Annual Report 2024

8 External verification

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External verification

GRI 2-4, GRI 2-5

BBVA Colombia has various instruments to guarantee the quality of the information reported to its stakeholders.

First, **during the reporting processes, various areas are involved that provide information** and are also subject to supervision, verification, and auditing methods common in the Bank. In these areas, roles are defined to provide and approve information, in order to have a double review process.

The process of consolidating and reporting sustainability information is communicated to senior management through the Management Committee. BBVA Colombia includes in its reporting practices the annual verification (under limited assurance) of the Non-Financial Information Report by an independent external party. **Once the document has been submitted, reviewed, and consolidated, it is presented to the Board of Directors for approval.** It is important to highlight that some of the individual indicators of Banco Bilbao Vizcaya Argentaria Colombia S.A. listed in the ESG table and attached to the Verification Memorandum have been reviewed and verified by Ernst & Young (EY), which issued the Independent Limited Assurance Report, the scope of which is detailed in Annex 1 of the Verification Letter.

Finally, the Report is presented to the General Shareholders' Meeting, which approves the final version for publication and communication to stakeholders. In 2024, **the second version was presented under the SASB (Sustainability Accounting Standard Board) standards and the TCFD framework (Task Force on Climate-related Financial Disclosures), to strengthen economic and governance dissemination, social and environmental issues,** including climate change, while preparing SFC External Circular 031.

In order to disseminate transparent and quality information to stakeholders and the public, **this report was verified by a third party that reviewed** content adaptation to the GRI sustainability information reporting standard.

BBVA maintains high security standards in its operations, minimizing risks and ensuring compliance.

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Sirs. Banco Bilbao Vizcaya Argentaria S.A.

AS-4625-25
May 8th, 2025

To the Management of Banco Bilbao Vizcaya Argentaria S.A.

The 2024 Individual Report of Banco Bilbao Vizcaya Argentaria S.A. as of December 31st, 2024, has been prepared in accordance with the Global Reporting Initiative (GRI) standards.

Ernst & Young Audit S.A.S., acted as independent verifier of the identified sustainability information, contained in the Individual Report, and its limited assurance report was released on March 25th, 2025. Our engagement was conducted in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000').

According to your request, we have prepared a free translation of our limited assurance report as independent auditor.

Cordially,

GLORIA MARGARITA MAHECHA GARCIA
Digitally signed by GLORIA MARGARITA MAHECHA GARCIA
Date: 2025.05.08 16:50:36 -05'00'

Gloria Margarita Mahecha García
Assurance Partner
Professional ID 45048-T
Ernst & Young Audit S.A.S.

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Sirs. Banco Bilbao Vizcaya Argentaria S.A.

AS-2693-25
March 25th, 2025

Free Translation

Independent Practitioner's Assurance Report

To the Management of Banco Bilbao Vizcaya Argentaria S.A.

1. Scope

We have been engaged by Banco Bilbao Vizcaya Argentaria S.A.(hereinafter "BBVA" or "The company" to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements (here after referred to as the engagement to report on BBVA's identified sustainability information (the "Subject Matter") detailed in the Annex 1 (the "Criteria") and it is contained in the "Informe de Gestión Individual" of BBVA Colombia for the period for the period from January 1st to December 31st, 2024 (the "Report")

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

2. Criteria applied by Banco Bilbao Vizcaya Argentaria S.A.

In the preparation of the Subject Matter detailed in Annex 1, BBVA Colombia applied the criteria of the GRI (Global Reporting Initiative) standards and the financial services sector supplement of GRI, included in Annex 2 of this Report (the Criteria). These criteria were specifically designed for the management reporting of its material matters. As a result, the information regarding the subject matter may not be suitable for other purposes

3. Banco Bilbao Vizcaya Argentaria S.A.'s responsibilities

BBVA Colombia's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

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Sirs. Banco Bilbao Vizcaya Argentaria S.A.

Page 2
March 25th, 2025

4. EY's Responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)) And the contractual terms and conditions for this engagement agreed with BBVA Colombia in the addendum dated February 7, 2025, to the engagement letter AS-5415-24 approved by the parties on May 14, 2024. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

5. Our independence and Quality Management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

6. Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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Sirs. Banco Bilbao Vizcaya Argentaria S.A.

Page 3
March 25th, 2025

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter detailed in Annex 1 and related information and applying analytical and other appropriate procedures.

Our procedures included:

a. Conduct interviews with Company personnel to understand the business and the process of preparing The Report.

b. Conduct interviews with those responsible for preparing the Report to understand the process of collecting, consolidating, reviewing and presenting the information of the Subject Matter.

c. Verify that the calculation criteria have been correctly applied in accordance with the methodologies described in the Criteria.

d. Conduct analytical review procedures to support the reasonableness of the data.

e. Identify and test the assumptions that support the calculations.

f. Reading the contents on the material topics (GRI 3-1, 3-2, 3-3) associated with the Subject Matter to verify that they have been correctly applied in accordance with the

g. Compare the contents presented in the Report with the self-declared compliance by the Company in accordance with the conformity requirements of the GRI Standard 1.

We also performed such other procedures as we considered necessary in the circumstances.

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Page 4
March 25th, 2025

7. Limitations of Our Assurance Engagement

Our assurance engagement was limited to the Subject Matter included in Annex 1 contained in the Report for the period from January 1st to December 31st, 2024, it does not include information from previous years included in the Report, nor related to projections or future goals.

Neither did it attempt to determine whether the technological tools used to develop the Report are the most appropriate and/or efficient.

8. Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter detailed in the Annex 1 of the Report for the year ended December the 31st 2024 in order for it to be in accordance with the Criteria included in the Annex 2 and the Subject Matter.

9. Other Matters

Notification to the Global Reporting Initiative (GRI) about the publication of the Report, assuring the guidelines of the GRI standard 1: Fundamentals, Conformity requirement 9: Notify GRI (the organization must notify GRI of the use of GRI standards and its declaration of use, by sending an email to reportregistration@globalreporting.org), is the responsibility of the Company and they have told us that it will be done within 5 business days following the issuance of this conclusion.

Cordially,

GLORIA MARGARITA MAHECHA GARCIA

Digitally signed by GLORIA MARGARITA MAHECHA GARCIA
Date: 2025.05.08 16:49:50 -05'00'

Gloria Margarita Mahecha García
Independent Accountant
Professional ID 45048-T
Ernst & Young Audit S.A.S.

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ANNEX 1 - SUBJECT MATTER

The sustainability information identified in the indicators included in the printed Report and included by Banco Bilbao Vizcaya Argentaria Colombia S.A. on its website it is presented in the following table:

Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Economic performance	GRI	201-1 Direct economic value generated and distributed	Million COP	• Direct economic value generated 4,353,696 • Economic value distributed: 1,963,010 • Economic value retained: 2,390,686
Commitment to our workforce	GRI	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Rate	• 2.00 starting ratio for men and women • Minimum Down Wage for Men and Women 2,608,000 • SENA trainees are excluded, which represents 4% of the force and rotate every 6 months. • Current legal minimum wage 1,300,000 in Colombia. • All operations in Colombia are significant
Inclusive Growth / Climate Action	GRI	203-2 Significant indirect economic impacts. (BBVA's impact on the environment)	Qualitative indicator	BBVA finances projects that generate a positive impact on society, through the financing of Inclusive Infrastructure, Revitalization of the business fabric and Financing of social projects and territorial development.
Procurement practices	GRI	204-1 Proportion of spending on local suppliers	Percentage	• Proportion of expenditure to local suppliers 73.68% • Local: Natural or legal persons that supply goods, products or services and are legally constituted in Colombia. • All operations in Colombia are significant

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Corporate governance and ethics	GRI	205-2 Communication and training about anti-corruption policies and procedures	#	• Total number of members of government bodies communicated and trained on the organization's anti-corruption policies and procedures - 9 • 100% of the total number of members of government bodies communicated and trained on the organization's anti-corruption policies and procedures • Total number of employees communicated and trained on the organization's anti-corruption policies and procedures - 5,133 • 97.8% of total employees reported and trained on the organization's anti-corruption policies and procedures • The total number of business partners who have been informed of the organization's anti-corruption policies and procedures - 16,305 • 100% of the total number of business partners communicated and trained on anti-corruption procedures • Managementel level II: 11 - 100% • Management level III: 172 - 99% • Management level IV: 1,728 - 99% • Management level V: 2,138 - 99% • Management level VI: 1,084 - 90%
Corporate governance and ethics	GRI	205-3 Confirmed incidents of corruption and actions taken	#	0 corruption incidents identified and 0 public legal cases related to corruption
Corporate governance and ethics	GRI	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	#	0 pending or completed legal actions.
Climate action	GRI	301-1 Materials Used by Weight or Volume	Kg	• 196,724 Renewables • 0 Non-renewable.

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Climate action	GRI	302-1 Energy Consumption Within the Organization	GJ	• 70,089 Backed as renewable energy by REC • 70,089 energy taken from the National Interconnected System • Not applicable: literal c the report of internal energy consumption for heating, cooling and steam. • All the energy used in the bank is taken directly from the source of the public electricity service provider, so everything works with that service. • Literal f the standards are made according to the internal document "Greenhouse Gas Emissions".
Climate action	GRI	303-5 Water Consumption	ML	• Total water consumption of all zones.67.71 ML • Total water consumption in water-stressed areas: information is not available • Change in water storage: Not applicable, bank does not store water

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Climate action	GRI	305-1 Direct (Scope 1) GHG Emissions	TonCO2Eq	• Gross Emissions Value: 1,243.52 TonCO2eq. • The greenhouse gases CH4, N2O are used for the calculation of the carbon footprint. • Biogenic emissions do not apply since no energy is consumed from this type of source. • Base year 2019, since it was the last year of normal operation before the pandemic. • The factors of and the warming potentials of the IPCC are taken • Consolidation of emissions is operational control. • The Bank measures its annual corporate carbon footprint, taking into account the guidelines of the GHG Protocol
Climate action	GRI	305-2 Energy indirect (Scope 2) GHG emissions	TonCO2Eq	• Location based: 2,895.08 TonCO2eq. • Market based: 0 TonCO2eq. • The greenhouse gases CH4, N2O, are used to calculate the carbon footprint. • Base year 2019, given that it was the last year of normal operation before the pandemic • The IEA (International Energy Agency) Emission Factors and the IPCC Warming Potentials • Consolidation of emissions is operational control. • The Bank measures its annual corporate carbon footprint, taking into account the guidelines of the GHG Protocol

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Climate action	GRI	305-3 Other indirect (Scope 3) GHG emissions	TonCO2Eq	• 3,117.99 TonCO2eq. • The greenhouse gases CH4, N2O are used for the calculation of the carbon footprint. • Category 1 Purchase of goods and services • Category 5 Waste generated in operations, Category 6 Business travel and Category 7 Employee travel • Base year 2019, given that it was the last year of normal operation before the pandemic • The EPA Emission Factors and the IPCC Warming Potentials • The Bank measures its annual corporate carbon footprint, taking into account the guidelines of the GHG Protocol
Climate action	GRI	306-3 Waste generated	Ton	• Total weight of waste generated in metric tonnes and breakdown of this total according to waste composition 171.38 • Non-hazardous waste 153.96 • Hazardous Waste 17.42 Ton • BBVA Colombia is committed to minimizing its environmental impact through responsible waste management. To this end, it has implemented a comprehensive program that includes the reduction, reuse and recycling of materials. This is achieved through practices such as waste separation, the use of recycled paper, the minimization of the use of plastics, and the donation of reusable materials. In addition, the Entity works closely with its suppliers and contractors to ensure that they also adopt sustainable practices. By 2024, it worked with different suppliers on the collection and proper disposal of waste generated in each of the sites where the Bank has a presence.

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Commitment to our GRI workforce		401-1 New Employee Hires and Employee Turnover	Number and rate	• Total number of new employees: 565 • Hire Rate: 10.73% • a. Total number of new employees (under 30 years old) 314 • a. Total number of new employees (ages 30-50) 251 • a. Total number of new employees (Over 50 years old) 0 • a. Total number of new employees (Women) 265 • a. Total number of new employees (Men) 300

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
				• a. Hiring rate (Women) 8,89% • a. Hiring rate (Men) 13,14% • a. New Hire Rate (Under 30) 26,10% • a. Rate of hiring of new employees (between 30 and 50 years old) 7,43% • a. New Hire Rate (Over 50) 0% • Total Turnover Quantity: 829 • Turnover Rate:15.75% • b. Total Number of Staff Turnover (Under 30 Years of Age) 195 • b. Total amount of staff turnover (between 30 and 50 years old) 408 • b. Total Number of Staff Turnover (Over 50 Years of Age) 226 • b. Staff turnover rate (under 30 years old) 16,21% • b. Staff turnover rate (between 30 and 50 years old)12,07% • b. Staff turnover rate (Over 50 years old) 33,14%

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
				• b. Staff turnover rate (Women) • 14,69% • b. Staff turnover rate (Men) • 17,13% • b. Total Staff Turnover (Women) • 438 • b. Total Number of Staff Turnover (Men) • 391 • Total number of new employee hires Barranquilla: 18 • Total number of new employee hires Bogota: 398 • Total number of new employee hires Cali: 25 • Total number of new employee hires Medellín: 28 • Total number of new hire Other Cities: 96 • Barranquilla's New Hire Rate: 10.47% • Bogota New Hire Rate: 12.27% • Cali New Hire Rate: 13.23% • Medellín New Hire Rate: 10.94% • New Hire Rate Other Cities: 6.84% • Number of casualties Barranquilla: 32 • Number of casualties Bogota: 483 • Number of casualties Cali: 45

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
				• Medellin Casualties: 49 • Number of casualties Other Cities: 220 • Barranquilla Turnover Rate: 18.6% • Bogota turnover rate 14.88% • Turnover rate Cali 23.81% • Medellín turnover rate 19.14% • Turnover rate Other City 15.68%
Commitment to our workforce	GRI	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	Qualitative	The company offers the following services: • Funeral subsidy • Educational subsidy aid for children with disabilities. • Food subsidy • Eye surgery subsidy • Maternity subsidy • Educational subsidy for children • Eye glass subsidy • Graduate Study Credit • Undergraduate study credit • Bank teller Incentive • Seniority bonus • Vacation bonus, seniority benefit • Extralegal premium.

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Commitment to our GRI workforce		403-9 Work-related Injuries	Number and rate	• Number of deaths resulting from a work-related injury: 0 • Death rate resulting from a work-related injury: 0 • Number of Injuries from Workplace Accidents with Major Consequences Not Including Fatalities: 0 • Rate of work-related injuries with major consequences not including deaths: 1.0055 • Number of Recordable Workplace Injuries 45 • Recordable work-related injury rate 0 • Number of hours worked: 8,950,500 • Rates have been calculated for each: 1,700 hours worked • Literal b does not handle the information of workers who are not direct.

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Commitment to our GRI workforce		403-10 Work-related ill health	Number	• Number of deaths resulting from an occupational disease or disease: 0 • Number of cases of occupational diseases and diseases recordable: 4 • Literal b no information is reported on workers who are not direct employees. Information Managed by a Third Party. • Paragraph c - e: For the identification of hazards, evaluation and assessment of risks, there is the SG-SST through which actions are established aimed at determining the dangers that may generate incidents, accidents and/or diseases of occupational origin, in accordance with the standards established at the legal level. Preventively, risks and dangers are identified and intervened every year by updating the matrix where those hazards that can represent injuries with great consequences are contemplated. In 2024, there were no events that representatively affected the health and integrity of workers. • Paragraph d: Workers who are not direct employees are not included.
Commitment to our GRI workforce		404-1 Average hours of training per year per employee	Average hours of training	**Average hours of training:** 51.28 **By gender:** • Female: 48.91 • Male: 54.37 **By job category:** • G1 (Management level I, II y III) - 79.61 • G2 (Management level IV) - 62.18 • G3 (Management level V) - 47.26 • G4 (Management level VI) - 38.39

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Commitment to our GRI workforce		404-3 PPercentage of employees receiving regular performance and career development reviews	Percentage	• Management Level II) Males - 12.5% • (Management Level II) Females - 0% • Management level II Total: 9.1% • Management level III Males - 99.0% • Management level III Females - 97.4% • Management level III Total - 98.3% • Management level IV Males: 96.7% • Management level IV Females: 97.2% • Management level IV Total: 96.9% • Management level V Males:98.3% • Management level V Females: 99.5% • Management level V Total: 99.0% • Management level VI Males: 93.3%

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
				• Management level VI Females: 98.6% • Management level VI Total: 96.7% • Total women evaluated: 98.5% • Total male evaluated: 96.5 % • Total evaluated: 97.6% • governing bodies (Male) • 67% • Percentage of people in government bodies (Female) • 33% • Percentage of people within the Percentage of people within the governing bodies Age group (Under 30 years old)

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Commitment to our GREY workforce		405-1 Diversity of governance bodies and employees	Percentage	• 0% • Percentage of people within the governing bodies Age group (Between 30 and 50 years old) • 33,33% • Percentage of people within the governing bodies Age group (Over 50 years old) • 66,66% • Percentage of Employees (Women) • 56,64% • Percentage of employees (Men) • 43,36% • Male Management level II • 72.73% • Male Management level III

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
				• 56.07% • Male Management level IV • 50.90% • Male Management level V • 40.10% • Male Management level VI • 36.23% • Female Management level II • 27.27% • Female Management level III 43.93% • Female Management level IV • 49.10% • Female Management level V • 59.90% • Female Management level VI • 63.73% • Under 30: 22.85% • Between 30 - 50: 64.20% • Over 50: 12.95%
Commitment to our workforce	GRI	406-1 Incidents of discrimination and corrective actions taken	Number	The entity received 3 complaints and confirmed 1 case as discrimination during 2024, managed by the Coexistence Committee. The case was managed and closed by the coexistence committee, follow-up measures were applied involving the Human Talent area.
Commitment to our workforce	GRI	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Cases	0 cases of non-compliance

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Relevant Subject (Material)	Standard	Indicator/Content	Unit	Assured Value
Economic performance	GRI	417-1 Requirements for product and service information and labeling	Percentage	100%
Economic performance	GRI	417-2 Incidents of non-compliance concerning product and service information and labeling	Cases	0 cases of non-compliance
Economic performance	GRI	417-3 Incidents of non-compliance concerning marketing communications	Cases	0 cases of non-compliance
Economic performance	GRI	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Claims	0 substantiated complaints regarding violations of customer privacy.
Climate Action	GRI Sector Supplement	FS1 Policies with specific environmental and social components applied to business lines	Qualitative indicator	The policies with environmental and social components applied to lines of business reported by the indicator are: Sustainability Policy - Environmental and Social Framework and General Standard on Environmental and Social Risks
Inclusive growth	GRI Sector Supplement	FS7 Monetary value of products and services designed to deliver a specific social benefit for each line of business broken down by purpose.	Thousand million COP % of the total turnover of each line	**Inclusive Growth:** 5,941 - 9.10% • **CIB**: 902 - 5.17% • Commercial Banking: 782 - 3.67% • Business Banking: 3,204 - 16.01 % • Government Banking: 710 - 34.01 % • SME Banking: 341 - 9.79%
Climate action	GRI Sector Supplement	FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each line of business broken down by purpose	Thousand million COP % of the total turnover of each line	**Climate Action:** 5,478 - 8.39% • **CIB**: 2,175 - 12.47% • Commercial Banking: 231 - 1.08% • Business Banking: 2,732 - 13.65% • Government Banking: 280 - 13.42 % • SMEs Banking: 60 - 1.71 %

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ANNEX 2

GRI Content Criteria

The assurance criteria that are applicable to the **Subject Matter** and the declaration of presentation of conformity are defined based on the provisions of the GRI 1 Fundamentals 2021 document, its thematic contents on page https://www.globalreporting.org/standards/gri-standards-translations/gri-standards-spanish-translations-download-center/

Indicators of the sectoral supplement Financial Sector GRI https://www.globalreporting.org/search/?query=g4

The following is a description of the assurance criteria that are applicable to the company's own indicators, objects of limited insurance, which are listed in the GRI content index of the BBVA Report and this Report in order to make them available to stakeholders.

Item	GRI Standard Indicators	Unit	Criterion
2-1 - 2-30	General disclosures	N/a	The assurance criteria that are applicable to the **Subject Matter** and the declaration of presentation of conformity are defined based on the provisions of the GRI 1 Fundamentals 2021 document, its thematic contents on page https://www.globalreporting.org/standards/gri-standards-translations/gri-standards-spanish-translations-download-center/
3-1 - 3-3	Material Topics	N/a	
201-1	Direct economic value generated and distributed	Million COP	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Rate	
203-2[1]	Significant indirect economic impacts. (BBVA's impact on the environment)	Qualitative indicator	
204-1	Proportion of spending on local suppliers	Percentage	
205-2	Communication and training about anti-corruption policies and procedures	#	
205-3	Confirmed incidents of corruption and actions taken	#	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	#	

1 *An omission is declared in paragraph b. Importance of indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols, and policy agendas.*

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Item	GRI Standard Indicators	Unit	Criterion
301-1	Materials Used by Weight or Volume	Kg	
302-1	Energy Consumption Within the Organization	GJ	
303-5[2]	Water Consumption	M3	
305-1	Direct (Scope 1) GHG Emissions	TonCO2Eq	
305-2	Energy indirect (Scope 2) GHG emissions	TonCO2Eq	
305-3	Other indirect (Scope 3) GHG emissions	TonCO2Eq	
306-3	Waste generated	Kg	
401-1	New Employee Hires and Employee Turnover	Number and rate	
401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	Qualitative	
403-9[3]	Work-related Injuries	Number and rate	
403-10[4]	Work-related ill health	Number	
404-1	Average hours of training per year per employee	Average hours of training	
404-3	Percentage of employees receiving regular performance and career development reviews	Percentage	
405-1	Diversity of governance bodies and employees	Percentage	
406-1	Incidents of discrimination and corrective actions taken	Number	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Cases	
417-1	Requirements for product and service information and labeling	Percentage	

2 An omission is declared in paragraph b. Total water consumption (in megalitres) of all water-stressed areas.
3 An omission is declared in paragraph b. For all workers who are not employees, but whose jobs or workplaces are controlled by the organization: The number and rate of deaths resulting from a workplace injury; The number and rate of work-related injuries with major consequences (not including deaths); The number and rate of recordable work-related injuries; The main types of workplace accident injuries; the number of hours worked.

4 An omission is declared in subparagraph b For all workers who are not employees, but whose jobs or workplaces are controlled by the organization: The number of deaths resulting from an occupational disease or disease; The number of cases of occupational diseases and diseases that can be recorded; The main types of occupational diseases and diseases;

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Item	GRI Standard Indicators	Unit	Criterion
417-2	Incidents of non-compliance concerning product and service information and labeling	Cases	
417-3	Incidents of non-compliance concerning marketing communications	Cases	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Claims	
FS-1	Policies with specific environmental and social components applied to business lines	Qualitative indicator	The assurance criteria that are those applicable to **the Indicators** for the Financial Services sector supplement (G4) are available at the following link https://www.globalreporting.org/search/?query=g4
FS-7	Monetary value of products and services designed to deliver a specific social benefit for each line of business broken down by purpose.	Thousand million COP % of the total turnover of each line	
FS-8	Monetary value of products and services designed to deliver a specific environmental benefit for each line of business broken down by purpose	Thousand million COP % of the total turnover of each line	

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9 GRI Indicator Tables

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GRI Indicator Tables

Material Issue	Content	Location	SDGs impacted	Observations	Verification
		General contents			
GRI 2: Contents General 2021	2-1 Organization Details	General contents Page 12	8		x
	2-2 Entities included in sustainability reporting	General contents Page 12	8		x
	2-3 Reporting period, frequency, and contact point	General contents Page 12	8		x
	2-4 Information restatement	External Verification Page 219	8		x
	2-5 External verification	External Verification Page 219	8		x
	2-6 Activities, value chain and other business relationships	Who we are Pages. 16, 28	8 and 12		x
	2-7 Employees	Who we are Page 67	8 and 5		x
	2-8 Non-Employee Workers	Employment Page 68	8 and 5	This indicator is not disclosed since the information of non-employees is not available and is under the management of temporary worker agencies.	x
	2-9 Corporate governance structure and composition	Structure of the company's administration Pages 114, 123,132	8 and 16		x
	2-10 Highest governing body appointment and selection	Board Member Appointment Process Page 120	8 and 16		x
	2-11 Highest governing body President	Chairman of the Board of Directors Page 129	8 and 16		x
	2-12 Role of the highest governing body in overseeing impact management	Board of Directors Functions Page 129	8 and 16		x
	2-13 Responsibility delegation for impact management	Board of Directors Functions Page 129	8 and 16		x
	2-14 Role of the highest governing body in sustainability reporting	Highest governing body role in sustainability reporting Page 129	8 and 16		x
	2-15 Conflict of interest	Conflicts of interest Page 135	8 and 16		x
	2-16 Critical Concerns Communication	Critical concern communication Page 131	8 and 16		x
	2-17 Collective knowledge on the highest governing body	Collective knowledge on the highest governing body Page 131	8 and 16		x

Material Issue	Content	Location	SDGs impacted	Observations	Verification
GRI 2: Contents General 2021	2-18 highest governing body performance assessment	Board of Directors Self-assessment Page 133	8 and 16		x
	2-19 Compensation policies	Policies and Processes for Determining Compensation Page 73	8 and 16		x
	2-20 Processes to determine compensation	Compensation Page 73	8 and 16		x
	2-21 Total Annual Compensation Ratio	Compensation Page 75	8 and 16		x
	2-22 Sustainable development strategy declaration	ESG Strategy and Goals Pages 7, 8, 21	2, 3, 4, 8, 9, 10, 11, 13		x
	2-23 Policy Commitment	Standards of Conduct Pages 110,168	8 and 16		x
	2-24 Policy commitment mainstreaming	Standards of Conduct Page 168	8 and 16		x
	2-25 Processes to remediate negative impacts	Processes to remediate negative impacts Page 154	8 and 16		x
	2-26 Mechanisms to seek advice and raise concerns	Complaint and Claim Management Page 148	8 and 16		x
	2-27 Compliance with laws and regulations	Compliance with legislation and regulations Page 138	8 and 16		x
	2-28 Membership in associations	Associations memberships Page 138	8, 16 and 17		x
	2-29 Stakeholder engagement approach	Interest Groups Page 28	8 and 16		x
	2-30 Collective agreements	Employment Page 86	8 and 16		x
		Material Issues			
Material Issues	3-1 Process to determine material issues	Double materiality analysis Page 29	8 and 16		x
	3-2 Material topics list	Double materiality analysis Page 29	8 and 16		x
	3-3 Material Issue Management	Double materiality analysis Page 29	8 and 16		x

Material Issue	Content	Location	SDGs impacted	Observations	Verification
Specific contents					
Economic performance	201-1 Direct economic value generated and distributed	Direct economic value generated and distributed Page 144	8	Not applicable: Item (b) is not significant for reporting VEGD by region, market, or materiality criteria, as it is not relevant information for BBVA Colombia.	x
Inclusive growth	203-1 Investments in infrastructure and services supported	Resource mobilization for projects with social impact Page 51	4, 6, 7, 8, 9, 10, 11, 13, 15		
Inclusive growth **Climate action**	203-2 Significant indirect economic impacts. (BBVA's impact on the environment)	Resource mobilization for projects with social impact Page 51	4, 6, 7, 8, 9, 10, 11, 13, 15	Item (a): Information on the impacts is covered by the SARAS and can be found on pages 35 and 39. For item (b), there is no available benchmark information specific to the banking industry. External reference parameters and stakeholder priorities have been based on the SDGs, GRI, SASB, TCFD, MSCI, UNEP FI, among others.	x
Procurement practices	204-1 Proportion of Spend on Local Suppliers Significant transactions are understood to be all operations done in Colombia.	Value chain and other business relationships Page 19. Significant operations are understood to include all operations carried out in Colombia.	12		x
Corporate governance and ethics	205-2 Communication and training on anti-corruption policies and procedures	Standards of Conduct Pages 78, 170	8 and 16		x
	205-3 Confirmed corruption cases and measures taken	Anti-corruption and other aspects Page 173	8 and 16		x
	206-1 Legal actions related to unfair competition and monopolistic practices and against free competition	Anti-corruption and other aspects Page 173	8 and 16		x
Climate action	301-1 Materials used by weight or volume	Materials Page 56	8, 13 and 15		x
	301-2 Recycled inputs	Materials Page 56	8, 13 and 15		

Material Issue	Content	Location	SDGs impacted	Observations	Verification
Climate action	302-1 Energy consumption within the organization	Energy Page 57	7 and 13	Not applicable: literal c, the report on internal energy consumption for heating, cooling, and steam. All energy used in the bank is taken directly from the public electricity service provider, therefore, everything operates with that service. Literal f: the standards are made in accordance with the internal document "Greenhouse gas emissions".	x
	303-5 Water consumption	Water Page 60	6, 13 and 15	Information not available: item b, water stress areas are not reported, it is not up-to-date in all departments where BBVA Colombia operates. Not applicable: item c, BBVA Colombia does not store water, it is supplied by the various public water and sewage service providers.	x
	305-1 Direct GHG emissions (scope 1)	Emissions Page 61 Only CO2 gases are reported. We do not report biogenic emissions because we only report waste that is recycled or reused. 2019 was selected as the base year, because it was the last year "of normal operation" before the pandemic. The consolidation approach is for the operational control of BBVA Colombia. The methodologies used are explained along with the operation of the management tool. The decrease is due to the reduction in refrigerant consumption due to the preventive maintenance project on the equipment.	12, 13 and 15	Item c: Biogenic emissions are not applicable as energy from this type of source is not consumed. The gases included in the calculation are CO2, CH4, N2O. Item d: 2019 was selected as the base year, because it was the last year of "normal operation" before the pandemic. The methodologies used are aligned with the GHG Protocol. The emission factor is aligned with the "IPCC Guidelines for National Greenhouse Gas Inventories". The Global Warming Potential (GWP) is given by the IPCC Fifth Assessment Report. The consolidation approach is for operational control.	x
	305-2 Direct GHG emissions from power generation (scope 2)	Emissions Page 61 Scope 2 emissions are not reported, because they are offset through IRECs certificates.	7, 12, 13, 15	The emission factor will use the database of the International Energy Agency (hereinafter IEA). The Global Warming Potential (GWP) is given by the IPCC Fifth Assessment Report. The consolidation approach is for the operational control of BBVA Colombia. The emission factor used is aligned with the Parent Company's guideline to ensure comparability between holding subsidiaries, therefore, the local regulatory factor is not used.	x

Material Issue	Content	Location	SDGs impacted	Observations	Verification
Climate action	305-3 Other indirect GHG emissions (scope 3)	Emissions Page 61	12, 13 and 15	Item c: Biogenic emissions are not applicable as energy from this type of source is not consumed. The gases included in the calculation are CO2, CH4, N2O. Item d: Scope 3, category 5, waste generated in operations, category 6, business trips, and category 7, employee commuting, are reported. Item e: 2019 was selected as the base year, because it was the last year of "normal operation" before the pandemic. The methodologies used are aligned with the GHG Protocol. Item f: the emission factor used is aligned with the Parent Company's guideline to ensure comparability between holding subsidiaries, therefore, the local regulatory factor is not used.	x
	306-3 Waste generated	Waste Management Page 63	11, 12, 13 and 15		x
	BBVA-10 Porcentaje de empleados en edificios certificados según ISO 14001 y LEED	Certified Real Estate Area Page 65	6, 7, 11, 12, 13, 15		
Commitment to our workforce	401-1 New Employee Hires and Staff Turnover	Employment Page 68	5 and 8		x
	401-2 Benefits for full-time employees that are not given to part-time or temporary employees	Benefits Page 83	3, 4	Significant operations are understood to be all operations done in Colombia	x
	202-1 Ratio of standard entry-level salary by sex to local minimum wage	Employment Page 72	5 and 8	Not applicable: item b, the information is not significant, SENA apprentices, who represent 4% of the workforce and rotate every 6 months, are excluded. The minimum wage at BBVA Colombia applies to both men and women.	x
	403-4 Worker participation, consultation and communication on occupational health and safety	Occupational Health and Safety Page 86	3, 8		
	403-9 Workplace accident Injuries	Occupational Health and Safety Page 86	3, 8	Information not available: item b, information on workers who are not direct employees is not reported. Information managed by a third party. Item f, information on workers who are not direct employees is not handled. The number of working hours considered is 1,700 hours per worker/year in Spain, for the entire BBVA Group, to ensure comparability between geographies.	x

Material Issue	Content	Location	SDGs impacted	Observations	Verification
Commitment to our workforce	403-10 Occupational ailments and diseases	Occupational Health and Safety Page 86	3, 8	Information not available: item b, information on workers who are not direct employees is not reported. Information managed by a third party.	x
	404-1 Average hours of training per year per employee	Training and teaching Page 76	4, 8		x
	404-2 Employee Upskilling Programs and Transition Assistance Programs	Training and teaching Page 76	4, 8		
	404-3 Employee percentage who receive regular performance and professional development reviews	Performance Assessment Page 82	4, 8		x
	405-1 Diversity in governing bodies and employees	Diversity Pages 67, 122	5, 8, 10		x
	405-2 Basic salary and compensation ratio of women to men	Diversity, Equity, and Inclusion – DEI Pages 71, 72	5, 8, 10		
	406-1 Discrimination cases and corrective actions taken	Diversity, Equity, and Inclusion – DEI Page 111	5, 8, 10		x
Cybersecurity	416-1 Assessing the health and safety impacts of product or service categories	Corporate security Page 209	8 and 12		
Commitment to our workforce	416-2 Product and service category non-compliance cases relating to health and safety impacts.	Corporate security Page 209	3, 8, 12		x
Economic performance	417-1 Requirements to inform and label products and services	Marketing Page 155	8, 12	100% of the products are covered and evaluated in relation to labeling compliance.	x
	417-2 Non-Compliance Cases Related to Product and Service information and labeling	Marketing Page 155	8, 12		x
	417-3 Non-compliance cases related to Marketing Communications	Marketing Page 155	8, 12		x
	418-1 Substantiated Claims Regarding Customer Privacy Violations and Customer Data Loss	Complaint and claim management Page 148	8, 12		x

Material Issue	Content	Location	SDGs impacted	Observations	Verification
Economic performance	BBVA-2 SME customer number	SMEs Page 155	8, 9, 10		
	BBVA-3 SME customer financing number.	SMEs Page 155	8, 9, 10		
	BBVA-6 Complaint resolution time	Complaint and claim management Page 148	8, 12		
	BBVA-7 Claims resolved on time percentage	Complaint and claim management Page 148	8, 12		
	BBVA-8 PCCs handled by the SPC percentage	Complaint and claim management Page 148	8, 12		
	BBVA-9 Transactions by channel	Operations by channels Page 155	8, 9, 10		
Climate action	FS-1 Policies with specific social and environmental components applied to business lines	Policies with specific social and environmental components Page 36	6, 7, 8, 10, 11, 12, 13, 15		x
Commitment to our workforce	FS-4 Processes to improve workers' competence in implementing social and environmental policies and procedures applicable to business lines	Other programs Page 79	4, 8, 12		
Inclusive Growth	FS-7 Monetary value of products and services designed to provide a specific social benefit for each business line, broken down according to purpose	Mobilization of resources for projects with social impact Page 51	3, 4, 5, 8, 9, 10		x
Climate action	FS-8 Monetary value of products and services designed to provide a specific environmental benefit, by product line and broken down by purpose	Mobilization of resources for projects with environmental impact Page 48	6, 7, 11, 12, 13, 15		x
Economic performance	FS-14 Initiatives to improve access to financial services by disadvantaged people	CSS - Consumer Service System Page 147	8, 10, 12		
Corporate responsibility	BBVA-1 Financial Education program "Finances for the Future" beneficiary number	Corporate Social Responsibility Page 103	4, 8, 10		
	BBVA-12 Number of people benefiting from education support programs (backpacks with school supplies and educational scholarships)	Education as a pillar of the strategy Page 99	4, 8, 10		
	BBVA-11 BBVA Volunteer Number	Corporate Volunteer Program Page 105	4, 8, 12, 17		

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10 SASB Indicators

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SASB Indicators

COMMERCIAL BANK

SASB TOPIC: Data security

BBVA Colombia Material Topic: Cybersecurity

Accounting Parameter:

1. Number of data breaches
2. Percentage of personal data leakage
3. Number of affected account holders

Metric: FN-CB-230A.1 / FN-CF-230a.1

BBVA Response: By 2024, 152 technical sessions related to security events reported by clients were attended, of which 44% were malware alerts, 21% were phishing alerts, and 35% showed no evidence of impact from cyber threats. To prevent these events, the organization has strengthened prevention and awareness campaigns for clients, suppliers, and external parties. Furthermore, the corresponding technical blocks, permissions, and alerts have been applied across various channels, services, and systems. Additionally, within the organization, special emphasis is placed on raising awareness about CCI data among both employees and coworkers through the "Do the Right Thing" initiative, which has led to various internal phishing campaigns and drills, and external campaigns in association with Asobancaria. Similarly, tips have been socialized through communication and legal courses, resulting in more than 5,000 employees trained in CIA and CCI information.información ICC.

SASB TOPIC: Data Security

BBVA Colombia Material Topic: Cybersecurity

Accounting Parameter: Description of the approach to identify and address data security risks

Metric: FN-CB-230A.2 / FN-CF-230a.3

BBVA Response: In 2024, BBVA Colombia detected approximately 300 million cyberattacks, which were mitigated in a timely manner thanks to the efficient interaction between technology, people and processes. This made it possible to avoid information security and cybersecurity incidents that could compromise the entity's, its customers and third parties data.

Likewise, the remediation of 1,200.000 critical vulnerabilities in the technological assets that support the Bank's most relevant processes was prioritized, reducing the risk of cyber incidents.

The Bank has established an Information Security and Cybersecurity Management System that involves technologies, processes, third parties, people, and policies that interact with each other to reduce the likelihood of risks that could impact data security. These risks are measured through indicators that reflect the Bank's current status and future projections in terms of Information Security and Cybersecurity.

BBVA Bank continuously monitors indicators related to cyberattacks detected by detection platforms and subsequently implements preventive measures to reduce the likelihood of successful attacks. It also contributes to submitting these indicators to the regulator as part of its sector-wide commitment to sharing cyberthreat information.

The entity has established a periodically updated regulatory framework that establishes the roles, responsibilities, and guidelines related to the management of cybersecurity events and incidents in accordance with its obligations as a supervised entity to promptly inform its clients of confirmed data breaches that have a significant impact on good data processing practices.

Likewise, this framework regulates data security, complying with applicable laws and regulations, both regarding personal data protection and financial habeas data, as well as those issued by the regulatory body regarding the financial information protection, and industry standards regarding good practices for information protection. Furthermore, BBVA Colombia's security strategy is based on current legal regulations, such as the external circulars issued by the SFC on security and cybersecurity. It also adopts industry best practices and security measures established in standards such as ISO/IEC 27002 and the ISO 2700 family, as well as the NIST Cybersecurity Framework.

Finally, the aforementioned framework also applies to the management of cybersecurity events and incidents, in accordance with its obligations as a supervised entity to promptly inform its clients, counterparties, and the general public of confirmed data breaches that have a significant impact on good data processing practices. It also informs competent authorities and supervisory bodies on the most significant incidents.

SASB TOPIC: Generating Inclusion and Financial Capacity

BBVA Colombia Material Topic: Risk Management - Inclusive Growth

Accounting Parameter:

1. Number

2. Amount of outstanding loans qualified for programs designed to promote small businesses and community development

Metric: FN-CB-240a.1

BBVA Response: The SME segment has 71,681 legal entities and 21,492 individuals with credit eligible businesses. More than 63,000 pre-approved loans were offered, with more than 11,800 contracts, totaling COP $971 Billion. This contributed 26.72% to total SME revenue, which amounted to COP $3.643 Billion in loans to clients. This represents a 10.91% increase compared to the previous year, equivalent to an increase of COP $613 million. This growth has been possible thanks to improved processes such as operational centralization, which has allowed for the optimization of formalization processes and shorter response times for operation disbursement. The validation process to identify collateral for offers was streamlined, improving the specialized loan factory unit's operational efficiency. Additionally, certain processes automation has been a key factor in achieving this significant result. The strategic focus on the agricultural sector has allowed us to offer clients sustainable and competitive solutions, positioning ourselves favorably in response to market demand.

Line	Amount Disbursed	Number of processes
Rediscount	Cop$ 116 Billion	547
Leasing	Cop$ 255 Billion	56,572
Agriculture	Cop$ 716 Billion	2,288
Comex	Cop$ 271 Billion	4,642
Factoring	Cop$ 699 Billion	38,197
Constructor	Cop$ 186 Billion	164
Commercial rest	Cop$ 1.388 Billion	9,943
TOTAL	**COP$ 3.634 BILLION**	**112,353**

SASB TOPIC: Generating Inclusion and Financial Capacity

BBVA Colombia Material Topic: Risk Management - Inclusive Growth

Accounting Parameter:

1. Number

2. Amount of outstanding loans qualified for programs designed to promote small businesses and community development

Metric: FN-CB-240a.2

BBVA Response: During 2024, the strategies implemented for SME segment portfolio recovery were:

a. **Synergy with Admissions:** Management was strengthened through association with the Admissions area, identifying affected economic sectors to generate preventive alerts, which was key to the analysis and development of new approvals.

b. **In Advance normalization management:**Normalization alternatives were implemented for customers with payment difficulties, working together with the SME Banking commercial team at the national level to guarantee a comprehensive and preventive approach.

c. **Strategic portfolio allocation:** The SME portfolio was distributed according to amounts and direct management with internal resources analysis, such as SME Executives (SMEE) and Workout Executives (WE). In addition, specific focus areas were defined to intervene critical accounts. The SMEE's were assigned the most significant customers in their portfolio with up to 30 days past due.

Key initiatives to reduce defaults included:

a. **Respiro Plan:** aimed at anticipating non-payments, offering payment alternatives to customers.

b. **Retarget Plan:** aimed at SMEE and WE, included additional points in Individual Performance Evaluation (EDI for its acronym is Spanish) when meeting objectives, encouraging their commitment to portfolio recovery.

c. **Monetary incentives***:* segmented by campaigns and bands for external collection channels, increasing motivation and effectiveness.

These integrated actions allowed for a strategic and collaborative approach, contributing significantly to decrease SME segment portfolio deterioration.

SASB TOPIC: Generating Inclusion and Financial Capacity

BBVA Colombia Material Topic: Risk Management - Inclusive Growth

Accounting Parameter: Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers.

Metric: FN-CB-240a.3

BBVA Colombia response: 70,021 DDA and saving account registrations were made at no cost for new customers segmented as financial inclusion under code 85100.

Segment	Product	Number of accounts
Financial inclusion	Current accounts	87
	Savings Accounts	69,934

SASB TOPIC: Generating Inclusion and Financial Capacity

BBVA Colombia Material Topic: Risk Management - Inclusive Growth

Accounting Parameter: Number of participants in financial education initiatives for unbanked, underbanked, or underserved customers

Metric: FN-CB-240a.4

BBVA Response: BBVA Colombia considers financial education to be a key element to improve people's financial health and support the transition to a more sustainable and fair economy. For this reason, financial education is a priority in its Social Responsibility strategy. In 2024, the following initiatives were implemented:

- Training in financial education for 3,460 public and private organization employees, as well as university students.
- Communal finance group with the participation of 408 people from vulnerable and underbanked communities in Chocó and Valle del Cauca.
- Dissemination of content on financial education and health through the Bank's website, social networks and the media.

SASB TOPIC: Incorporating Environmental, Social and Corporate Management Factors into Credit Analysis

BBVA Colombia Material Topic: Risk Management - Climate Action

Accounting Parameter: Commercial and Industrial Credit Exposure by Sectorcomercial e industrial por sector

Metric: FN-CB-410a.1

BBVA Colombia response: Below is the exposure breakdown by sector, as well as the total for the years 2024, 2023 and 2022.

Activity	2024	2023	2022
Associative activities - education - health	1,759,244	1,826,627	1,803,786
Leisure activities - cultural activity	194,253	191,749	175,296
Real estate activities - companies - rental	2,112,265	2,085,594	2,054,834
Catchment - purification - water distribution	88,376	92,624	75,016
Wholesale - commission - contracting	2,897,140	2,605,402	2,818,871
Retail - not specialized establishments	3,561,842	3,096,900	3,006,629
Construction - refurbishment - finishes	1,184,227	1,264,619	1,143,183
Mail and telecommunication	1,835,100	878,354	758,516
Food and beverage production	3,150,780	3,014,251	2,607,936
Operation, public administration and defence	3,104,624	3,648,944	3,540,275
Exploitation of non-metallic minerals	14,794	14,456	12,538
Coal mining	83,585	75,981	89,555
Extraction of metallic minerals	1,551	2,154	1,504
Oil-gas - natural gas extraction	80,825	259,611	141,022
Paper - cardboard factory and its products	157,560	140,814	121,539
Manufacturing - refining - petroleum - chemicals	1,079,969	1,316,494	1,469,235
Manufacture of non-metallic minerals	359,358	380,881	455,273
Manufacturing Other Manufacturing Industries	69,142	42,851	81,242
Metal products manufacturing - machinery	481,778	392,356	545,827
Manufacture of textile products	471,771	479,753	393,887
Insurance plan financing	20,974	49,122	71,589
Generation - manufacturing electricity - gas - water	4,114,814	3,726,441	4,101,012
Hotels and restaurants	289,811	280,878	264,160
Industry - fabrication - metals	193,856	78,475	141,410
Financial intermediation	3,142,799	3,426,750	3,372,194
Employees	40,585,895	40,504,561	36,812,977
Capital rentiers	272,014	298,838	303,061
Printing Activities	49,078	61,627	61,154
Undifferentiated activities of individual households	9,271	7,926	4,181
Extraterritorial organizations and bodies	3,058	3,229	3,880
Other Community Service Activities	354,073	381,250	635,051
Fishing, fish production, hatchery - farm	45,487	35,871	31,995
Agricultural and livestock production	1,244,612	998,260	984,994
Sanitation and similar services	78,191	91,702	81,185
Forestry - timber extraction and services	4,530	26,917	32,264
Transformation - factory - wood basketry	14,901	14,450	14,301
Transport	1,715,198	1,973,004	1,051,823
TOTAL	**74,606,324**	**73,769,716**	**69,263,206**

SASB TOPIC: Incorporating Environmental, Social and Corporate Management Factors into Credit Analysis

BBVA Colombia Material Topic: Risk Management - Climate Action

Accounting Parameter: Description of the approach to incorporating environmental, social and governance (ESG) factors into credit analysis

Metric: FN-CB-410a.2

BBVA Colombia response: 3. Environmental / 3.1 Policies with specific environmental and social components - business lines

The risks associated with climate change (transitional and physical) are considered as an additional factor that affects the risk categories already identified and defined and are therefore managed through the Group's risk management frameworks. As a result, the integration of climate change-related risks is based on their incorporation into established processes and governance, considering regulation and supervisory trends. For proper planning, it is essential to have reliable, complete and up-to-date data, all aimed at guaranteeing a complete view of these risks for their correct control and management. Among the data considered are those related to customer climate scorings, energy efficiency of buildings, ESG ratings, greenhouse gas emissions, location of assets and collateral, and sector-specific metrics.

BBVA Group climate change risk management is based on the risk planning process, which is marked by the defined risk appetite and is declined in the management frameworks that establish the treatment of these on a day-to-day basis.

SASB TOPIC: Financed Emissions

BBVA Colombia Material Topic: Risk Management - Climate Action

Accounting Parameter: Gross financed emissions broken down by: Scope 1, Scope 2 and Scope 3

Metric: FN-CB-410b.1

BBVA Response: 3. Environmental / 3.1 Policies with specific environmental and social components - business lines / Calculation of financed emissions BBVA Colombia

2024								
ID	Asset Class	Risk (Figures in € million)	Emissions (Figures in tCO^2)	Intensity	Score	Asset Class	Risk (Figures in € million)	Emissions (Figures in tCO^2)
1	Business loans	4,511	6,718,112,44	1,490	3,92	100	20,299,500	0.33
2	Project finance	190	13,434,38	70	4	100	855,000	0.02
3	Commercial real estate	836	53,439,81	65	4,7	100	3,762,000	0.01
4	Mortgages	3,243	979,10	7	4,0	100	14,593,500	0.00
5	Motor vehicle loans	370	92,603,88	254	5	100	1,665,000	0.06

SASB TOPIC: **Financed Emissions**

BBVA Colombia Material Topic: Risk Management - Climate Action

Accounting Parameter: Gross Exposure for Each Industry by Asset Class

Metric: FN-CB-410b.2

BBVA Colombia response: 3. Environmental / 3.1 Policies with specific environmental and social components - business lines / Calculation of financed emissions BBVA Colombia

2024								
ID	Asset Class	Risk (Figures in € million)	Emissions (Figures in tCO²)	Intensity	Score	Asset Class	Risk (Figures in € million)	Emissions (Figures in tCO²)
1	Business loans	4,511	6,718,112,44	1,490	3,92	100	20,299,500	0.33
2	Project finance	190	13,434,38	70	4	100	855,000	0.02
3	Commercial real estate	836	53,439,81	65	4,7	100	3,762,000	0.01
4	Mortgages	3,243	979,10	7	4,0	100	14,593,500	0.00
5	Motor vehicle loans	370	92,603,88	254	5	100	1,665,000	0.06

SASB TOPIC: **Financed Emissions**

BBVA Colombia Material Topic: Risk Management - Climate Action

Accounting Parameter: Percentage of gross exposure included in the calculation of financed issues

Metric: FN-CB-410b.3

BBVA Colombia response: 3. Environmental / 3.1 Policies with specific environmental and social components - business lines / Calculation of financed emissions BBVA Colombia

2024								
ID	Asset Class	Risk (Figures in € million)	Emissions (Figures in tCO²)	Intensity	Score	Asset Class	Risk (Figures in € million)	Emissions (Figures in tCO²)
1	Business loans	4,511	6,718,112,44	1,490	3,92	100	20,299,500	0.33
2	Project finance	190	13,434,38	70	4	100	855,000	0.02
3	Commercial real estate	836	53,439,81	65	4,7	100	3,762,000	0.01
4	Mortgages	3,243	979,10	7	4,0	100	14,593,500	0.00
5	Motor vehicle loans	370	92,603,88	254	5	100	1,665,000	0.06

SASB TOPIC: Financed Emissions

BBVA Colombia Material Topic: Risk Management - Climate Action

Accounting Parameter: Description of the methodology used for the calculation of financed emissions

Metric: FN-CB-410b.4

BBVA Response: BBVA has made significant efforts into measuring financed emissions in the retail and wholesale portfolios. To do this measurement, BBVA has adopted the PCAF (Partnership for Carbon Accounting Financials) methodology. This calculation covers all portfolios and geographical areas, which allows a global view of the financed emissions to be obtained, to identify in which portfolios and sectors these emissions are concentrated and, subsequently, to define mitigation plans, as well as a cross-sectional view of data quality available to perform these calculations.

In the case of the Bank, the scope to measure financed emissions was defined as corporate, project finance, commercial and real estate, mortgages and vehicle loans.

As a result of estimating financed emissions in BBVA Colombia, it was identified that these are composed as follows:

- Corporate loans 12,929,933 tCO^2
- Project finance 13,935 tCO^2
- Commercial and real estate 187,123 tCO^2
- Mortgages 25,721 tCO^2 and Vehicles 145,471 tCO^2

SASB TOPIC: Business Ethics

BBVA Colombia Material Topic: Risk Management - Corporate Governance, Ethics and Transparency

Accounting Parameter: The total amount of monetary losses resulting from court proceedings related to fraud, insider trading, antitrust, unfair competition, market manipulation, malpractice, or other financial industry related laws or regulations.

Metric: FN-CB-510a.1 / FN-CF-270a.5

BBVA Colombia response: At the end of 2024, the Bank recorded losses of COP 955 million, in sixty-six (66) legal actions associated with fraud, i.e., litigation brought against the entity on the occasion of customer claims for the performance of non-consensual monetary transactions through digital channels (electronic fraud). The aforementioned lawsuits culminated in final adverse judgments.

SASB TOPIC: Business Ethics

BBVA Colombia Material Topic: Risk management/ Corporate governance, ethics and transparency

Accounting Parameter: Description of Whistleblowing Policies and Procedures

Metric: FN-CB-510a.2

BBVA Colombia response: In 2024, the Internal Control and Compliance area disseminated the Whistleblowing Channel as the main mechanism for managing conduct risk in BBVA Group.. This was done by socializing the tool provided for the reception of complaints (https://www.bkms-system.com/bbva) and with mainly virtual training. Legal update content was reviewed and reinforced through the Legal Requirements course, which was completed by 94% of employees. In addition, communications with content and case studies were sent through the AIDía mailbox, with the support of the Talent & Culture and Corporate Responsibility departments.

Additionally, the guidelines established in the General Policy for Communications Management in the Reporting Channel and Whistleblower Protection were followed. This policy ratifies BBVA Colombia's commitment to the fight against corruption and the protection of those who internally report conduct that is not consistent with current legislation, the Code of Conduct, or Internal Regulations. Highlights of the policy include:

- General whistleblower protection principles.
- Communication management procedure general description, in BBVA Group's Whistleblowing Channel.
- Retaliation Prohibition or other adverse consequences against bona fide whistleblowers.
- Obligation to maintain confidentiality regarding informant identity and to comply with regulations on personal data protection.

In the different campaigns, it was highlighted that, through the whistleblowing channel, BBVA Group entities employees, customers and suppliers can report any observed or reported to them non-compliance, reminding them of their obligation not to tolerate behavior that deviates from the Code.

The Compliance area has processed received complaints diligently and promptly, promoting their verification and promoting measures for their resolution, in accordance with whistleblowing channel management procedures, recently reviewed and updated, and analyzing the information in an objective, impartial and confidential manner.

SASB TOPIC: Systemic Risk Management

BBVA Colombia Material Topic: Risk management

Accounting Parameter: Global Systemically Important Bank (G-SIB) Assessment Score by Category

Metric: FN-CB-550a.1

BBVA Colombia response: BBVA Colombia belongs to the BBVA Group, whose score in the World Systemically Important Bank (G-SIB) assessment and track record is clarified.

In November 2015 (effective January 1, 2017), BBVA was removed from the list of Global Systemically Important Banks (G-SIBs). This list is compiled annually by the Financial Stability Board (FSB) based on a set of quantitative indicators that can be consulted, along with the assessment methodology, at www.bis.org/bcbs/gsib/.

In November 2021, BBVA was again identified as an Other Systemically Important Institution (OSII) on a consolidated basis by the Bank of Spain, which requires the maintenance, as an OSII buffer, of Common Equity Tier 1 capital assets equal to 0.75% of its total risk exposure on a consolidated basis. Following the update of the list of entities in September 2023, BBVA remains identified as an OEI. Similarly, following the mandatory annual review of the OSII designations in July 2023, the Bank of Spain maintains BBVA's obligation to maintain a capital buffer of 0.75% for 2023. In this regard, it is worth noting that BBVA announced on September 29, 2023, that it had received a resolution from the Bank of Spain regarding the review of the BBVA Group's identification as an Other Systemically Important Entity and the establishment of the corresponding capital buffer. In accordance with this resolution, the capital buffer for OSII is increased by 25 basis points compared to the buffer established in the previous year, standing at 100 basis points (1%) as of January 1, 2024. This increase is motivated by the adaptation of the Bank of Spain's methodology for determining capital buffers for OSII in line with the revision of the European Central Bank's methodological framework on minimum buffers for OSIIs.

SASB TOPIC: Systemic Risk Management

BBVA Colombia Material Topic: Risk management

Accounting Parameter: Description of the approach to integrate the results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities.

Metric: FN-CB-550a.2

BBVA Response: The objective of the stress testing exercise is to identify risk factors and vulnerabilities that may arise due to market fluctuations, affected by macroeconomic variables selected by the SFC in two possible scenarios: a baseline scenario and an adverse one. These cover credit, liquidity, market risk areas, and the Bank's profitability. For 2024, an additional adverse scenario with climate change risk is included as a novelty.

- **The baseline scenario :** presents dynamics linked to the economy's behavior, which is the most likely scenario according to the Economic Research teams.
- **The adverse scenario:** is based on the projections of our Economic Research teams, complying with the parameters established in SFC's Circular Letter 28 of 2024 to subject the entity to high levels stress.
- **The adverse climate risk scenario:** is based on the original adverse scenario and adds a simulated shock resulting from the 2010-2011 La Nina phenomenon effects.

The exercise uses the same methodology used in the 2023 EPR, considering the need to generate highly adverse macroeconomic scenarios that push solvency and liquidity to exceed regulatory limits or maximum appetites. Subsequently, recovery measures (mitigating actions) are applied to recover the entity from these adverse scenarios, thus demonstrating that, in the face of such an economic situation, we as a bank are capable of adequately recovering.

To perform the analysis outlined in the previous paragraph, BBVA used three key instruments already included in the entity's natural management and designed several years ago thanks to the Basel convergence implemented by parent company BBVA S.A., sometime before it was done in Colombia, ensuring complete synchronization between the various stress and recovery exercises performed by the entity, both internal and regulatory. These three elements will each be expanded upon in a separate chapter in the document and are as follows:

Stress tests macroeconomic scenarios: Annually, BBVA designs and approves the economic scenarios it will use for its various financial planning and risk exercises. These scenarios are based on three scenarios: baseline, adverse, and, for this year, adverse with climate change risk. The scenarios are proposed by the Economic Studies teams (local and corporate) and discussed and approved for use in interdisciplinary working groups in Risk, Finance, and Economic Studies at the local and corporate levels.

Risk Appetite Framework (RAF): Defines the maximum appetite limits and management benchmarks within which various Bank indicators should operate. Specifically, we are interested in the treatment given to solvency in these local regulations.

Recovery Plan: This is a qualitative document in itself that is updated annually and also has a control framework and regulations defined within the company at the global and regional levels. In this regard, some good practices were adopted from this plan, as well as the same recovery measures that are widely discussed and periodically assessed.

SASB TOPIC: Systemic Risk Management

BBVA Colombia Material Topic: Risk management

Accounting Parameter: Number

Amounts in DDA and Saving Accounts by segments:

a. People
b. SMEs

Metric: FN-CB-000.A

BBVA Response: BBVA Colombia's savings and checking accounts grew 6.38% year-over-year in 2024, driven primarily by a 13.11% increase in savings accounts. This growth was achieved through a fundraising strategy that offered differential returns, including special rates for balances under COP 5 million. This allowed SME customers to obtain higher returns on their savings accounts.

Segment	Number of Customers - DDA	DDA Value	Customer Number - Saving Accounts	Value of Saving Accounts
Pyme	37,457	$1,227 Billion	46,659	$1,337 Billion
PNN	5,849	$151 billion	14,426	$181 billion

SASB TOPIC: Systemic Risk Management

BBVA Colombia Material Topic: Risk management

Accounting Parameter: Number

Amounts in DDA and Saving Accounts by segments:

a. People
b. SMEs

Metric: FN-CB-000.B

BBVA Colombia response: BBVA Colombia's SME segment achieved significant growth in investment balances, reaching COP 279 billion in 2024. This increase was driven by a strategy that offered preferential rates to pre-approved customers and strengthened short- and long-term products through an analytical model that allocated appropriate amounts according to each customer's profile.

The comprehensive management of SME executives, offering solutions such as payroll, merchant acquisition, sustainability and NetCash, strengthened the relationship with customers, driving sustained growth. Proper execution of the value chain, through personalized attention and a diversified offering, was key to maintaining the momentum in this segment and ensuring the success of the financial solutions offered to SMEs.

Segment	Number of credits	Amount (COP millions)
SME	9,521	Cop $ 2.430 Billion
NNP	3,905	Cop $ 553 Billion

Particular / Retail

Segment	Number of loans	Amount (COP billion)
Individuals	967,822	Cop $11.021.4 Billion

Total: 967,822	**Revolving line of credit:** 369
Unrestricted Personal Loan: 190,724	**Payroll loan:** 112,946
Vehicle: 8,899	**Mortgage:** 16,698
CC: 638,186	

Amount of credits extended in millions of pesos (includes disbursements: Consumer, Vehicle, Mortgage, and Revolving Credits):

COP 11.02 trillion	**Vehicle:** COP 0.64 trillion
Payroll Loan: COP 4.54 trillion	**Revolving Credit:** COP 0.009 trillion
Unrestricted Personal Loan: COP 3.52 trillion	**Mortgages:** COP 2.32 trillion

The payroll loan product has achieved significant growth, reaching a share of 21.77%, an increase of 9 bps when compared to the same period last year (October 2023). This performance has consolidated BBVA's position as the leading financial institution in the product. The growth strategy has focused on implementing value-added offerings, such as cashback benefits and pre-approved payroll debit cards for clients with BBVA Colombia payrolls. By 2025, we aim to: 1. Generate campaigns that waive credit analysis fees; and 2. Design a customer win-back campaign. We project a 12.40% growth in revenue, reaching an estimated $6.1B by 2025.

This result reinforces our commitment to consolidating differentiated value offering and customer-focused management.

The Unrestricted Personal Loan product was unable to meet the challenge of growing +1 in 2024, as it had in previous years. This same placement exceeded the KPIs defined for the product. As a result, not only was a more aggressive policy implemented, but it also lost its third place in the sight balance sector to Banco de Bogotá with -75% Bps (as of Oct/24). From this, we learned that the sustainable path to growth is to connect or deepen customer relationships through a cross-offer with a Payroll Account, which allows for an improved product PE and thus return better rates to our customers. This was also accompanied by a -859 Bps decrease in the Maximum/Usury Rate to attract new customers from reactive channels.

SASB - CONSUMER FINANCE

SASB TOPIC: Customer Privacy

BBVA Colombia Material Topic: Corporate governance, ethics and transparency

Accounting Parameter: Number of account holders whose information is used for secondary purposes.

Metric: FN-CF-220a.1

BBVA Colombia response: Not applicable as BBVA does not use cardholder information for secondary purposes; a secondary purpose is defined as data intentional use by the entity, regardless of the primary purpose for which it was collected. Examples of secondary purposes may be the sale of targeted advertising and the transfer of data or information to a third party through its sale, rental, or sharing.

SASB TOPIC: Customer Privacy

BBVA Colombia Material Topic: Corporate governance, ethics and transparency

Accounting Parameter: The total amount of monetary losses resulting from legal proceedings related to customer privacy.

Metric: FN-CF-220a.2

BBVA Colombia response: The Superintendence of Industry and Commerce (SIC) imposed a sanction on BBVA Colombia in the amount of COP 339 million on the grounds that the entity used or processed the personal data of the complainant -Andrés Felipe Zuluaga Sierra-, delivered by a third party as a commercial reference to collect the obligation and update the personal data of the latter, without having requested and maintained prior, express and informed authorization; as well as having informed the purposes of the processing. Against this decision, the Bank filed an Action for Nullity and Restoration of the Right - to date the admission of the lawsuit is pending.

SASB TOPIC: Data Security

BBVA Colombia Material Topic: Risk management / Corporate governance, ethics and transparency / Cybersecurity

Accounting Parameter: Loss from Card-Related Fraud:

1. Without a card
2. With a physical card and other fraud types

Metric: FN-CF-230a.2

BBVA Colombia response: Total losses due to card-related fraud during 2024 were COP 4,998 million, as follows:

- Losses due to fraud related to credit cards (CNP- Card Not Present): COP 3,778 million.
- Losses due to fraud related to debit cards (CNP): COP 1,220 million.
    - A calculation is made on the losses amount that is assumed by the Bank and that must be returned to customers.
    - All values corresponding to losses due to unauthorized resources use are analyzed and quantified.
    - A control is kept against the total of fraudulent operations that the entity has incurred in refunds.

SASB TOPIC: Sales Practices

BBVA Colombia Material Topic: Corporate governance, ethics and transparency

Accounting Parameter: Economic Performance

Total compensation percentage of covered employees, which is variable and tied to entity's products and services sold.

Metric: FN-CF-270a.1

BBVA Colombia response: The total compensation of covered employees, which is variable and manages a business model, is 51%. It is estimated that the settlement and payment of the variable incentive for the fourth quarter of 2024 will be made in February 2025.

The Bank's variable incentive models are not only for products and services sold, considering that the schedules include other factors.

SASB TOPIC: Sales Practices

BBVA Colombia Material Topic: Corporate governance, ethics and transparency

Accounting Parameter:

Approval rate:

1. Credit
2. Prepaid Products for Applicants

Metric: FN-CF-270a.2

BBVA Colombia response: The approval rate for consumer products for the last quarter of 2024 is 60%, this includes unrestricted personal loans, vehicles, payroll and revolving loans from the general portfolio, and is increase due to a greater participation in payroll loan and not including digital flows.

Additionally, BBVA Colombia does not offer prepaid products.

SASB TOPIC: Sales Practices

BBVA Colombia Material Topic: Corporate governance, ethics and transparency.

1. Average commission for complementary products
2. Average APR of credit products

Metric: FN-CF-270a.3

BBVA Colombia Response: Perimeter:

1. Complementary Products - Unemployment Insurance
2. Financial
3. Average seniority - Business
4. Average Number of Accounts – Business
5. Financial

Answer 1:

Sales Channel	Insurance Subproduct	Product Line	Safe Installment	Employees – Rate as of 15/01/24	Self-Employed – Rate as of 15/01/24
NET/ TLMK/ CSF	332.336.340.343.350.353	Consumer	Consumer Loan	6.30%	7.50%
NET/ TLMK/ CSF	333.337.341.344.351.354	Car	Car Loan	6.30%	7.50%
NET/ TLMK/ CSF	334.338.342.345.352.355	Mortgage	Mortgage Loan	6.10%	7.35%
NET/ TLMK/ CSF	357.358.580.698.685	Payroll	Payroll Loan	6.55%	6.55%

Consumer: Credit of COP 18.2 billion, 36 months, monthly COP 729,852 installment.

Vehicle: Credit of COP 75.5 billion, 60 months, COP 1,953,584 per month.

Answer 2:

Type	Jan-24	Feb-24	Mar-24	May-24	Feb-25	Mar-24	Jan-26	Feb-26	Mar-26	Jan-27	Nov-24	Dec-24
Savings	6.44%	6.25%	5.79%	5.92%	5.67%	5.43%	5.23%	4.92%	4.94%	4.64%	4.28%	4.08%
Demand Deposit	3.23%	3.40%	3.28%	3.13%	2.87%	2.93%	2.59%	2.04%	2.11%	1.99%	1.82%	1.82%
Savings + Demand Deposit	5.74%	5.62%	5.27%	5.32%	5.08%	4.91%	4.68%	4.34%	4.36%	4.07%	3.74%	3.62%

Answer 3:

425,787 consumer contracts

19 months

Answer 4:

310,207 consumer customers

1.37 average credit accounts for all customers

Answer 5:

Gift card. Issuing value varies according to loaded amount:	
50,000 - 100,000	$7,600
100,001 - 250,000	$8,400
250,001 - 500,000	$8,400
500,001 - 750,000	$11,600
750,001 - 10,000,000	$11,600
> 10,000,000	$16,500
Re-issuance or replacement of debit and gift cards	$18,600

Answer 5.1

For 2024, the average commission for prepaid products was COP 33,485.

SASB TOPIC: Sales Practices

BBVA Colombia Material Topic: Corporate governance, ethics and transparency

Accounting Parameter:

1. Number of customer complaints filed
2. Percentage with monetary or non-monetary relief

Metric: FN-CF-270a.4

BBVA Colombia response:

Answer 1

As part of BBVA's current policy, the following channels are enabled to receive PCCs from financial consumers.

Own

- Office network
- Call center

Alternate

- Financial Consumer Defender (DFC for its acronym in Spanish)
- Financial Superintendence of Colombia (SFC)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
							2024						
Consumer Defender	2019	1856	2208	2022	1912	1835	1679	1618	1897	1926	1671	1933	22,576

Answer 2

Defender case percentage with monetary and non-monetary compensation.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
							Monetary						
Consumer Defender	18%	16%	17%	14%	17%	19%	17%	15%	10%	9%	7%	5%	14%
							Non-monetary						
Consumer Defender	82%	84%	83%	86%	83%	81%	83%	85%	90%	91%	93%	95%	86%

Product	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
							2024						
Credit Card	458	465	437	371	381	361	367	380	431	425	390	356	4822
Personal loans	137	140	141	192	134	167	152	139	151	146	133	146	1778
Vehicle Loans	79	70	83	69	59	73	59	48	68	77	80	74	839
Money transfers	22	11	43	67	50	40	49	65	74	40	38	68	567

The total displayed only refers to the products required.

Reason	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
							2024						
Sales practices	97	83	31	15	32	55	42	38	40	31	33	47	544
Transparent information	17	8	28	19	15	11	7	5	8	10	8	12	148
Advertising and marketing	2	3	12	8	1	4	4		4	6	5	6	55
Fees and interest	72	59	132	109	41	46	38	40	44	42	32	36	691
Accounts	973	824	1110	989	1001	900	729	720	810	866	740	1047	10.709
Application Process	42	40	92	56	61	67	56	48	57	83	91	168	861

The total exposed refers only to the required typologies.

Table with the products is included.

Product	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2024													
Savings Account	959	808	1079	973	976	883	721	706	794	842	711	1029	10481
Credit Card	458	465	437	371	381	361	367	380	431	425	390	356	4822
Consumer credit	137	140	141	192	134	167	152	139	151	146	133	146	1778
Mortgage Credit	162	145	171	189	136	133	154	140	210	202	182	176	2000
Vehicle Credit	79	70	83	69	59	73	59	48	68	77	80	74	839
TD	36	34	55	27	25	27	35	34	31	30	20	21	375
DDA	14	16	31	16	25	17	8	14	16	24	29	18	228
W/O product	54	45	53	38	32	35	25	17	2	3	7	2	313
Transfers	2	2	13	3	3	4	4	3	1	1			36
Other	118	131	145	144	141	135	154	137	193	176	119	111	1704
TOTAL													**22.576**

Monthly volume according to required products.

SASB TOPIC: Activity Parameters

BBVA Colombia Material Topic:

Accounting Parameter:

Number of unique consumers with an active account of:

1. Credit Card
2. Prepaid Debit Card

Metric: FN-CF-000.A

BBVA Colombia response: In 2024, there was a reduction compared to the previous year in terms of the number of unique consumers with an active debit and credit account, representing a negative variation of 12.64% for debit customers and 9.78% for credit.

Unique consumers with an active account

	2023	2024
Debit	4,242,766	3,706,564
Credit	955,828	862,367

SASB TOPIC: Activity Parameters

BBVA Colombia Material Topic:

Accounting Parameter:

1. Credit Card
2. Prepaid Debit Card

Metric: FN-CF-000.B

BBVA Colombia response: In 2024, there was a reduction compared to the previous year, in terms of the number of credit and debit cards, representing a negative variation of 14.63% for debit cards and 9.88% for credit cards.

NUMBER OF CREDIT AND DEBIT CARD ACCOUNTS

	2023	2024
Debit	4,674,603	3,990,888
Credit	1,210,978	1,091,382

SASB - MORTGAGE FINANCE

SASB TOPIC: Lending Practices

BBVA Colombia Material Topic:Economic Performance - Corporate Governance, Ethics and Transparency

Accounting Parameter:

1. Number
2. Value of residential mortgages of the following types:

   a. Hybrid and variable rate.

   b. Payment penalty.

Metric: FN-MF-270a.1

BBVA Colombia response:

Number of mortgages (UVR)	Mortgage Value (UVR) million
9,121	1,005,179

Number of mortgages (higher rate)	Value of mortgages (highest rate) in COP million
32,764	2,225,321

SASB TOPIC: Lending Practices

BBVA Colombia Material Topic: Economic Performance - Corporate Governance, Ethics and Transparency

Accounting Parameter:

1. Number
2. Value of:

   a. Modification to residential mortgages.

   b. Foreclosures

   c. Short sales or deeds delivery in lieu of foreclosure.

Metric: FN-MF-270a.2

BBVA Colombia response: The following table shows the amount and value of modifications, awards and dations in payment made during 2024.

	Number	Amount (COP millions)
Modification	194	21,641,000,000
Foreclosure/ Adjudication	49	8,060,397,353
Deed in lieu of execution / Dation in payment	5	19,555,783,379

SASB TOPIC: Lending Practices

BBVA Colombia Material Topic: Economic Performance - Corporate Governance, Ethics and Transparency

Accounting Parameter: The total amount of monetary losses resulting from legal proceedings related to communications to customers or loan originators compensation.

Metric: FN-MF-270a.3

BBVA Colombia response: As of December 31, 2024, no monetary losses are observed for 2024, incurred by BBVA Group entities, as a result of court rulings or administrative sanctions imposed in proceedings associated with discriminatory practices in the granting of mortgage financing to individuals when mortgaging their home, either as a guarantee for a loan for acquiring the same home or for the acquisition of another property.

At the level of collection management processes, the Bank has published all its communication policies on the page for access by all customers, where guidelines under which collection management, fees and others are explained.

Additionally, within collection management itself, these guidelines are applied in communication with customers.

SASB TOPIC: Lending Practices

BBVA Colombia Material Topic: Economic Performance - Corporate Governance, Ethics and Transparency

Accounting Parameter: Description of the compensation structure of mortgage loan originators.

Metric: FN-MF-270a.4

BBVA Colombia response: Commercial network employee variable incentive is managed through grids, a set of indicators, where each one has a weight, and the sum of all indicators results in 100% of the officer's incentive. These are published on the intranet, where the different indicators, conditions, limitations, and how these are measured are detailed. Each commercial network job position has specific grids, based on their responsibilities and business focus. Monthly calculations are made on the fulfillment of grid objective to recognize the quarterly payment, based on each employee's quarterly average.

Regarding mortgage loans, the indicator that was used handled in December 2024 is housing turnover, which is in the Commercial Managers grid, where it varies between 10 and 15 pp depending on its location in the grid, as evidenced below.

Commercial Manager / Client Manager	
Savings culture	
Payroll enrollment, with a deposit greater than 1.6 million	10 points
Stable New Resources	15 points
Registration of new clients in funds	5 points
Registration or referred client wealth of the liability	5 points
Subtotal	**35 points**
Share gain	
Housing Billing	10 points
Consumption Billing	5 points
Active Credit Card	10 points
Subtotal	**25 points**
SME Bank	
New Acquiring Registration – MPOS - Collection Link	10 points
Registration or referral of new SME asset product	10 points
Subtotal	**20 points**

Commercial Manager / Client Manager	
More customer profitability	
Insurance premium	8 points
Subtotal	**8 points**
The easiest bank to interact with	
IRENE	12 points
Subtotal	**12 points**
TOTAL	**100 POINTS**

SASB TOPIC: Discriminatory lending

BBVA Colombia Material Topic: Economic Performance - Corporate Governance, Ethics and Transparency

Accounting Parameter:

1. Number
2. Amount
3. Weighted average loan-to-value ratio of mortgages granted to:

    a. Borrowers, part of minority groups.s

    b. All other borrowers

Metric: FN-MF-270b.1

BBVA Colombia response: The Bank does not have minority information breakdowns, as internal policies do not discriminate against any age or ethnic group. As indicated in BBVA's policies, there are no policies that favor or are different for some minorities. The Bank maintains the same conditions for all its users.

SASB TOPIC: Discriminatory lending

BBVA Colombia Material Topic: Economic Performance - Corporate Governance, Ethics and Transparency

Accounting Parameter: Total monetary loss amount resulting from court proceedings related to discriminatory mortgage loans

Metric: FN-MF-270b.2

BBVA Colombia response: As of December 31, 2024, no monetary losses are observed for 2024, incurred by BBVA Group entities, as a result of court rulings or administrative sanctions imposed in proceedings associated with discriminatory practices in the granting of mortgage financing to individuals when mortgaging their home, either as a guarantee for a loan for acquiring the same home or for the acquisition of another property.

At the level of collection management processes, the Bank has published all its communication policies on the page for access by all customers, where guidelines under which collection management, fees and others are explained.

Additionally, within collection management itself, these guidelines are applied in communication with customers.

SASB TOPIC: Discriminatory lending

BBVA Colombia Material Topic: Economic Performance - Corporate Governance, Ethics and Transparency

Accounting Parameter: Policies and procedures description to ensure establishing mortgages without discrimination.

Metric: FN-MF-270b.3

BBVA Colombia response: In accordance with BBVA Colombia's commitment to Human Rights and non-discrimination, aiming to respect equality and diversity, avoid unfair biases in onboarding policies to access financial products, it is important to highlight that any person's credit application is admissible and the following variables are not discriminated against or considered: gender, color, ethnicity, disability, religion, sexual orientation, or political opinion.

SASB TOPIC: Property environmental risks

BBVA Colombia Material Topic: Climate action / risk management

Accounting Parameter:

1. Number
2. Mortgage Loan Values in 100-Year Flood Zones

Metric: FN-MF-450a.1

BBVA Colombia response: For this report's reporting period, there is no information related to this metric. Considering the possibility that this situation may change, BBVA will monitor and report the information requested in this standard.

SASB TOPIC: Property environmental risks

BBVA Colombia Material Topic:

Accounting Parameter:

1. Expected Total Loss
2. Loss given default attributable to mortgage defaults. Metric: FN-MF-450a.2

Metric: FN-MF-450a.2

BBVA Colombia response: For this report's reporting period, there is no information related to this metric. Considering the possibility that this situation may change, BBVA will monitor and report the information requested in this standard.

SASB TOPIC: Property environmental risks

BBVA Colombia Material Topic:

Accounting Parameter: Description on how climate change and other environmental risks are incorporated into mortgage opening and underwriting.

Metric: FN-MF-450a.3

BBVA Colombia response: The Bank does not incorporate climate issues or other environmental risks in mortgage opening and/or underwriting.

SASB TOPIC: Activity Parameters

BBVA Colombia Material Topic:

Accounting Parameter:

1. Number
2. Open Mortgage value by category:

   a. Residential

   b. Commercial

Metric: FN-MF-000.A

BBVA Colombia response:
(Figures in COP millions)

Number of mortgages	Mortgage Value
115,960	10,562,867

SASB TOPIC: Activity Parameters

BBVA Colombia Material Topic:

Accounting Parameter:

1. Number
2. Open Mortgage value by category:

   a. Residential

   b. Commercial

Metric: FN-MF-000.B

BBVA Colombia response: Commercial mortgages are not a BBVA Colombia product. Due to the possibility that this situation may change, BBVA Colombia will monitor and report the information requested in this standard.

Annual Report 2024

11 TCFD Report

Commited to the sustanaible of development of Colombia

BBVA strengthened its Board of Directors with ESG and climate change experts, integrating sustainability into its global strategy under the leadership of the Global Sustainability Area.

TCFD Report

GOVERNANCE PILLAR

At the executive level, the BBVA Group has a Global Sustainability Area, which reports directly to the Executive Chairman (in this case, in areas related to strategy and transformation) and the CEO.

BBVA Colombia's Board of Directors has taken the following steps in addressing climate-related risks and opportunities, as well as detailing its responsibilities and functions.

1. Appointment of members with knowledge and experience in climate change and ESG matters

On March 22 and October 18, the General Shareholders' Meeting appointed Cristina Vélez Valencia and Gloria Amparo Alonso as members of the Board of Directors, who have outstanding ESG knowledge profile.

Cristina Vélez Valencia

Position: Board of Directors Member (independent origin).

Education: Degree in Business Administration and Management and History.

Experience: She has worked as a research assistant at the Universidad de los Andes and has held management positions in the Secretariat of Women's Affairs and the Secretariat of Social Integration. She was also vice-president of Public-Private Articulation and professor of Business History at CESA. Currently, she is dean of the School of Management at EAFIT University.

Other roles: Senior member of the Board of Directors of Pragma S.A., Fundación Poderosas and Fundación Extituto de Política Abierta.

Gloria Amparo Alonso Másmela

Position: Board of Directors Member (independent origin).

Education: Economist from Universidad de los Andes, with master's degrees in economics from the National University of Colombia and Columbia University, as well as specialized studies in Corporate Governance, Sustainability Management and Business Management.

Experience: Extensive experience in public policies, sustainable economic development, fiscal reforms and royalty systems design, management and assessment. She has worked with multilateral organizations and has experience in international negotiations.

She also has solid knowledge in organizational control and transparency, with a strategic and ethical approach.

2. Approval of the Task Force on Climate-related Financial Disclosures 2024 Report - (TCFD)

3. Sustainable Business Billing Origination KPIs

The Board of Directors monitors sustainable business turnover placement KPI progress on a monthly basis, including those for climate action.

4. Training schemes or programs in matters related to climate change and ESG

The Board of Directors has a training policy that allows, depending on the needs identified over its members self-assessment process, to organize training sessions with internal Bank experts or external consultants. Although to date no specific training has been done on ESG and climate change, these topics are considered as options within the established training framework.

5. Board member responsibilities and roles in managing climate-related risks and opportunities

The Board of Directors has an assigned Corporate Governance, Sustainability and Social Responsibility Support Committee, which is responsible for:

- Monitoring the adoption and compliance with international standards, voluntary commitments, and good practice and recommendation implementation from authorities in the environmental regulations and sustainability field.
- Supervising programs and projects aimed at preventing and mitigating environmental impacts, promoting sustainable development, and continuously improving environmental management system efficiency and effectiveness.
- Following up on the agenda, work plans and compliance with goals set by the Bank in this regard.

Within the governance associated with climate change issues, there is a process in which they are first taken to the Governance and Sustainability Committee on a quarterly basis. Then, the issues that require approval go to the Board of Directors. The above is included in a minute coordinated by the Legal Services area. Within the Board of Directors, there are 2 members who have worked and have experience in sustainability issues.

At BBVA Group, financed emissions alignment targets have been established in line with the Net Zero Banking Alliance (NZBA) guidelines for the oil and gas, power generation, automotive, steel, cement, and coal sectors. A governance model has also been defined for these alignment targets, the levers for their implementation, and the resulting decision-making process approval and monitoring:

1. Sustainability Alignment Steering Group (SASG) creation.
2. Business area leader, for each sector, definition.
3. Integration into business processes and risks.

BBVA Colombia's Strategic Plan establishes sustainability as one of its strategic priorities, which is why it is promoting sustainability integration and the fight against climate change into the Group's day-to-day business and activities, establishing objectives that facilitate their execution, and their evolution supervision and monitoring. In this context, each executive's individual objectives are linked to the strategic plan of the Bank and the Group. The Bank is incorporating metrics related to sustainability and ESG risks into employee and BBVA's Senior Management variable compensation schemes.

GENERAL SUSTAINABILITY POLICY

The Board of Directors incorporated sustainability as one of the Bank's strategic priorities, as reflected in the Group's 2019 strategic plan, and approved the General Sustainability Policy that defines and establishes the general principles, **and the management and control objectives and guidelines to be followed by the Group in sustainable development terms.**

In addition, in 2022, the BBVA Group's Board of Directors approved the General Sustainability Policy update, which integrates the previous Corporate Social Responsibility policies and the General Sustainability Policy, which defines and establishes the general principles, and the main management and control objectives that the Group will have to follow in **sustainable development terms with a focus on climate change, natural capital and inclusive growth.** The policy identifies its stakeholders and other groups (customers, employees, shareholders and investors, suppliers, regulators and supervisors, as well as investment in the community) and different action areas (fiscal responsibility, illegal conduct and corruption prevention, participation in international initiatives and commitment to human rights). In relation to human rights, this commitment is articulated in line with **BBVA's Code of Conduct and is based on the United Nations Guiding Principles on Business and Human Rights.**

In accordance with General Sustainability Policy provisions, BBVA understands "sustainable development" or "sustainability", which includes environmental, social and governance aspects, hereinafter "ESG", as meeting present generation needs without compromising future generations' ability to meet their own needs. BBVA faces the sustainable development challenge from a holistic perspective, being aware that, by making the Purpose of "Bringing the opportunities of this new era within everyone's reach" a reality, as well as the strategic priority "helping our customers in the transition to a sustainable future", the Bank aims **to generate a positive impact through its customers activities, its own, as well as its relationship and support to society.**

To execute the strategy approved by BBVA's Corporate Bodies, the Group has the Global Sustainability Area, whose head reports directly to both the CEO and the Chairman on sustainability transformation and strategy. Thus, the execution of the sustainability strategy is transversal in the Group, and it is all areas' responsibility to progressively incorporate into their strategic agenda and work dynamics. For this, the Global Sustainability Area is responsible for publishing the Group's sustainability principles and objectives and advising the different executive areas responsible so that these may be implemented and integrated into the Group's activities.

COMPENSATION POLICIES

BBVA Colombia's compensation Policy is rooted in the constant generation of value for the BBVA Group and focuses on aligning employee and shareholder interests, prudent risk management and BBVA Group's strategy development.

This compensation framework is a key Corporate Governance System component designed by the Board of Directors. This compensation policy aims not only to remunerate, but also to strategically align the institution with responsible management, sustainable development and equal opportunities within the organization.

With regard to employees, at the Group level (and, consequently, at BBVA Colombia) **there is variable compensation tied to the objective of mobilizing sustainable business** of € 300 billion to be carried out between 2018 and 2025.

In addition, BBVA Colombia has a Compensation Policy for the Board of Directors, approved by the General Shareholders' Meeting at its ordinary meeting on March 17, 2016. This policy differentiates between the compensation system for non-executive and executive origin directors, as follows:

The compensation of the executive director, i.e., the one who is a legal representative and who participates in Bank's ordinary business course and who in turn is a member of the Board of Directors, is governed by the same principles applicable to the senior management employee group, whose professional activities have a significant impact on the group's risk profile or exercise control functions.

To compensate Senior Management, BBVA follows the following criteria:

I. The level of responsibility for their duties.

II. Compensation must be competitive compared to equivalent positions at peer financial institutions in the local market. Consequently, Executive Directors do not receive additional compensation, beyond what they earn as BBVA Colombia's employees. The Board of Directors' compensation does not include a variable component, linked to achieving KPIs or performance. As mentioned above, compensation consists of a fixed component, determined by the General Shareholders' Meeting, while the variable component refers exclusively to travel expenses.

STRATEGY PILLAR

Climate change risks for BBVA

BBVA Colombia has a General Policy for Non-Financial Risk Management, which aims to establish the general principles that govern the Group's operational risks management, as well as laying the foundations for operational risk management throughout the life cycle.

Climate risks and opportunities were identified through a sector analysis where different banking entities, at the national and international level, were evaluated, as well as the documents and processes developed by BBVA Spain. In this process of identifying climate risks and opportunities, BBVA Colombia has relied on external advisors.

On the other hand, using the QGis2 tool, Colombia's regions cartography, where the Bank has a presence, was analyzed. Transition risks are assessed under a short, medium and long-term time horizon, considering that there is no scientific evidence to estimate or project the materialization of the impacts. The departments included in the study by region were:

- Caribbean Region: La Guajira, Cesar, Magdalena, Atlántico, Sucre and Bolívar.
- Andean Region: Antioquia, Cundinamarca, Caldas, Boyacá, Santander, Norte de Santander, Risaralda, Quindío, Tolima and Huila.
- Pacific Region: Valle del Cauca, Cauca, Nariño and Chocó.
- Orinoquía / Amazon Region: Amazonas, Casanare, Guaviare, Meta and Vaupés.

In the risk identification process, 2 types of risks were detected that impact BBVA Colombia's businesses or those of its customers.

Transition risks

These are the risks linked to the transition to a low-carbon economy in response to climate change, and which come from changes in legislation, the market, consumers, etc., to mitigate and address the requirements arising from climate change.

Thus, Table 1 presents the transition risks, their occurrence probability and their temporal classification.

Table 109. Transition risks

Risk subtype	Risk	Risk Description	Probability of occurrence			Impact
			Short term	Medium term	Long term	
Legal and regulatory	Increased cost of CO2 emissions	Increased financial risk for BBVA Colombia customers who could see their liquidity harmed by assuming higher operating costs derived from changes in regulation, technology implementation to mitigate or reduce their emissions. Increase in the Bank's operating costs due to the increase in the cost of carbon credits.	Likely	Almost certain	Almost certain	Low
	Increase in monitoring, control (regulatory capital) and information requirements from existing operations, products and services	Increase in the Bank's operating cost associated with regulatory changes derived from climate change.	Almost certain	Almost certain	Almost certain	High
	Litigation risk and penalties for matters related to climate change	Increase in the Bank's operational costs due to possible litigation or sanction materialization against BBVA Colombia, arising from matters related to climate change, including associated risks' incorrect management, whether in its business, its actions, its communications and value chain.	Remote	Possible	Likely	High
Technology	Transition costs to Low-emission technology.	• Default on loan portfolios due to failed investments in developing low-emission technologies. • Increase in operational costs for investing in sustainable infrastructure and low-emission technology, including inefficient technology investments. • Changes in asset prices (e.g., fossil fuel reserves, land valuations, security valuations) and financing costs for technological innovations for the transition to a low-carbon economy.	Remote	Possible	Likely	Low

Risk subtype	Risk	Risk Description	Probability of occurrence			Impact
			Short term	Medium term	Long term	
Market	Customer behavior changes.	• Decrease or low demand due to certain products that can cause price drops that affect the valuation of customers' assets. • Decrease in new customer acquisition due to a change in customer preferences, as the Bank is not considered well positioned in the sustainable segment.	Likely	Almost certain	Almost certain	High
	Market signal uncertainty	Difficulty in correctly forming prices, allocating financing or investment amounts associated with meteorological alterations that modify future economic conditions or the real value of physical or financial assets.	Possible	Likely	Likely	High
	Financial risks	• Increased financing costs for clients with greater exposure to risks associated with climate change in a way that affects their solvency, making it more difficult for them to meet their credit commitments. • Increased credit default by customers located in geographies highly exposed to severe extreme weather events, or to its changes in weather patterns, given its probability of default.	Possible	Likely	Likely	High
Reputation	Exclusion from Investing in certain sectors due to market pressures.	• Decrease in the Bank's profitability due to profitable businesses interruption resulting from reputational risk or sector regulations related to climate change impacts and risks that prohibit or limit it. • Increase in the Bank's operational costs for accompanying customers to a low-carbon economy transition.	Likely	Almost certain	Almost certain	High
Liquidity	Increased liquidity risk when extending credit	• Decrease in the Bank's liquidity capacity due to difficulty in liquidating financial assets that are exposed to climatic events (e.g., equity in infrastructure projects in coastal areas). • Decrease in bank's liquidity capacity due to an increase in deposits and/or credit applications withdrawals caused by demand for liquidity generated by the fact that customers must cover repairs for damages caused by extreme weather event	Remote	Possible	Likely	Middle

Physical risks

Physical risks are those that come from climate change and can originate from greater frequency and extreme weather severity events or from long-term climate changes. In addition, these can lead to physical damage to the company's assets, disruptions in the supply chain or increased expenses necessary to deal with these.

Table 110. Physical risks

nº	Subtype	Threat	Risk
1	Acute	Increased severity and extreme weather event frequency .	• Reduction in revenue due to decreased production capacity, damage to assets (fixed, productive, material, etc.), business model unviability, supply chains or trade routes disruption, among other factors, which may increase customer default likelihood. • Increased prices, difficulty in business continuity, infrastructure loss for owned or financed physical assets, increased demand for liquidity, among other effects, resulting from extreme weather events such as cyclones, hurricanes, and floods
2	Acute	Loss of business continuity	• Impact on BBVA Colombia facilities due to climate-related disasters that prevent normal service delivery. • Increased losses on loans in vulnerable sectors (e.g., agriculture)
3	Chronic	Changes in precipitation patterns.	• Assets financed by the Bank value loss due to their location in areas subject to extreme weather events such as flooding, high temperatures, desertification, droughts, etc. • Increased operating costs for clients, decreased insurance coverage, systemic changes in regional geographies, economies, and sectors, and any resulting population migration or unemployment, increasing client default likelihood.
4	Chronic	Changes in average temperature increase trends.	• Assets financed by the Bank value loss due to their location in areas subject to extreme weather events such as flooding, high temperatures, desertification, droughts, etc. • Increased operating costs for clients, decreased insurance coverage, systemic changes in regional geographies, economies, and sectors, and any resulting population migration or unemployment, increasing client default likelihood.
5	Chronic	Changes in sea level rise patterns	• Assets financed by the Bank value loss due to their location in areas subject to extreme weather events such as flooding, high temperatures, desertification, droughts, etc. • Increased operating costs for clients, decreased insurance coverage, systemic changes in regional geographies, economies, and sectors, and any resulting population migration or unemployment, increasing client default likelihood.
6	Chronic	Changes in increases in soil erosion patterns	• Assets financed by the Bank value loss due to their location in areas subject to extreme weather events such as flooding, high temperatures, desertification, droughts, etc. • Increased operating costs for clients, decreased insurance coverage, systemic changes in regional geographies, economies, and sectors, and any resulting population migration or unemployment, increasing client default likelihood.

Physical risks were identified, assessed, and rated separately for each region, given that each presents different threats and, above all, different vulnerability levels. Specific physical risks are therefore identified for the Caribbean, Andean, Pacific, Orinoco, and Amazon regions.

Five threats were identified in the different regions of Colombia, finding that intense rainfall events that cause flooding, droughts, and temperature increases occur more frequently in the Amazon, Andean, Caribbean, Orinoco, and Pacific regions, and coastal erosion and rising sea levels occur in the Caribbean and Pacific regions.

Based on the threats identified at the national level, financial risks were identified. These risks refer to the uncertainty in the performance of an investment due to changes in the sector in which the investment operates, a party's inability to repay capital, and the instability of the financial markets.

Table 3: Physical Risks by Region and Associated Financial Risks is presented below. It presents the exercise's results and lists physical risks by region, their classification, and potential impacts, considering the Bank's infrastructure, operations, and financial materiality.

Table 111. Physical Risks by Region and Associated Financial Risks

Threats	Region	Physical risks	Related Financial Risk
Heavy rainfall events that cause flooding	Amazon, Andean, Caribbean, Orinoquia and Pacific	**Direct impacts:** 1. Infrastructure damage that affects the operation; 2. Technological equipment damage that limits the operation; 3. Limitation on the ability of employees to assist infrastructures due to road, public infrastructure, public utilities damage and on the well-being of employees.	1. Operational risk
		Indirect impacts: 1. Risk of default in loan portfolios and decrease in new customer acquisitions due to loss or impact on individuals' and companies' solvency caused by damage to their assets and productive infrastructure as a result of flood events; 2. Impact on operations due to service provider infrastructure damage (energy, aqueduct, sewerage and telecommunications).	1. Credit risk 2. Operational risk
Droughts	Amazon, Andean, Caribbean, Orinoquia and Pacific	**Indirect impacts:** 1. Default Risk in loan portfolios and decrease in new customer acquisitions due to loss or impact on individuals solvency due to damage to their assets and productive infrastructure as a result of drought events and phenomena derived from forest fires; 2. impact on operations due to energy rationing derived from drought events; 3. Impact on operations due to water rationing derived from drought events; 4. Impact on operations due to service provider infrastructure damage (energy, aqueduct, sewerage and telecommunications) resulting from phenomena associated with drought or forest fire events.	1. Credit risk 2. Operational risk 3. Operational risk 4. Operational risk
Coastal erosion	Caribbean & Pacific	**Direct impacts:** 1. Limitation on employees' ability to assist infrastructures due to road, public infrastructure, public utilities damage and on the wellbeing of employees.	1. Operational risk
		Indirect impacts: 1. Default risk in loan portfolios and decrease in new customer acquisitions due to loss or impact on individuals' and companies' solvency caused by damage to their assets and productive infrastructure as a result of coastal erosion phenomena; 2. Impact on operations due to energy, aqueduct, sewerage and telecommunication provider infrastructure damage.	1. Credit risk 2. Operational risk
Sea level rise	Caribbean & Pacific	**Direct impacts:** 1. Limitation on employees' ability to assist infrastructures due to road, public infrastructure, public utilities damage and on the wellbeing of employees.	1. Credit risk
		Indirect impacts: 1. Default risk in loan portfolios and decrease in new customers acquisitions due to loss or impact on individuals' and companies' solvency caused by damage to their assets and productive infrastructure as a result of sea level rise phenomena; 2. Impact on operations due service provider infrastructure damage (energy, aqueduct, sewage and telecommunications); 3. Changes in population demographic dynamics that affect the local economy.	1. Credit risk 2. Operational risk 3. Credit risk
Increase in temperature	Amazon, Andean, Caribbean, Orinoquia and Pacific	**Indirect impacts**: 1. Risk of decline in economic activity in some regions due to changes in population demographic dynamics and impacts on various economic sectors' development; 2. Default Risk in loan portfolios and decrease in new customer acquisitions due to loss or impact on individuals' and companies' solvency caused by increased morbidity and mortality rates resulting from rising temperatures.	1. Credit risk

To estimate the probability of physical hazards occurring, historical data on the occurrence of similar threatening events were consulted, considering their frequency. The objective was to determine the event's behavior in a past scenario. This information was compiled using official databases such as the National Historical Inventory of Disasters of Colombia (DesInventar), official governorate websites, and records compiled by entities such as IDEAM, the Agustín Codazzi Geographic Institute (IGAC), the Colombian Geological Service, the Cartographic Server "Colombia en Mapas," the Colombian Environmental Information System (SIAC), among others.

After determining the probability of occurrence for the threats and determining the vulnerability for each element, for each of these threats the Probability of Occurrence (PO) was assessed, **the severity of the possible impacts on these and on the operations of Banco BBVA Colombia was assessed,** to finally calculate the average and determine the final impact of each threat, as shown in Table 4.

BBVA Colombia assessed physical risks using historical disaster and vulnerability data, **calculating probability and severity of impacts to strengthen its climate risk management.**

Table 112. Impact of threats associated with physical risks

Region	#	Threat	Physical and technological infrastructure	Third parties	People	Operations	Final impact
Caribbean	1	Intense rainfall events causing flooding	1	2	3	1	1,8
	2	Droughts	1	3	3	1	2
	3	Sea level rise	1	1	1	1	1
	4	Coastal erosion	1	1	1	1	1
	5	Temperature rise	1	1	2	1	1,3
Andean	1	Intense rainfall events causing flooding	1	2	3	1	1,8
	2	Droughts	1	4	3	1	2,3
	3	Sea level rise	1	2	3	1	1,8
	4	Landslides and torrential floods	1	1	2	1	1,3
Pacific	1	Intense rainfall events causing flooding	1	2	3	1	1,8
	2	Droughts	1	2	2	1	1,5
	3	Temperature rise	1	1	1	1	1
Orinoco	1	Intense rainfall events causing flooding	1	2	3	1	1,8
	2	Droughts	1	2	4	1	2
	3	Temperature rise	1	1	2	1	1,3

Key Advances in Strategy Execution

In addition to the practices and methodologies used in BBVA Group, BBVA Colombia has worked since 2022 **on implementing the Environmental and Social Risk Management System (SARAS for its acronym in Spanish)** with the IFC. In 2023, the Bank included SARAS in its General Sustainability Policy and the approval of the General Standard on Environmental and Social Risks by the Risk Management Committee - RMC, which establishes a comprehensive management framework that includes policies, standards, procedures, tools, and mechanisms for the identification, categorization, assessment, control, monitoring, and follow-up of environmental and social risks that could be generated by projects, works, activities and customers to whom financing is granted and that may result in financial, reputational, credit, market and civil liability risks for BBVA Colombia.

The SARAS is aligned with other tools and methodologies used at the Group level, such as the analysis of the **Ecuador Principles and compliance with the Environmental and Social Framework,** as well as the standards, performance norms and exclusion lists of the International Finance Corporation (IFC) and the standards of the Inter-American Development Bank's (IDB) Environmental Social Policy Framework (ESPF). The SARAS is managed by BBVA Colombia Risk Vice Presidency's Wholesale Credit Directorate.

The environmental and social risk assessment process is included in the credit process, which includes the preadmission, admission, formalization, monitoring and control stages. Due diligence of operations that meet the established criteria and filters is performed by reviewing the following aspects:

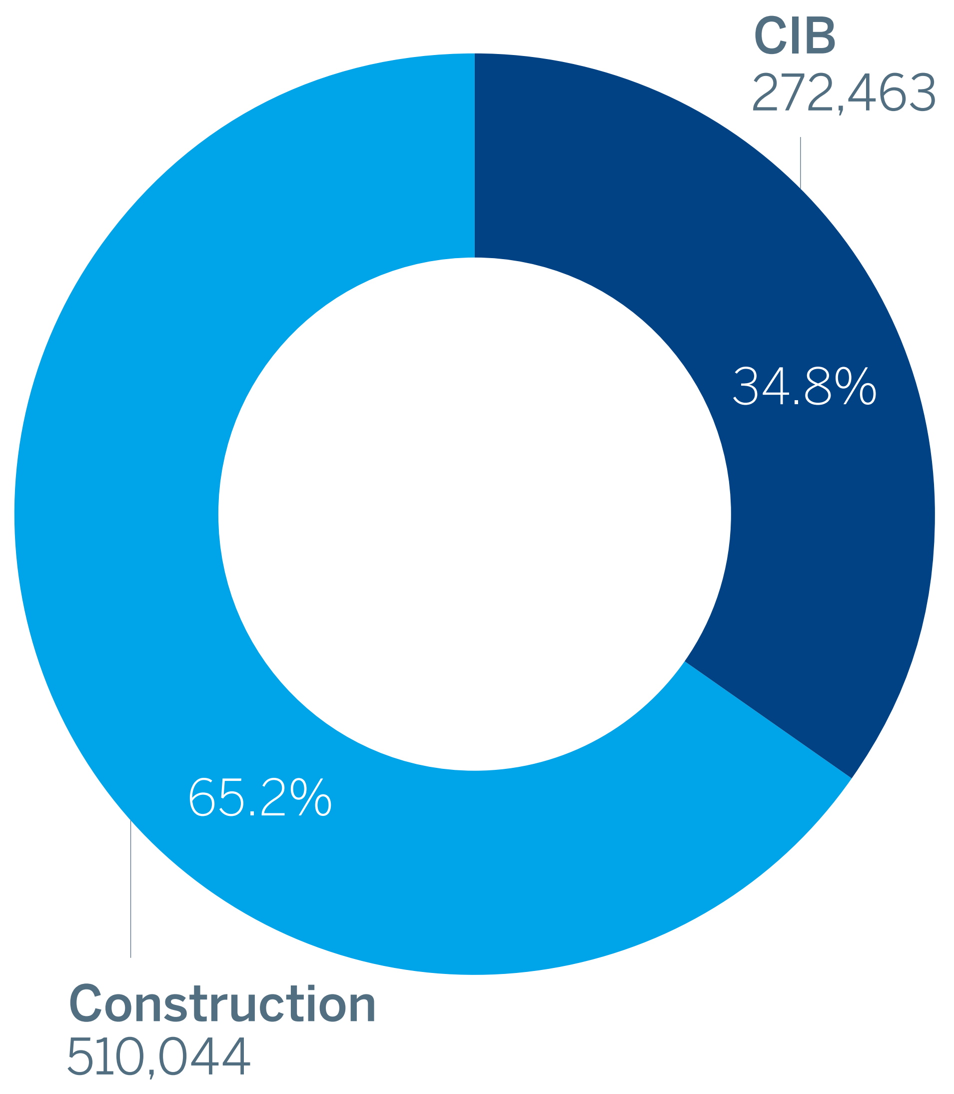
a. Excluded and restricted activity lists
b. Compliance with applicable national legislation
c. System for the assessment and management of environmental and social risks and impacts
d. Labor and working conditions
e. Efficiency in the use of resources and pollution prevention
f. Community Health & Safety
g. Land acquisition and involuntary resettlement
h. Biodiversity conservation and sustainable management of natural resources
i. Indigenous peoples
j. Cultural heritage

In 2024, once the operational phase of the Environmental and Social Risk Management System started, 18 assessments, for COP 750 billion, were done for projects in the CIB and Construction segments, according to the following metrics:

Table 113. Assessments made by SARAS
(Figures in COP millions)

Risk Category	CIB	Construction
A	272,463	
B		510,044
C		
TOTAL	**272,463**	**510,044**

Segment distribution



Likewise, during 2024, the process of **improving and adapting the General Standard on Environmental and Social Risks** started to incorporate deforestation risk management, as well as risk management associated with biodiversity impacts, into projects and/or activities that meet due diligence and environmental and social risk assessment criteria. Additionally, throughout the year and during the implementation of the System, training sessions were held for the business and risk teams.

The Environmental and Social Risk Management System's work plan for 2025 aims to strengthen the SARAS structure, identify opportunities for improvement, continue expanding assessments made scope, strengthen the monitoring mechanism for the assessments made, and consolidate the biodiversity and deforestation risk analysis processes for eligible activities and projects.

Integrating sustainability into the financing structure

The issuance of sustainable bonds plays a key role in achieving the aforementioned goals. Origination allows BBVA **to support its clients' transition to a low-carbon economy and contributes to its progressive alignment with the goals of the Paris Agreement.** Sustainable bonds and other debt financing instruments are effective instruments for channeling funds to finance BBVA's business and client projects in sectors such as renewable energy, energy efficiency, waste management, water treatment, or access to essential needs and services such as mortage or inclusive finance. In April 2018, the BBVA Group published its framework for the issuance of its own sustainable bonds, linked to the United Nations SDGs.

BBVA Colombia reaffirmed its commitment to sustainability by marking a milestone with **the issuance of its first biodiversity bond, designed to finance projects that promote the conservation and restoration of natural ecosystems,** climate-smart agriculture, and other key initiatives. This innovative financing instrument highlights BBVA's leadership in mobilizing resources toward activities that generate a positive impact on natural capital, strengthening its alignment with the SDGs, the Paris Agreement, and other international sustainability frameworks.

Furthermore, **with the issuance of the Blue Bond, BBVA took a further step in its sustainability strategy,** supporting projects aimed at efficient water management, wastewater treatment, marine ecosystem conservation, and mitigating climate change impacts on water resources.

Both biodiversity bonds and blue bonds are essential instruments for channeling resources toward strategic sectors such as ecosystem management, water treatment, environmental restoration, and mitigating ecological impacts. These initiatives not only encourage clients' transition toward more sustainable business models but also contribute to fulfilling the commitments of the Paris Agreement and developing a low-carbon economy.

Table 114. Bonds issued by BBVA Colombia
(Figures in COP millions)

Category	Type of issuance	Issuance year	Nominal amount (USD)	Purpose
Biodiversity Bond	Private	2024	70	Aimed at financing projects focused on reforestation, regeneration of natural forests on degraded lands, conservation or rehabilitation of mangroves, climate-smart agriculture, restoration of habitats for wildlife, among others.
Blue Bond	Private	2023	50	Aimed at supporting those initiatives related to the protection of water resources, it seeks financing for projects for the construction of water treatment and sewerage plants, preservation of the oceans and protection of lakes, moors and mangroves.

RISK MANAGEMENT PILLAR

Climate change risk management at BBVA Group begins with the risk planning process, which is determined by the defined risk appetite and is reflected in the management frameworks that establish daily risk management.

At the Group level, risk planning uses a Risk Appetite Framework (RAF), which determines the levels of risk that the BBVA Group is willing to assume to achieve its objectives. Once climate change risk has been incorporated into the Risk Appetite Framework and the business strategy, it must also be integrated into risk management, forming part of the risk decision-making associated with supporting the Group's customers. It is essential to identify these types of risks for their integration into management processes, including the consistent adaptation of policies, procedures, tools, parameterization, risk limits, and risk controls.

Currently, BBVA Group **is developing the methodologies and tools necessary to identify and measure the components of climate change risk,** as well as to analyze the financial impact of each of these with a view to integrating these into the activities. These tools are based on financed emissions metrics, alignment with decarbonization scenarios, vulnerability analysis and exposure to client climate threats and their collateral, and climate scenario analysis that allow for a forward-looking view of risks, opportunities, and their financial impacts.

The adaptation of policies and procedures has initially focused on integrating transition risk into sector frameworks (a basic tool for defining risk appetite in wholesale credit portfolios), where climate criteria are specified in the admission guidelines and in the policy frameworks for mortgages and vehicles in retail credit. This work has enabled the definition of strategies and business plans aimed at meeting the established medium-term alignment objectives, as well as mitigating decarbonization-related risks on the balance sheet.

Through the Risk Assessment, BBVA Group conducts a self-assessment of how risk factors associated with climate change impact the main risk types (credit, market, liquidity, and operational). An analysis is then conducted of the sectors most sensitive to this risk.

Opportunities

BBVA Colombia is in the process of measuring and integrating climate risk into risk management. Likewise, physical risk is associated with assets location and vulnerability based on their activity and can materialize as credit risk through different transmission channels, impacting in multiple ways, such as customer purchasing power, business productivity, market demand, or asset value. During 2024, BBVA Colombia has experienced significant learning regarding the physical risks that have been identified, assessed, and rated separately for each region, given that each presents different threats and, above all, different levels of vulnerability, specific physical risks have been classified for the Caribbean, Andean, Pacific, Orinoquia, and Amazon regions. These advances represent a first approximation, given the complexity of assessing the exposure and impacts of physical risks associated with the country's location and biodiversity.

Policies and Frameworks

The General Sustainability Policy expressly includes the protection of natural capital as one of its action focuses. **Specifically, the BBVA Group recognizes the need to protect ecosystem services and natural assets,** as well as species and ecological processes, and considers biodiversity and natural capital in its relationships with its customers.

BBVA integrates climate risk into its management, measuring emissions and vulnerability, advancing in decarbonization and physical risk mitigation in Colombia.

The Environmental and Social Framework specifically includes a series of prohibitions related to biodiversity loss and the fight against deforestation, as follows:

- New projects that jeopardize UNESCO World Heritage sites, wetlands on the Ramsar list, Alliance for Zero Extinction sites, and International Union for Conservation of Nature Category I-IV areas.
- New projects that involve resettlement or indigenous or vulnerable group rights violation without their free, prior, and informed consent.
- New projects related to deforestation, such as the burning of natural ecosystems for agricultural or livestock projects, the removal of forests with high conservation value and high carbon content, uncertified palm oil farms or those not in the process of certification by the Roundtable for Sustainable Palm Oil (RSPO), palm oil farms in swamps and peat-rich areas, and, starting in 2022, projects in key biodiversity areas of the International Union for Conservation of Nature (IUCN), the Brazilian Amazon, and the Cerrado.

If BBVA concludes that a project meets any of the circumstances described in the prohibited activities or general exclusions, it will not participate in it.

Additionally, the Equator Principles were updated in 2020, strengthening their focus on biodiversity. The signatories, including BBVA, commit to supporting conservation, including the goal of improving the evidence base for biodiversity-related research and decisions.

The mobilization strategy is geared toward promoting sustainable businesses by allocating financial resources to activities and clients that align with sustainability principles. This approach is supported by compliance with current regulations, the standards established by BBVA Group (based on international regulations such as the European Union Taxonomy for Sustainable Finance), the Colombian Green Taxonomy (CGT) developed by the SFC, and the most prominent reporting practices in the market.

This document shows how funding has been distributed by company size and project focus.

The distribution of funding by company size and project focus is shown.

METRICS AND TARGETS PILLAR

For BBVA Colombia, one of the strategic priorities of the Responsible Banking model relates to high-environmental-impact products, which are developed as financial products and services that integrate distinctive social and environmental attributes. With the initiatives implemented in 2024, BBVA Colombia financed projects and operations worth COP 11.4 trillion.

BBVA Colombia is working to identify metrics and targets for physical risks by region, associated financial risks, and transition risks.

An annual goal is set for mobilizing loans for sustainable uses for the Climate Action strategy. For 2024, the target was COP 3.1 trillion. By December 2024, BBVA Colombia had mobilized COP 5.4 trillion, representing a 174% compliance rate.

Table 115. Distribution of funding by bank
(Figures in COP millions)

CLIMATE ACTION			
Energy Eco-Efficiency	**Circular Economy**	**Carbon Intensity Reduction**	**Agricultural and Forestry Activities**
Includes financing for LED lighting, heating and cooling equipment, and energy-efficient real estate, among others.	**Includes financing for technologies that facilitate recycling, sustainable materials, and responsible use of natural resources, such as water, adoption.**	**Includes financing for technologies with low greenhouse gas emissions (renewable energy and other CO2-free energy sources and electric mobility, among others).**	**Includes financing for certified organic agricultural production and specific technologies that involve water savings, among others.**
CIB: COP 74,735 million. Government Banking: COP 79,336 million. Commercial Banking: COP 146,220 million. Corporate Banking: COP 227,159 million. SME Banking: COP 5,490 million.	Corporate Banking: COP 222,055 million. SME Banking: COP 3,866 million.	CIB: COP 2.8 billion. Commercial Banking: COP 218,140 million. Corporate Banking: COP 402,288 million. SME Banking: COP 21,130 million.	CIB: COP 70 billion. Corporate Banking: COP 1,199,938 million. SME Banking: COP 14,565 million.

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Global Eco-Efficiency Plan

With the goal of continuing to reduce its carbon footprint, BBVA Colombia implemented the Global Eco-Efficiency Plan (GEP) 2021-2025, which seeks to improve results and reduce direct impacts while maintaining a strategic position in the sector regarding climate change and thus projecting toward a sustainable future. Furthermore, **BBVA Colombia measures its financed emissions relative to its class of assets.**

BBVA Group and BBVA Colombia have a clear commitment to society and the environment. Thus, the global strategy to reduce direct impacts is structured around four main pillars:

- Reducing consumption through energy efficiency initiatives.
- Using renewable energy.
- Raising awareness and engaging employees.
- Reduction of its environmental footprint in Scopes 1, 2, and part of Scope 3.

BBVA Colombia has measured each of the scopes (1, 2, and 3) to estimate its carbon footprint in recent years, using 2019 as a baseline. In the fourth year of KPI implementation and monitoring set for BBVA Colombia's PGE 2021-2025, the following progress has been recorded by the end of 2024:

Table 116. PGE KPI 2021-2025

COLOMBIA	2019	PROGRESS 2024		KPI
	Base year	Indicator	%	Δ 22-25
CO2e emissions, scopes 1 and 2 (tons of CO2e)	3,071.40	1233.94*	-60%	-4%

*Data projected for the end of 2024.

Table 117. Carbon Footprint

CARBON FOOTPRINT						
GHG Emissions	Base Year 2019	2020	2021	2022	2023	2024
Scope 1 (tons of CO2eq)	140.87	135.4	1,823.74	1,904.70	874.81	1,233.94
Scope 2 (tons of CO2eq)	2,930.52	2,899.56	0	0	0	0
Scope 3 (tons of CO2eq)	14,040.57	244.7	1,504.1	1,442.12	3,487.80	3845.94
Total tons of CO2eq	17,111.97	3,279.67	3,327.84	3,347.04	4,362.61	5,079.89

Both Scope 1 and 2 emissions, as well as Scope 3 emissions, are calculated considering the GHG Protocol standard established by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). Indirect emissions from business travel by air and train, waste management, and employee travel have been calculated using emission factors published by DEFRA in 2023.

Regarding 2024, two different scenarios are evident:

In Scope 1, the Bank managed to reduce diesel consumption at its facilities and gasoline consumption in its own fleet. The reduction in the former is due to less use of power plants nationwide, while the reduction in the latter is due to the reduced number of trips made by the vice presidents in BBVA-owned vans. On the other hand, the use of refrigerants has increased, especially in the northern region, due to leak correction work and the replacement of components deteriorated due to use. Furthermore, proximity to the sea increases the presence of salt in the environment, which accelerates the damage to certain elements. To date, **this situation has been controlled through the maintenance routines that have been implemented.**

In Scope 2, starting in 2021, BBVA Colombia, with IRECs certificate purchases, stopped reporting emissions because its energy consumption is 100% from renewable sources.

In Scope 3, the Bank's emissions increased due to two main factors: business travel increased in 2024, and air travel also increased that year.

In the waste category, there was an 858% increase in non-hazardous waste and a 410% increase in hazardous waste; a figure quite far from that of previous years. **This is due to the renovations and consolidations carried out in the second half of the year.** Thanks to this, the waste generated in offices nationwide increased, and we were able to ensure that our contracted waste collection provider in Bogotá was able to travel to other locations across the country to collect unused assets from these locations efficiently and safely, ensuring that all waste will have a disposal certificate, as required by national regulations. This project has generated a significant amount of waste, primarily WEEE and scrap metal.

In 2024, BBVA Colombia, through the Global Eco-efficiency Plan (GEP), achieved reductions in the following areas:

- Regarding materials, BBVA Colombia classified these into non-renewable and renewable. 100% of the paper used was eco-friendly, made from sugarcane fiber, which allows it to be disintegrated in water by stirring. In addition, measures were implemented to reduce consumption, such as the elimination of transaction receipts.

- **Energy efficiency management for BBVA Colombia is a growing commitment.** An energy model was defined that establishes goals related to direct operations at the Bank's facilities, focusing on energy savings and the use of clean energy with a lower environmental impact. Some of the initiatives implemented include performing preventive maintenance on equipment and constantly monitoring the office's energy consumption, as well as investing in replacing obsolete or old equipment with more efficient ones. Since 2021, 100% of the energy consumed at the Bank's facilities has come from clean energy sources, through the purchase of renewable energy certificates (IRECs), **which guarantee zero emissions and thus meet the renewable energy target set in the State Budget for 2025,** in anticipation of meeting the 2030 target. By 2024, 19,911[3] MW/h of clean energy certificates were purchased nationwide.

3 Projected data for the end of 2024.

- In pursuit of efficient water use, the Bank implemented a utility management tool to measure the water supply service. This tool allows for periodic monitoring of consumption and the detection of leaks, overcharging, and incorrect measurements. This tool allows for corrective actions, prevention, and reduction of deviations, as well as the monetization of savings in this service. In 2024, the Bank advanced two strategies that allowed it to make significant progress:

Consumption habits training for office staff nationwide, through consumption habits programs, which allow us to teach different strategies to reduce consumption at home and at work.

With the utility management tool, we have been able to continuously monitor water consumption in most BBVA offices nationwide. This has allowed us to identify some leaks early and resolve them effectively and promptly.

Ongoing awareness campaigns for the rationalization and proper use of water resources have also allowed people to be more conscious of their water use in their workplaces.

In Colombia, **we have three buildings in the city of Bogotá certified with the ISO 14001:2015 standard,** which accredits them as environmentally sustainable. In addition, we managed to include 33 additional locations in our certification. Thus, we continue our commitment, under the 2021-2025 General State Budget (PGE), to environmentally certify 30% of the Bank's total property surface area. In 2024, we achieved the following results:

Table 118. Area of environmentally certified properties

Year	Certified M2	Total M²	% certified
2021	21,112	185,645	11%
2022	21,887	183,161	12%
2023	41,121	183,161	22%
2024	36,951	183,161	20%

The decrease in office space is due to the remodeling done at the offices. At the time of the audit, these offices were not open to visitors, so we had to remove 11 offices, which will be incorporated by early 2025.

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Annual Report 2024

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Separate Financial Statements and explanatory notes

AS OF DECEMBER 31, 2024 AND 2023

Bogotá, March 2025

Commited to the sustanaible development of Colombia

REPORT OF THE FISCAL AUDITOR ON THE EVALUATION OF INTERNAL CONTROL AND COMPLIANCE WITH STATUTORY PROVISIONS AND THE SHAREHOLDERS' MEETING

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Statutory auditor's report

To the Shareholders of Banco Bilbao Vizcaya Argentaria Colombia S.A.

Opinion

I have audited the separate financial statements of Banco Bilbao Vizcaya Argentaria Colombia S.A., which comprise the statement of financial position as at December 31, 2024, and the corresponding statements of income, comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as the explanatory notes to the separate financial statements that include information on material accounting policies.

In my opinion, the accompanying separate financial statements, taken from the accounting books, present reasonably, in all material respects, the financial position of the Bank as of December 31, 2024, the results of its operations and its cash flows for the year then ended in that date, in accordance with the International Financial Reporting Standards accepted in Colombia.

Basis for opinion

I conducted my audit in accordance with International Standards on Auditing accepted in Colombia. My responsibilities in compliance with these standards are described in the *Auditor's Responsibilities for the Audit of the Separate Financial Statements* section of this report. I am independent of the Bank, in accordance with the International Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the separate financial statements in Colombia, and I have fulfilled my other applicable ethical responsibilities. I believe that the audit evidence obtained is sufficient and appropriate to support my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of the most significance in my audit of the attached separate financial statements. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor's opinion thereon, but not to provide a separate opinion on these matters. Based on the above, below, I explain how each key audit matter was addressed during my audit.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Separate Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the separate financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the attached separate financial statements.

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Key audit mater	Audit Response
Estimation of Credit Risk Losses of the Commercial Portfolio The estimation of expected credit losses due to credit risk is determined in accordance with Chapter XXXI of the Basic Accounting and Financial Circular - Standards Relating to Credit Risk Management and the Commercial Reference Model (Annex 1), issued by the Financial Superintendence of Colombia, is one of the most significant and complex areas in the process of preparing the Bank's financial information. Note 3.9 - Loan portfolio, financial leasing and interest on loan portfolio and other items in the attached separate financial statements, details the relevant principles and criteria applied by the Bank for the estimation of the expected credit losses on the commercial portfolio and the amounts corresponding to such estimation. The methodology for assigning the credit risk rating for the commercial portfolio is considered a key audit matter, because it incorporates elements of judgment in its analysis. This assigned risk rating is incorporated as a parameter in the reference model for the calculation of allowances for credit losses for the commercial portfolio amounting to $654.582 million as of December 31, 2024.	Among the audit procedures carried out in this area: ▸ Evaluated the design and tested the effectiveness of the overall control environment. The audit procedures on the determination of the calculation of the credit risk for expected credit losses of the portfolio focused on: • Review of the policies, procedures and controls established by the Bank, as well as the models required by the applicable regulations. Likewise, involvement of professionals with experience and knowledge in the evaluation of credit risk assessment and information technology, to evaluate certain internal controls related to the Bank's process for determining the allowances for credit losses. • Review of the completeness and accuracy of the data sources used in the calculations for the determination of credit risk impairment, based on the control processes of the Altamira information system. • Review of the conditions of refinancing or restructuring operations. • Review of the rating processes based on the current situation of the debtor through the Credit Committees implemented by the Bank. • Test of completeness of the information used as the basis for the estimation of the Commercial Reference Model (Annex 1), both in financial and non-financial information. • Recalculation of the expected credit risk losses estimated by the Bank in both the procyclical and countercyclical allowances for credit losses.

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Key audit mater	Audit Response
	• Inspection of credit portfolio files, to verify that the rating granted to portfolio clients complies with the standards defined by the Financial Superintendence of Colombia for the allowances for credit losses system and that it is supported by the financial, qualitative or economic characteristics of the client and its subsequent incorporation into the reference model for the calculation of allowances for credit losses. • Review of the recoveries of allowances for credit losses recognized during the period. • Review of the attached disclosures, assessing that they contain the information required by the regulatory framework for financial reporting applicable to the Bank.

Responsibilities of management and those charged with governance for the Separate Financial Statements

Management is responsible for the preparation and correct presentation of the separate financial statements in accordance with International Financial Reporting Standards accepted in Colombia; to design, implement and maintaining the internal control relevant to the preparation and correct presentation of separate financial statements free from material misstatement, whether due to fraud or error; for to selecting and applying appropriate accounting policies; and, establish reasonable accounting estimates in the circumstances.

In preparing the Separate financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Bank´s or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the Separate Financial Statements

My objective is to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing accepted in Colombia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users make based on these financial statements.

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As part of an audit in accordance with International Standards on Auditing accepted in Colombia, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used, the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If I conclude that a material uncertainty exists, I are required to draw attention in my auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify my opinion. The auditor´s conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that could reasonably be expected to affect my independence and, where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the separate financial statements of the current period and that are, consequently, key matters of the audit. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, it is determined that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected exceed the public interest benefits of such communication.

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Other Issues

The separate financial statements under International Financial Reporting Standards Accepted in Colombia of Banco Bilbao Vizcaya Argentaria Colombia S.A. as of December 31, 2023, which are part of the comparative information of the attached financial statements, were audited by me, in accordance with International Auditing Standards Accepted in Colombia, on which i expressed my unqualified opinion on February 19, 2024, except for note 43 of the separate financial statements whose opinion date was March 22, 2024.

Report on other legal and regulatory requirements

Based on the scope of my audit, I am not aware of situations of non-compliance with the following obligations of the Bank: 1) keep the minutes book, register of shareholders and accounting, according to the legal and the accounting technical regulations; 2) perform operations in accordance with the bylaws and decisions of the Shareholders' meeting and the Board of Directors; 3) the information contained in the integrated contribution settlement forms, and in particular that related to the affiliates, and that corresponding to their income contribution bases, has been taken from the accounting records and documentation as of December 31, 2024; likewise to date, the Bank is not currently in default for contributions to the Social Security System; 4) keep correspondence and accounting vouchers; (5) the proper administration and provision of assets received in payment; 6) Reflect the impact of the quantified risks in the statement of financial position and the income statement, the impact of the risks to which the Bank is exposed, measured in accordance with the Integrated Risk Management System (SIAR), Money Laundering and Terrorist Financing Risk Management System (SARLAFT), based on what is established by the Basic Accounting and Financial and Legal Circulars of the Financial Superintendence of Colombia and 7) To follow up on my recommendations on internal control and other matters of which, according to my professional criteria, as of the date of this report, 56% have been implemented and 44% are in the process of implementation. Additionally, there is concordance between the attached separate financial statements and the accounting information included in the management report prepared by the Administration on the free circulation of invoices with endorsement issued by sellers or suppliers. I issued the report corresponding to what is required by article 1.2.1.2 of Decree 2420 of 2015 separately on February 19, 2025.

Gloria Margarita Mahecha García
Statutory Auditor and Partner in Charge
Professional Card 45058 -T
Designated by Ernst & Young Audit S.A.S. TR-530

Bogotá, Colombia
February 19, 2025

Certification of the legal representative and general accountant

The undersigned Legal Representative and Public Accountant of BBVA Colombia S.A., in compliance with Article 37 of Law 222 of 1995, certify that the Separate Financial Statements of the Bank as of December 31, 2024, along with their explanatory notes, have been prepared based on the Accounting and Financial Reporting Standards (NCIF) accepted in Colombia, applied uniformly ensuring that they reasonably present the financial situation, the results of its operations and that before being made available to the Shareholders' Meeting and third parties we have verified that:

- The figures included in the financial statements and in their explanatory notes have been faithfully taken from the books and prepared in accordance with the Accounting and Financial Information Standards issued by the International Accounting Standards Board (IASB), as well as the interpretations issued by the International Financial Reporting Interpretations Committee (IFRS-IC), with exceptions in the application of IAS 39 and IFRS 9 for the credit and investment portfolio, which are recognized, classified, and measured according to the provisions of the Financial Superintendence of Colombia contained in Chapters I and II of External Circular 100 of 1995, and IFRS 5 Non-current Assets Held for Sale and Discontinued Operations for the determination of the impairment of assets received in payment, which are provisioned according to the provisions of the Financial Superintendence of Colombia.

- We have verified that the valuation and assessment procedures have been applied uniformly with those of the immediately preceding year and reasonably reflect the Financial Situation as of December 31, 2024.

- All assets and liabilities included in the Bank's financial statements as of December 31, 2024 exist and all transactions included in those statements have been carried out during the year ended on that date.

- All economic events carried out by the Bank during the year ended December 31, 2024 have been recognized in the financial statements.

- All economic events affecting the Bank have been correctly classified, described, and disclosed in the financial statements.

- Assets represent probable future economic benefits (rights) and liabilities represent probable future economic sacrifices (obligations), obtained or owed by the Bank as of December 31, 2024.

- All elements have been recognized at their appropriate values according to the Financial Information Standards (NCIF) accepted in Colombia.

In compliance with Law 964 of 2005 in its Article 46, we certify that the Financial Statements and other relevant reports for the public do not contain defects, inaccuracies, or errors that prevent knowing the true financial situation or the operations of the entity.

Esther Dafauce Velázquez
Legal Representative[1]

Wilson Eduardo Díaz Sánchez
Accountant[1]
T.P. 62071-T

BBVA

Separate statement of financial position As of december 31, 2024 and 2023

(Figures expressed in millions of Colombian pesos)

	Note	2024	2023
Assets			
Cash and cash equivalents	(7)	10,880,194	11,139,894
Net investment financial assets	**(8)**	**10,757,279**	**9,938,380**
Marketable investments		3,406,417	3,693,672
Available-for-sale investments		4,103,033	2,980,736
Investments held to maturity		3,247,829	3,263,972
Derivative financial instruments and cash operations	(9)	6,085,251	9,539,609
Loan portfolio and financial leasing operations, net	**(10)**	**71,101,557**	**71,155,573**
Commercial		32,192,125	30,975,524
Consumption		28,403,409	29,187,967
Mortgage		15,241,460	14,974,638
Microcredit		2	2
Impairment of loan portfolio and financial leasing, net		(4,735,439)	(3,982,558)
Accounts receivable, net	(13)	2,280,156	791,795
Tangible assets, net	(14)	781,256	792,597
Investments in subsidiaries and joint ventures	(15)	357,004	330,718
Intangible assets, net	(16)	307,328	223,942
Non-current assets held for sale, net	(17)	154,115	43,000
Other assets, net	(18)	22,657	15,402
Deferred tax asset, net		**2,024,029**	**1,189,277**
Deferred Tax	(40)	541,999	354,206
Current Tax	(19)	1,482,030	835,071
Total Assets		**$ 104,750,826**	**$ 105,160,187**

	Note	2024	2023
Liabilities			
Customer deposits	(20)	78,880,923	76,989,427
Derivative financial instruments and cash operations	(21)	8,214,200	12,279,669
Financial obligations	(22)	5,295,920	5,137,874
Investment securities in circulation	(23)	3,368,426	2,519,332
Accounts payable	(24)	1,053,622	1,013,179
Other liabilities	(25)	775,033	732,486
Employee benefits	(26)	390,782	339,092
Estimated liabilities and provisions	(27)	217,617	213,161
Total liabilities		**$ 98,196,523**	**$ 99,224,220**
Shareholders' equity			
Share equity	(28)	111,002	89,779
Share equity placement premium	(30)	1,549,007	651,950
Reserves	(29)	4,750,950	4,559,860
Retained earnings		(112,338)	450,062
Other Comprehensive Income (OCI)	(32)	255,682	184,316
Total Shareholders' Equity		**$ 6,554,303**	**$ 5,935,967**
Total Liabilities and Shareholders' Equity		**$ 104,750,826**	**$ 105,160,187**

See the accompanying notes which are an integral part of the Separate Financial Statements.

1. The undersigned Legal Representative and Accountant, certify that we have previously verified the assertions contained in these separate financial statements and that they have been faithfully taken from the Bank's accounting books.

Esther Dafauce Velázquez
Legal Representative[1]

Wilson Eduardo Díaz Sánchez
Accountant[1]
T.P. 62071-T

Gloria Margarita Mahecha García
Statutory Auditor
T.P. 45048-T
Appointed by Ernst & Young Audit S.A.S TR-530
(See my report of February 19, 2025)

BBVA

Comparative separate income statement
As of december 31, 2024 and 2023

(Figures expressed in millions of Colombian pesos except basic earnings per share)

	Note	For the years ended December 31 2024	For the years ended December 31 2023
Interest and valuation income	(35)		
Loan portfolio and financial leasing operations		9,637,339	9,657,758
Financial instruments valuation, net		658,004	1,627,615
Total income from interest and valuations		**$ 10,295,343**	**$ 11,285,373**
Interest and valuations expenses	(36)		
Customer deposits		(5,980,514)	(6,490,984)
Financial obligations		(575,339)	(562,618)
Total interest and valuation expenses		**$ (6,555,853)**	**$ (7,053,602)**
Total net interest margin and valuation of financial instruments		**$ 3,739,490**	**$ 4,231,771**
Impairment of financial assets			
Impairment of loan portfolio and financial leasing operations, net	(10)	(2,718,824)	(1,637,708)
Impairment of non-current assets held for sale	(17)	(28,858)	(12,583)
Recovery of investment financial assets		0	346
Recovery (impairment) of property and equipment	(14)	1,485	5,975
Recovery of other impairments		188,050	197,780
Total impairment of financial assets, net		**$ (2,558,147)**	**$ (1,446,190)**
Commission income, net	(37)		
Commission income		921,211	846,022
Commission expenses		(708,945)	(544,777)
Total commission income, net		**$ 212,266**	**$ 301,245**
Other operating expenses			
Other operating income	(38)	1,242,896	81,180
Income from the equity method		65,006	46,887
Other operating expenses	(39)	(3,217,562)	(2,931,934)
Total other operating expenses		**$ (1,909,660)**	**$ (2,803,867)**
Profit before income tax		(516,051)	282,959
Income tax	(40)	(30,872)	(137,962)
Deferred tax	(40)	177,974	49,691
Total result of the period		**$ (368,949)**	**$ 194,688**
(Loss) Basic profit per ordinary share (in pesos)	(31)	(20.74)	13.53
Number of subscribed and paid shares, common and preferred		17.789	14.387

See the accompanying notes which are an integral part of the Separate Financial Statements.

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Other comprehensive income statement separate comparative as of december 31, 2024 and 2023

(Figures expressed in millions of Colombian pesos)

		For the years ended December 31	
	Note	**2024**	**2023**
Result of the period		**$ (368.949)**	**$ 194.688**
Other comprehensive income			
Items that will not be reclassified to the result of the period:			
(Losses) Gains from investments using the equity method		(1,590)	3,662
Actuarial gains (losses) on defined benefit plans		1,138	(8,757)
Valuation of participation in other comprehensive income of non-controlling interests		131,105	45,841
Related deferred tax		(18,500)	(3,270)
Subtotal items that will not be reclassified to the result of the period		**112,153**	**37,476**
Items that can be reclassified later to the result of the period:			
(Losses) gains from new measurements of financial assets available for sale		(66,045)	31,996
Losses from cash flow hedges		(1,933)	(22,642)
Related deferred tax		27,191	(3,741)
Subtotal items that can be reclassified later to the result of the period		**(40,787)**	**5,613**
Total other comprehensive income	(32)	**$ 71,366**	**$ 43,089**
Total other comprehensive income for the period		**$ (297,583)**	**$ 237,777**

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Changes in equity statement separate comparative as of december 31, 2024 and 2023

(Figures expressed in millions of Colombian pesos)

Item	Note	Capital subscribed and paid	Premium on placement of shares	Reserves	Retained earnings: Results for the year	Retained earnings: Previous year results	Retained earnings: Adjustments in adoption for the first time NICF	Other comprehensive income (OCI)	Total shareholders' equity
Balances as of December 31, 2022		$ 89,779	$ 651,950	$ 4,093,083	$ 933,514	$ 0	$ 257,358	$ 141,227	**$ 6,166,911**
Dividends paid in cash, preferred and common shares		0	0	0	(466,737)	0	0	0	**(466,737)**
Appropriation for legal reserve		0	0	466,777	(466,777)	0	0	0	**0**
Result of the period	(31)	0	0	0	194,688	0	0	0	**194,688**
Realization of assets subject to first-time adoption		0	0	0	0	19,251	(19,251)	0	**0**
Deferred taxes (Net)		0	0	0	0	0	(1,984)	0	**(1,984)**
Other comprehensive results:									
Movement of other comprehensive income	(32)	0	0	0	0	0	0	50,100	**50,100**
Net deferred taxes	(32)	0	0	0	0	0	0	(7,011)	**(7,011)**
Balances as of December 31, 2023		**$ 89,779**	**$ 651,950**	**$4,559,860**	**$ 194,688**	**$ 19,251**	**$ 236,123**	**$ 184,316**	**$ 5,935,967**

Item	Note	Capital subscribed and paid	Premium on placement of shares	Reserves	Retained earnings: Results for the year	Retained earnings: Previous year results	Retained earnings: Adjustments in adoption for the first time NICF	Other comprehensive income (OCI)	Total shareholders' equity
Balances as of December 31, 2023		$ 89,779	$ 651,950	$ 4,559,860	$ 194,688	$ 19,251	$ 236,123	$ 184,316	**$ 5,935,967**
Issuance of Shares	(30) (46)	21,223	897,057	0	0	0	0	0	**918,280**
Dividends paid in cash, preferred and common shares		0	0	0	(3,598)	0	0	0	**(3,598)**
Occasional release reserve at the disposal of the Board of Directors	(29)	0	0	(533)	0	0	0	0	**(533)**
Appropriation for legal reserve	(29)	0	0	191,623	(191,090)	0	0	0	**533**
Result of the period	(31)	0	0	0	(368,949)	0	0	0	**(368,949)**
Realization of assets subject to first-time adoption	(44)	0	0	0	0	16,080	(16,080)	0	**0**
Deferred taxes, net		0	0	0	0	0	1,237	0	**1,237**
Other comprehensive results:									
Movement of other comprehensive income	(32)	0	0	0	0	0	0	62,675	**62,675**
Net deferred taxes	(32)	0	0	0	0	0	0	8,691	**8,691**
Balances as of December 31, 2024		**$ 111,002**	**$ 1,549,007**	**$ 4,750,950**	**$ (368,949)**	**$ 35,331**	**$ 221,280**	**$ 255,682**	**$ 6,554,303**

See the accompanying notes which are an integral part of the Separate Financial Statements.

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Escriba el texto aquí

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Cash flow statement separate comparative As of december 31, 2024 and 2023

(Figures expressed in millions of Colombian pesos)

	Note	For the years ended 2024	For the years ended 2023
Balance at the beginning of the period		$ 11,139,894	$ 10,274,116
Cash flows from operating activities:			
Disbursements and payments received from loan portfolio and other leasing operations clients		1,091,948	(999,940)
Demand deposits payments and receipt, net		423,852	506,987
Term deposits payments and receipt		1,187,080	7,923,829
Other deposits and on-demand liabilities payments and receipts		64,319	(2,655,714)
Payments and redemption income from Debt Financial Instruments and derivatives, net		(1,645,409)	(793,035)
Payments to suppliers and employees		(4,858,803)	(3,991,007)
Interest received from loan portfolios, leasing operations clients and others		9,003,464	8,757,195
Interest paid on deposits and liabilities		(5,979,834)	(6,489,868)
Income tax paid		(1,151,386)	(1,418,837)
Net cash flow provided by (used in) operating activities		**(1,864,769)**	**839,610**
Cash flows from investing activities:			
Payments for investments held to maturity		(259,107,041)	(434,667,427)
Proceeds on investments held to maturity		259,381,479	436,221,420
Dividends received		16,559	38,483
Acquisition of property and equipment	(14)	(98,091)	(51,341)
Purchase of intangible assets	(16)	(148,581)	(113,859)
Sales price of property and equipment	(17)	2,227	11,063
Cash inflows related to investing activities		645,201	604,045
Net cash flow provided by investing activities		**691,753**	**2,042,384**
Cash flows from financing activities:			
Payments of loans and other financial liabilities		(6,165,805)	(4,243,503)
Loan collections and other financial liabilities		5,282,390	3,796,155
Dividends paid to owners		(4,260)	(454,455)
Cash inflows related to financing activities		544,071	707,432
Net cash flow (used in) provided by financing activities		**(343,604)**	**(194,371)**
Cash and cash equivalents:			
Effect of changes in exchange rate on cash held in foreign currency		1,256,920	(1,821,845)
Balance at the end of the period		**$ 10,880,194**	**$ 11,139,894**

See the accompanying notes which are an integral part of the Separate Financial Statements.

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1 Notes to the separate financial statements

OF BANCO BILBAO VIZCAYA ARGENTARIA COLOMBIA S.A.

As of December 31, 2024 and 2023

(Expressed in millions of pesos, except for the exchange rate, net earnings per share, selling price per share, nominal value of the share, transactions in foreign currency, and higher value paid per share)

Commited to the sustanaible of development of Colombia

1. Reporting entity

Banco Bilbao Vizcaya Argentaria Colombia S.A. (BBVA Colombia) (hereinafter, "the Bank" or "BBVA Colombia") is a subsidiary of Banco Bilbao Vizcaya Argentaria S.A., which owns 77% of its shares. The Bank is a private banking institution incorporated according to Colombian laws on April 17, 1956 through Public Instrument No. 1160 granted by Notary Public 3 of Bogotá and with term of duration until December 31, 2099; this term may be extended in accordance with banking laws. The Financial Superintendency of Colombia (hereinafter, "the Superintendency" or SFC, through Resolution No. 3140 of September 24, 1993, renewed the operating permit definitively.

The main activity of the Bank is to provide loans to public and private sector companies and to individuals. It also conducts international banking activities, privatizations, financial projects and other banking activities in general, as well as leasing services. It also engages in international banking activities, privatizations, financial projects, and other banking activities in general, as well as leasing services.

The following are the most significant statutory reforms:

- Public Deed 2599 of March 12, 1998, of Notary 29 of Bogotá, business name change to Banco Ganadero, preceded by the acronym BBVA.
- Public Deed 2886 of October 30, 1998, of Notary 47 of Bogotá, merger with Leasing Ganadero.
- Public Deed 2730 of April 21, 1999, of Notary 29 of Bogotá, duration until 2099.
- Public Deed 1821 of August 8, 2000, of Notary 47 of Bogotá, increase in authorized capital to $645,000
- Public Deed 3054 of December 15, 2000, of Notary 47 of Bogotá, merger with Corporación Financiera Ganadera
- Public Deed 3120 of March 26, 2004, of Notary 29 of Bogotá,business name change to BBVA Colombia S.A
- Public Deed 1177 of April 28, 2006, of Notary 18 of Bogotá, merger with Banco Gran ahorrar.
- Public Deed 6310 of December 24, 2009, of Notary 36 of Bogotá, merger by absorption of by the company BBVA Leasing S.A., and its registration in the mercantile registry became effective on January 4, 2010.
- Law 1328 of July 15, 2009, better known as the Financial Reform, allowed bank institutions to offer leasing services, without the need to create a separate company to manage the resources through this economic arrangement. This allows BBVA Colombia to manage leasing transactions from its headquarters and as of January 2010, these transactions were included in the Bank's Statement of Financial Position.

The Bank conducts its activities at its main registered office in thecity of Bogotá domiciled at Carrera 9 # 72-21, through its 507 and 508 offices as of December 31, 2023 and 2022, respectively, located in different cities of Colombia, as follows:

	2024	2023
Branches	332	384
In house	91	94
Service centers	6	6
Remote banking	22	24
Total offices	**451**	**508**

Additionally, it has 39 financial services contracts through NonBanking Correspondents (NBC), which amount to 63,293 and 63,949 service points as of December 31, 2023 and 2022, respectively.

As of December 31, 2024 and 2023, the Bank has the following subsidiaries share percentages:

Affiliates	Share %	Location
BBVA Asset Management S.A. Sociedad Fiduciaria	94.51	Bogotá
BBVA Valores Colombia S.A. Comisionista de Bolsa	94.44	Bogotá

The Bank belongs to Grupo Empresarial BBVA Colombia, registered in the mercantile registry, and it has a national work force that, at the at close of December 2024 and 2023, amounted to 5,276 and 5,529 employees, respectively.

2. Bases for the preparation and presentation of the separate financial statements

2.1. STATEMENT OF COMPLIANCE

The Bank prepares its separate financial statements in accordance with the accounting and financial reporting standards accepted in Colombia (NCIF), issued by Decree 2420 of 2015 and its amendments. These accounting and financial reporting standards correspond to the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), in the versions accepted by Colombia through the aforementioned Decrees.

Title 4, Chapter 1 of Decree 2420 of 2015 contains exceptions for entities in the financial sector proposed by the Financial Superintendence of Colombia (SFC) for prudential reasons for financial statements.

Title 4, Chapter 2 of Decree 2420 of 2015 contains exceptions for entities in the financial sector proposed by the Financial Superintendence of Colombia (SFC). These exceptions refer to the classification and valuation of investments, as well as the accounting treatment of the credit portfolio and its impairment, for which the provisions of the Basic Accounting and Financial Circular of the SFC will continue to apply, instead of the application of IFRS 9.

It applies the provisions of External Circular 036 of December 2014, regarding impairment for Assets Received in Payment, regardless of their accounting classification.

Numeral 4 of Article 2.1.2 of Decree 2420 of 2015, added by Decree 2496 of 2015 and amendments, requires the application of Article 35 of Law 222 of 1995, which states that interests in subsidiaries must be recognized in the separate financial statements using the equity method, instead of recognition according to the provisions of NIC 27 Consolidated Financial Statements and accounting for investments in subsidiaries, at cost, at fair value, or using the equity method.

Article 2.2.1 of Decree 2420 of 2015, added by Decree 2496 of the same year and amendments, establishes that the determination of post-employment benefits for future retirement or disability pensions will be made in accordance with the requirements of NIC 19 Employee Benefits; however, it requires the disclosure of the calculation of pension liabilities according to the parameters established in Decree 1625 of 2016, Articles 1.2.1.18.46 and following, and in the case of partial pension commutations in accordance with the provisions of numeral 5 of Article 2.2.8.8.31 of Decree 1833 of 2016, informing the variables used and the differences with the calculation made in terms of the technical framework under NCIF.

Approval of the separate financial statements

The separate financial statements for the year ended December 31, 2024, prepared in accordance with accounting and financial reporting standards accepted in Colombia - NCIF applicable to financial system companies, have been approved for issuance on February 19, 2025, by the Board of Directors of the Bank. These separate financial statements will be submitted for approval by the General Shareholders Meeting, which will be held within the deadlines established by Law. The General Shareholders Meeting is scheduled for March 26, 2025.

2.2. ISSUED STANDARDS NOT IN FORCE

The standards and interpretations that have been published but are not applicable as of the date of these financial statements are disclosed below. The Bank will adopt these standards on the date they come into effect, in accordance with the decrees issued by local authorities.

IFRS 18: Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces NIC 1 Presentation of Financial Statements. IFRS 18 introduces new presentation requirements within the income statement, including specific totals and subtotals. In addition, entities must classify all income and expenses within the income statement into one of five categories: operating, investing, financing, income taxes and discontinued operations, of which the first three are new.

It also requires the disclosure of performance measures defined by management recently, subtotals of income and expenses, and includes new requirements for the grouping and disaggregation of financial information based on the identified "functions" of the primary financial statements (PFS) and the notes.

Additionally, limited-scope modifications have been made to NIC 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method from "profit or loss" to "operating profit or loss" and eliminating the optionality around the classification of cash flows from dividends and interest.

IFRS 18 has not been incorporated into the Colombian accounting framework by any decree to date.

Improvements 2022

Amendments to IFRS 16: Lease Liability in a Sale with a Subsequent Lease

The amendments to IFRS 16 specify the requirements that a seller-lessee uses to measure the lease liability arising from a sale and subsequent lease, to ensure that the seller-lessee does not recognize any amount of gain or loss related to the right of use retained.

The amendments have not been incorporated into the Colombian accounting framework by any decree to date.

Amendments to IAS 1: Non-Current Liabilities with Covenants.

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by the right to defer the transaction
- There must be a right to defer payment at the end of the reporting period.
- The classification is not affected by the probability that an entity will exercise its deferral right

Additionally, an entity must disclose when a liability arising from a loan contract is classified as non-current and the entity's right to defer settlement depends on compliance with agreed conditions within the next twelve months.

The amendments have not been incorporated into the Colombian accounting framework by any decree to date.

Improvements 2023

Amendments to IAS 7 and IFRS 7: Financing arrangements with suppliers.

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments clarify the characteristics of financing arrangements with suppliers and require additional disclosure information about such arrangements. The disclosure requirements aim to help users of financial statements understand the effects of financing arrangements with suppliers on liabilities, cash flows, and an entity's exposure to liquidity risk.

The amendments have not been incorporated into the Colombian accounting framework by any decree to date.

Amendments to IAS 12: International tax reform - Second pillar model rules.

The amendments to IAS 12 have been introduced in response to the OECD's Pillar 2 standards relating to the prevention of tax base erosion and profit shifting and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the second pillar model rules; and
- Disclosure requirements for affected entities to help users of financial statements better understand an entity's exposure to second pillar income taxes arising from that legislation, particularly before its effective date.

The amendments have not been incorporated into the Colombian accounting framework by any decree to date.

Modifications to IAS 21: Absence of convertibility.

In August 2023, the IASB issued modifications to IAS 21 Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is convertible and how it should determine a spot exchange rate when there is no convertibility. The modifications also require the disclosure of information that allows users of its financial statements to understand how the fact that the currency is not convertible with the other currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.

The amendments have not been incorporated into the Colombian accounting framework by any decree to date.

2.3 MEASUREMENT BASES

The separate financial statements have been prepared on the basis of historical cost, except for the following items that are measured using a different basis:

- Investments measured at fair value with changes in profit or changes in OCI.
- Derivative financial instruments measured at fair value.
- Loan Portfolio measured at Amortized Cost.
- Investment financial assets available for sale measured at fair value.
- Employee benefits related to pension obligations and other long-term obligations through actuarial discount techniques.
- Non-current assets held for sale measured at fair value less cost of sales.

The Bank has applied the accounting policies, judgments, significant estimates, and accounting assumptions described in Note 3.

2.4 FUNCTIONAL AND REPORTING CURRENCY

The Bank has defined by statutes to cut its accounts, prepare and disseminate general-purpose financial statements once a year, on December 31, which are expressed in Colombian pesos, as it is the presentation and reporting currency for all purposes. The amounts reflected in the financial statements and in their disclosures are presented in the functional currency of BBVA Colombia, which corresponds to the Colombian peso (COP), considering the economic environment in which the Bank conducts its operations and the currency in which the main cash flows are generated.

2.5. RELATIVE IMPORTANCE AND MATERIALITY

The Bank, in the preparation and presentation of the financial statements, has taken into account the materiality of the amount stipulated concerning key indicators to be applied depending on the reviewed concept.

There is no accounting principle or valuation criterion of mandatory application that, having a significant effect on the Annual Accounts, has been disregarded in its preparation.

2.6. JUDGMENTS AND ESTIMATES

The information contained in these financial statements is the responsibility of the Bank's Management. For its preparation, judgments, estimates, and assumptions have been used to quantify the book amounts of some of the assets and liabilities, which apparently do not come from other sources, based on historical experience and other relevant factors. The final results may differ from these estimates.

These estimates are reviewed on an ongoing basis. Modifications to accounting estimates are recognized prospectively, with the effects of the change being accounted for in the corresponding accounts of the separate income statement for the period, as applicable, from the period in which the corresponding revisions are made.

2.7. CHANGES IN THE PRESENTATION OF FINANCIAL STATEMENTS

In compliance with the provisions of IAS 1 in paragraph 41 regarding changes in the presentation of financial statements, the changes in the presentation of the financial statements for 2024 compared to 2023 occur after a review of the classification of some items in the statement of financial position and the income statement. These changes did not impact the presentation of the statement of cash flows.

Statement of financial position: a change in the presentation is made.

As of December 31, 2024, the Bank creates accounts to reclassify the balances it had of pending payments to be applied from clients, which were within the group of client deposits and which by July 2024 are transferred to be recognized as other liabilities as they correspond to credits to be applied to receivable obligations.

The changes made to the separate statement of financial position for the period ended December 31, 2023 are presented below, in order to make the figures comparable with the figures for the period ended December 31, 2024.

Item	Note	Balance as of December 31, 2023 unchanged	Reclassifications	Balance as of December 31, 2023 with changes
LIABILITIES				
Customer deposits	(20)	$ 77,226,585	$ (237,158)	$ 76,989,427
Other liabilities	(25)	$ 495,328	$ 237,158	$ 732,486

These changes modified the presentation of the following notes:

5. Maturity of assets and liabilities due
12. Fair value
20. Customer deposits
25. Other liabilities

Income statement: a change in the presentation is made.

Below are the changes made to the income statement for the period ended December 31, 2023, in order for the figures to be comparable with the figures for the period ended December 31, 2024:

Item	Balance as of December 31, 2023 unchanged	Reclassi-fications	Balance as of December 31, 2023 with changes
Impairment expenses for credit risk, net (1)	(1,631,870)	5,838	$ (1,637,708)
Recovery of other impairments (1)	191,942	(5,838)	197,780
Other operating income (2)	557,836	476,656	81,180
Other operating expenses (2)	(3,408,590)	(476,656)	(2,931,934)

(1) The credit risk area, through constant validations it performs on the movements of impairment and recovery of the credit portfolio, evidenced that the classification of an accounting account called reimbursement provision accounts receivable should be changed, as it does not belong to the portfolio perimeter, and this account is reclassified to the line of recovery of other impairments.

(2) In the line of operating income and expenses, reclassification is presented for the concept of exchange rate difference, the Bank validates at the end of each period the effect of this concept and presents it depending on the result; if it is positive, it is included in the note of other operating income, and if the result is negative, it is included in the note of other operating expenses.

These changes modified the presentation of the following notes:

38. Other operating income
39. Other operating expenses

Statement of cash flows: a change in the presentation is made.

The changes made to the cash flow statement for the period ended December 31, 2023 are presented below, so that the figures are comparable with those for the period ended December 31, 2024:

	For the years ending in 2023 No change	Reclassifications	For the years ending in 2023 With changes
Cash flows from operating activities:			
Disbursements and payments received from loan portfolio customers and other leasing operations	$ (1,093,034)	$ (93,094)	$ (999,940)
Payments and redemptions of income from debt financial instruments and derivatives	(798,958)	5,923	(793,035)
Cash advances and loans granted to third parties	(776,202)	776,202	0
Receipts from the repayment of advances and loans granted to third parties	873,839	(873,839)	0
Net cash provided by operating activities	**838,230**	**1,380**	**839,610**
NeCash flows from investing activities:			
Net cash provided by investing activities	**2,042,384**	**0**	**2,042,384**
Cash and cash equivalents:			
Effect of exchange rate changes on cash held in foreign currency	(1,820,465)	(1,380)	(1,821,845)
Balance at the end of the period	**$ 11,139,894**	**$ 0**	**$ 11,139,894**

The cash flow presented for 2023 includes two lines under the headings Loans granted to third parties and Collections from repayment, with values of $776,202 and $873,839, respectively, for 2024.

During 2024, these items were reclassified to Disbursements and payments received from credit portfolio customers and leasing operations - Other, ensuring a presentation more aligned with the nature of the transactions in the financial statements.

On the other hand, accounting account 131720 corresponding to debt financial instruments was redirected, as it was grouped under another concept. This correction ensures proper classification and presentation in the financial statements.

3. Main accounting policies for the preparation and presentation of separate financial statements

The significant accounting policies used by the Bank in the preparation and presentation of its separate financial statements are detailed below. These policies have been applied consistently across all presented periods.

3.1. CASH AND CASH EQUIVALENTS

The entity classifies cash, deposits in banks with immediate availability (including the Central Bank), checks in exchange and remittances in transit as cash, for which the following criteria were validated:

- They meet the definition of assets
- It is probable that any economic benefit associated with the item will flow to the entity
- The amount can be measured reliably.

The Bank classifies as cash equivalents, investments in money market operations (interbank funds, repurchase agreements, and overnight investments), validating the following criteria:

- Short-term investments with high liquidity (less than 90 days).
- Easily convertible to known amounts of cash.
- Subject to insignificant risk of changes in value.

As of December 31, 2024 and 2023, all positions held as money market operations meet the conditions to be classified as cash equivalents..

3.2. MONEY MARKET AND RELATED TRANSACTIONS

Repos, simultaneous transactions, temporary securities transfers, interbank funds and on-demand deposits are recognized at the amount of the transaction and measured at present value over the term of the transaction, using the reference short-term interest rate “IBR” (market indicator developed by the private sector, backed by Banco de la República of Colombia and other entities, in order to reflect the liquidity of the Colombian money market), which reflects the price at which banks are willing to offer or collect funds on the money market.

The agreed returns are calculated exponentially during the term of the transaction and recognized in the profit and loss statement according to the accrual accounting principle.

3.3. TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currency are converted into Colombian pesos using the spot market exchange rate as of the date of the transaction.

At the end of each reporting period, the following guidelines are followed:

a. Monetary assets and liabilities denominated in foreign currency are converted at the accounting exchange rate on the closing date of the reporting period.

b. Non-monetary assets and liabilities denominated in foreign currency not measured at fair value are converted at the exchange rate on the transaction date.

c. Non-monetary assets and liabilities measured at fair value are converted at the accounting exchange rate on the date the fair value was determined.

The resulting negative and positive exchange differences are recognized in the exchange difference item in the separate income statement. The exchange rate used to adjust the resulting balance in US dollars as of December 31, 2024 and 2023 was $4,409.15 and $3,822.05 per USD$1, respectively.

3.4. FINANCIAL INVESTMENT ASSETS, DERIVATIVE FINANCIAL INSTRUMENTS AND CASH TRANSACTIONS

Financial instruments are classified as asset, liability, or equity according to the substance of the contractual agreement that gave rise to them. Interest, dividends, gains, and losses generated by a financial instrument classified as an asset or liability are recorded as income or expenses in the separate statement of results.

Classification of financial instruments

The Bank records its financial instruments on the trade date, in its separate financial statements according to the regulations of the Financial Superintendence of Colombia - SFC, and classifies them into: i) Loans and receivables, ii) Negotiable investments, iii) Investments available for sale, iv) Investments held to maturity, v) liabilities at amortized cost, and vi) assets at fair value.

Effective interest rate method

The effective interest rate method is a method for calculating the amortized cost of a financial instrument and for allocating financial income over the relevant period. The effective interest rate is the discount rate that exactly levels the estimated cash flows to be received or paid (including fees, basis points of interest paid or received, transaction costs, and other premiums or discounts included in the calculation of the effective interest rate) over the expected life of the financial instrument or, when appropriate, in a shorter period, with the net book amount at initial recognition.

Interest income is recognized on the basis of the effective interest rate for debt instruments other than financial assets classified at fair value with changes in results.

Financial assets at fair value with changes in results

Assets are valued at their fair value and variations in their value are recorded, by their amount in income or expense according to their nature. However, variations arising from exchange rate differences are recorded in the income statement of exchange rate differences (net).

Impairment of Financial Assets

Regarding impairment, the Bank assesses whether there is objective evidence that a financial asset measured at amortized cost has been impaired.

For the loan portfolio in the separate financial statements, the instructions of the Financial Superintendence of Colombia in CBCF 100 of 1995, chapter XXXI - Comprehensive Risk Management System (SIAR), annex I of Credit Risk are followed.

If in later periods, the amount of the impairment loss decreases, the decrease may be objectively related to an event occurring after the recognition of the impairment, the previously recognized loss will be reversed from the correcting account and the amount of the reversal will be recognized in the results of the period.

When the recovery of any recorded amount is considered remote, it is written off the Statement of Financial Position, without prejudice to the actions that may be taken to attempt to collect it until the rights to receive it have not been definitively extinguished, whether by prescription, forgiveness, or other causes.

In the case of particularly significant financial assets, as well as assets that cannot be classified within groups of homogeneous instruments in terms of risk, the evaluation of the amounts to be written off is measured individually, although there is also the possibility of measuring collectively those lower-value financial assets that can be classified into homogeneous groups.

Write-off from the statement of financial position of financial

Financial assets are written off accounts only in the following cases:

- The contractual rights to the cash flows generated by those assets that have expired.
- The assets are transferred as described in IFRS 9 once the transfer tests, Risks and benefits, and control have been applied.

Financial liabilities are only written off from the accounts of the Statement of Financial Position when the obligations to the Bank have been extinguished.

In those cases where the write-off of assets refers to the recognition criteria discussed in the Conceptual Framework, it will proceed to its write-off prior to authorization from the Board of Directors and/or in accordance with the levels of authorization established in the Internal Regulatory Process - IRP.

The write-off of assets applied via forgiveness must undergo the due approval process stipulated in the Internal Regulatory Process - IRP.

Financial investment assets

Investments are classified, valued, and accounted for in accordance with the provisions of Chapter I-1 of the CBCF, which compiles in a single document the current rules and instructions issued by the Financial Superintendence of Colombia.

Includes investments acquired by the Bank for the purpose of maintaining a secondary liquidity reserve and complying with legal or regulatory provisions, with the aim of maximizing the risk-return relationship of the portfolios and/or managed assets and taking advantage of opportunities that arise in the markets in which the Bank intervenes.

The Bank values most of its investments using the information provided by the price provider. The provider supplies valuation inputs for investments (prices, rates, curves, margins, etc.) and has approved valuation methodologies in accordance with the provisions of Decree 2555 of 2010 issued by the Ministry of Finance, as well as the instructions provided in the Basic Legal Circular of the Financial Superintendence of Colombia.

Classification of the investments

Investments must be classified according to the business model defined by the Bank. For these purposes, the business model corresponds to the strategic decision adopted by the Board of Directors, or whoever acts in its place, regarding the manner and activities through which it will develop its social objective.

Investments may be classified into trading investments, investments held to maturity, and available-for-sale investments, depending on this classification they will be valued, recorded, and measured at fair value with changes in results, at amortized cost, and at fair value with changes in OCI, respectively.

Adoption of the classification of investments

The decision to classify an investment in any of the three (3) categories indicated in numerals 3.1, 3.2, and 3.3 of Chapter I-1 of the Basic Accounting and Financial Circular - CBCF, must be adopted by the entity at the time of the acquisition or purchase of these investments.

Reclassification of investments

For an investment to be maintained in any of the classification categories indicated above, it must meet the characteristics or conditions specific to the class of investments to which it belongs.

The reclassification of investments is carried out based on the provisions of numeral 4.1. of investments held to maturity to trading investments and 4.2 of available-for-sale investments to trading investments or to investments held to maturity and under the indications of numeral 4.3 of Chapter I-1 of the Basic Accounting and Financial Circular.

In all cases, the Financial Superintendence of Colombia must grant its prior and express authorization.

Frequency of measurement and recognition thereof

The valuation of investments in debt securities must be carried out daily, unless other provisions indicate a different frequency. Likewise, the necessary accounting records for recognizing the valuation of these investments must be made with the same frequency provided for the valuation.

The valuation of equity instruments and their corresponding accounting record is done monthly.

Characteristics of tradeable investments

It includes the portfolio to manage fixed income and variable income investments other than stocks, with the main purpose of obtaining profits from short-term market value fluctuations of different instruments and in buying and selling activities of securities. Active buying and selling takes place.

Characteristics of investments available for sale

Securities or titles and, in general, any type of investment that is not classified as negotiable investments or as investments to be held until maturity.

According to the business model, this portfolio manages fixed income investments with the main objective of obtaining contractual flows and making sales when circumstances require, to maintain an optimal combination of profitability, liquidity, and coverage that provides relevant profitability support to the Bank's Statement of Financial Position.

Measurement of tradeable and held for sale investments

Debt securities classified as negotiable investments or as investments available for sale must be valued according to the price provided by the designated official price provider for the corresponding segment, in accordance with the instructions established in the Basic Legal Circular, taking into account the following instructions:

a. Negotiable investments and investments available for sale, represented in securities or debt titles, must be valued based on the price determined by the valuation price provider using the following formula:

$$FV=NV*DP$$

Where:

FV: Fair value
NV: Nominal value
DP: Dirty price determined by the valuation price vendor.

b. For exceptional cases where there is no fair value determined for the valuation day, as per item a. of this numeral, the valuation must be carried out exponentially based on the Internal Rate of Return. The fair value of the respective investment must be estimated or approximated by calculating the sum of the present value of future cash flows from yields and capital.

Recognition of tradeable investments

The accounting for these investments is carried out in the respective accounts of 'Investments at Fair Value with Changes in Results', from the Unique Financial Information Catalog for Monitoring Purposes. The difference that arises between the current fair value and the immediately previous one is recorded as a greater or lesser value of the investment affecting the results of the period. This procedure is carried out daily.

Recognition of investments available for sale – Debt securities

The accounting for these investments is carried out in the respective accounts of "Investments at Fair Value with Changes in Other Comprehensive Income - OCI", of the Unique Financial Information Catalog for Supervisory Purposes.

The difference between the present value on the valuation date and the immediately preceding one (calculated based on the Internal Rate of Return calculated at the time of purchase, based on a year of

365 days), is recorded as an increase in the value of the investment with a credit to the income accounts. The difference between the fair value and the present value calculated according to the previous paragraph is recorded in the respective account of Unrealized Gains or Losses (OCI). This procedure is carried out daily.

Characteristics of investments classified as held to maturity

Securities for which the Bank has the intent and legal, contractual, financial, and operational capacity to hold them until maturity or redemption, considering that the structure of eligible financial instruments for this portfolio involves only payments of principal and interest.

Valuation of investments held to maturity

The values classified as investments to be held to maturity are valued exponentially based on the internal rate of return calculated at the time of purchase, based on a year of 365 days. This procedure is carried out daily.

Accounting for investments to be held to maturity

These investments are recognized in the respective accounts of "Investments at Amortized Cost", of the Unique Financial Information Catalog for Supervisory Purposes. The difference that arises between the current fair value and the immediately preceding one of the respective value is recorded as an increase or decrease in the value of the investment, affecting the results of the period.

Accrued income pending collection is recorded as an increase in the value of the investment. Consequently, the collection of such income is accounted for as a decrease in the value of the investment. This procedure is carried out daily.

Valuation of equity securities not listed on securities exchanges

They are valued at the price determined by the price provider designated as official for the corresponding segment. When the price provider does not have a valuation methodology for these investments, the bank must increase or decrease the acquisition cost by the percentage of participation corresponding to the investor on the subsequent variations of the equity of the respective issuer, calculated based on the certified financial statements as of June 30 and December 31 of each year. However, when more recent certified financial statements are available, they must be used. There will be a maximum period of three (3) months after the cutoff of financial statements to carry out the necessary update.

Impairment (allowances) or losses from the issuer's risk rating

The price of securities and/or debt instruments, as well as equity securities that are valued at equity variation must be adjusted on each valuation date based on:

- The rating of the issuer and/or the security in question whenever it exists.
- The objective evidence that a loss has been incurred or could be incurred due to impairment of value in these assets. This criterion is applicable even to record a greater impairment than that resulting from simply taking the issuer's rating and/or the security, if required based on the evidence.

The amount of the impairment loss must always be recognized in the results of the period, regardless of whether the respective investment has any amount recorded in Other Comprehensive Income OCI.

They will not be subject to the provisions of the previous paragraph, the titles and/or values of internal or external public debt issued or guaranteed by the Nation, those issued by the Bank of the Republic, and those issued or guaranteed by the Guarantee Fund for Financial Institutions - FOGAFIN.

For the measurement and recognition of impairment of investments in subsidiaries, affiliates, associates, and joint ventures, the provisions of IAS 36 Impairment of Assets contained in the Technical Regulatory Framework of the Annex of Decree 2420 of 2015 or the regulations that modify or replace it are considered.

Securities of issues or issuers with external credit ratings

The titles and/or values that have one or more ratings granted by external rating agencies recognized by the SFC, or the titles and/or values of debt issued by entities that are rated by them, cannot be accounted for at an amount that exceeds the following percentages of their net nominal value of the amortizations made up to the valuation date.

Long-term rating	Maximum value %	Short-term rating	Maximum value %
BB+, BB, BB-	Ninety (90)	3	Ninety (90)
B+, B, B-	Seventy (70)	4	Fifty (50)
CCC	Fifty (50)	5 and 6	Zero (0)
DD,EE	Zero (0)	-	-

Non-rated securities or issues.

The Bank is subject to the following criteria to determine provisions, according to Chapter I-1 of the Basic Accounting and Financial Circular (External Circular 100 of 1995 of the SFC):

Category/Risk	Characteristics	Allowances
A – Normal	These comply with the terms agreed upon in the value or title and have an adequate capacity to pay capital and interest.	Not applicable.
B - Acceptable	Corresponds to issuances that present uncertainty factors that could affect the ability to continue adequately servicing the debt. Likewise, the financial statements and other available information from the issuer show weaknesses that may affect its financial situation.	In the case of debt securities, the value at which they are recorded cannot exceed eighty percent (80%) of their net nominal value after amortizations made up to the valuation date. In the case of equity securities, the net value of provisions for credit risk (cost minus provision) at which they are recorded cannot exceed eighty percent (80%) of the acquisition cost.
C- Appreciable	This corresponds to issuances that present a high or medium probability of default in the timely payment of principal and interest. Similarly, their financial statements and other available information show deficiencies in their financial situation that compromise the recovery of the investment.	In the case of debt securities, the value at which they are recorded cannot exceed sixty percent (60%) of their net nominal value after amortizations made up to the valuation date. In the case of equity securities, the net value of provisions for credit risk (cost minus provision) at which they are recorded cannot exceed sixty percent (60%) of the acquisition cost.
D - Significant	This corresponds to those issuances that present defaults in the terms agreed upon in the title, as well as their financial statements and other available information showing pronounced deficiencies in their financial situation.	In the case of debt securities, the value at which they are recorded cannot exceed forty percent (40%) of their net nominal value after amortizations made up to the valuation date. In the case of equity securities, the net value of provisions for credit risk (cost minus provision) at which they are recorded cannot exceed forty percent (40%) of the acquisition cost.
E – Uncollectible	Investments that, according to financial statements and other available information from the issuer, are estimated to be uncollectible.	In allowance is made for the full amount of these investments.

The external ratings referred to for this type of valuations must be carried out by a rating agency authorized by the Financial Superintendence of Colombia, or by an internationally recognized rating agency, in the case of securities issued by foreign entities and placed abroad.

Investments provided as collateral

This corresponds to investments in debt securities that are delivered as collateral to support the fulfillment of operations accepted by a Central Counterparty Risk Chamber for their compensation and settlement.

These securities are valued daily and accounted for in accordance with the methodology and procedure applicable to the category in which they were before being delivered as collateral.

3.5 INVESTMENTS IN SUBSIDIARIES AND JOINT ARRANGEMENTS

Investments in subsidiaries are those in which the Bank has control directly or indirectly, that is, when it meets all the following elements:

- Power over the entity, that is, rights that grant the ability to direct the relevant activities that significantly affect the subsidiary's performance.
- Exposure or right to variable returns arising from its involvement in the subsidiary; and
- Ability to use its power over the subsidiary to influence the amount of returns of the Bank.

A joint agreement is one through which two or more parties maintain joint control of the agreement, that is, when decisions about relevant activities require the unanimous consent of the parties sharing control.

- Joint agreement is further divided into joint operation, in which the parties that have joint control of the agreement have rights to the assets and obligations regarding the related liabilities;
- Joint venture, in which the parties that control the agreement have rights to the net assets.

Valuation of investments in subsidiaries, affiliates, associates, and joint ventures

According to Article 35 of Law 222 of 1995, investments in subsidiaries must be accounted for in the books of the parent or controlling entity using the equity method, in the separate financial statements. In cases where the rules of the Commercial Code or other legal provisions do not provide for the accounting treatment of investments in subsidiaries, affiliates, associates, and joint ventures, they must comply with the provisions of IAS 27 Separate Financial Statements, IAS 28 Investments in Associates and Joint Ventures, and IAS 11 Construction Contracts, among others, as applicable.

Measurement

Investments in subsidiaries and joint ventures are measured using the equity method, which is an accounting method in which investments are initially recorded at cost, and subsequently adjusted based on changes in the equity of the investee, according to the percentage of participation. Thus, in subsequent valuations, the book value will be increased or decreased to recognize the portion of the results obtained that correspond to the investor based on their participation, from the acquisition date.

3.6. INSTRUMENTOS FINANCIEROS DERIVADOS

Derivatives are initially recognized at fair value on the date the derivative contract is entered into, and subsequent changes are adjusted with charges or credits to results as applicable. The resulting gain or loss is recognized in the Separate Statement of Results, immediately unless the derivative is designated as a hedging instrument, in which case the timing of recognition in gains or losses will depend on the nature of the hedging relationship and its effectiveness.

Financial derivative contracts are reported as assets when their fair value is positive and as a liability when it is negative.

For valuation purposes, presentation of Financial Statements, and disclosure and reporting of information to the Financial Superintendence of Colombia, the Bank must daily incorporate the credit risk adjustment with the respective counterparty or CVA (‘Credit Valuation Adjustment’) or the adjustment for own credit risk or DVA (‘Debit Valuation Adjustment’) in the calculation of the fair value (‘risk-free’) of transactions with OTC or non-standardized financial derivative instruments held in their portfolios.

CVA and DVA adjustments do not apply when a central counterparty clearing house intervenes as a counterparty for supervised entities in transactions with financial derivative instruments.

The methodologies for measuring the CVA and DVA adjustment of transactions with OTC or non-standardized financial derivative instruments must consider, at a minimum, the following seven (7) criteria:

- Term for compliance and settlement of the transaction.
- Financial strength: of the counterparty for CVA and own for DVA.
- Netting or compensation agreements with counterparties of transactions with financial derivative instruments. In this case, the adjustment for CVA and DVA must be calculated for the entire portfolio of derivative transactions that are open with the respective counterparty and not individually by transaction.
- Collateral associated with the transaction.
- Risk rating, when it exists, granted by at least one internationally recognized credit rating agency or authorized in Colombia, as applicable.
- Circumstances or exogenous events that may affect the payment capacity and compliance with obligations: of the counterparty for CVA and own for DVA.
- Others that the Bank considers relevant.

3.7 IMPLICIT DERIVATIVES

Implicit derivatives in main contracts are treated as separate derivatives when they meet the definition of a derivative and when their risks and characteristics are not closely related to those main contracts and the contracts are not measured at fair value with changes in results.

3.8 HEDGE ACCOUNTING

A financial derivative instrument that aims to achieve a financial hedge of a certain risk is accounted for as a hedge if, at its negotiation, it is expected that changes in its fair value or cash flows will be highly effective in offsetting changes in the fair value or cash flows of the hedged item directly attributable to the covered risk from the outset, which must be documented in the negotiation of the financial derivative instrument, and during the hedge period. The Bank continues to apply IAS 39 Financial Instruments for hedge accounting.

The Bank designates certain hedging instruments, which may include implicit derivatives (if any) and non-derivatives regarding foreign currency risk, as fair value hedge, cash flow hedge, or hedge of the net investment in a foreign business. The hedge of foreign currency risk of a firm commitment can be accounted for as a cash flow hedge.

At the beginning of the hedge, the entity documents the relationship between the hedging instrument and the hedged item along with its risk management objectives and its strategy for undertaking various hedging transactions. At the beginning of the hedge and on a continuous basis, that documentation includes how the entity measures the effectiveness of the hedging instrument to offset exposure to changes in the fair value of the hedged item or to changes in cash flows attributable to the covered risk.

Note 9 includes details on the fair value of derivative instruments used for hedging purposes.

Fair value hedging

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized from the moment of designation of the effective hedge, in gains or losses, along with any change in the fair value of the hedged asset or liability that is attributable to the covered risk. Variations in the fair value of the covered risk of the hedged item are recognized in the separate statement of financial position in the item related to the hedged item.

Hedge accounting is interrupted when the Bank revokes the hedging relationship, the hedging instrument matures, or is sold, terminated, or exercised, or ceases to meet the criteria for hedge accounting.

Cash flow hedging

The portion of changes in the fair value of derivatives that is determined to be an effective cash flow hedge will be recognized in other comprehensive income and accumulated under the title of cash flow hedge reserve. The ineffective portion will be recognized immediately in the profit or loss for the period, in the line of "other gains and losses" from operations.

- The amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to results in the periods when the covered item affects the results, in the same line as the recognized covered item. However, if the coverage of a planned transaction subsequently leads to the recognition of a non-financial asset or a non-financial liability, the losses or gains previously recognized in other comprehensive income and accumulated in equity are transferred and included in the initial measurement of the cost of the non-financial asset or liability.

- The accounting for hedges will be interrupted when the Bank revokes the hedge relationship, when the hedging instrument expires, or is sold, settled, or exercised, or the hedge no longer meets the requirements established for hedge accounting. The gain or loss that has been recognized in other comprehensive income and accumulated in equity will remain in equity and is recognized when the planned transaction is recognized in the results. When it is no longer expected that the planned transaction will occur, any gain or loss accumulated in equity is recognized immediately in profit or loss.

3.9. LOAN PORTFOLIO, FINANCE LEASE TRANSACTIONS AND INTEREST ON LOAN PORTFOLIO AND OTHER ITEMS

The criteria for recognition, classification, and impairment for the loan portfolio will be maintained under the conditions currently stipulated in Chapter XXXI of the Basic Accounting and Financial Circular (External Circular 018 of 2021) of the Financial Superintendence of Colombia, in accordance with Decree 1851 of 2013 (amended by Decree 2267 of 2014), for Separate Financial Statements.

Loans are accounted for at the disbursement value of the credit, except for portfolio purchases and/or "factoring," which are recorded at cost and classified as commercial, consumer, housing, and microcredit. Financial income from assets leased under financial leasing is measured considering a constant rate of return on the net financial investment.

Mortgage portfolio

Records, regardless of the amount, the credits granted to individuals for the acquisition of new or used housing, or for the construction of individual housing, which have the following characteristics:

- Denominated in UVR or legal currency. The UVR is used for the adjustment of long-term credits. This unit allows adjusting the value of credits over time according to the cost of living in the country (consumer price index CPI). The value of the UVR is currently calculated by the Bank of the Republic for each day of the year.

- They are secured with a first-degree mortgage guarantee, constituted on the financed housing.
- The amortization period must be between five (5) years minimum and thirty (30) years maximum.
- Have a remunerative interest rate, which will be fixed throughout the duration of the credit, unless a reduction of the same is agreed upon and must be expressed only in terms of effective annual rate.
- The amount of the credit will be up to eighty percent (80%) of the value of the property for credits intended to finance social interest housing and up to seventy percent (70%) for other credits. In the case of housing leasing for NON-SVIS housing, the financing will be up to eighty-five percent (85%).

Credits can be paid off early, either totally or partially, at any time without any penalty. In the case of partial prepayments, the debtor has the right to choose whether the amount paid reduces the value of the installment or the term of the obligation.

Consumer loan portfolio

Records the credits granted to individuals whose purpose is to finance the acquisition of consumer goods or the payment of services for non-commercial or business purposes, regardless of their amount and different from those classified as microcredit (see reference model in credit risk rating in Note 10).

Micro-credit portfolio

Records the set of operations granted to microenterprises whose staff does not exceed 10 workers and has total assets of less than $501 and the maximum amount of the credit operation is 25 SMMLV. The debtor's debt balance may not exceed 120 SMMLV excluding mortgage loans for housing financing.

Commercial loan portfolio

Credits granted to individuals or legal entities for the development of organized economic activities, different from those granted under the microcredit modality.

From July 1, 2007, and July 1, 2008, commercial and consumer portfolio credits, respectively, are rated and provisioned monthly based on the reference models defined by the Financial Superintendence of Colombia - SFC. Likewise, since April 2010, the current regulations for the calculation of pro-cyclical and counter-cyclical provisions have been applied, Chapter XXXI Annex 1 of Credit Risk of the Basic Accounting and Financial Circular of the Financial Superintendence of Colombia.

According to Chapter XXXI of the Basic Accounting and Financial Circular (External Circular 018 of 2021) of the Financial Superintendence of Colombia, the Bank has been conducting two evaluations of its commercial portfolio during the months of May and November, as well as a monthly update on new ordinary loans and restructured loans. The update of the ratings is recorded during the months of June and December, and based on them, the provisions are accounted for. According to regulations, loans are rated by risk levels (A- Normal, B- Acceptable, C- Appreciable, D- Significant, and E- Uncollectible). The portfolio evaluation seeks to identify subjective risk factors, determining the ability to pay in the short and medium term, thus allowing for anticipation of possible losses through adjustment in the rating.

Starting from the second half of 2010, the portfolio evaluation is semi-annual and carried out automatically in its entirety, through statistical processes that infer information from the client such as the minimum probable income, adding the behavior with the sector and the debt service, among other factors, in order to determine the most relevant risk factors. It is a proactive process for the more prudent and effective measurement of risk.

Prior to the process of determining provisions and ratings for each debtor, internal alignment is carried out, which consists of moving to the highest risk category the credits of the same modality granted to them (see reference model in credit risk rating in Note 10).

The evaluations and estimates of the probability of deterioration of credits and expected losses are made by weighing objective and subjective criteria, taking into account the following aspects:

- Credit risk rating. The Bank continuously evaluates the risk embedded in its credit assets, both at the time of granting credits and throughout their life, including restructurings. To this end, it designed and adopted a SIAR (Integrated Risk Management System) that consists of policies and processes for managing credit risk, reference models for estimating or quantifying expected losses, a provisioning system to cover credit risk, and internal control processes.

The following criteria are applied as sufficient objective conditions to classify and rate credits in the risk category:

Category	Granting	Commercial Loan Portfolio	Consumer Loan Portfolio
“AA”	New loans whose assigned rating at the time of granting is "AA."	Loans whose rating obtained by applying the rating methodology of the MRC model established by the regulation is equal to "AA."	Loans whose rating obtained by applying the rating methodology of the Reference Model for Consumer Portfolio - MRCO established by the regulation is equal to "AA."
“A”	In this category, new loans whose assigned rating at the time of granting is "A" should be classified.	Credits whose rating obtained by applying the rating methodology of the MRC model established by the regulation is equal to "A."	Loans whose rating obtained by applying the rating methodology of the MRCO (Reference Model for Consumer Portfolio) established by the regulation is equal to "A."
“BB”	In this category, new loans whose assigned rating at the time of granting is "BB" should be classified.	Loans whose rating obtained by applying the rating methodology of the MRC model established by the regulation is equal to "BB."	Loans whose rating obtained by applying the rating methodology of the MRCO (Reference Model for Consumer Portfolio) established by the regulation is equal to "BB."
“B”	In this category, new loans whose assigned rating at the time of granting is "B" should be classified.	Loans whose rating obtained by applying the rating methodology of the MRC model established by the regulation is equal to "B."	Loans whose rating obtained by applying the rating methodology of the MRCO (Reference Model for Consumer Portfolio) established by the regulation is equal to "B."
“CC”	In this category, new loans whose assigned rating at the time of granting is "CC" should be classified.	Loans whose rating obtained by applying the rating methodology of the MRC model established by the regulation is equal to "CC."	Loans whose rating obtained by applying the rating methodology of the MRCO (Reference Model for Consumer Portfolio) established by the regulation is equal to "CC."
"Default"		Loans already granted that present a delinquency of 150 days or more or that, when restructured, incur in delinquency of 60 days or more.	Consumer loans that are in delinquency of more than 90 days or that, when restructured, incur in delinquency of 60 days or more.

The homologation of risk ratings for commercial and consumer portfolios for debt reporting and registration in financial statements applies the following table:

	Aggregation of reported categories	
Risk	**Commercial**	**Consumption**
"A"	AA	AA
		“A” currently between 0-30 days past due
"B"	A	A currently more than 30 days past due
	BB	BB
"C"	B	B
	CC	CC
	C	C
"D"	D	D
"E"	E	E

Classification and rating of mortgage and microcredit loans

Done based on the time past due, as indicated below:

Risk	Microcredit (Months past due)	(Months past due)
"A" Normal	Current and up to 1	Up to 2
"B" Acceptable	From 1 to 2	From 2 to 5
"C" Substantial	From 2 to 3	From 5 to 12
"D" Significant	From 3 to 4	From 12 to 18
"E" Uncollectible	More than 4, in addition, restructured obligations that are in default for 60 days or more will be classified in this category for the microcredit modality.	More than 18 or those that, being restructured, present a default of 90 days or more.

Classification and rating of commercial loans

Commercial loans have the following minimum conditions to classify risk according to the reference model (MRC):

Risk (days past due)	Commercial
"AA"	Current and up to 29
"A"	From 30 to 59
"BB"	From 60 to 89
"B"	From 90 to 119
"CC"	From 120 to 149
"D and E" Default	More than 149

The Bank, in addition to the above, reviews and verifies compliance with the different conditions established in Law 358 of 1997.

Loans from clients that are admitted under the regulations of Law 550 of December 1999 issued by the Ministry of Finance and Public Credit maintain the rating they had before the restructuring agreement, retain the provisions they had established, and the accrual of interest is suspended.

Classification and rating of consumer loans

The rating of consumer credits is carried out according to the MRCO – Reference Model for Consumer Portfolio established by the Financial Superintendence of Colombia, which considers segments by products (automobiles, credit cards, and others) and credit establishments (Banks and financing companies); behavioral variables such as: amount of default at cutoff, payment behavior of the last 36 months, payment behavior of the last three quarterly cutoffs, other active credits different from the segment to be evaluated, collateral guarantees, mortgage guarantees, and prepayment on credit cards; the above variables allow assigning a value (z) for each client, according to the segment. Which is replaced in the following equation that determines the calculation of the score.

$$\text{Score} = \frac{1}{1+e^{-z}}$$

The table to determine the rating according to the score obtained is:

Rating	Score up to: General automobiles	General others	Credit card
AA	0.2484	0.3767	0.3735
A	0.6842	0.8205	0.6703
BB	0.8151	0.8900	0.9382
B	0.9494	0.9971	0.9902
CC	1	1	1
D-E	More than 90 days past due, customers with written-off loans, or restructured loans 60 or more days past due.		

Subsequently, it may change its rating to lower risk categories, as long as the conditions established by the Superintendency of Finance of Colombia are met.

Impairment (allowance) for loans portfolios and accounts receivable

To cover credit risk, the Bank has a provisioning system, which is applied to the outstanding balance based on the reference models of Commercial Portfolio (MRC) and Consumer Portfolio (MRCO).

For loans under the housing portfolio and microcredit modalities, the provision is determined based on the client's delinquency.

Mortage loans

According to Annex 2 of Chapter XXXI of the Basic Accounting and Financial Circular (External Circular 018 of 2021 of the SFC), provision is recognized for the value of the capital of the loans according to the ratings assigned as follows:

Credit rating	Percentage of provision on the guaranteed portion	Percentage of provision on the non-guaranteed portion
A	1%	1%
B	3.2%	100%
C	10%	100%
D	20%	100%
E	30%	100%

Additionally, if the credit has remained in category E for 2 and 3 consecutive years, 60% and 100% will be provisioned, respectively, on the guaranteed portion.

Micro-credit loans

The lower limit of provision per capital, for each risk level is as follows, weighting the guarantees at 70% for loans up to twelve months overdue:

Credit rating	Minimum allowance percentage net of collateral	Minimum allowance percentage
A	0%	1%
B	1%	2.2%
C	20%	0%
D	50%	0%
E	100%	0%

Guarantees

The guarantees for the purpose of calculating provision are weighted by the following percentages according to the delinquency of the credits:

Mortgage collateral or mortgage collateral trusts		Non-mortgage collateral	
Months past due (in months)	%	Months past due (in months)	%
0 – 18	70%	0 – 12	70%
18 – 24	50%	12 – 24	50%
24 – 30	30%	>24	0%
30 – 36	15%	0%	0%
> 36	0%	0%	0%

According to current regulations, as of January 1, 2002, the pledges on commercial or industrial establishments of the debtor, the mortgage guarantees on properties where the corresponding establishment operates or functions, and the guarantees on properties by destination that are part of the respective establishment, are weighted at 0% of their value, which is why they were reclassified as non-eligible guarantees.

Commercial loan portfolio credits (reference model)

The expected loss for commercial portfolio credits will result from the application of the following formula:

$$\textbf{Expected loss} = (PD) * (\text{Exposed value of the asset}) * (L.G.D)$$

Where:

PD (Probability of default). Probability that within a period of 12 months a debtor will default. This is assigned according to the segment of the company and its rating, as follows:

Segment	Size by asset
Large	More than 15,000 SMMLV
Medium	Between 5,000 and 15,000 SMMLV
Small	Less than 5,000 SMMLV
Individuals	Doesn't apply

The Bank is using the SMMLV as of the date of updating the client's Financial Statements.

The default probabilities by segment are as follows:

	Matrix A				Matrix B			
Rating	**Large company**	**Medium company**	**Small company**	**Individuals**	**Large company**	**Medium company**	**Small company**	**Individuals**
AA	1.53%	1.51%	4.18%	5.27%	2.19%	4.19%	7.52%	8.22%
A	2.24%	2.40%	5.30%	6.39%	3.54%	6.32%	8.64%	9.41%
BB	9.55%	11.65%	18.56%	18.72%	14.13%	18.49%	20.26%	22.36%
B	12.24%	14.64%	22.73%	22.00%	15.22%	21.45%	24.15%	25.81%
CC	19.77%	23.09%	32.50%	32.21%	23.35%	26.70%	33.57%	37.01%
Default	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

L.G.D. (loss given default): It is the economic deterioration that the Bank will incur in case the default materializes. A client will be considered defaulted in the following cases:

- Commercial portfolio credits that are overdue for 150 days or more.
- Debtors who have written-off portfolios with the Bank or in the financial system, according to information from credit bureaus.
- Clients who are in bankruptcy proceedings.
- Debtors with restructurings in the Bank in the same modality.
- Clients with extraordinary restructurings (classified C, D, or E)

The Loss Given Default - LGD for debtors classified in the defaulted category gradually increases according to the days elapsed after classification in that category. The LGD by type of guarantee of the Commercial portfolio is as follows:

Type of guarantee	LGD	Days after defaulted	New LGD	Days after defaulted	New LGD
Non-acceptable guarantee	55%	270	70%	540	100%
Subordinated loans	75%	270	90%	540	100%
Acceptable financial collateral	0 - 12%	0	0%	0	0%
Commercial and residential real estate	40%	540	70%	1,080	100%
Leased real estate assets	35%	540	70%	1,080	100%
Leased assets other than real estate	45%	360	80%	720	100%
Other collaterals	50%	360	80%	720	100%
Receivables	45%	360	80%	720	100%
Unsecured	55%	210	80%	420	100%

Asset's exposed value. The exposed value of the asset is considered to be the outstanding balance for principal, interest, and other amounts owed by the client at the time of calculating expected losses.

Consumer loans

The expected loss for consumer loan portfolio credits will result from the application of the following formula:

$$\textbf{Expected loss} = (PD) * (\textit{Exposure of Asset}) * (LGD) * (\textit{Term adjustment}) * K$$

Where:

K. It is the adjustment factor that seeks to recognize the risk associated with the increase in the leverage level of debtors with terms greater than 72 months. This factor will not be applicable to payroll loans granted to retirees, nor to the Credit Card and Revolving segments. The value of the variable K will be assigned according to the following expression:

$$K = \begin{cases} 1 & \text{if } PR \leq 72 \\ 1{,}1 & \text{if } 72 < PR \leq 108 \\ 1{,}4 & \text{if } PR > 108 \end{cases}$$

Term adjustment (TA). It is the value of the adjustment for term, which is calculated according to the following formula:

$$\textit{Term adjustment (TA)} = \frac{\textit{Term Adjustment}}{72}$$

Remaining Term. Corresponds to the number of months remaining against the agreed term of the loan at the date of calculating the expected loss. In case the agreed term or the remaining term is less than 72, TA will be equal to one (1). For the Credit Card and Revolving segments, TA will be equal to one (1).

For credits originated, disbursed, restructured, or acquired before December 1, 2016, AP will be equal to one (1).

Credits that are originated, disbursed, restructured, or acquired from December 1, 2016, must calculate the expected loss applying the term adjustment (TA) resulting.

The term adjustment was incorporated by External Circular 047 of 2016 from the SFC, and the additional provisions generated by the implementation of the term adjustment must be fully constituted by no later than February 28, 2017.

PD (Probability of default). the probability that within a period of twelve (12) months, debtors of a certain segment and consumer portfolio rating will default.

The probability of default for the year 2023 was defined as follows:

	Matrix A			Matrix B		
Rating	General - automobiles	General - Others	Credit card	General - automobiles	General - Others	Credit card
AA	0.97%	2.10%	1.58%	2.75%	3.88%	3.36%
A	3.12%	3.88%	5.35%	4.91%	5.67%	7.13%
BB	7.48%	12.68%	9.53%	16.53%	21.72%	18.57%
B	15.76%	14.16%	14.17%	24.80%	23.20%	23.21%
CC	31.01%	22.57%	17.06%	44.84%	36.40%	30.89%
Default	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

The LGD by type of guarantee of the Consumer portfolio is as follows:

Type of guarantee	LGD	Days after defaulted	New LGD	Days after defaulted	New LGD
Acceptable financial collateral	0 - 12%	0	0%	0	0%
Commercial and residential real estate	40%	360	70%	720	100%
Leased real estate assets	35%	360	70%	720	100%
Leased assets other than real estate	45%	270	70%	540	100%
Receivables	45%	360	80%	720	100%
Other suitable guarantees	50%	270	70%	540	100%
Unsuitable guarantee	60%	210	70%	420	100%
Guarantee by Payroll Deduction	45%	-			
Unsecured	75%	30	85%	90	100%

Additional temporary provisions, Circular 026 of 2012

The Superintendency, in exercising its legal powers, considers it prudent for entities to temporarily constitute an additional individual provision on the consumer portfolio, prior to meeting the growth indicators of the overdue portfolio indicated in the mentioned circular.

Entities required to establish the additional individual provision must calculate the individual procyclical component as they normally do, according to what is established in numeral 1.3.4.1. of Chapter XXXI of the CBCF, and will add to this 0,5% of the capital balance of each consumer credit for the month of reference, multiplied by the corresponding LGD.

The additional provision of 0.5% on the capital balance of each consumer credit applies as long as the annual average of 6 consecutive months of Alpha (α) is greater than zero ($\alpha > 0$).

LGD (Loss given default)

It is the economic deterioration that the Bank will incur in case the default materializes. A client will be considered defaulted in the following cases:

- Consumer loan credits that are overdue for 150 days or more.
- Debtors who have written-off portfolios with the Bank or in the financial system, according to information from credit bureaus.
- Clients who are in bankruptcy proceedings.
- Debtors with restructurings in the Bank in the same modality.
- Clients with extraordinary restructurings (classified C, D, or E).

The Loss Given Default - LGD for debtors classified in the defaulted category gradually increases according to the days elapsed after classification in that category. The LGD by type of guarantee of the Commercial portfolio is as follows:

Type of guarantee	LGD	Days after defaulted	New LGD	Days after defaulted	New LGD
Non-acceptable guarantee	55%	270	70%	540	100%
Subordinated loans	75%	270	90%	540	100%
Acceptable financial collateral	0 - 12%	-	-	-	-
Commercial and residential real estate	40%	540	70%	1	100%
Leased real estate assets	35%	540	70%	1	100%
Leased assets other than real estate	45%	360	80%	720	100%
Other collaterals	50%	360	80%	720	100%
Receivables	45%	360	80%	720	100%
Unsecured	55%	210	80%	420	100%

Asset's exposed value

The exposed value of the asset is considered to be the outstanding balance for principal, interest, and other amounts owed by the client at the time of calculating expected losses.

Individual Allowance

As of April 1, 2010, according to External Circular 035 of 2009 from the Financial Superintendence of Colombia - SFC, the Bank applied the methodology for calculating provisions in an accumulative phase based on the evaluation of indicators. With the above, the individual provision of credit portfolio under the reference models is established as the sum of two individual components, defined as follows:

- Individual Procyclical Component (hereinafter CIP, for its Spanish acronym). Corresponds to the portion of the individual provision of the credit portfolio that reflects the credit risk of each debtor, at present.
- Individual Countercyclical Component (hereinafter CIC, for its Spanish acronym). Corresponds to the portion of the individual provision of the credit portfolio that reflects possible changes in the credit risk of debtors at times when the deterioration of such assets increases. This portion is constituted in order to reduce the impact on the separate income statement when such a situation arises. Internal or reference models must take into account and calculate this component based on the available information that reflects those changes.

In order to determine the methodology to apply for the calculation of these components, the indicators indicated below must be evaluated monthly:

a. Real quarterly variation (deflated) of individual provisions of the total portfolio B, C, D, and E.

b. Quarterly accumulated net provisions of recoveries (Credit and leasing portfolio) as a percentage of the quarterly accumulated income from interest on the portfolio and leasing.

c. Quarterly accumulated allowances of recoveries of the credit and leasing portfolio as a percentage of the quarterly accumulated adjusted gross financial margin.

d. Real annual growth rate (deflated) of the gross portfolio.

Once the previous indicators are calculated, the calculation methodology for the components of the individual provisions of the credit portfolio is determined. If the following conditions are jointly met for three consecutive months, the calculation methodology to be applied during the next six months will be the Calculation Methodology in the de-accumulation phase. In any other case, the calculation methodology to be applied in the following month will be the Calculation Methodology in the Accumulation Phase.

The Bank complied with the indicators for the Commercial portfolio indicated in chapter XXXI SIAR of the Basic Accounting Circular of the SFC (Annex 1 Commercial and Consumer Reference Models, numeral 2 Reference Models), as of June 2024, with which and through communication to the SFC, we informed that we would enter into the impairment calculation under the decumulative methodology only for said Portfolio, a process that was carried out during 6 consecutive months ending in November 2024:

$$(\Delta\, ProvInd_{BCDE})_T \geq 9\% \; y \; (PNR / IxC)_T \geq 17\% \; and$$
$$[(PNR / MFB_{Adjusted})_T \geq 0\% \; ó \; (PNR / MFB_{Adjusted})_T \geq 42\%] \; y \; \Delta CB_T < 23\%$$

Calculation methodology in cumulative phase.

For each portfolio modality subject to reference models, the individual portfolio provision defined as the sum of two components (CIP+CIC) will be calculated independently, hereinafter, let i be each obligation and t be the moment of calculating the provisions:

Pro-cyclical individual component (CIP): For the entire portfolio, it is the expected loss calculated with matrix A, that is, the result obtained by multiplying the debtor's exposure, the Probability of Default (hereinafter PD) of matrix A, and the Loss Given Default (hereinafter LGD) associated with the debtor's guarantee, as established in the corresponding reference model.

Counter-cyclical individual component (CIC): It is the maximum value between the counter-cyclical individual component in the previous period (t-1) affected by the exposure, and the difference between the expected loss calculated with matrix B and the expected loss calculated with matrix A at the time of calculating the provision (t), in accordance with the following formula:

$$\mathbf{max}\left(CIC_{i,t-1} * \left(\frac{Exp_{i,t}}{Exp_{i,t-1}}\right); (PE_B - PE_A)_{i,t}\right) \ \mathbf{with}\ 0 \leq \left(\frac{Exp_{i,t}}{Exp_{i,t-1}}\right) \leq 1$$

Where:

$Exp_{i,t}$ corresponds to the exposure of the obligation (i) at the time of calculating the provision (t) according to what is established in the different reference models.

When $\left(\frac{Exp_{i,t}}{Exp_{i,t-1}}\right) > 1$ ***assumed to be 1***

Calculation methodology in the de-accumulation phase

For each portfolio modality subject to reference models, the individual portfolio provision defined as the sum of two components (CIP+CIC) will be calculated independently, hereinafter, let i be each obligation and t be the moment of calculating the allowances:

Pro-cyclical individual component (CIP): For portfolio A, it is the expected loss calculated with matrix A, that is, the result obtained by multiplying the debtor's exposure, the PI of matrix A, and the PDI associated with the debtor's guarantee, as established in the corresponding reference model.

For portfolios B, C, D, and E, it is the expected loss calculated with matrix B, that is, the result obtained by multiplying the debtor's exposure, the PI of matrix B, and the PDI associated with the debtor's guarantee, as established in the corresponding reference model for the commercial portfolio.

CIC: It is the difference between the individual counter-cyclical component of the previous period (t-1), and the maximum value between the individual de-accumulation factor (FD) and the individual counter-cyclical component of the previous period (t-1) affected by the exposure, in accordance with the following formula:

$$CIC_{i,t} = CIC_{i,t-1} - max\left\{FD_{i,t}; CIC_{i,t-1} * \left(1 - \frac{Exp_{i,t}}{Exp_{i,t-1}}\right)\right\}$$

Individual counter-cyclical component (CIC): It is the difference between the individual counter-cyclical component of the previous period (t-1), and the maximum value between the individual de-accumulation factor (FD) and the individual counter-cyclical component of the previous period (t-1) affected by the exposure, in accordance with the following formula:

The de-accumulation factor is given by:

$$\mathbf{FD_{i,t}} = \left(\frac{CIC_{i,t-1}}{\sum_{actives(t)} CIC_{i,t-1}}\right)_m * (70\% * PNR_{CIP-m})$$

PNR_{CIP-m}	They are the net provisions for recoveries of the month, associated with the individual pro-cyclical component in the respective portfolio modality (m).
$\sum_{actives(t)} CIC_{i,t-1}$	It is the sum over the active obligations at the time of calculating the provision (t) in the respective modality (m), of the balance of the individual counter-cyclical component of the same in (t-1).
$FD_{i,t} \geq 0$	If negative, it is assumed to be zero.
$\left(\frac{Exp_{i,t}}{Exp_{i,t-1}}\right) \leq 1$	it is assumed to be 1

General allowance

The Bank has established, as stipulated by the current regulations of the Financial Superintendence of Colombia, a mandatory general provision of 1% of the gross portfolio for loans corresponding to housing and microcredit portfolios.

Alignment rules

The Bank applies the following criteria for aligning the ratings of its debtors:

- Prior to the provision establishment and rating homologation process, the Bank monthly and for each debtor, carries out the internal alignment process, for which it elevates the credits of the same modality granted to this debtor to the highest risk category.

- In accordance with the relevant legal provisions, the Bank is obliged to consolidate financial statements and therefore assigns the same rating to loans of the same modality granted to the same debtor.

Loan write-offs

The Bank selects operations that are 100% provisioned and whose collection management has been unproductive, after having executed various collection mechanisms including judicial means, in order to request the Board of Directors to withdraw these assets through write-off. Once the Board of Directors authorizes the write-off of the selected operations, their accounting is carried out and the corresponding report is made to the Financial Superintendence of Colombia in the format designed for this purpose.

Notwithstanding the write-off of credit operations due to the impossibility of collection, the managers continue their collection efforts through formulas that lead to the total recovery of obligations.

As a general rule, comprehensive write-off of the client is sought, that is, the transfer to default of all active operations of the debtor. Likewise, the best possible relationship regarding missing provisions should be sought in such a way as to minimize the impact on the sanitation of expenses.

Suspension of accrual of interest and other items

Regarding the suspension of income accrual, the regulations establish that interest, monetary correction, exchange adjustments, fees, and income from other concepts will cease to accrue when a loan is more than 2 months overdue for housing and consumer loans, more than 1 month for microloans, and more than 3 months for commercial loans.

At the same time that income accrual must be suspended, the total amount pending collection corresponding to these concepts is provisioned.

Collateral

Collaterals are an additional backing that the Bank requests from its clients in order to reduce the inherent risks of lending activities. Collaterals are not considered a payment instrument. Suitable guarantees are valued according to instructions from the Financial Superintendence of Colombia.

Loan restructuring

Loan restructuring is understood as any exceptional mechanism implemented through the celebration of any legal transaction, aimed at modifying the originally agreed conditions, in order to allow the debtor to adequately meet their obligation in the face of real or potential deterioration of their payment capacity. Additionally, agreements made under Laws 550 of 1999 issued by the Ministry of Finance, 617 of 2000 issued by the National Planning Department, 1116 of 2006 issued by the Superintendence of Industry and Commerce or regulations that add to or replace them, and 1564 of 2012, as well as extraordinary restructurings and novations, are considered restructurings.

External Circular 009 of 2022 from the Financial Superintendence of Colombia standardizes the policies for the proper management of loans that present modifications in their conditions due to potential or real deterioration of their debtors' payment capacity and establishes that the Bank may modify the originally agreed conditions of the loans without these adjustments being considered a restructuring in the terms of subparagraph 2.3.2.3.1 of Chapter XXXI of Basic Accounting and Financial Circular 018 of 2021, provided that during the last 6 months the loan has not reached a consecutive delinquency greater than 60 days for microcredit and consumption and 90 days for commercial and housing. These modifications may be made at the request of the debtor or at the initiative of the entity, prior agreement with the debtor. Loan modifications cannot become a widespread practice to regularize the behavior of the loan portfolio. This Regulation specifies the special criteria for the qualification of restructured loans at the time of restructuring and after restructuring.

External Circular 016 of 2019 from the Financial Superintendence of Colombia came into effect on July 2, 2019, the Bank may modify the originally agreed conditions of the loans without these adjustments being considered a restructuring in the terms of subparagraph 2.3.2.3.1 of Chapter XXXI of Basic Accounting and Financial Circular 100/95, provided that during the last 6 months the loan has not reached a delinquency greater than 60 days for microcredit and consumption; and 90 days for commercial and housing. These modifications may be made at the request of the debtor or at the initiative of the entity, prior agreement with the debtor.

The Bank may eliminate the restructured condition when the debtor makes regular and effective payments to principal and interest for an uninterrupted period of 9 months for microcredit and 12 months for other modalities, the loan may exit monitoring.

Agreements with loans

Loans owed by clients admitted to a concordat process are immediately classified as "E" (Uncollectible) and are subject to the provisions defined for this category. Once the payment agreement is reached within the process, the loans may be reclassified as "D" (Significant). Subsequently, reclassifications to lower risk categories may be made as long as the requirements established by the Financial Superintendence of Colombia in this regard are met.

3.10 ACCOUNTS RECEIVABLE

Accounts receivable are non-derivative financial assets with fixed or determinable payments that are not traded in an active market.

The initial recognition of these assets is made at their fair value plus transaction costs that are directly attributable to their acquisition or issuance.

In subsequent recognition, the fair value of accounts receivable is considered equal to its book value, which is the best estimate. There are accounts receivable of lesser complexity that are characterized by being short-term and not containing a significant financial component of Value. Through the simplified approach in which impairment is calculated for the entire life of the asset, the accounts receivable recorded at BBVA fit into the valuation that allows determining a possible impairment while the instrument is active. In light of the current IFRS 9 paragraph 5.5.15 process, entities may apply the simplified approach when the asset is one year or less or when it does not have a significant financing component; however, in item b of the same paragraph, it states that entities can adopt the simplified approach even when the asset has a significant financing component but decides by accounting policy to measure the value correction for the entire life of the asset.

BBVA Colombia has defined for the calculation of the provision for accounts receivable taking into account the type of accounts it holds, their volume, and the risk involved in the recovery of such accounts, making a provision equivalent to 100% of the accounts receivable when a height equal to or greater than 180 days is presented.

For accounts receivable corresponding to leasing advances that record the amounts disbursed to suppliers in the process of purchasing an asset to place it in a leasing contract, in amounts that are recorded in the name of the clients, they are subject to impairment and will be those that meet any of the following conditions:

- Leasing contracts in the advance stage that have one or more installments overdue in the payment of monthly interest.

- Leasing contracts in the advance stage that have not been activated when the maximum term defined for each line expires.

- Clients who do not meet any of the two previous conditions may be considered for impairment, but for whom, due to various circumstances, it is identified that it may generate a situation of impairment or risk for the Bank.

According to the above, if the client meets any of the indicated conditions, the Leasing Operations Area will include the client in the list of clients that will be reviewed and analyzed in the Advances Committee. The Leasing Specialist, or their designated replacement, will present to the Committee members the details or conditions under which the operation has not complied with the payment of interest or is outside the established time for the advance stage. In both cases, the maximum date established by assets for advance operations will be taken into account, and the provision for each of the suggested clients will be determined according to the methodology proposed below.

3.11 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets and groups of assets for disposal are classified as held for sale if their book amount is recoverable through a sale transaction and not through their continued use. This condition is considered met only when the sale is highly probable and the asset (or group of assets for disposal) is available for immediate sale in its current condition subject only to the terms that are usual and adapted for the sales of those assets (or group of assets for disposal). Management must commit to the sale, which should be recognized as a completed sale within one year from the date of classification.

Non-current assets (and groups of assets for disposal) classified as held for sale are measured at the lower of their book amount and fair value less estimated selling costs, with the difference between the two recognized in profit or loss.

If the assets are not sold after the period, they are reclassified to the categories from which they originated. The Bank does not depreciate (or amortize) the asset while it is classified as held for sale.

Assets received in lieu of payment of obligations (BRDP, for its Spanish acronym). These assets are classified as non-current assets held for sale if their carrying amount is recovered primarily through a sale transaction, rather than through continued use, and must meet the following conditions:

- It must be available, in its current condition, for immediate sale, subject only to the usual and customary terms for the sale of these assets (or groups of assets for disposal),

- Its sale must be highly probable, by an appropriate level of management that must be committed to a plan to sell the asset (or group of assets for disposal) with the active execution of a program to find a buyer and actively negotiate at a reasonable price and complete such plan.

They are accounted for at the lower of their carrying amount and their fair value less costs to sell. On the date of classification in this category, the entity identifies the following as costs to sell for this class of assets:

- Deed expenses
- Fee to personnel who advances and formalizes the sale
- Non-recoverable taxes associated with the application

Non-current assets held for sale are not depreciated or amortized while they remain in that category.

When the asset comes from the reclassification of another asset, it is recognized at its carrying amount at the time of reclassification, and when it comes from a payment in kind or a return, it is recognized at the fair value of the received or returned asset less its marketing cost.

Subsequently, non-current assets held for sale resulting from awards or recoveries are measured at fair value, taking as a reference the valuations made by approved appraisal companies in the geographical areas where the assets are located, which must not exceed one year of age, unless there is evidence of impairment of the assets.

Gains and losses generated in the disposal of assets and liabilities classified as non-current held for sale, as well as losses from impairment and, when applicable, their recovery, are recognized as gains (losses) in results. The remaining income and expenses related to such assets and liabilities are classified in the items of the income statement according to their nature.

Regardless of their accounting classification (portfolio, investments, non-current assets held for sale, and other assets), according to the instructions of the Financial Superintendence of Colombia - SFC, the calculation of provision for assets received in payment in kind is carried out applying Chapter III of the Basic Accounting and Financial Circular - CBCF, where the intention of such provision is not based on the impairment of the value of the assets, but to prevent risk and preserve the Bank's equity.

Transfers

If the maximum period for sale (one year from the date of classification and/or justified postponement efforts) has elapsed and it has not been possible to close the sale due to facts or circumstances beyond the Bank's control, and there is sufficient evidence that the Bank remains committed to its plan to sell the asset, under the conditions indicated in IFRS 5 Non-current assets held for sale and discontinued operations, the necessary period to complete the sale will be extended.

The market value of real estate is updated with a new appraisal, whose date of preparation cannot exceed three (3) years; however, at least once a year, the possibility of impairment is evaluated.

The Bank maintains a strict analysis at the time of accounting for this type of asset, for which, through the Non-Financial Asset Management area (GANF), it establishes the percentages of receipt of the assets; this receipt value is influenced by variables such as the current market, the type of property, its location, its physical and legal condition.

The maximum percentage of receipt is defined by the Non-Financial Asset Management Area (GANF), based on the above, in addition to the possible marketing time, which generates administrative expenses, surveillance, taxes that must be projected until its possible sale.

When the acquisition cost of the property is less than the value of the debt recorded in the statement of financial position, the difference must be recognized immediately in the income statement separately.

When the market value of a BRDP is less than its carrying amount, a provision for the difference must be recognized.

Regarding the methodology implemented to assess the level of provision, the Bank applied External Circular 034 of 2003 from the Financial Superintendence of Colombia, which set the deadline as December 31, 2005, for financial entities to maintain provisions equivalent to at least 80% of the adjusted cost of real estate received before October 1, 2001.

In accordance with the provisions of External Circular 036 of 2014 from the SFC, the Bank calculates and records provisions within the framework established in the rules contained in numeral 1.3.1.2 of Chapter III of the Basic Financial Accounting Circular as follows:

- Through monthly proportional parts, a provision equivalent to thirty percent (30%) of the value of receipt of the asset will be established within the year following the date of receipt. This percentage of provision will increase to sixty percent (60%) through monthly proportional parts within the second year, counted from the date of receipt of the BRDP.

- For movable assets and securities, the establishment of provisions is carried out in accordance with numeral 1.3.2 of Chapter III of the Basic Financial Accounting Circular. However, the Bank, as a principle of prudence, establishes in some cases a provision of up to 100% of the value received for the asset.

Write-off due to sale of the asset

A sale is considered to have occurred when the significant risks and rewards associated with the ownership of the assets have been transferred to the buyer, no implications related to the management of the ownership are retained, and effective control over the assets is not retained.

The amount of ordinary activity income can be measured reliably, it is probable that the economic benefits associated with the transaction will be received, and the costs incurred, or to be incurred, in relation to the transaction can be measured reliably.

The Bank recognizes the previously unrecognized loss or gain on the date of the sale of a non-current asset, on the date it is written off in the accounts.

3.12 PROPERTIES TAKEN THROUGH A FINANCIAL LEASE

At the beginning of a contract, BBVA Colombia evaluates whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee. At the beginning or upon modification of a contract that contains a lease component, BBVA Colombia allocates the consideration in the contract to each lease component based on relative standalone price. However, for leases of properties, BBVA Colombia has chosen not to separate non-lease components and to account for lease and non-lease components as a single lease component.

BBVA Colombia recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to BBVA Colombia at the end of the lease term or the cost of the right-of-use asset reflects that BBVA Colombia will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as that of property and equipment. Additionally, the right-of-use asset is periodically reduced for impairment losses, if applicable, and is adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. BBVA Colombia defined the funding rate of similar liabilities as the discount rate, which is provided by Holding on a quarterly basis.

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including fixed payments in substance;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be paid as a guarantee of residual value; and
- the exercise price of a purchase option that BBVA Colombia is reasonably certain to exercise, lease payments in an optional renewal period if BBVA Colombia is reasonably certain to exercise an extension option, and penalties for early termination of a lease contract unless BBVA Colombia has reasonable certainty not to terminate early.
- Estimation of dismantling costs; which must be assessed and updated from the Talent and Culture area – Real Estate and Services in order to ensure the different market situations and with the required frequency for the annual committee presentation.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the estimate of the amount expected to be paid under a residual value guarantee, if BBVA Colombia changes its assessment of whether it will exercise a purchase, extension, or termination option, or if there is a revised fixed lease payment in substance.

When the lease liability is remeasured in this way, the corresponding adjustment is made to the carrying amount of the right-of-use asset, or it is recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

BBVA Colombia presents right-of-use assets that do not meet the definition of investment property in "property, plant, and equipment" and lease liabilities in "loans and obligations" in the statement of financial position.

Improvements to third-party properties

The Bank records in this item the improvements of leased properties, as well as the estimation of dismantling costs, amortizing the amounts over the shorter period, between the useful life of the property and the duration of the lease contract.

Short-term leases and leases of low-value assets

BBVA Colombia has decided not to recognize right-of-use assets and lease liabilities for leases of low-value assets (less than $5,000 for new contracts) and short-term leases (less than or equal to 12 months), including technological equipment and common areas. BBVA Colombia recognizes lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor. At the inception or modification of a contract that contains a lease component, BBVA Colombia allocates the consideration in the contract to each lease component based on their relative standalone prices.

When BBVA Colombia acts as a lessor, it determines at the lease commencement whether each lease is finance or operating. To classify each lease, the Bank classifies a lease as finance when substantially all the risks and rewards incidental to ownership are transferred, and a lease is classified as operating if it does not transfer substantially all the risks and rewards incidental to ownership. As part of this assessment, BBVA Colombia considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an agreement contains leasing and non-leasing components, BBVA Colombia applies IFRS 15 Revenue from Ordinary Activities Arising from Contracts with Customers to allocate the consideration in the contract.

BBVA Colombia applies the derecognition and impairment requirements of IFRS 9 to the net investment in the lease. Additionally, BBVA Colombia periodically reviews the estimated unguaranteed residual values used in the calculation of the gross investment in the lease. BBVA Colombia recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other income."

In general, the accounting policies applicable to BBVA Colombia as a lessor in the comparative period were not different from IFRS 16 Leases.

Leased Assets

The assets leased by the Bank are classified at the time of signing the contract as finance or operating leases.

Leases classified as finance leases are included in the Statement of Financial Position under the item "credit portfolio and financial leasing operations" and are accounted for according to the regulatory criteria issued by the Financial Superintendence of Colombia for Credit Portfolio. Leases classified as operating leases are included within the property and equipment account and are accounted for and depreciated in the same manner as this class of assets.

3.13 PROPERTY AND EQUIPMENT

Property and equipment are tangible assets held by an entity for use in the production or supply of goods and services, for leasing to third parties, or for administrative purposes, and are expected to be used for more than one period.

Initial recognition

Initially, property and equipment are recognized at cost, which includes the purchase price (import duties and non-recoverable indirect taxes that are part of the acquisition, after deducting any trade discounts or price reductions), the costs directly attributable to bringing the asset to the location and conditions necessary for it to operate as intended by the Bank, and the estimated initial costs of dismantling, without prejudice to the amount.

Initially attributable costs

The cost of property and equipment items includes:

a. Their acquisition price, including import duties and non-recoverable indirect taxes that apply to the acquisition, after deducting any discounts or price reductions.

b. All costs directly attributable to the location of the asset in the place and under the conditions necessary for it to operate as intended by management.

c. The initial estimate of the costs of dismantling and removing the item, as well as the rehabilitation of the site on which it is located.

Useful life

The Bank determines the useful life of the asset in terms of the utility it is expected to provide to the entity. IAS 16 Property, Plant and Equipment states that the useful life of an asset is a matter of judgment, based on the experience the entity has with similar assets, to which BBVA Colombia, based on the historical behavior of the assets, has established the useful life of its assets as follows:

Asset	Useful Life
Buildings	Economic life established by the appraiser (50 to 100 years)
Computer equipment	Between 2 and 6 years, according to the obsolescence management policy
Furniture and fixtures	10 years
Machinery and equipment	10 years
Vehicles	5 years

Subsequent recognition

The subsequent measurement of properties and equipment is valued using the cost model, which equals the acquisition cost less accumulated depreciation and, if applicable, the accumulated amount of impairment losses.

Interest costs that are directly attributable to the acquisition, construction, or production of a qualifying asset will be part of the asset's cost in accordance with IAS 23 - Borrowing Costs.

As of December 31, 2024 and 2023, no balance is recorded for these operations.

Costs following initial recognition

Costs after initial recognition such as additions and improvements that increase efficiency are capitalized, and will be included as an increased cost of the asset only if it is probable that they will yield additional future economic benefits beyond those originally assessed and can be measured reliably; certain maintenance costs in which the elements significantly influence the proper functioning of the asset will be included in the asset's value. The capitalization as an increased value of the asset of renovations must be supported by the preparation of a technical document (business case) that evidences the importance and relevance of such renovation for the asset.

The costs of conservation and maintenance of the tangible assets for own use are recognized as an expense in the period in which they are incurred.

The entity will not recognize as an increased value of property and equipment, the daily maintenance costs of the element that are considered for repair and conservation, without significant influence on the functioning of the asset will be charged directly to expense. Daily maintenance costs are mainly labor costs and consumables, which may include costs of small components.

The replacement of parts or repairs that extend future economic benefits are capitalized and the cost of the existing one is removed.

Depreciation

The Bank uses the straight-line method to depreciate its properties and equipment. Additionally, the depreciable amount is determined after deducting its residual value. Annually, an impairment test will be conducted for those long-lived assets that will alert to possible evidence of impairment, in which case a valuation of Property and Equipment - PE will be carried out, incorporating the new useful life and residual value.

Residual value

is the estimated amount that an entity could obtain at the present time from the disposal of an asset, after deducting the estimated disposal costs, if the asset had already reached the age and other expected conditions at the end of its useful life.

The factors mentioned below, among others, could indicate that the residual value or useful life of an asset has changed since the most recent reporting date, namely:

- A change in the use of the asset,
- Significant unexpected wear and tear,
- Changes in market prices

If these indicators are present, the Bank will review its previous estimates and, if current expectations differ, will modify the residual value and account for the change in residual value, depreciation method, or useful life as a change in accounting estimate.

Impairment

At each accounting close, the Bank analyzes whether there are indications, both external and internal, that a material asset may be impaired. If there is evidence of impairment, the Bank requests an updated appraisal for the asset that generates the respective alert. According to the result of the appraisal performed, the Bank compares that amount with the net book value of the asset and when the book value exceeds the appraisal value, an impairment loss on the asset's value is recognized and the asset's depreciation charges are adjusted in future periods systematically over the remaining useful life.

The Bank determines the recoverable value of its buildings through independent appraisals from authorized providers and specifically, for its own-use buildings, it relies on independent appraisals, so that they are not older than 3-5 years, unless there are indications of impairment. Where the lower value of the appraisal and the net book value is recorded directly affecting the expense.

The Bank has established as policy that the impairment of these assets on which the cost exemption was applied affects the results of the period in which the impairment is determined if it exists.

Improvements to third-party properties

The Bank records in this item the improvements of leased properties, as well as the estimation of dismantling costs, amortizing the amounts over the shorter period, between the useful life of the property and the duration of the lease contract.

Disposal by sale of the asset

A sale is considered to have occurred when the significant risks and rewards of ownership of the goods have been transferred to the buyer, no implication in the management associated with ownership is retained, nor is effective control over them retained, the amount of ordinary activity income can be reliably measured, it is probable that the economic benefits associated with the transaction will be received, and the costs incurred, or to be incurred, in relation to the transaction can be reliably measured.

The Bank recognizes the previously unrecognized loss or gain on the date of the sale of a non-current asset, on the date it is written off in the accounts.

The revaluation surplus recognized in the first-time adoption adjustments in the convergence process to IFRS, by application of the cost exemption included in equity, will be reduced by the realization of these properties at the time of sale and by the depreciation of that revaluation charged to retained earnings.

3.14 PREPAID EXPENSES

Prepaid expenses recognize operations as long as they meet the asset recognition criteria, such as insurance policies for software maintenance, hardware, which represent an enforceable right for the Bank due to supplier non-compliance and contributions.

The contributions recognized in this item include payments made for contributions or affiliations to entities as long as their amortization does not exceed the fiscal period, therefore they are amortized during the accounting period, and must have a zero balance at the end of it.

Prepaid expenses for insurance policies are amortized during the period of validity of the same.

3.15 INTANGIBLE ASSETS

They are identifiable, non-monetary assets without physical substance, held for use in the production or supply of goods and services.

Initial recognition

Intangible assets are recognized if and only if it is probable that the expected future economic benefits attributable to the asset will flow to the Bank and its cost can be measured reliably. The probability criterion applies to intangible assets that are acquired independently or in a business combination. Additionally, its fair value can be measured with sufficient reliability to be recognized independently of goodwill.

Subsequent disbursements

Subsequent expenditures are recognized as an expense when incurred, for research expenditures and when they are development expenditures that do not meet the criteria for recognition as an intangible asset. Subsequent expenditures are recognized as an intangible asset if it is a development expenditure that meets the criteria for recognition as an intangible asset.

This category includes all software programs that are strategically important to the Bank, as well as projects with a long estimated useful life; these projects generally maintain a significant amount, and the Bank will include software licenses in this category. Likewise, robust local IT developments are included.

Useful life

An intangible asset is considered to have an indefinite useful life when, based on the analysis of all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Bank.

The Bank, in line with the policies adopted by its parent company, has established a five (5) year period for the amortization of intangible assets (software, licenses, and robust applications), unless prior analysis supported by expected future economic benefits could extend the period.

Subsequent measurement

The Bank measures its intangible assets using the cost model. According to the criteria established in IAS 38 Intangible Assets for Own Software, it is defined that its useful life is finite and the amortization period is subject to the time during which future economic benefits are expected to be obtained.

The subsequent valuation of intangible assets is measured at cost less, where applicable, accumulated amortization and less any impairment loss.

Intangible assets with a defined useful life are amortized according to the scheme of benefit generation during their useful life. When it is not possible to reliably determine this pattern, the asset will be amortized on a straight-line basis.

Amortization begins when the asset is in the conditions intended for use and will cease when the asset is classified as a non-current asset held for sale or when it is derecognized from the Statement of Financial Position.

Subsequent expenditures on an intangible item are recognized as an expense unless they form part of the intangible asset meeting the recognition criteria for this category.

Software impairment

An impairment test must be performed twice a year (coinciding with the semi-annual closing in June and December), for both the software in use and the software under development.

An impairment test has 2 phases:

1. In the first phase, it must be evaluated whether there are indications of impairment. The following circumstances are considered indications of software impairment:

- In case the software is not used, it must necessarily deteriorate.
- The finding that it is not expected that the software will be used or provide the service for which it was built.
- Any other circumstance that indicates that the recoverable value of the asset is less than its carrying amount.
- Replacement of an old platform or application with a new one. In these cases, in order to determine whether there are indeed indications of impairment, the transition periods in which both platforms/applications may coexist must be assessed.
- In case the software was intended for a business line that has been abandoned.

If any of these circumstances occur or any other indication of impairment is perceived, the second phase of the test must continue and the impairment estimate must be calculated.

2. In the second phase, the amount of impairment must be estimated.

Conducting an impairment test does not necessarily imply total impairment of the asset. That is, the result of the analysis does not have to be that the software has no value at all. In case the software is being used but there are indications of its impairment and it is considered that it is not appropriate to fully impair it, the value in use of the asset must be estimated, for which the net cash flows (inflows and outflows) derived from its use must be estimated and discounted at a market rate.

In the case that the loss of value is caused by ceasing to use a specific functionality of a software and the individualized cost of constructing that functionality is available, the pending amortization amount of that functionality will be impaired. If it is not possible to reliably estimate a recoverable value, the asset will be fully impaired.

In the specific case of software under development, the following circumstances could indicate that it is not expected that the software will be completed and put into operation. It should be emphasized that these would be refutable indications and not evidence that effectively determines the existence of impairment.

- Lack of budgeted or incurred expenses in the project.
- Programming difficulties that cannot be resolved in a timely manner.
- Significant cost overruns.
- Information indicating that the costs of internally developed software will significantly exceed the cost of a comparable third-party software, suggesting that management might attempt to acquire third-party software instead of completing the internal software.
- The introduction of new technologies that increase the likelihood that management will choose to acquire third-party software instead of completing the internal project.
- The lack of profitability of the segment/business unit to which the software belongs or its actual or potential discontinuation.

At the end of each period, the Bank evaluates the end date of amortization to validate if there is any indication of impairment of the value of intangible assets, by observing variables such as the right of use, term of use of the asset, condition of the asset, and amortization time.

3.16 IMPAIRMENT OF NON-FINANCIAL ASSETS

Non-financial assets are represented in properties and equipment, intangibles, non-current assets held for sale. These assets will be recognized at cost and will not have future recoveries; additionally, a periodic review scheme will be maintained that incorporates an optimal recovery average to detect and alert impairment of the asset.

The Bank has defined for each class of asset a periodic review scheme that incorporates an optimal recovery average to detect and alert impairment of the asset, through impairment testing based on internal and external sources to determine if there is evidence of impairment. If as a result of the application of the test, indications or evidence of impairment are obtained for a class of asset, its recoverable amount will be calculated, that is, the higher of fair value and its value in use.

The value of an asset deteriorates when its book amount exceeds its recoverable amount. This, in turn, is the higher of its fair value less disposal costs and its value in use, and the value in use is the present value of the estimated future cash flows expected to be obtained from an asset or cash-generating unit.

The recoverable amount of an intangible asset is the higher value between its value in use and its fair value less disposal costs. The fair value of this type of asset will be calculated by the entity whenever there is evidence of impairment.

Following the recognition of an impairment loss, the depreciation charges of the asset will be adjusted in future periods, in order to distribute the revised book amount of the asset, less its eventual residual value, systematically over its remaining useful life.

3.17 DEPOSITS AND LIABILITIES

- Deposits and other demand obligations: This item includes all demand obligations, except for time savings accounts, which due to their special characteristics are not considered demand deposits. Demand obligations are understood to be those whose payment could be required in the period; deposits are initially recognized at the transaction amount.
- Deposits and other time deposits: This item presents the balances of the deposit operations in which a term has been established with the client through a security title, after which they are considered payable. Time deposits are initially recognized at the transaction amount.

Deposits and other time deposits are financial liabilities measured at amortized cost, which is determined by the effective interest rate method, given that the intention is to hold these instruments in the entity's possession until their final maturity.

3.18 BANK CREDITS AND OTHER FINANCIAL OBLIGATIONS

They are financial liabilities that are initially recognized at the net fair value of the transaction costs incurred and are subsequently classified at amortized cost, including obligations to other banks in the country and foreign banks, which are subsequently measured at amortized cost using the effective interest rate.

Financial obligations include bank acceptances, which are letters accepted by financial entities to be paid to beneficiaries within a period not exceeding 6 months. They can only arise from import and export transactions of goods or from the sale of movable goods in the country. At the time of acceptance of such letters, the net value of the right and the obligation of the bank acceptance is recognized in the liability. Subsequently, the value of the rights is evaluated for credit risk.

3.19 OUTSTANDING INVESTMENT SECURITIES

It includes subordinated bonds or current bonds, placed in the local market or abroad.

Regarding bonds issued in foreign currency, the Bank records these securities for initial recognition at the transaction price, including transaction costs that are deferred over the life of the security and its subsequent measurement at the amount initially recorded, less principal repayments, plus or minus the accumulated amortization of any difference between the initial amount and the redemption value at maturity. The effective interest rate in the amortized cost method is the IRR (Internal Rate of Return).

3.20 LABOR LIABILITIES

Labor liabilities are accounted for monthly and adjusted at the end of each year based on legal provisions and current labor agreements; the payroll settlement system calculates the liability amount for each active employee.

Benefits are recognized when the Bank has consumed the economic benefits derived from the service provided by employees. For the purposes of recognition as personnel expense or general expense, the entity differentiates benefits from work tools.

Accrued short-term benefits

Short-term employee benefits are those that the Bank expects to fully settle before 12 months at the end of the annual reporting period, such as salaries and wages, vacations, severance, among others. Such benefits are accrued by the causation system charged to results.

Long-term benefits

The entity has chosen to apply financial discounting techniques (accounting and actuarial discounting techniques) where actuarial assumptions are required, affecting actuarial gains and losses directly in the income statement for benefits granted to its employees for each five-year work period (seniority bonus).

Post-retirement and termination benefits

Post-retirement benefits other than defined contributions will be accounted for according to the report generated by the independent actuary applying the Projected Unit Credit method and affecting the other comprehensive income account.

Retirement pensions

The present values of these commitments are quantified on an individual basis, having applied, in the case of active employees, the valuation method of the 'projected unit credit'; which considers each year of service as generating an additional unit of entitlement to benefits and values each of these units separately.

For the determination of the calculation of post-employment liabilities, the criteria of IAS 19 - Employee Benefits of Annex 1.1. of the Technical Regulatory Framework (Decree 2420 of 2015 and its amendments) are applied, and the calculation of pension liabilities owed by the Bank is disclosed in notes to the financial statements according to the parameters established in Decree 1625 of 2016 (articles 1.2.1.18.46 and following), informing the variables used and the differences with the calculation made under IAS 19 Employee Benefits.

Actuarial methodology

The liabilities and the cost of current period services are calculated using the method known as “Projected Unit Credit.” This method quantifies the benefits of each participant in the plan as they become entitled to them, taking into account future salary increases and the plan's formula for benefit allocation. Therefore, the total estimated benefit that each participant is expected to be entitled to upon separation from the entity is divided into units, each associated with a year of credited service, whether past or future.

The valuation is performed individually for each employee. By applying actuarial assumptions, the amount of the projected benefit is calculated, which depends on the estimated separation date, credited service, and salary at the time of the triggering event.

The estimated benefit to which an individual is entitled, for the purposes of a valuation associated with a separation date, corresponds to the benefit described in the plan calculated with the projected salary for the benefit at the expected separation date.

The benefit attributed for the service rendered during a period is the difference between the final valuation obligation at the end of the period and the obligation at the beginning of the period, that is, at the date of the valuation.

Therefore, the obligation for defined benefits at the end of the period is calculated by applying, to the total amount of the estimated benefit, the proportion existing between the credited service at the measurement date and the total service that each participant will reach at the expected separation date.

The obligation for defined benefits of the plan is the sum of the obligation of each individual at the measurement date, and the cost of current period services of the plan is calculated as the sum of the individual current period service costs.

The Bank establishes its pension liability based on the actuarial calculation that covers all personnel who, according to legal regulations, are entitled to or have the expectation of retirement pension at the company's expense, and that covers the benefits established in the current pension system.

The Bank applies defined contribution and defined benefit plans for commitments related to post-employment benefits.

- **Defined contribution plan.** In these plans, the entity's obligation is limited to the contribution it has agreed to deliver to a pension fund or insurance company. Consequently, the actuarial and investment risk is assumed by the employee.

- **Defined benefit plans.** The company's obligation consists of providing the agreed benefits to current and former employees. The actuarial risk (that individuals have a higher cost than expected) and the investment risk are assumed by the Entity.

Currently, Colpensiones (formerly the Social Insurance Institute "ISS") and other entities authorized by law (private AFPs since 1994) receive contributions from the Bank and its workers to the General Pension System, so that these entities are responsible for covering the risks of disability, old age, and death defined by the System in favor of the workers. The pension liability directly borne by the Bank essentially corresponds to personnel hired in the 1960s or earlier, and/or with subsequent links until 1984 who worked in certain regions of the country where the Bank had offices but where there was no coverage for the risks of disability, old age, and death by the ISS. The determination of the amount of the liability is based on actuarial studies adjusted to the current provisions and regulations in this regard.

The total value of the reserve, as well as the actuarial losses or gains generated, were assumed by the Bank and were accounted for according to the guidelines of IAS 19 Employee Benefits, where the cost of present service and the net interest on the liability will be recorded in the period's results, while new measurements of the liability for defined benefits will be accounted for in other comprehensive income.

3.21 ESTIMATED LIABILITIES AND PROVISIONS

Includes the amounts recorded to cover the current obligations of the Bank arising from past events and that are clearly identified in terms of their nature, but are indeterminate in their amount or cancellation date; upon maturity of which, and to cancel them, the Bank expects to dispose of resources that incorporate economic benefits.

These obligations may arise from legal or contractual provisions, from valid expectations created by the Bank towards third parties regarding the assumption of certain types of responsibilities, or from the foreseeable evolution of the regulatory framework governing the operations of entities and, in particular, from regulatory projects that the Bank cannot evade.

Provisions are liabilities for which there is uncertainty regarding their amount or timing. These provisions are recognized in the Statement of Financial Position when there is a present obligation (legal or implicit) as a result of past events and it is probable that the Bank will have to dispose of resources to settle the obligation and the amount of these resources can be measured reliably.

When the effect of the time value of money is significant, the amount of the provision is the present value of the expenses expected to be incurred to settle it.

Among other concepts, these provisions include commitments made to employees, as well as provisions for tax and legal disputes.

Provisions are recalculated at each accounting close and are used to meet the specific obligations for which they were originally recognized; they are reversed, either totally or partially, when such obligations cease to exist or decrease.

Provisions are classified based on the obligations covered, which are as follows:

- Provisions for employee benefits and remuneration.
- Provisions for tax and legal disputes.
- Provisions for contingent credit risks.
- Provisions for other contingencies.

Contingent assets are possible assets arising from past events, whose existence is conditional and must be confirmed when events that are outside the Bank's control occur or do not occur.

Contingent assets are not recognized in the Statement of Financial Position or in the income statement, but are disclosed in the financial statements as long as it is probable that resources incorporating economic benefits will increase as a result of this.

Additionally, the Bank records the liability for provisions based on the assessment of experts in the Legal, Labor Relations, and Tax Advisory areas. These experts, in accordance with the current state of each legal process, qualify and categorize each case. Furthermore, decision trees are applied based on the nature of the contingency, whether judicial, labor, or tax, for classification according to the following criteria for the establishment of the provision:

- **Probable Obligation:** recorded and disclosed
- **Possible Obligation:** disclosed
- **Remote Obligation:** not recorded or disclosed

Contingent liabilities are possible obligations of the Bank, arising as a consequence of past events, whose existence is conditioned on the occurrence or non-occurrence of one or more future events independent of the entity's will. They also include the current obligations of the entity, whose cancellation is unlikely to result in a decrease in resources that incorporate economic benefits or whose amount, in extremely unusual cases, cannot be quantified with sufficient reliability.

3.22 INCOME TAX

The expense for income tax represents the sum of the current income tax payable and the deferred tax.

- **Current tax.** The current tax payable is based on the taxable income recorded during the year. Taxable income differs from the income reported in the statement of profit or loss and other comprehensive income, due to items of taxable or deductible income or expenses in other years and items that are never taxable or deductible.

  The Bank's liability for current tax is calculated using the tax rates enacted or substantially approved at the end of the reporting period. The Bank determines the provision for income tax and complementary taxes based on the taxable profit or presumptive income, whichever is higher, estimated at rates specified in the tax law.

- **Deferred tax.** Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities included in the financial statements and the corresponding tax bases used to determine taxable income. The liability for deferred tax is generally recognized for all temporary tax differences. A deferred tax asset will be recognized for all deductible temporary differences, to the extent that it is probable that the entity will have future taxable profits against which to offset those deductible temporary differences. These assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that does not affect taxable profit or accounting profit.

Deferred tax must be recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except for those in which the Bank is able to control the reversal of the temporary difference and when there is a possibility that it may not be reversed in the near future.

The carrying amount of a deferred tax asset must be reviewed at the end of each reporting period and must be reduced to the extent that it is probable that there will not be sufficient taxable profit in the future to allow for the recovery of all or part of the asset.

Deferred tax assets and liabilities must be measured using the tax rates that are expected to apply in the period in which the asset is realized or the liability is settled, based on the rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period after the approval process has been completed.

- **Accounting record** Current and deferred taxes must be recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case the current or deferred tax is also recognized in other comprehensive income or directly in equity respectively; in the case of a business combination when the current or deferred tax arises from the initial accounting of the business combination, the tax effect is considered within the accounting of the business combination.

3.23 REAL VALUE UNIT – UVR (FOR ITS SPANISH ACRONYM)

The real value unit (UVR) is certified by the Bank of the Republic and reflects purchasing power based on the variation of the consumer price index (CPI) during the calendar month immediately preceding the month in which the calculation period begins.

The UVR is a unit of account used to calculate the cost of housing loans that allows financial entities to maintain the purchasing power of the money lent, and the methodology used to calculate this indicator was established by the Board of Directors of the Bank of the Republic in strict compliance with the order given by the Constitutional Court in ruling C-955/2000.

The Bank conducts operations for obtaining savings deposits, granting short and long-term loans, and investments, in real value units (UVR) reduced to legal currency in accordance with the provisions of Law 546 of December 23, 1999, which created the legal framework for housing financing.

This law established the objectives and general criteria to which the national government must adhere to regulate the system, also creating savings instruments intended for such financing; the financing system is expressed in Real Value Units (UVR) and reflects the purchasing power of the currency, which implies being linked to the consumer price index.

3.24 ADEQUATE EQUITY

According to the provisions of numeral 2.1 of Chapter XIII-16 of the Basic Accounting and Financial Circular (External Circular 100 of 1995 of the Financial Superintendence of Colombia - SFC), the adequate equity of the Bank must meet the following minimum solvency levels:

- **Basic solvency ratio.** It is defined as the value of the Net Ordinary Basic Equity after Deductions (hereinafter PBO) divided by the value of the Risk-Weighted Assets (APNR) and the market and operational risks. This ratio cannot be less than 4.5%.

$$\textbf{Basic solvency ratio} = \frac{PBO}{APNR + \frac{100}{9}\left(VeR_{RM} + VeR_{RO}\right)} \geq 4{,}5\%$$

- **Additional Basic Solvency Ratio.** It is defined as the sum of the value of the PBO and the Additional Basic Equity (PBA) divided by the value of the APNR and the market and operational risks. This ratio cannot be less than 6%.

$$\textbf{Additional Basic Solvency Ratio} = \frac{PBO + PBA}{APNR + \frac{100}{9}\left(VeR_{RM} + VeR_{RO}\right)} \geq 6\%$$

- **Leverage Ratio.** It is defined as the sum of the value of the PBO and the PBA divided by the value of leverage. This ratio cannot be less than 3%.

$$\textbf{Leverage Ratio} = \frac{PBO + PBA}{\text{Value of leverage}} \geq 3\%$$

- **Total Solvency Ratio.** It is defined as the value of the Technical Equity (PT) divided by the value of the APNR and the market and operational risks. This ratio cannot be less than 9%.

$$\textbf{Total Solvency Ratio} = \frac{PT}{APNR + \frac{100}{9}\left(VeR_{RM} + VeR_{RO}\right)} \geq 9\%$$

Where:

APNR= Risk-Weighted Assets calculated according to the instructions provided in numeral 2.4 of Chapter XIII-16 of the Basic Accounting and Financial Circular (External Circular 010 of 1995 of the Financial Superintendence of Colombia - SFC) and in Format 239 (Proforma F.1000-141 "Report on Solvency Margin Information and Other Equity Requirements and Declaration of the Control of Law Solvency Margin").

(VeR)_RM= Value of the exposure to market risk calculated according to the instructions established in Chapter XXI "Rules regarding the market risk management system" of the Basic Accounting and Financial Circular (CBCF).

(VeR)_RO= Value of the exposure to operational risk calculated according to the instructions established in Chapter XXIII "Rules Regarding the Management of Operational Risk" of the Basic Accounting and Financial Circular (CBCF).

Leverage value= Corresponds to the sum of the value of all net assets of provisions; the net exposures in all repo or repo operations, simultaneous and temporary transfer of values;

the credit exposures in all derivative financial instruments; and the exposure value of all contingencies. To determine the exposure value of contingencies, the net nominal amount of provisions for the exposure must be multiplied by the applicable credit conversion factor, as established in items a) to c) of article 2.1.1.3.5 of Decree 2555 of 2010.

The value of the assets that are deducted to calculate the PBO, in accordance with article 2.1.1.1.11 of Decree 2555 of 2010, or that are deducted to calculate the PT, in accordance with numeral 10) of article 2.1.1.3.2 of the aforementioned Decree 2555 of 2010, must be computed at a value of zero for the purpose of determining the leverage value.

The calculation of each of the items that make up the minimum solvency ratios and buffers must be carried out taking into account the monthly and quarterly information from the Unique Financial Information Catalog for Supervision purposes and Format 239 (Proforma F.1000-141 "Report on Solvency Margin Information and Other Capital Requirements and Declaration of Solvency Margin Law Control", as indicated in each of the components of the solvency ratios and buffers, as well as the current instructions established for consolidated financial statements.

The calculation of each of the items that make up the minimum solvency ratios must be carried out taking into account the Unique Financial Information Catalog - CUIF, format 239 (Proforma 1000-141) "Report on solvency margin information and other capital requirements and declaration of solvency margin law control, as indicated in each of the components of the solvency ratios.

In determining and calculating this law control, the considerations established in CE 036 of 2014 are taken into account. See details in Note 2.1.

3.25 SHARE ISSUE PREMIUM

The premium on share placement is the additional value to the nominal value of the shares that is charged when selling them and arises when the shares are placed in the market at a price higher than the nominal It originates from a share subscription contract and corresponds to a legally valid option; however, while the shares obtained as a result of the aforementioned contract are part of the share capital, the premium, as an additional value to the nominal of the share, constitutes an item of equity crediting the legal reserve.

3.26 RECOGNITION OF REVENUE AND EXPENSES

Income and expenses from interest and service fees are recorded in the results of the period as they are accrued, based on the duration of the operations that generate them. Income is measured by the fair value of the consideration received or to be received, and represents amounts to be collected for services rendered, net of discounts and value-added tax.

The Bank recognizes income when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity, and when the specific criteria for each of the Bank's activities have been met.

The recognition of income and expenses from interest is applied using the effective interest method, which is a method for calculating the amortized cost of an asset or liability and allocating the interest cost income over the relevant period. The effective interest rate is the rate that exactly equates the estimated future payments or cash receipts during the expected life of the financial instrument, or when appropriate, for a shorter period, to the net book value of the asset at the initial moment. To calculate the effective interest rate, cash flows are estimated considering all contractual terms of the financial instrument without considering future credit losses and considering the initial transaction or granting balance, transaction costs, and granted premiums less commissions and discounts received that are integral to the effective rate.

In the case of affecting general income and expenses, the Bank is based on the general principles of the conceptual framework such as: accrual basis, recording, certainty, reliable measurement, correlation of income and expenses, cost-benefit consideration, valuation, and materiality or relative importance.

The Bank recognizes income from the sale of goods when the risks and rewards of ownership of the good are transferred to the buyer, it does not retain ownership or control of the sold goods, the amount of income can be reliably measured, it is probable that the economic benefits associated with the transaction will be received, and the costs incurred by the transaction can be reliably measured.

Income and expenses that originate from transactions or services that extend over time are recognized during the life of such transactions or services.

Dividends received from non-controlled affiliates and joint ventures are recognized when the right to receive them is established.

From a legal point of view, late interest is contractually agreed upon and can be likened to variable interest caused by a debtor's default. Such interest is incurred from the moment the contractual obligation arises, regardless of future credit losses, as established by the definition of the effective interest rate; therefore, this balance is part of the total indebtedness with the client that is evaluated for impairment determination following the established procedures for this purpose, whether through individual evaluation or collective evaluation.

IFRS 15 establishes a conceptual framework for determining the timing and amount of revenue recognition. This standard applies from January 1, 2018, and replaces IAS 18 revenue from ordinary activities, IFRIC 11 construction contracts, and IFRIC 13 customer loyalty programs.

Customer Loyalty

The Bank frames under this concept the modality of points awarded to its clients for the use of electronic payment methods; these points can be redeemed in different modalities.

For the concept of customer loyalty, the Bank recognizes a deferred liability that will be amortized as clients redeem their points, based on the model designed for points awarded for customer loyalty.

The Bank operates a loyalty program, in which clients accumulate points for purchases made, which entitle them to redeem points for prizes according to the policies and the prize plan in effect at the time of redemption.

Commission income

En general, los ingresos se registran en el momento de devengar el servicio. De acuerdo con el nuevo estándar, no se observan componentes variables asociados a los ingresos, ni se reciben remuneraciones distintas en efectivo.

3.27 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the period attributable to holders of ordinary equity instruments of the parent company (the numerator) by the weighted average number of ordinary shares issued and paid, both common and preferred, outstanding during the period (the denominator).

Diluted earnings per share are calculated by adjusting the profit for the period attributable to the owners of the parent company and the weighted average number of ordinary shares outstanding for all dilutive effects inherent to potential ordinary shares.

This information aims to provide a measure of the participation of each ordinary share of the parent company in the performance that such entity has had in the period being reported.

Since the Bank has no financial instruments with a dilutive effect, basic and diluted earnings per share are the same.

4. Business Segments

4.1 DESCRIPTION OF THE SEGMENTS

For BBVA, it is essential to provide the client with value opportunities that fit their needs, therefore, it directs and evaluates the performance of its operations by business segments, and transactions between these are carried out under regulatory commercial conditions and terms. This disclosure informs how the Bank has managed the business segments as of December 31, 2024, compared to the financial position and the income statement as of December 31, 2023.

For the development of commercial activity, BBVA Colombia has established a structure of specialized banking to serve different business segments as follows:

- **Commercial Banking.** responsible for managing retail business and the individual segment. Commercial banking fully manages the individual segment, which consists of consumption, housing, payment methods, and consumer finance.

- **Business and Institutional Banking (BEI for its Spanish acronym).** responsible for managing business clients from the public and private sectors.

- **Corporate and Investment Banking (CIB).** banking responsible for corporate clients, as well as treasury operations and investment banking. Corporate and Investment Banking Colombia is the area within the Bank responsible for serving large corporate clients and Financial Institutions, offering, in addition to traditional financial products, high value-added services and products that allow clients to meet their goals in various local and international markets.

- **Assets and Liabilities Committee (COAP, for its Spanish acronym).** a unit that manages the Bank's liquidity and establishes transfer pricing for resources and portfolios to and from the other mentioned banks.

Likewise, within these banks, business segments have been defined to effectively direct commercial actions according to client profiles and framed within the strategic objectives of the Group for the growth of the franchise in Colombia.

4.2 OTHER SEGMENTS

In other segments, the banks different from those mentioned above are grouped, such as Central Areas and Complementary Areas.

4.3 ALLOCATION OF OPERATING EXPENSES

Regarding the accounting of direct and indirect expenses of BBVA Colombia, these are recorded in each of the cost centers generating such expenses; however, if after this distribution there are any items affecting cost centers of central areas, they are distributed to the banks using the spill line, according to distribution criteria established by the business areas of the Bank's general management.

4.4. CROSS SELLING

When two business areas interfere in the sale or placement of bank products, the actual accounting record of the profit from this operation is made in a single area to eliminate duplicities. However, the bank has cross-selling agreements through which an analysis of the profitability generated by such sales is conducted, and the percentage to be paid to the bank or business area that generated the operation is established, reducing the same amount from the profitability of the other bank where the profit was initially recorded, using the Bank's compensation accounts.

Results by Segments as of December 31, 2024 and December 31, 2023

Below is a detail of the accumulated balance for the periods ending December 2024 and December 2023, by business segment:

Statement of Financial Position by Segments
December 31, 2024

Item	Total Bank	Commercial banking	BEI	CIB	COAP	Other
Cash and Central Banks	**4,317,769**	2,433,941	9,370	17,951	$ 1,254,084	$ 602,423
Financial Intermediaries	**7,133,951**	2,432,798	11,214,721	6,241,589	(11,007,829)	(1,747,328)
Securities Portfolio	**16,389,233**	0	0	9,166,467	7,222,766	0
Net Credit Investment	**71,240,968**	**43,239,311**	**17,364,053**	**10,618,829**	**(91)**	**18,866**
Consumption	**21,722,074**	21,710,993	863	278	0	9,940
Cards	**3,669,411**	3,668,712	110	63	0	526
Mortgage	**13,985,272**	13,981,506	2,881	358	0	527
Business	**31,883,025**	3,673,123	17,497,769	10,711,636	0	497
Other	**4,729,950**	4,498,451	222,141	4	0	9,354
Deterioration	**(4,748,764)**	(4,293,474)	(359,711)	(93,510)	(91)	(1,978)
Net Fixed Assets	**1,196,245**	186,941	1,508	15,084	0	992,712
Other Assets	**4,472,660**	83,080	54,664	1,537,880	432,955	2,364,081
Total Assets	**104,750,826**	**$ 48,376,071**	**$ 28,644,316**	**$ 27,597,800**	**$ (2,098,115)**	**$ 2,230,754**
Financial Intermediaries	**2,295,217**	18,606,531	5,689,511	12,874,171	(36,653,710)	1,778,714
Client Resources	**82,059,688**	**29,319,629**	**20,686,774**	**7,061,709**	**24,989,557**	**2,019**
On demand	**8,183,216**	2,778,985	4,120,682	1,282,217	0	1,332
Savings	**32,036,645**	15,249,614	11,592,938	5,193,482	0	611
CDTs	**37,669,573**	11,291,030	4,973,154	586,010	20,819,303	76
Bonds	**4,170,254**	0	0	0	4,170,254	0
Other Liabilities	**13,841,618**	1,396,990	1,182,647	6,851,229	2,941,017	1,469,735
Total Liabilities	**98,196,523**	**$ 49,323,150**	**$ 27,558,932**	**$ 26,787,109**	**$ (8,723,136)**	**$ 3,250,468**

Note: For the purposes of segmentation, the grouping is done differently from the presentation in the financial statements, following corporate models; grouping is done according to management and financial planning, with a specific balance as of December 31, 2024.

December 31, 2023

Item	Total Bank	Commercial banking	BEI	CIB	COAP	Other
Cash and Central Banks	**$ 4,857,182**	$ 2,202,100	$ 16,327	$ 19,084	$ 2,516,878	$ 102,793
Financial Intermediaries	**6,720,072**	1,692,330	11,081,750	4,272,364	(10,454,530)	128,158
Securities Portfolio	**19,136,342**	0	0	13,113,894	6,022,448	0
Net Credit Investment	**71,248,622**	**45,024,656**	**15,924,949**	**10,310,296**	**(91)**	**(11,188)**
Consumption	**23,141,503**	23,170,012	972	7	0	(29,488)
Cards	**3,679,770**	3,679,486	105	18	0	161
Mortgage	**13,814,079**	13,800,962	2,617	0	0	10,500
Business	**30,622,292**	4,021,427	16,158,993	10,440,157	0	1,715
Other	**3,986,116**	3,732,702	246,511	11	0	6,892
Deterioration	**(3,995,138)**	(3,379,933)	(484,249)	(129,897)	(91)	(968)
Net Fixed Assets	**1,099,567**	181,717	1,571	15,459	0	900,820
Other Assets	**2,098,402**	51,567	15,955	218,250	404,247	1,408,383
Total Assets	**$ 105,160,187**	**$ 49,152,370**	**$ 27,040,552**	**$ 27,949,347**	**$ (1,511,048)**	**$ 2,528,966**
Financial Intermediaries	**2,606,869**	19,223,087	4,680,344	11,526,534	(34,144,920)	1,321,824
Client Resources	**79,468,254**	**27,311,869**	**20,425,448**	**5,649,556**	**26,073,120**	**8,261**
On demand	**7,974,798**	2,973,331	3,797,328	1,196,719	0	7,420
Savings	**31,601,482**	14,264,515	12,952,125	4,384,297	0	545
CDTs	**36,471,945**	10,074,023	3,675,995	68,540	22,653,091	296
Bonds	**3,420,029**	0	0	0	3,420,029	0
Other Liabilities	**17,149,097**	1,899,855	1,126,397	10,192,839	2,543,702	1,386,304
Total Liabilities	**$ 99,224,220**	**$ 48,434,811**	**$ 26,232,189**	**$ 27,368,929**	**$ (5,528,098)**	**$ 2,716,389**

Note 1: For segmentation purposes, the grouping is done differently from the presentation in the financial statements, following corporate models; grouping is done according to management and financial planning, with a specific balance as of December 31, 2023.

Note 2: (*) Variations are observed in the items compared to what was reported in 2023, due to adjustments in account classification that provide a clearer interpretation of the figures.

When analyzing the balance broken down by banking as of December 31, 2024, the banks with the highest share of the total assets of the Bank are Commercial with 46.2%, Business and Institutions Banking (BEI) with 27.3%, and Corporate and Investment Banking (CIB) with 26.3%.

When analyzing by account, the Cash and Central Banks line of BBVA recorded a quarterly variation of -11.1%. The securities portfolio showed a decrease of 14.4%, explained by the variation in CIB -$3,947,427 and, on the other hand, compensated by CoAP $1,200,318 seeking to maximize benefits through effective management of business segment resources.

Net Credit Investment remained stable with a decrease of -0.01%, mainly due to the variations recorded in BEI $1,439,104 and CIB $308,533, partially offset by Commercial -$1,797,386. This growth in BEI and CIB reflects BBVA's commitment to the business sector, consolidating as a collaborator that promotes the advancement of new initiatives through its financial support. In Commercial Banking, the variation in Credit Investment is mainly explained by the decrease in Consumer credit -6.3%, Cards -0.3% and is partially offset by the growth in Mortgage credit 1.2%. In BEI, the credit increase is mainly due to the 8.3% increase in credit to Companies.

Total Assets showed a reduction of 0.4%, explained by the variation in CoAP -$1,858,641, Commercial -$849,328 and CIB $351,547, partially offset by the variation in BEI $1,603,764 aligned with BBVA's commitment to the business sector, becoming an ally that facilitates the development of new projects through financing, contributing to the creation of more job opportunities for Colombians, in addition to boosting economic growth.

Regarding liabilities, the banks with the highest share of customer resources are Commercial Banking with 35.7%, COAP with 30.5%, BEI with 25.2%, and CIB with 8.6%.

Passive financial intermediaries showed a growth of +6.2%. Regarding the collection of resources from sight and savings products, these had variations from CIB $894,683, Commercial $790,747, and BEI -$1,035,833.

For its part, COAP, which is the area responsible for attracting resources from corporate clients through term deposit certificates (CDTs), concentrates 55.3% of the total CDTs of the Bank. These CDTs showed a variation of -$1,833,788 compared to December 31, 2023, this variation responds to the effect generated by the decrease in the interest rate of the Bank of the Republic throughout the year, which decreases market appetite for this product. For its part, the Bonds show a positive variation growing $750,225 compared to the end of the previous year.

COAP presents a negative asset and liability driven by the lines of the Financial Intermediaries balance (In Assets and Liabilities). This is because through these intermediaries, the COAP manages the funding of the banks. Each bank has its main function; they can be depositors (bringing resources to the Bank) or lenders (generat credit investment). For this reason, the COAP is the area respon for collecting the excess resources from a deposit bank and 'transferring' them to a lending bank. However, to ensure that the financial statements of the deposit bank are not affected, the COAP 'transfers' the investment generated back to the deposit bank. This is done to balance the banks' accounts and to show how the entire Bank operates without penalizing and recognizing the function of each bank. Active financial intermediaries showed a variation of -$1,824,873, while passive financial intermediaries showed a variation of -$2,612,890, behaving in line with the Bank's activity.

In the remaining areas segment, central areas, media, and financial complements are included. All these are areas that provide support to the other banks. In the media area, the Formalization Center is included, where the greatest activity in credit investment corresponding to investments that cannot be segmented occurs. In central areas, the central account is included, which balances the Bank's accounts and is where investment assets from shares in subsidiaries are included. The asset of the remaining segment is mostly compromised by net fixed assets. The remaining areas are also responsible for eliminating duplications generated by operations between banks or where more than one bank participates. Additionally, this includes all components of the central areas and EFAN adjustments. EFAN adjustments consider the standardization of local vs international regulations and reciprocal activities between different countries/banks.

Below is a detail of the accumulated income statement for the years ending December 2024 and 2023 by business segments:

December 31, 2024

Item	Total Bank	Commercial banking	BEI	CIB	COAP	Other
Interest Margin	**$ 3,719,355**	$ 3,338,780	$ 936,258	$ 276,254	$ (452,128)	$ (379,809)
Net Commissions	**518,180**	(25,132)	412,299	212,280	(5,395)	(75,872)
Rest of Financial Operations	**418,180**	75,941	68,871	417,898	(143,560)	(970)
Rest of Ordinary Net Income	**(279,422)**	(63,263)	(21,832)	(6,024)	(228,250)	39,947
Gross Margin	**4,376,293**	3,326,326	1,395,596	900,408	(829,333)	(416,704)
General Administrative Expenses	**(2,106,515)**	(1,154,430)	(124,998)	(113,237)	(4,158)	(709,692)
Personnel Expenses	**(974,015)**	(365,651)	(69,098)	(45,627)	0	(493,639)
General Expenses	**(968,361)**	(685,522)	(25,654)	(29,787)	(2,563)	(224,835)
Taxes (Contributions and Taxes)	**(164,139)**	(103,257)	(30,246)	(37,823)	(1,595)	8,782
Amortizations and Depreciation	**(148,903)**	(48,919)	(496)	(4,945)	0	(94,543)
Expense Assessments	**0**	(482,610)	(159,088)	(51,430)	(49,520)	742,648
Net Margin	**(2,120,875)**	(1,640,367)	(1,111,014)	(730,796)	(883,011)	(478,291)
Loss from Asset Impairment	**(2,790,828)**	(2,750,079)	(34,632)	36,374	0	(42,491)
Provision Allocation	**(4,995)**	(8,102)	(1,275)	(258)	(986)	5,626
Rest of Non-Ordinary Results	**158,896**	170,628	10,277	178	0	(22,187)
BAI	**(516,052)**	(947,186)	1,085,384	767,090	(883,997)	(537,343)
Corporate Tax	**147,103**	0	0	0	0	147,103
BDI	**$ (368,949)**	**$ (947,186)**	**$ 1,085,384**	**$ 767,090**	**$ (883,997)**	**$ (390,240)**

Note: For segmentation purposes, a grouping different from the presentation in the financial statements is made, following corporate models; groupings made according to management and financial planning, specific balance as of December 31, 2024.

December 31, 2023

Item	Total Bank	Commercial banking	BEI	CIB	COAP	Other
Interest Margin	**$ 3,094,996**	$ 3,853,878	$ 1,035,658	$ 324,624	$ (1,780,468)	$ (338,696)
Net Commissions	**572,810**	120,205	341,719	167,926	(7,931)	(49,109)
Rest of Financial Operations	**386,940**	76,901	54,744	490,104	(231,694)	(3,115)
Rest of Ordinary Net Income	**(274,484)**	(42,125)	(16,660)	(7,858)	(140,878)	(66,963)
Gross Margin	**3,780,262**	4,008,859	1,415,461	974,796	(2,160,971)	(457,883)
General Administrative Expenses	**(1,809,791)**	(1,027,108)	(115,366)	(111,186)	(3,358)	(552,773)
Personnel Expenses	**(837,425)**	(337,527)	(60,350)	(45,210)	(84)	(394,254)
General Expenses	**(800,262)**	(590,608)	(22,089)	(30,225)	(1,357)	(155,983)
Taxes (Contributions and Taxes)	**(172,104)**	(98,973)	(32,927)	(35,751)	(1,917)	(2,536)
Amortizations and Depreciation	**(129,312)**	(47,497)	(568)	(4,931)	0	(76,316)
Expense Assessments	**0**	(359,792)	(132,500)	(47,384)	(45,831)	585,507
Net Margin	**1,841,159**	2,574,462	1,167,027	811,295	(2,210,160)	(501,465)
Loss from Asset Impairment	**(1,690,233)**	(1,665,760)	(1,155)	10,156	345	(33,819)
Provision Allocation	**(20,739)**	(8,590)	(1,287)	(1,058)	(135)	(9,669)
Rest of Non-Ordinary Results	**152,772**	140,072	12,679	(734)	611	144
BAI	**282,959**	1,040,184	1,177,264	819,659	(2,209,339)	(544,809)
Corporate Tax	**(88,271)**	(324,629)	(368,900)	(255,805)	696,028	165,035
BDI	**$ 194,688**	**$ 715,555**	**$ 808,364**	**$ 563,854**	**$ (1,513,311)**	**$ (379,774)**

Note: For segmentation purposes, the grouping is done differently from the presentation in the financial statements, following corporate models; grouping is done according to management and financial planning, with a specific balance as of December 31, 2023.

When analyzing the income statements for the year 2024, the banking sector that generated the highest benefit for the Bank was BEI, followed by CIB, reaffirming the focus that the bank has on the business sector. On the other hand, Commercial Banking shows a negative behavior, adapting to the healthy decrease in credit along with the growth of 95 basis points in the delinquency portfolio index as of December 31, 2024. Likewise, the rest of the areas show negative behavior as their main function is to ensure the proper internal functioning of the Bank.

The COAP is the unit that manages the Bank's liquidity and establishes the transfer prices of resources and the portfolio, from and to the other mentioned banks. This showed an increase of $1,328,340 in the interest margin. The gross margin stood at -$829,333.

The other areas are responsible for eliminating duplicities generated by operations between banks or where more than one bank is involved. Additionally, this last one includes all expenses from the central areas and the EFAN adjustments (Financial Statements of Business Areas). In central areas and means, activity corresponding to investment assets and central account is generated, and corresponding to the activity of the formalization center (credit investment). Finally, the expenses of the central areas generate greater activity in the segment (includes salaries of all people from areas that are not business and general administrative expenses).

The Bank's interest margin showed an increase of 20.2% compared to December 2023, a figure explained by a decrease in interest expenses. The variation of the CoAP stands out with a growth of +$1,328,340, resulting from excellent management of the bank's liquidity, which allows for better management of the resources of the business segments. For its part, the Bank's gross margin grew 15.8% compared to the fourth period of 2023 for which CoAP showed the best performance with a variation of +$1,331,638.

The Bank's general administrative expenses recorded an increase of 16.4%, with Commercial Banking and BEI showing the largest increase.

Finally, the Bank's profit after taxes decreased by 289.5% compared to December 31, 2023, explained by the increase in impairment losses of 65.1%, the increase in general administrative expenses of 16.4%, and the decline in net commissions of 9.5%. When analyzing between the banks, the results of the CIB and BEI banks stand out.

5. Maturity of assets and liabilities due

The Bank has conducted an analysis of the maturities for financial assets and liabilities, both derivative and non-derivative, showing the following remaining contractual maturities not discounted for:

- **Credit portfolio and financial leasing operations; Bank loans and other financial obligations.** For the maturity of the credit portfolio, the Bank conducted an analysis of the maturities for financial assets and liabilities, for which the periodic amortization of capital and interest of each obligation is taken into account, as contractually agreed with the client.

  The maturation process is carried out considering the active positions of the credit investment balance and is segmented according to the final expiration date of each contract, classifying the portfolio into commercial, consumer, housing, and microcredit loans, with separate evaluation for legal currency and total currency.

- **Investment Financial Assets.** The maturity of capital and interest of investment financial assets in negotiable fixed-income debt securities and at maturity is classified into the time periods defined by the Superintendency, taking into account the financial conditions of each security. The portfolio of investment financial assets includes securities issued by the Nation and, to a lesser extent, private debt securities, with an average maturity of more than twelve months. The titles mainly correspond to Titles issued by the State (TES) and Short-Term Titles issued by the State (TCO) and Certificates of Deposits (CDT's).

- **Deposits and liabilities.** The maturation of savings deposits is carried out statistically, combining the historical behavior of point balances and account cancellations, in a system of conditional probabilities, generating a logarithmic behavior in the maturation of deposits. Term deposit certificates mature according to the conditions agreed upon with the client.

Below is the maturation of discounted and non-discounted financial assets and liabilities:

Below is the maturation of discounted and non-discounted financial assets and liabilities:

December 31, 2024 Maturation assets

Item	0-1	1-3	3-5	More than 5	Total
Cash and deposits in banks	$ 9,820,787	$ 0	$ 0	$ 0	**$ 9,820,787**
Money market and related transactions	1,059,407	0	0	0	**1,059,407**
Tradeable investments	1,657,615	1,103,714	63,832	581,256	**3,406,417**
Available-for-sale investments	2,212,195	1,160,463	238,707	491,668	**4,103,033**
Investments held to maturity	3,038,257	198,529	11,043	0	**3,247,829**
Investments in subsidiaries and joint ventures	0	0	0	357,004	**357,004**
Derivative financial instruments and cash hedging operations	420,051	0	0	0	**420,051**
Derivative financial instruments and spot trading operations	2,304,259	1,066,369	1,209,021	1,085,551	**5,665,200**
Commercial loan portfolio	17,492,139	6,123,635	5,934,660	2,641,691	**32,192,125**
Consumer loan portfolio	6,099,731	7,662,512	8,661,151	5,980,015	**28,403,409**
Mortgage loan portfolio	1,639,010	2,191,564	3,000,402	8,410,484	**15,241,460**
Microcredit loan portfolio	0	1	1	0	**2**
Other non-maturing assets	0	0	0	5,406,440	**5,406,440**
Total maturation of assets	**$ 45,743,451**	**$ 19,506,787**	**$ 19,118,817**	**$ 24,954,109**	**$ 109,323,164**

The total of the credit portfolio and leasing operations does not include a provision of $4,735,439.

December 31, 2024 Liabilities maturation

Item	0-1	1-3	3-5	More than 5	Total
Checking accounts	$ 7,914,511	$ 0	$ 0	$ 0	**$ 7,914,511**
Certificates of deposit at term	25,394,115	8,073,295	3,013,513	1,180,188	**37,661,111**
Savings deposits, simple deposits, special savings accounts, and real value savings certificates	15,985,131	1,613,644	2,608,710	12,069,484	**32,276,969**
Liabilities for services	499,637	0	0	0	**499,637**
Money market operations	2,492,895	0	0	0	**2,492,895**
Special deposits	528,695	0	0	0	**528,695**
Financial derivative instruments and hedging operations	2,433,711	1,126,247	1,154,823	1,006,524	**5,721,305**
Bank loans and other financial obligations	1,754,841	259,857	1,938,820	1,342,402	**5,295,920**
Outstanding investment securities	1,952,915	183,527	937,870	294,114	**3,368,426**
Other unmatures financial liabilities	0	0	0	2,437,054	**2,437,054**
Total maturity of liabilities	**$ 58,956,451**	**$ 11,256,570**	**$ 9,653,736**	**$ 18,329,766**	**$ 98,196,523**

December 31, 2023 Maturity of assets

Item	0-1	1-3	3-5	More than 5	Total
Cash and deposits in banks	$ 8,556,215	$ 0	$ 0	$ 0	**$ 8,556,215**
Money market and related transactions	2,583,679	0	0	0	**2,583,679**
Tradeable investments	1,903,778	838,803	360,196	590,895	**3,693,672**
Available-for-sale investments	31,628	2,331,437	121,301	496,370	**2,980,736**
Investments held to maturity	0	3,260,018	3,954	0	**3,263,972**
Investments in subsidiaries and joint ventures	0	0	0	330,718	**330,718**
Derivative financial instruments and cash hedging operations	0	218,963	0	0	**218,963**
Financial derivative instruments and hedging operations	6,132,532	1,098,246	915,835	1,174,033	**9,320,646**
Commercial loan portfolio	16,370,693	5,791,188	6,252,997	2,560,646	**30,975,524**
Consumer loan portfolio	6,245,914	7,858,980	8,994,667	6,088,406	**29,187,967**
Mortgage loan portfolio	1,615,863	2,181,371	3,023,475	8,153,929	**14,974,638**
Micro-credit Portfolio	0	1	1	0	**2**
Other non-maturing assets	0	0	0	2,348,561	**2,348,561**
Total maturity of assets	**$ 43,440,302**	**$ 23,579,007**	**$ 19,672,426**	**$ 21,743,558**	**$ 108,435,293**

The total credit portfolio and leasing operations do not include a provision of $3,982,558.

December 31, 2023 liabilities maturation

Item	0-1	1-3	3-5	More than 5	Total
Checking accounts	$ 7,926,945	$ 0	$ 0	$ 0	**$ 7,926,945**
Certificates of deposit at term	24,021,907	7,146,213	3,635,503	1,670,245	**36,473,868**
Savings deposits, simple deposits, special savings accounts, and real value savings certificates	10,077,311	2,627,273	4,090,331	14,824,336	**31,619,251**
Liabilities for services	522,286	0	0	0	**522,286**
Money market operations	2,720,622	0	0	0	**2,720,622**
Special deposits	447,077	0	0	0	**447,077**
Derivative financial instruments and cash hedging operations	14,336	0	0	0	**14,336**
Financial derivative instruments and hedging operations	6,412,091	1,131,429	822,357	1,178,834	**9,544,711**
Bank loans and other financial obligations	1,067,995	1,248,814	1,440,274	1,380,791	**5,137,874**
Outstanding investment securities	0	1,535,545	746,540	237,247	**2,519,332**
Other unmatures financial liabilities	0	0	0	2,297,918	**2,297,918**
Total maturity of liabilities	**$ 53,210,570**	**$ 13,689,274**	**$ 10,735,005**	**$ 21,589,371**	**$ 99,224,220**

6. Foreign currency transactions

The Bank executed operations during the year 2024 in Euro (EUR), British Pound (GBP), Canadian Dollar (CAD), Swiss Franc (CHF), Japanese Yen (JPY), Swedish Krona (SEK), Chinese Yuan (CNY), Mexican Peso (MXN), and US Dollar (USD), with the latter being the most representative operating currency for the Bank.

Therefore, as of December 31, 2024 and 2023, the balances in foreign currency were re-expressed in US dollars (USD):

Item	2024	2023
Spot proprietary position	USD 1,058	USD 512
Proprietary position	(63)	11
Gross leverage position	USD 35,188	USD 36,484

These values are within the current legal limits established by the Bank of the Republic.

As of December 31, 2024 and 2023, the composition of assets and liabilities in foreign currency, equivalent in thousands of US dollars, is as follows:

	Note	2024	2023
Assets			
Cash and deposits in banks	(7)	USD 1,248	USD 968
Investments Available for Sale	(8)	51	0
Loan portfolio and leasing transactions (net)	(10)	440	352
Accounts receivable, net	(13)	385	76
Total foreign currency assets		**2,124**	**1,396**
Liabilities			
Customer deposits	(20)	USD 172	USD 146
Financial obligations	(21)	548	487
Outstanding investment securities	(22)	644	522
Accounts payable	(24)	17	9
Other liabilities		2	1
Total liabilities in foreign currency		**1,383**	**1,166**
Net assets (liabilities) in foreign currency		741	230
Spot transactions in USD		1	8
Spot transactions in DIV		1	2
Forex		31	5
Total rights		**33**	**15**
Spot transactions in USD		10	68
Forex		31	5
Total obligations		**46**	**73**
Net rights (obligations) in foreign currency		(13)	(58)
Exclusions according to the regulations of DODM-139 /25-05-2015 issued by the Banco de la República		330	340
Spot proprietary position		**USD 1,058**	**USD 512**

Foreign exchange differences

The functional and presentation currency of BBVA Colombia's financial statements is the Colombian peso, referred to as COP. Likewise, foreign currency transactions and balances are converted at the representative market exchange rate, which is regulated by the Bank of the Republic of Colombia and supervised by the Financial Superintendence of Colombia (SFC).

The representative market exchange rates for the periods of 2024 and 2023 were:

Item	2024	2023
TRM	4,409.15	3,822.05

The exchange difference reflected in the income statement, both in income and expenses, results from the re-expression of assets and liabilities, as well as the realization of assets in transactions denominated in a currency different from the functional one, all subject to conversion at the prevailing exchange rates.

As of December 31, 2024 and December 31, 2023, the details of the exchange difference in results are as follows:

Item	2024	2023
Operational revenue - exchange gain	$ 1,491,810	$ 1,375,251
Operational expenses - exchange loss	(792,715)	(1,851,907)
Net gain (loss)	**699,095**	**(476,656)**
Operational revenue gain on sales	293,754	20,473
Net gain	293,754	20,473
Operating revenue - gain due to exchange adjustment	**1,198,056**	**1,354,779**
Operating expenses - loss due to exchange adjustment	(792,715)	(1,851,907)
Net gain (loss)	405,341	(497,128)
Net gain (loss)	**$ 699,095**	**$ (476,655)**

The calculation of profit and/or loss from exchange rate differences for 2024 is detailed below:

Item		Value in USD	Value in pesos	Average exchange rate
Spot proprietary position in Dec 2023	USD	512	$ 1,956,233	$ 3,822.05
Purchases	USD	54,813	221,078,521	4,033.30
Position before sales	USD	55,325	223,034,754	4,031.35
Sales	USD	54,267	219,057,488	4,036.68
Profit on sales			**303,720**	
Adjusted proprietary position	USD	1,058	4,666,395	4,409.15
Profit due to exchange adjustment			395,375	
Net gain			**$ 699,095**	

As of December 31, 2024 the exchange rate (TRM) presented an increase of 15.36% equivalent to ($587.10 pesos), in relation to the closing rate as of December 31, 2023.

The closing of the year 2024 was characterized by registering a net profit of $699,095, basically influenced by the fluctuation of the exchange rate, which tended to increase especially for the last quarter of 2024.

At the end of December 2024, the Bank recorded a volume of assets of 2,123 USD, which due to the volatility of the rate favored the restatement of the same, recording a profit of $993,931; as regards Liabilities, their volume corresponded to 1,053 USD, recording a loss in exchange difference of $793,294.

As a result of the purchase and sale of foreign currency for the year 2024, the result was a net profit of $293,754, a very important factor being the fluctuation in the rate, since at the beginning of the year 2024 it was $ 3,915.56 pesos while at the end of the year it was quoted at $ 4,409.15 pesos, therefore the volatility of the rate was $493.59 pesos.

7. Cash and Cash Equivalents

As of December 31, 2024, the balance of this account is summarized as follows:

Item	2024	2023
Legal currency in Colombian pesos:		
Cash	$ 3,131,350	$ 2,633,808
Deposits in the Central Bank	1,185,681	2,222,715
Deposits in other banks	929	3,957
Remittances in transit of negotiated checks	5	26
Subtotal cash and deposits in banks legal currency	**4,317,965**	**4,860,506**
Foreign currency:		
Cash	761	668
Foreign correspondents	5,502,125	3,695,079
Impairment Foreign correspondents	(64)	(38)
Subtotal cash and deposits in foreign currency banks	**5,502,822**	**3,695,709**
Total cash and cash equivalents	**$ 9,820,787**	**$ 8,556,215**
Money market and transactions	1,059,407	2,583,679
Total cash and cash equivalents	**$ 10,880,194**	**$ 11,139,894**

Cash and/or cash equivalents present a variation of 2.33%, the most representative items are: Deposits in other banks with a decrease of 76.52% and is represented by a value of $3,028, due to the natural flow of operations.

With respect to deposits in Banco de la República, they show a decrease of $1,037,034, which is due to the retrocession of simultaneous operations, purchase and sale of external systems, securities administration operations and other operations carried out by the treasury.

As of December 31, 2024, the legal reserve amounted to $3,339,347 and is on deposit at Banco de la República. The purpose of this requirement is to guarantee the necessary liquidity to meet deposits and other liabilities.

The legal reserve is determined in accordance with the provisions established by the Board of Directors of Banco de la República and is calculated by applying the corresponding percentages on the average deposits held by customers in the bank.

As of December 31, 2024 and December 31, 2023, there are no reconciling items older than 30 days in the operations of Banco de la República.

Regarding foreign correspondents, there is an increase of $1,807,046, within which the most representative movements are in the operations with the following banking entities: Citibank NA NY, presenting an increase of $1,342,136, JP Morgan Chase Bank with an increase of $361,014, BBVA Madrid with an increase of $137,315 and Bank Tokyo Mitsubishi with an increase of $30,756.

As of December 31, 2024 and December 31, 2023, the number of reconciling items in foreign correspondents more than 30 days old amounted to 267 and 133, respectively. As part of the reconciliation process, an impairment calculation was performed, which at the end of December 2024 amounted to $64.

Movement of impairment as of December 2024 and December 2023:

Item	2024	2023
Initial balance	$ (38)	$ (316)
Impairment foreign correspondents	(411)	0
Recovery of impairment foreign correspondents	385	278
Final balance	**$ (64)**	**$ (38)**

Money market and related operations recorded a decrease of 59%, equivalent to $1,524,272. This result is mainly explained by a significant outflow of $1,596,704 in Banco de la República as well as lower income in banks of $40,000. Additionally, there were significant outflows in clearing houses $28,914 and insurance $3,565; these reflect treasury operations, settlements and financial adjustments.

As of December 31, 2024, the operations of the money market and related are summarized as follows:

Description	Days	Rate	2024	Days	Rate	2024
Ordinary interbank funds sold						
Banks	0 to 3 days	8.96%	$ 120,060	4 a 8 Days	12.05%	$ 80,107
Subtotal ordinary interbank funds sold			**120,060**			**80,107**
Active simultaneous transactions						
Banco de la República	4 to 8 days	7.64%	307,297	4 a 8 Days	11.76%	1,904,001
Insurance and reinsurance companies	More than 15 days	9.19%	54,559	Mayor a 15 Days	12.50%	50,994
Counterparty Clearing House	More than 15 days	8.95%	577,491	Mayor a 15 Days	12.12%	548,577
Subtotal active simultaneous transactions			**939,347**			**2,503,572**
Total money market and related transactions			**$ 1,059,407**			**$ 2,583,679**

At the end of the period, the transfer commitments in closed repo operations showed a decrease of 83.86% compared to the end of December 2023. This variation is due to fluctuations in market rates, which impacted the dynamics of operations.

During the period, repo operations were carried out with the following counterparts and conditions:

- **Central Bank.** Active repos at a rate of 7.64%, with maturities between 3 and 10 days.
- **Central Counterparty Risk Chamber.** Repos at a rate of 8.95%, with maturities between 3 and 50 days.
- **Insurance and Reinsurance Companies.** Agreed repos at a rate of 9.19%, with maturities of 49 days.

As in December 2023, no ordinary commitments in short positions were recorded. This information reflects liquidity management and financing strategies adopted during the period, in response to market conditions.

There are no restrictions on cash and cash equivalents to meet liquidity requirements in deposits and liabilities.

The risk quality indicators of the Bank of the Republic, as a sovereign entity where BBVA's resources are located, have the following international rating.

International Rating	Moody's	Fitch Ratings
BBVA Colombia Rating	Baa2	BBB-

Credit Quality					
Bank Name	Currency	Internal	External		
			S&P	FITCH	Moody´s
Jp Morgan Chase	USD	A+	A-	AA-	Aa1
Citibank N.Y	USD	A+	A+	A+	Aa3
Wachovia	USD	AA-	A+	AA-	Aa1
Toronto Dominion	CAD	AA-	AA-	AA-	Aa1
U.B.S.	CHF	A-	A-	A	Aa2
Barclays	GBP	BBB+	BBB+	A	A1
Bank Of Tokyo	JPY	A+	A	A	A1
BBVA Hong Kong	CNY	A	A	A	-
BBVA N.Y. USA PNC	USD	A+	A	A+	Aa3
BBVA Madrid	EUR	A	A	BBB+	A2
Bank Of America N.Y.	USD	A+	A-	AA-	Aa1
BBVA Bancomer México	MXN	BBB	BBB	BBB	A3
China Citic Bank	USD	BBB+	A-	BBB+	Baa2
BBVA Madrid	SEK	A	A	BBB+	A2

8. Financial investment assets, net

Below is the summary of investment financial assets:

Tradeable investments	2024	2023
Marketable Investments		
Treasury Securities TES	$ 3,075,461	$ 2,410,969
Other domestic issuers	330,956	1,282,703
Subtotal of tradeable investments (1)	**3,406,417**	**3,693,672**
Available-for-sale investments		
Treasury Securities TES (2)	3,291,906	2,518,818
Other domestic issuers (3)	811,127	461,918
Subtotal investments available for sale	**4,103,033**	**2,980,736**
Investments held to maturity		
Other securities issued by the national government	3,036,759	3,260,018
Other domestic issuers	12,541	4,045
Treasury Securities TES	198,620	0
Impairment of Investments	(91)	(91)
Subtotal of investments to maintain until maturity (4)	**3,247,829**	**3,263,972**
Total net financial investment assets	**$ 10,757,279**	**$ 9,938,380**

1. Between December 2024 and December 2023, there was a decrease in the portfolio of negotiable investments by $287,255, mainly presented by the decrease in other national issuers, which recorded a significant reduction of $951,747, a variation that responds to the nature of the business in which negotiable investments are subject to constant changes due to market dynamics and active portfolio management.

2. Between December 2024 and December 2023, there was a significant increase in investment securities available for sale, with an increase of $773,088. This increase is mainly due to the acquisition of Treasury securities (TES) delivered within the framework of the Bank's operating strategies, specifically within the transactions carried out in the Money Market. These transactions were executed in order to optimize liquidity management and take advantage of favorable market conditions, thus contributing to the strengthening of the Bank's financial position.

   Additionally, on March 27, 2024, a security (United States Bill) with a nominal value of USD 50,000,000 was purchased, valued at USD 50,423,500, maturing on February 28, 2029; this investment is part of the Bank's risk management strategy.

   At the end of 2024, sales of securities in UVR of the portfolio available for sale were made, generating a net profit of $5,220,661.

3. For the investments available for sale from other national issuers, the details are as follows:

For the years 2024 and 2023, the entities of the non-controlled participations declared dividends as follows:

	2024			2023		
Entity	**In Shares**	**In Cash**	**Total**	**In Shares**	**In Cash**	**Total**
Fondo para el Financiamiento del sector agropecuario "FINAGRO"	$ 0	$ 2.414	**$ 2.414**	$ 1.082	$ 4.328	**$ 5.410**
Holding Bursatil Regional Chilena	0	1.518	**1.518**	0	0	**0**
Bolsa de Valores de Colombia	0	0	**0**	0	3.874	**3.874**
ACH Colombia S.A	0	11.566	**11.566**	0	10.039	**10.039**
Credibanco	0	1.062	**1.062**	0	1.571	**1.571**
Total	**$ 0**	**$ 16.559**	**$ 16.559**	**$ 1.082**	**$ 19.812**	**$ 20.894**

Note: Redeban Multicolor S.A. did not declare dividends in 2024 or 2023.

Investments in non-controlled participations. Corresponds to investments in equity instruments in non-controlled participations that as of December 31, 2023 and 2024, were composed of:

a. For the investment that the Bank holds in Credibanco S.A., the valuation is carried out by "Precia S.A." (Price provider for valuation) which is applicable to the entire Colombian Financial sector, for the close of December 2024 and December 2023 the price is $115.33 pesos and $118.92 pesos respectively; these valuations are recorded in other comprehensive income.

b. For the investment of ACH Colombia S.A, the valuation is carried out by "Precia S.A." under the Cash Flow method. It is reflected in the latest reports delivered that the valuation of the share as of September 2024 was $194,372.18 pesos, while as of December 2023 it was $167,404.87 pesos.

c. For the Redeban Multicolor S.A. Investment, the valuation previously performed by "Precia S.A." under the cash flow method, was now performed by "PIP Colombia S.A.". Although both providers use the same method, the change had an impact on the rates and assumptions applied resulting in a significant adjustment. In December 2023 under "Precia S.A.", the valuation of the share was $15,833.82, while with the new provider, the value as of August 2024 was $75,588.80 pesos. As a result, the total value of the investment went from $25,585.89 in 2023 to $122,144.02 in 2024, reflecting a net impact of $96,558.13, which is recorded in other comprehensive income.

d. In the case of the participation in the new Holding Bursátil Chilena S.A., the share price published by the Santiago Stock Exchange BCS S.A. converted to Colombian pesos is considered; these shares were valued at a market price of Ps. 17,699.26 for the closing of December 2024; these valuations are recorded with changes in other comprehensive income.

e. For investments classified as non-controlled participations Fund for the Financing of the Agricultural Sector (FINAGRO), its measurement until March 2024 was carried out according to the liquidity index taking into account the subsequent equity variations after the acquisition of the investment; however, starting from April 2024, the valuation is carried out by "PIP Colombia S.A." (Price provider for valuation) using the discounted cash flow methodology for shareholders, for the close of December 2024 the price is $3,422.41; these valuations are recorded in other comprehensive income.

4. As of December 31, 2024, the inventory of investments to be held to maturity presents a decrease of $16,143, mainly due to other securities issued by the national government delivered in money market operations.

The composition of the portfolio of investment financial assets by classification and species, without impairment as of December 31, 2024 was:

Composition of the Securities Portfolio at year-end 2024

Class of security	Tradeable investments		Investments held to maturity		Available-for-sale investments		Overall Total
	Amount	%	Amount	%	Amount	%	
Ordinary Bonds	$ 1,999	0%	0	0%	0	0%	**$ 1,999**
CDTs	328,957	10%	0	0%	0	0%	**328,957**
TDAs	0	0%	1,889,528	58%	0	0%	**1,889,528**
TIPS	0	0%	12,541	0%	15,955	0%	**28,496**
TDS	0	0%	1,147,231	35%	0	0%	**1,147,231**
Treasury Securities - TES	3,075,461	90%	198,620	6%	3,291,908	80%	**6,565,989**
U.S. Treasury Bill	0	0%	0	0%	222,752	5%	**222,752**
Credibanco	0	0%	0	0%	131,806	3%	**131,806**
Holding Bursátil Chilena S.A.	0	0%	0	0%	47,257	1%	**47,257**
Redeban Multicolor	0	0%	0	0%	122,144	3%	**122,144**
A.C.H Colombia	0	0%	0	0%	137,414	3%	**137,414**
Fondo para el Financiamiento del sector agropecuario “FINAGRO”	0	0%	0	0%	133,798	3%	**133,798**
Overall Total	**$ 3,406,417**	**100%**	**$ 3,247,920**	**100%**	**$ 4,103,034**	**100%**	**$ 10,757,371**

The composition of the investment portfolio as of December 31, 2023 was as follows:

Composition of the Investment Portfolio as of the year-end 2023

Class of security	Tradeable investments		Investments held to maturity		Available-for-sale investments		Overall Total
	Amount	%	Amount	%	Amount	%	
Ordinary Bonds	$ 14,884	0%	0	0%	0	0%	**$ 14,884**
CDTs	1,267,819	34%	0	0%	5,031	0%	**1,272,850**
TDAs	0	0%	2,106,983	65%	0	0%	**2,106,983**
TIPS	0	0%	4,045	0%	15,573	1%	**19,618**
TDS	0	0%	1,153,035	35%	0	0%	**1,153,035**
Treasury Securities - TES	2,410,969	65%	0	0%	2,518,818	85%	**4,929,787**
Credibanco	0	0%	0	0%	135,909	5%	**135,909**
Holding Bursátil Chilena S.A.	0	0%	0	0%	51,902	2%	**51,902**
Redeban Multicolor S.A.	0	0%	0	0%	25,586	1%	**25,586**
A.C.H Colombia S.A	0	0%	0	0%	118,349	4%	**118,349**
Fondo para el Financiamiento del Sector agropecuario “FINAGRO”	0	0%	0	0%	109,569	4%	**109,569**
Overall Total	**$ 3,693,672**	**100%**	**$ 3,264,063**	**100%**	**$ 2,980,737**	**100%**	**$ 9,938,472**

The maturity of investments in debt securities at December 31, 2024 was as follows:

Maturities Portfolio of Securities (in Millions of Pesos)				2024
Range	Tradeable investments	Investments held to maturity	Available-for-sale investments	Overall Total
Less than 1 Year	$ 1,657,615	$ 3,038,257	$ 1,639,775	**$ 6,335,647**
From 1 to 5 Years	1,111,415	201,827	1,399,170	**2,712,412**
More than 5 years	637,387	7,836	1,064,089	**1,709,312**
Overall Total	**$ 3,406,417**	**$ 3,247,920**	**$ 4,103,034**	**$ 10,757,371**

The maturity of investments in debt securities at December 31, 2023 was as follows:

Maturities Portfolio of Securities (in Millions of Pesos)				2023
Range	Tradeable investments	Investments held to maturity	Available-for-sale investments	Overall Total
Less than 1 Year	$ 1,903,779	$ 3,260,018	$31,628	**$ 5,195,425**
From 1 to 5 Years	1,198,999	4,045	2,452,738	**3,655,782**
More than 5 years	590,894	0	496,371	**1,087,265**
Overall Total	**$ 3,693,672**	**$ 3,264,063**	**$ 2,980,737**	**$ 9,938,472**

As of December 31, 2024, the following distribution by rating of the investments available for sale and the investments to be held until maturity is presented.

December 31, 2024

Debt securities DPV available for sale				Representative Debt Securities held to maturity			
Global Issuance S&P Rating	Carrying value Sovereign debt	Carrying value Rest of debt	%	Global Issuance S&P Rating	Carrying value Sovereign debt	Carrying value Rest of debt	%
A	$ 0	$ 572,420	0%	AAA	$ 1,889,528	$ 0	58%
BB+	3,291,906	0	93%	BBB-	1,345,851	0	41%
Unclassified	0	238,708	7%	Unclassified	0	12,541	0%
Total	**$ 3,291,906**	**$ 811,128**	**100%**	**Total**	**$ 3,235,379**	**$ 12,541**	**100%**

December 31, 2023

Debt securities DPV available for sale				Representative Debt Securities held to maturity			
Global Issuance S&P Rating	Carrying value Sovereign debt	Carrying value Rest of debt	%	Global Issuance S&P Rating	Carrying value Sovereign debt	Carrying value Rest of debt	%
A	$ 0	$ 446,347	0%	A	$ 0	$ 0	0%
BB+	2,518,818	0	99%	BB+	3,260,018	0	100%
Unclassified	0	15,573	1%	Unclassified	0	4,045	0%
Total	**$ 2,518,818**	**$ 461,920**	**100%**	**Total**	**$ 3,260,018**	**$ 4,045**	**100%**

Global Rating Agency

ISSUER	CDT	TDA	TES	TIPS
Bancolombia S.A.	AAA			
National Government DTN (TES)			BBB	
Fondo para el financiamiento del sector agropecuario FINAGRO		AAA		
Titularizadora Colombiana S.A.				
INSC15061232-229718				BB+
INSZ15061232-229722				BBB
TIPN16B32-229723				A
INST180739B1-394904				AA
INST180739B2-394906				BBB

The securities and/or values that have one or more ratings granted by external rating agencies recognized by the Financial Superintendence of Colombia, or the securities and/or values of debt issued by entities that are rated by them, cannot be accounted for an amount that exceeds the following percentages of their net nominal value of the amortizations made up to the valuation date:

Long-term rating	Maximum value %	Short-term rating	Maximum value %
BB, BB, BB-	Ninety (90)	3	Ninety (90)
B, B, B-	Seventy (70)	4	Fifty (50)
CCC	Fifty (50)	5 y 6	Zero (0)
DD,EE	Zero (0)	-	-

Investment Restriction

As of December 31, 2024, most of the investments mentioned above are unrestricted, except for some securities in embargo status, whose balance decreased compared to December 31, 2023, and which are classified as negotiable investments, the embargoes are generated by court judgments against the Bank, which arrive through the offices, the Centralized Securities Deposit - DECEVAL and/or the Banco de la República:

	2024		2023	
Class Title	Nominal	Market value	Nominal	Market value
Term deposit certificate	$ 56	$ 57	$ 850	$ 869
Total	**$ 56**	**$ 57**	**$ 850**	**$ 869**

9. Derivative Financial Instruments and Cash Operations - Assets

The financial instruments traded by BBVA are classified as assets or liabilities (see note 21) according to their result.

As of December 31, the balance of this account classified as an asset is summarized as follows:

Derivative financial instruments and cash transactions	2024	2023
Tradeable (1)	$ 5,665,200	$9,320,646
Hedging (2)	420,051	218,963
Total derivative financial instruments and spot operations (Asset)	**$ 6,085,251**	**$ 9,539,609**

9.1. FINANCIAL INSTRUMENTS - TRADING DERIVATIVES (ASSET)

Below is a summary of the trading financial instruments and spot transactions:

Item	Notional Value		Fair Value	
Forward transactions	**2024**	**2023**	**2024**	**2023**
Purchase on foreign currency				
Rights	$ 53,178,504	$ 699,237	$ 53,326,305	$ 665,697
Obligations	53,178,504	699,237	(51,377,442)	(631,155)
Sale on currencies				
Rights	12,559,743	62,489,752	12,337,474	60,483,036
Obligations	12,559,743	62,489,752	(12,194,574)	(54,760,067)
Less Credit Risk	0	0	(774)	(1,429)
Sale on securities				
Rights	930,800	0	912,358	0
Obligations	930,800	0	(897,042)	0
Total forward contracts	**$ 66,669,047**	**$ 63,188,989**	**$ 2,106,305**	**$ 5,756,082**

Item	Notional Value		Fair Value	
Cash Transactions	2024	2023	2024	2023
Currency Purchase				
Rights	$ 5,524	$ 34,855	$ 5,527	$ 34,858
Obligations	5,524	34,855	(5,461)	-34,666)
Currency Sale				
Rights	63,036	183,545	63,142	183,422
Obligations	63,036	183,545	(62,990)	(182,901)
Purchase on securities				
Rights	23,655	196,953	21,663	192,105
Obligations	23,655	196,953	(21,642)	(191,848)
Sale on securities				
Rights	37,821	18,024	33,432	16,047
Obligations	37,821	18,024	(33,400)	(16,030)
Total spot transactions	**$ 130,036**	**$ 433,377**	**$ 271**	**$ 987**

Options	2024	2023	2024	2023
Purchase Put	$ 959,359	$ 544,773	$ 9,028	$ 47,400
Purchase Call	1,187,353	796,623	22,934	5,672
Less CVA credit risk	0	0	(54)	(31)
Fair value of exchange price	**$ 2,146,712**	**$ 1,341,396**	**$ 31,908**	**$ 53,041**

Item	Notional Value		Fair Value	
Swaps	2024	2023	2024	2023
On interest rates				
Rights	$ 71,518,844	$ 63,252,041	$ 15,979,225	$ 14,062,010
Obligations	71,518,844	63,252,041	(14,011,456)	(11,834,967)
On currencies				
Rights	9,706,313	12,898,360	11,330,022	13,657,075
Obligations	9,706,313	12,898,360	(9,760,521)	(12,362,368)
Less CVA credit risk	0	0	(10,554)	(11,212)
Total Swaps	**$ 81,225,157**	**$ 76,150,401**	**$ 3,526,716**	**$ 3,510,538**

Item	Notional Value		Fair Value	
Futures	2024	2023	2024	2023
Purchases on foreign currencies				
Rights	$ 23,207,987	$ 10,463,242	$ 23,207,987	$ 10,463,242
Obligations	23,207,987	10,463,242	(23,207,987)	(10,463,242)
Sale on currencies				
Rights	25,445,957	13,038,777	25,445,957	13,038,777
Obligations	25,445,957	13,038,777	(25,445,957)	(13,038,777)
Total Futures	**48,653,944**	**23,502,019**	**0**	**0**
Total cash and derivative transactions	**$ 198,824,896**	**$ 164,616,182**	**$ 5,665,200**	**$ 9,320,648**

Derivative transactions are basically covered with cross forwards.

The Bank has conducted forward transactions on currencies, forward on securities, futures on national bonds at the TRM, standardized forwards, options on currencies, currency swaps, and interest rate swaps, which are valued according to the provisions set forth in Chapter XVIII of the CBCF.

As a general policy for derivative transactions, the Bank is governed by the regulations issued by the Financial Superintendence of Colombia and takes into account the restrictions and limits of its own position, the own spot position, the leverage position, and the interest rates established by the BBVA Group.

As of December 31, 2024 and 2023, derivative transactions do not present charges, restrictions, or legal or financial encumbrances, nor pledges, seizures, litigations, or any other limitation on the exercise of the rights inherent to these transactions.

The variation presented in rights as well as in obligations of forward and futures contracts on currencies is the result of the fluctuations that the foreign exchange rate has experienced throughout the year 2024.

As of December 31, 2024, the composition of transactions with derivative financial instruments was:

			Maturity in days		Figures in millions of pesos		
Type of Instrument	Type of Transaction	Currency	Minimum	Maximum	Value Right	Value Obligation	Net Result
Forward currency	Purchase	USD/COP	2	2,697	$ 94,532,588	$ 92,717,135	$ 1,815,453
	Purchase	EUR/COP	7	272	13,535	13,544	(9)
	Purchase	EUR/USD	10	126	440,722	462,263	(21,541)
	Purchase	JPY/USD	14	279	89,816	94,599	(4,783)
	Purchase	MXN/USD	0	0	0	0	0
	Purchase	SEK/COP	37	37	4,227	4,421	(194)
	Purchase	GBP/USD	15	15	1,177	1,188	(11)
	Purchase	JPY/COP	7	164	2,454	2,382	72
	Sale	USD/COP	2	939	95,322,104	97,119,118	(1,797,014)
	Sale	COP/EUR	7	217	242,015	242,997	(982)
	Sale	USD/JPY	164	238	15,852	14,614	1,238
	Sale	USD/CNH	238	238	4,324	4,163	161
	Sale	USD/SEK	37	238	5,906	5,416	490
	Sale	USD/CHF	238	238	10,491	9,780	711
	Sale	USD/EUR	13	272	139,667	122,188	17,479
	Sale	USD/GBP	238	238	11,254	10,808	446
	Sale	COP/JPY	14	279	91,613	89,950	1,663
	Sale	USD/CAD	238	238	4,783	4,522	261
	Sale	USD/MXN	238	238	8,348	8,125	223
	Sale	COP/GBP	15	15	1,178	1,177	1

			Maturity in days		Figures in millions of pesos		
Type of Instrument	**Type of Transaction**	**Currency**	**Minimum**	**Maximum**	**Value Right**	**Value Obligation**	**Net Result**
Total forward of currencies					**190,942,054**	**190,928,390**	**13,664**
Forward on Securities	Purchase	COP	8	8	121,596	(124,988)	(3,392)
	Sale	COP	7	8	912,363	(897,048)	15,315
Total forward on securities					**1,033,959**	**(1,022,036)**	**11,923**
Total Forward					**191,976,013**	**189,906,354**	**25,587**
Spot on currencies	Purchase	USD/COP	2	2	3,749	3,748	1
	Purchase	EUR/COP	2	2	3,599	3,539	60
	Purchase	EUR/USD	2	2	392	390	2
	Sale	USD/COP	2	3	42,533	42,518	15
	Sale	COP/EUR	2	3	22,398	22,266	132
	Sale	COP/GBP	2	2	28	28	0
	Sale	COP/MXN	2	2	137	135	2
	Sale	USD/EUR	2	2	4	4	0
Total spot on currencies					**72,840**	**72,628**	**212**
Counted on titles	Purchase	COP	2	7	86,811	(86,804)	7
	Sale	COP	2	9	65,910	(65,890)	20
Total counted on titles					**152,721**	**(152,694)**	**27**
Total counted					**225,561**	**(80,066)**	**239**
Financial options	Purchase PUT	USD/COP	2	534	9,018	0	9,018
	Purchase CALL	USD/COP	2	534	22,893	0	22,894
	PUT Sale	USD/COP	2	534	0	(9,020)	(9,020)
	CALL Sale	USD/COP	2	534	0	(22,910)	(22,911)
Total financial options					**31,911**	**(31,930)**	**-19**

			Maturity in days		Figures in millions of pesos		
Type of Instrument	**Type of Transaction**	**Currency**	**Minimum**	**Maximum**	**Value Right**	**Value Obligation**	**Net Result**
Interest rate swap	IRS	COP	2	4,354	27,410,003	(27,540,169)	(130,167)
	IRS	USD	2	3,628	3,287,122	(3,340,550)	(53,429)
Total swap on interest rate					**30,697,125**	**(30,880,719)**	**(183,596)**
Swap currencies	CCS	EUR	0	0	0	0	1
	CCS	USD	3	3,598	21,558,125	(21,456,443)	101,683
Total swap on currencies					**21,558,125**	**(21,456,443)**	**101,684**
Swap currency coverage	CCS	COP	111	111	1,471,887	(1,051,836)	420,051
Total swap currency coverage					**1,471,887**	**(1,051,836)**	**420,051**
Total swap					**53,727,137**	**(53,388,998)**	**338,139**
Futures	Purchase	COP			0	0	0
	Sale	COP			327,947	(327,947)	0
Total futures					**327,947**	**(327,947)**	**0**
Total operations with derivative financial instruments					**245,254,610**	**137,099,449**	**363,946**

As of December 31, 2023, the composition of operations with derivative financial instruments was:

			Maturity in days		Figures in millions of pesos		
Type of Instrument	Type of Transaction	Currency	Minimum	Maximum	Value Right	Value Obligation	Net Result
Forward currency	Purchase	USD/COP	2	3.063	$ 76.193.579	$ (82.048.179)	$ (5.854.600)
	Purchase	EUR/COP	22	79	45,917	(46,134)	(217)
	Purchase	EUR/USD	5	379	274,422	(279,182)	(4,760)
	Purchase	JPY/USD	16	284	43,832	(42,771)	1,061
	Purchase	MXN/USD	24	204	3,677	(3,020)	657
	Purchase	SEK/COP	65	65	1,005	(1,019)	(14)
	Sale	USD/COP	2	1,305	82,310,303	(76,616,880)	5,693,423
	Sale	COP/EUR	10	254	105,356	(90,933)	14,423
	Sale	USD/JPY	31	239	29,495	(29,876)	(381)
	Sale	USD/CNH	239	239	3,613	(3,714)	(101)
	Sale	USD/SEK	65	239	1,960	(2,138)	(178)
	Sale	USD/CHF	239	239	8,786	(9,090)	(304)
	Sale	USD/EUR	5	379	157,896	(150,449)	7,447
	Sale	USD/GBP	240	240	4,718	(4,749)	(31)
	Sale	COP/JPY	16	284	28,800	(27,558)	1,242
	Sale	USD/CAD	239	239	4,129	(4,228)	(99)
	Sale	USD/MXN	24	239	11,007	(11,774)	(767)
Total forward of currencies					**159,228,495**	**(159,371,694)**	**(143,199)**
Spot on currencies	Purchase	USD/COP	2	2	29,999	(29,995)	4
	Purchase	EUR/COP	2	2	9,343	(9,177)	166
	Purchase	CHF/COP	3	3	46	(45)	1
	Sale	USD/COP	2	4	259,458	(258,992)	466
Total spot on currencies					**298,846**	**(298,209)**	**637**
Spot on securities	Purchase	COP	2	67	269,829	(269,595)	234
	Sale	COP	2	67	35,984	(35,975)	9
Total spot on securities					**305,813**	**(305,570)**	**243**
Total spot					**604,659**	**(603,779)**	**880**

			Maturity in days		Figures in millions of pesos		
Type of Instrument	**Type of Transaction**	**Currency**	**Minimum**	**Maximum**	**Value Right**	**Value Obligation**	**Net Result**
Financial options	Purchase PUT	USD/COP	2	549	47,387	0	47,387
	Purchase Call	USD/COP	2	549	5,657	0	5,658
	PUT Sale	USD/COP	2	549	0	(47,387)	(47,388)
	CALL Sale	USD/COP	2	549	0	(5,673)	(5,673)
Total financial options					**53,044**	**(53,060)**	**(16)**
Interest rate swap	IRS	COP	2	4.720	22,802,610	(22,959,806)	(157,197)
	IRS	USD	8	3.497	1,667,946	(1,735,234)	(67,289)
Total interest rate swaps					**24,470,556**	**(24,695,040)**	**(224,486)**
Swap currencies	CCS	EUR	0	0	0	0	1
	CCS	USD	5	3.522	23,008,780	(22,866,026)	142,755
Total swap on currencies					**23,008,780**	**(22,866,026)**	**142,756**
Swap currency coverage	CCS	COP	51	477	1,336,532	(1,131,902)	204,630
Total swap currency coverage					**1,336,532**	**(1,131,902)**	**204,630**
Total swap					**48,815,868**	**(48,692,968)**	**122,900**
Futures	Purchase	COP			175,828	(175,828)	0
	Sale	COP			184,566	(184,566)	0
Total futures					**360,394**	**(360,394)**	**0**
Total operations with derivative financial instruments					**$ 209,062,460**	**$ (209,081,895)**	**$ (19,435)**

The guarantees provided in derivative transactions as of December 31, 2024 and 2023 were as follows:

Counterparty	DIV	2024	2023
Asset			
Banco Santander S.A. Ny	EUR	$ 212,415	$ 212,415
Bbva Madrid Clearing Broker	USD	256,701,448	0

Financial guarantees, regardless of their holder, instrumentation, or other circumstances, are periodically analyzed to determine the credit risk to which they are exposed and, if necessary, estimate the need to establish any provision for them.

Credit Value Adjustment

The CVA aims to calculate the amount of expected losses during the life of the transactions brought to present value in the Treasury's derivatives portfolio, at a given future moment; credit risk losses depend on three components: the probability of default of the counterparties at that moment, the severity in case of default, and the exposure at the time of default.

Starting in 2016, the calculation of DVA (Debit Value Adjustment) was introduced to the valuation adjustments for credit risk. The nature of this adjustment is opposite to that of the CVA, in such a way that it reflects the possibility that the Bank defaults on a transaction with a positive value for a counterparty due to a credit event. With this adjustment, CVA is reported for those counterparties whose portfolio value is in favor of the Bank and DVA for portfolios with negative value for the Bank.

The reporting of CVA and DVA is done at the transaction level, therefore the adjustment is distributed among each transaction of the counterparty that shares the same market value nature as that of the portfolio aggregate; otherwise, a zero will be assigned to the credit risk adjustment.

Below is the change in measurement between 2024 and 2023; the change in reported CVA is mainly due to the high volatility of rates that occurred in the second half of the year with a revaluation of 21% in the USD/COP, which generated decreases in MtM in most derivatives traded in USD and EUR currencies and due to lower operations with BBVA Madrid.

	Year	Amount mill.	Max Mill.	Min Mill.	Average Mill.
CVA	2024	11,384	13,058	6,439	10,985
	2023	12,672	24,900	12,632	17,363
DVA	2024	18,958	19,043	14,332	16,289
	2023	17,340	31,676	17,085	22,807

In the case of DVA, the decrease is mainly due to the high volatility of rates presented in the second half of the year, decreasing the MtM and the lower operations specifically presented with BBVA Madrid, with which hedges of exchange rate derivatives closed to clients are made, in search of a decrease in market risk sensitivity.

As of December 31, 2024 and 2023, the total CVA (Credit Value Adjustments) was $11,384 and $12,672, and DVA (Debit Value Adjustments) was $18,958 and $17,338. Below is the breakdown by product:

	CVA	
Product	2024	2023
FW Currencies	$ 8	$ 24
FW Dollars	736	1,405
Futures	33	0
Options	54	31
Swap	10,553	11,212
Total	**$ 11,384**	**$ 12,672**

	DVA	
Product	2024	2023
FW Currencies	$ 6	$ 10
FW Dollars	1,297	2,041
Futures	27	0
Options	15	17
Swap	17,613	15,270
Total	**$ 18,958**	**$ 17,338**

9.2. FINANCIAL INSTRUMENTS - HEDGING DERIVATIVES (ASSET)

Issuance of Bonds in foreign currency

The Bank issued subordinated bonds abroad for an amount of USD $400 million on April 21, 2015, maturing on April 19, 2025. These bonds have a maturity of 10 years, with a coupon rate of 4.875% and will accrue interest semi-annually.

The Subordinated Bonds have been issued in accordance with the provisions of Rule 144A/ Regulation S of the U.S. Securities Market Law – Securities Act of 1933.

BBVA Securities Inc. and Morgan Stanley & Co. LLC., acted as placement agents.

Accounting Hedge

The Bank established fair value and cash flow hedges, with which it intends to cover the exchange rate risk and interest rate risk in dollars as follows:

Cash Flow Hedge

These financial instruments were designated as cash flow hedges because both their rights and obligations are at a fixed rate, and future cash flows for interest and principal payments are to be hedged according to the agreed nominal value.

Transaction	Nominal Value of Right		EA Right Rate	Nominal Value of Obligation	EA Obligation Rate	Value of Rights 2024	Value of Obligation 2024	Other Comprehensive Income 2024
47936511	USD	40	9.98%	$ 129,200	4.88%	$ 178,410	$ 132,071	$ 46,339
47936513	USD	40	10.64%	124,000	4.88%	178,410	127,158	51,252
47936514	USD	40	10.71%	117,600	4.88%	178,410	120,636	57,774
50087279	USD	0	0.00%	0	0.00%	0	0	0
Total						**$ 535,231**	**$ 379,865**	**$ 155,365**

Transaction	Nominal Value of Right		EA Right Rate	Nominal Value of Obligation	EA Obligation Rate	Value of Rights 2023	Value of Obligation 2023	Other Comprehensive Income 2023
47936511	USD	40	9.98%	$ 129,200	4.88%	$ 157,106	$ 131,994	$ 25,112
47936513	USD	40	10.64%	124,000	4.88%	157,106	127,825	29,282
47936514	USD	40	10.71%	117,600	4.88%	157,106	121,342	35,763
50087279	USD	10	14.62%	48,550	6.42%	40,400	54,736	(14,336)
Total						**$ 511,718**	**$ 435,897**	**$ 75,821**

Fair Value hedge accounting

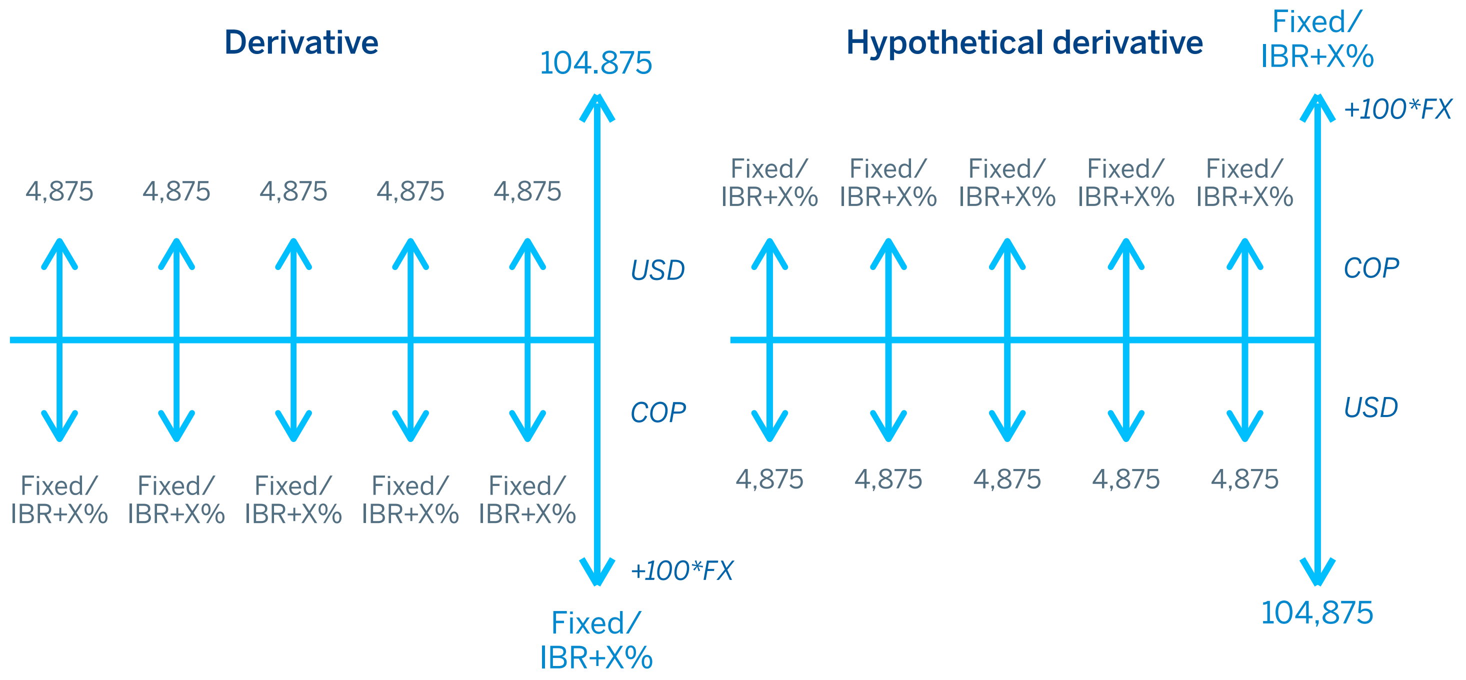
It was designated as fair value because the obligation is indexed with the IBR rate (Benchmark Banking Indicator) which was developed by the private sector, with the support of the Bank of the Republic and other entities, with the aim of reflecting the liquidity of the Colombian money market) that is to say that when acquiring a debt in the market today, a rate similar to the reference rate would be estimated.

Transaction	Nominal Value of Right		EA Right Rate	Nominal Value of Obligation	EA Obligation Rate		Value of Rights 2024	Value of Obligation 2024	Status
Results 2024	USD	70	4.88%	$ 226,100	IBR+	3.19%	$ 312,218	$ 233,799	$ 78,419
47936885	USD	70	4.88%	217,000	IBR+	3.57%	312,218	224,795	87,423
47936887	USD	70	4.88%	205,800	IBR+	3.75%	312,218	213,375	98,843
Total							**$ 936,654**	**$ 671,968**	**$ 264,686**

Transaction	Nominal Value of Right		EA Right Rate	Nominal Value of Obligation	EA Obligation Rate		Value of Rights 2023	Value of Obligation 2023	Status
Results 2023	USD	70	4,88%	226,100	IBR+	3,19%	$ 274,936	$ 241,549	$ 33,386
47936885	USD	70	4,88%	217,000	IBR+	3,57%	274,936	232,980	41,956
47936887	USD	70	4,88%	205,800	IBR+	3,75%	274,936	221,472	53,463
Total							**$ 824,807**	**$ 696,001**	**$ 128,805**

9.3. MEASURING HEDGING EFFECTIVENESS

The hypothetical derivative is defined as the perfect mirror in which one leg fully matches the economic characteristics of the hedged item, which is the method used by the bank to measure the effectiveness of its hedging instruments concluding that over time it will be 100% effective.



Due to the above, the effective part of the loss or gain of the cash flow hedging instrument was recognized in equity (OCI) and the ineffective part will be recognized with an effect on results. Considering that the conditions of the CCS (cross currency swap) of the payment received by the Bank in dollars match those of the hedged item (coupon date, coupon rate, coupon settlement basis, and final cash flow exchange), it is anticipated that the effect on the bank's income statement is neutral.

As of December 31, 2024 and 2023, the valuation and accrual concepts of the cash flow hedge swap for $155,365 and $75,821 respectively are recorded in Other Comprehensive Income. As of these same dates, no reclassifications of equity to results for the period have been made.

The accounting of hedging derivatives as of December 31 is as follows:

Asset hedging - Swap CCS

Valuation as of December 31, 2024

Hedging Type	Currency	Value of Right	Value of Obligation	Statement of financial position 2023	Statement of comprehensive income 2023	Statement of other comprehensive income 2023
Fair Value	USD	$ (936,654)	$ (671,968)	$ (264,686)	$ 0	$ 0
Cash Flow		(535,231)	379,865	0	0	155,365
Total				**$ 264,686**	**$ 0**	**$ 155,365**
Total asset hedging						**$ 420,051**

As of December 31, 2023

Hedging Type	Currency	Value of Right	Value of Obligation	Statement of financial position 2023	Statement of comprehensive income 2023	Statement of other comprehensive income 2023
Fair Value	USD	$ (824,807)	$ 696,001	$ 128,805	$ 0	$ 0
Cash Flow		(471,318)	381,161		0	90,157
Total				**$ 128,805**	**0**	**$ 90,157**
Total asset hedging						**$ 218,963**

In the year 2024, the value equivalent to the exchange rate adjustment of the cash flow hedge was $171,396 on 120 million USD.

10. Loan portfolio and financial lease transactions, net

The financial asset account for the loan portfolio at amortized cost in the separate statement of financial position is presented according to the classification adopted by the Financial Superintendence in the Unique Financial Information Catalog - CUIF. Below is the net loan portfolio and financial leasing operations including interest and other items as of December 31, 2024 and 2023:

Item	2024	2023
Commercial portfolio	$ 32,192,125	$ 30,975,524
Consumer portfolio	28,403,409	29,187,967
Mortgage portfolio	15,241,460	14,974,638
Microcredit portfolio	2	2
Subtotal loan portfolio and financial leasing transactions	75,836,996	75,138,131
Impairment of loan portfolio and financial leasing transactions	(4,735,439)	(3,982,558)
Total loan portfolio and financial leasing transactions, net	**$ 71,101,557**	**$ 71,155,573**

The net portfolio is related by currency type:

December 31, 2024

Modalities	Local currency	Foreign Currency	UVR	Impairment	Total Foreign Currency
Commercial	$ 29,729,357	$ 1,953,449	$ 509,319	$ (654,582)	**$ 31,537,543**
Consumption	28,403,409	0	0	(3,556,057)	**24,847,352**
Mortgage	14,256,787	0	984,673	(524,798)	**14,716,662**
Microcredit	2	0	0	(2)	**0**
Total Loan Portfolio and Financial Leasing Transactions, net	**$ 72,389,555**	**$ 1,953,449**	**$ 1,493,992**	**$ (4,735,439)**	**$ 71,101,557**

December 31, 2023

Modalities	Local currency	Foreign Currency	UVR	Impairment	Total Foreign Currency
Commercial	$ 29,101,910	$ 1,367,979	$ 505,634	$ (833,921)	**$ 30,141,602**
Consumption	29,187,968	0	0	(2,618,734)	**26,569,234**
Mortgage	14,536,633	0	438,005	(529,901)	**14,444,737**
Microcredit	2	0	0	-2	**0**
Total Loan Portfolio and Financial Leasing Transactions, net	**$ 72,826,513**	**$ 1,367,979**	**$ 943,639**	**$ (3,982,558)**	**$ 71,155,573**

During 2024, the net loan portfolio shows a slight annual accumulated decrease compared to what was reported in December 2023, where the one that showed the greatest recovery is the commercial portfolio at 3.93%, and the housing portfolio also shows growth of 1.78%. On the other hand, the portfolio that showed a decrease is the consumption portfolio at 2.69%.

At the end of 2024, BBVA's loan portfolio remained adjusted to the macroeconomic events facing the country, marked by the increase in inflation and interest rates at the beginning of the year, which impacted the quality of the portfolio as of December 2024. In this way, BBVA seeks to maintain growth that aligns with the intention to reach the inflation target proposed by the Central Bank, generating benefits for clients through healthy financing.

BBVA Colombia's portfolio maintains its focus on the individual segment, which represents 57.55% of the gross portfolio as of December 2024. This segment, composed of consumption and mortgage portfolios, showed a decrease of 0.91% compared to the year 2023.

The consumption portfolio, composed of payroll loans, vehicle loans, free investment, revolving credit, personal credit cards, and personal overdrafts, showed an annual decrease of 2.69%. Payroll loans have the largest share in the consumption portfolio, followed by credit cards and vehicle loans. The growth of vehicles compared to the previous year is highlighted at 3%.

Additionally, the current commercial portfolio has had a variation of 3.93% compared to December 2023, showing a growth of $1,216,601. This result reflects BBVA's commitment to the business sector, consolidating itself as a collaborator that promotes the advancement of new initiatives through its financial support.

Finally, the healthy decrease in credit along with the increase of 95 basis points in the delinquency portfolio index, derived from the current market situation, reflects a total decrease of 0.08% in the net loan portfolio during the year 2024.

Below is a summary of the loan portfolio and financial leasing operations as of December 31, 2024, and 2023 by modality and type of risk as of December 31, 2024, and 2023:

December 31, 2024

Credit Portfolio	Capital	Interests	Others	Capital Deterioration	Interest Deterioration	Other Deterioration	Guarantee
Commercial:							
Category "A"	$ 30,430,341	$ 337,081	$ 6,043	$ (277,264)	$ (3,704)	$ (136)	$ 18,088,449
Category "B"	709,473	8,886	786	(24,419)	(662)	(75)	963,851
Category "C"	258,718	7,671	2,136	(25,153)	(2,887)	(735)	592,583
Category "D"	65,143	3,381	721	(28,636)	(2,861)	(664)	95,700
Category "E"	320,488	21,564	19,693	(246,308)	(21,530)	(19,548)	508,631
Total Commercial	**31,784,163**	**378,583**	**29,379**	**(601,780)**	**(31,644)**	**(21,158)**	**20,249,214**
Consumption:							
Category “A”	24,334,156	342,789	10,116	(501,760)	(11,346)	(308)	1,207,962
Category “B”	361,345	13,294	717	(45,305)	(2,457)	(140)	29,104
Category “C”	282,042	12,870	821	(53,556)	(9,367)	(570)	37,211
Category “D”	566,365	28,156	2,118	(476,854)	(27,287)	(2,062)	29,878
Category "E"	2,285,548	145,305	17,767	(2,262,165)	(145,138)	(17,742)	79,670
Total Consumption	**27,829,456**	**542,414**	**31,539**	**(3,339,640)**	**(195,595)**	**(20,822)**	**1,383,825**
Mortgage:							
Category "A"	14,045,572	174,008	15,093	(290,421)	(20,548)	(508)	29,111,837
Category "B"	395,793	19,201	2,608	(12,682)	(19,083)	(2,554)	945,422
Category "C"	143,021	6,576	1,472	(14,298)	(6,582)	(1,464)	366,118
Category "D"	131,785	6,689	1,485	(26,442)	(6,702)	(1,470)	416,443
Category "E"	276,532	15,381	6,244	(100,722)	(15,152)	(6,170)	751,171
Total Mortgage	**14,992,703**	**221,855**	**26,902**	**(444,565)**	**(68,067)**	**(12,166)**	**31,590,991**
Microcredit:							
Category "E"	2	0	0	(2)	0	0	0
Total Microcredit	**2**	**0**	**0**	**(2)**	**0**	**0**	**0**
Total Loan Portfolio and Financial Leasing Transactions, net	**$ 74,606,324**	**$ 1,142,852**	**$ 87,820**	**$ (4,385,987)**	**$ (295,306)**	**$ (54,146)**	**$ 53,224,030**

In 2024, the additional allocation required in external circular 047 of 2016 and external circular 026 of 2022 was established, amounting to $15,788.

According to the transitional instructions of external circular 17 of 2023 published by the Financial Superintendence of Colombia regarding credit risk and the considerations regarding the macroeconomic context, starting from the end of June 2024, the Bank entered a phase of deaccumulation of provisions for the commercial portfolio, a methodology that, according to current regulations, is carried out over 6 consecutive months, which ended at the close of November 2024, therefore, starting in December 2024, the plan for reconstitution of the individual counter-cyclical component informed to the Financial Superintendence of Colombia will be implemented.

December 31, 2023

Credit Portfolio	Capital	Interests	Others	Capital Deterioration	Interest Deterioration	Other Deterioration	Guarantee
Commercial:							
Category “A”	$ 28,934,416	$ 384,036	$ 9,246	$ (376,191)	$ (6,408)	$ (311)	$ 17,657,723
Category “B”	730,657	14,995	2,897	(29,345)	(1,354)	(210)	1,507,623
Category “C”	351,311	15,097	1,153	(33,368)	(4,634)	(510)	825,203
Category “D”	85,882	5,829	1,864	(38,320)	(5,377)	(1,521)	95,378
Category “E”	397,228	21,274	19,638	(296,229)	(20,627)	(19,516)	718,858
Total commercial	**30,499,494**	**441,231**	**34,798**	**(773,453)**	**(38,400)**	**(22,068)**	**20,804,785**
Consumption:							
Category “A”	25,662,223	425,574	11,700	(422,361)	(12,487)	(303)	1,165,389
Category “B”	478,096	20,857	931	(56,556)	(3,872)	(213)	36,455
Category “C”	378,556	20,112	1,014	(70,031)	(15,097)	(668)	39,727
Category “D”	636,973	37,499	1,993	(514,113)	(36,620)	(1,945)	24,321
Category "E"	1,421,960	82,550	7,930	(1,394,095)	(82,427)	(7,946)	80,139
Total Consumption	**28,577,808**	**586,592**	**23,568**	**(2,457,156)**	**(150,503)**	**(11,075)**	**1,346,031**
Mortgage:							
Category "A"	13,758,377	202,091	18,220	(284,531)	(22,093)	(402)	25,347,284
Category "B"	406,750	22,431	2,557	(13,003)	(22,284)	(2,546)	1,458,716
Category "C"	124,925	7,882	1,232	(12,500)	(7,860)	(1,229)	328,503
Category "D"	114,672	6,204	1,140	(23,044)	(6,179)	(1,125)	432,328
Category "E"	287,688	14,265	6,204	(113,026)	(13,974)	(6,105)	695,978
Total Mortgage	**14,692,412**	**252,873**	**29,353**	**(446,104)**	**(72,390)**	**(11,407)**	**28,262,809**
Microcredit:							
Category "E"	**2**	**0**	**0**	**(2)**	**0**	**0**	**0**
Total Microcredit	**2**	**0**	**0**	**(2)**	**0**	**0**	**0**
Total loan portfolio and financial leasing transactions, net	**$ 73,769,716**	**$ 1,280,696**	**$ 87,719**	**$ (3,676,715)**	**$ (261,293)**	**$ (44,550)**	**$ 50,413,625**

In 2023, the additional provision required in external circular 047 of 2016 and external circular 026 of 2022 was established, for $29,679.

The movement of impairments as of the end of 2024 and 2023 is revealed below:

December 31, 2024

Item	Commercial	Consumption	Mortgage	Microcredit	Total
Balance at the beginning of the year	$ (833,921)	$ (2,618,734)	$ (529,901)	$ (2)	**$ (3,982,558)**
Impairment charged to expenses in the year	(598,105)	(3,389,039)	(258,183)	0	**(4,245,327)**
Less - Impairment recovery	496,300	830,599	199,604	0	**1,526,503**
Loans written off as uncollectible	242,065	1,507,934	43,169	0	**1,793,168**
Debt Forgiveness	13,019	113,520	19,793	0	**146,332**
Other movements	26,060	-337	720	0	**26,443**
Total balance at the end of the year	**$ (654,582)**	**$ (3,556,057)**	**$ (524,798)**	**$ (2)**	**$ (4,735,439)**

December 31, 2023

Item	Commercial	Consumption	Mortgage	Microcredit	Total
Balance at the beginning of the year	$ (994,197)	$ (2,271,155)	$ (570,475)	$ (2)	**$ (3,835,829)**
Impairment charged to expenses in the year	(748,307)	(2,625,449)	(167,769)	0	**(3,541,525)**
Less - Impairment recovery	698,285	1,050,759	154,773	0	**1,903,817**
Loans written off as uncollectible	200,295	1,188,190	32,250	0	**1,420,735**
Debt Forgiveness	7,200	37,817	21,169	0	**66,186**
Other movements	2,803	1,104	151	0	**4,058**
Total balance at the end of the year	**$ (833,921)**	**$ (2,618,734)**	**$ (529,901)**	**$ (2)**	**$ (3,982,558)**

As of December 31, 2024 and 2023, the classification of credit portfolio and financial leasing operations and provisions by geographical area is shown:

December 31, 2024

Area	Capital	Interests	Others	Principal provision	Interest provision	Other provision
Barranquilla	$ 11,453,361	$ 199,366	$ 15,363	$ (874,856)	$ (65,518)	$ (9,830)
Bogotá	27,783,765	375,980	23,333	(1,274,669)	(84,382)	(12,158)
Cali	7,700,784	117,471	11,623	(449,619)	(30,971)	(7,286)
Cundiboyacá	2,731,137	46,467	3,702	(219,751)	(15,917)	(2,213)
Eje Cafetero	3,027,045	44,843	2,573	(158,456)	(10,478)	(1,279)
Huila	1,795,923	32,036	1,727	(121,496)	(8,603)	(1,023)
Llanos Orientales	2,883,598	59,088	6,767	(294,801)	(21,232)	(4,828)
Medellín	10,228,984	155,321	9,421	(419,761)	(26,542)	(6,403)
Santander	5,475,853	85,972	11,205	(312,075)	(23,611)	(7,811)
Tolima	1,525,874	26,308	2,106	(108,840)	(8,052)	(1,315)
Provisión general	0	0	0	(151,663)	0	0
Total	**74,606,324**	**$ 1,142,852**	**$ 87,820**	**$ (4,385,987)**	**$ (295,306)**	**$ (54,146)**

December 31, 2023

Area	Capital	Interests	Others	Principal provision	Interest provision	Other provision
Barranquilla	$ 11,344,309	$ 224,423	$ 15,523	$ (703,946)	$ (57,589)	$ (7,991)
Bogotá	27,627,771	422,428	22,174	(1,168,904)	(77,639)	(8,901)
Cali	7,328,890	132,592	10,741	(356,330)	(27,287)	(6,088)
Cundiboyacá	2,703,693	51,531	3,938	(168,725)	(13,253)	(1,786)
Eje Cafetero	3,032,892	51,521	4,960	(129,024)	(9,201)	(3,064)
Huila	1,732,882	34,265	1,742	(97,015)	(7,328)	(774)
Llanos Orientales	2,897,580	64,555	6,866	(220,943)	(17,285)	(3,973)
Medellín	10,247,259	174,197	9,548	(337,998)	(24,050)	(4,940)
Santander	5,332,491	96,079	10,401	(258,489)	(20,622)	(6,334)
Tolima	1,521,949	29,105	1,826	(86,841)	(7,039)	(699)
Provisión general	0	0	0	(148,500)	0	0
Total	**$ 73,769,716**	**$ 1,280,696**	**$ 87,719**	**$ (3,676,715)**	**$ (261,293)**	**$ (44,550)**

The capital of the loan portfolio and financial leasing operations of the Bank as of December 31, 2024 and 2023, was distributed among debtors engaged in the following economic activities:

Activity	2024	2023
Association – education – health activities	$ 1,759,244	$ 1,826,627
Recreational activities – cultural activities	194,253	191,749
Real estate – companies – rental activities	2,112,265	2,085,594
Water collection – treatment – distribution	88,376	92,624
Wholesale trade – commission – contracting	2,897,140	2,605,402
Retail trade – non-specialized establishments	3,561,642	3,096,900
Construction – reconditioning – finishes	1,184,227	1,264,619
Mail and telecommunications	1,635,100	878,354
Food and beverage production	3,150,780	3,014,251
Public administration and defense exploitation	3,104,624	3,648,944
Non-metallic minerals exploitation	14,794	14,456
Coal extraction	83,585	75,981
Metallic minerals extraction	1,551	2,154
Oil and gas extraction – natural gas	80,825	259,611
Paper – cardboard and their products factory	157,560	140,814
Manufacturing – refining – oil – chemical products	1,079,969	1,316,494
Non-metallic minerals manufacturing	359,358	380,881
Manufacturing other manufacturing industries	69,142	42,851
Manufacturing metal products – machinery	481,778	392,356
Manufacturing textile products	471,771	479,753
Financing insurance plans	20,974	49,122
Generation – manufacturing electricity – gas – water	4,114,814	3,726,441
Hotels and restaurants	289,611	280,878
Industry – manufacturing – metals	193,856	78,475
Financial intermediation	3,142,799	3,426,750
Salaried employees	40,565,895	40,504,561
Capital rentiers	272,014	298,838
Printing activities	49,076	61,627
Undifferentiated activities of individual households	9,271	7,926
Organizations and extraterritorial bodies	3,058	3,229
Other community service activities	354,073	381,250
Fishing – fish farming production	45,467	35,871
Agricultural and livestock production	1,244,612	998,260
Sanitation services and similar	78,191	91,702
Forestry, wood extraction and services	4,530	26,917
Transformation – factory – wood basketry	14,901	14,450
Transport	1,715,198	1,973,004
Total	**$ 74,606,324**	**$ 73,769,716**

The following are the detailed values of restructured loans by risk type rating for companies with which informal agreements were made and those in the process of insolvency proceedings:

December 31, 2024

Restructured	Capital	Interests	Others	Capital impairment	Interest impairment	Impairment others	Collateral
Commercial:							
Category “A”	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Category “B”	137,570	391	17	(2,983)	(65)	(1)	14,479
Category “C”	61,234	1,894	143	(6,330)	(367)	(39)	300,390
Category “D”	34,895	1,825	314	(15,654)	(1,444)	(279)	35,988
Category “E”	125,475	6,246	10,012	(107,978)	(6,200)	(10,011)	195,366
Total Commercial	**359,174**	**10,356**	**10,486**	**(132,945)**	**(8,076)**	**(10,330)**	**546,223**
Consumption:							
Category “A”	30,987	1,364	83	(937)	(100)	(7)	3,809
Category “B”	42,367	1,854	114	(6,473)	(379)	(23)	5,518
Category “C”	51,229	2,543	164	(11,906)	(728)	(48)	7,602
Category “D”	121,457	6,591	387	(98,828)	(6,044)	(354)	9,629
Category "E"	804,890	63,960	4,779	(794,357)	(63,841)	(4,772)	38,039
Total Consumption	**1,050,930**	**76,312**	**5,527**	**(912,501)**	**(71,092)**	**(5,204)**	**64,597**
Mortgage:							
Category "A"	78,230	3,671	371	(779)	(491)	(17)	312,113
Category "B"	72,296	4,177	437	(2,308)	(4,133)	(420)	253,725
Category "C"	24,781	1,560	196	(2,472)	(1,560)	(195)	87,018
Category "D"	77,038	4,597	707	(15,415)	(4,597)	(707)	281,123
Category "E"	108,448	5,357	1,146	(35,021)	(5,357)	(1,145)	393,651
Total Mortgage	**360,793**	**19,362**	**2,857**	**(55,995)**	**(16,138)**	**(2,484)**	**1,327,630**
Total restructured portfolio	**$ 1,770,897**	**$ 106,030**	**$ 18,870**	**$ (1,101,441)**	**$ (95,306)**	**$ (18,018)**	**$ 1,938,450**

December 31, 2023

Restructured	Capital	Interests	Others	Capital impairment	Interest impairment	Impairment others	Collateral
Commercial:							
Category “A”	$ 1,639	$ 45	$ 0	$ (50)	$ (2)	$ 0	$ 2,114
Category “B”	12,121	169	1	(542)	(12)	0	9,535
Category “C”	66,467	4,080	156	(6,985)	(587)	(63)	342,805
Category “D”	41,120	2,748	1,187	(17,866)	(2,415)	(956)	46,256
Category “E”	218,805	8,597	11,407	(166,896)	(7,988)	(11,351)	482,293
Total Commercial	**340,152**	**15,639**	**12,751**	**(192,339)**	**(11,004)**	**(12,370)**	**883,003**
Consumption:							
Category “A”	13,639	540	30	(372)	(47)	(2)	754
Category “B”	46,921	2,409	120	(6,876)	(479)	(22)	3,642
Category “C”	69,610	3,669	234	(15,433)	(1,097)	(75)	9,884
Category “D”	117,955	7,675	330	(95,819)	(7,211)	(305)	4,030
Category "E"	442,341	27,064	1,682	(436,025)	(26,971)	(1,676)	28,170
Total Consumption	**690,466**	**41,357**	**2,396**	**(554,525)**	**(35,805)**	**(2,080)**	**46,480**
Mortgage:							
Category "A"	22,970	1,113	103	(227)	(169)	(6)	95,690
Category "B"	80,708	4,039	462	(2,572)	(3,991)	(455)	347,788
Category "C"	15,534	937	88	(1,553)	(937)	(88)	54,540
Category "D"	84,219	4,599	619	(16,908)	(4,587)	(617)	351,875
Category "E"	92,645	3,507	1,166	(35,527)	(3,474)	(1,156)	312,871
Total Mortgage	**296,076**	**14,195**	**2,438**	**(56,787)**	**(13,158)**	**(2,322)**	**1,162,764**
Total restructured portfolio	**$ 1,326,694**	**$ 71,191**	**$ 17,585**	**$ (803,651)**	**$ (59,967)**	**$ (16,772)**	**$ 2,092,247**

The following is the detail by economic sector of the values of restructured loans and those owed by companies with which informal agreements were reached and those undergoing bankruptcy proceedings; 103,569 and 74,356 operations as of December 31, 2024 and 2023 respectively:

December 31, 2024

By economic sector	Capital	Interest and accounts receivable	Impairment
Association – education – health activities	$ 26,629	$ 1,988	$ (12,229)
Recreational activities – cultural activities	6,910	509	(5,346)
Real estate – companies – rental activities	205	8	(103)
Water collection – treatment – distribution	35,082	2,342	(17,802)
Wholesale trade – commission – contracting	2,829	209	(1,311)
Retail trade – non-specialized establishments	17	1	(17)
Construction – conditioning – finishes	40,534	2,395	(18,367)
Mail and telecommunications	35,184	2,211	(18,425)
Food and beverage production	71,035	9,881	(65,012)
Exploitation of public administration and defense	2,735	166	(1,667)
Exploitation of non-metallic minerals	17,311	549	(6,512)
Coal extraction	1,097	44	(297)
Extraction of metallic minerals	126	2	(38)
Extraction of oil gas – natural gas	43	3	(46)
Paper – cardboard factory and its products	12,953	133	(3,052)
Manufacturing – refining – oil – chemical products	5,763	326	(2,648)
Non-metallic minerals manufacturing	2,971	240	(1,615)
Manufacturing of other manufacturing industries	822	58	(435)
Manufacturing of metal products – machinery	6,519	407	(3,012)
Manufacturing of textile products	1,445	158	(1,066)
Financing insurance plans	7,809	1,101	(5,739)
Generation – manufacturing of electricity – gas – water	898	97	(645)
Hotels and restaurants	480	32	(220)
Industry – manufacturing – metals	10,546	519	(7,518)
Financial intermediation	143	4	(140)
Salaried	12,527	1,593	(11,788)
Capital rentiers	1,198,590	88,978	(945,713)
Printing activities	39,553	1,895	(21,827)
Undifferentiated activities of individual households	533	42	(446)
Organizations and extraterritorial bodies	101	5	(102)
Other community service activities	35,637	2,349	(19,179)
Fishing (fish farming production	1,344	167	(891)
Agricultural and livestock production	42,073	5,043	(25,170)
Sanitation services and similar	2,061	192	(1,437)
Forestry, wood extraction, and services	294	17	(217)
Transformation - factory - wood basketry	1,569	95	(1,206)
Transport	146,529	1,141	(13,527)
Total	**$ 1,770,897**	**$ 124,900**	**$ (1,214,765)**

December 31, 2023

By economic sector	Capital	Interest and accounts receivable	Impairment
Association – education – health activities	$ 19,861	$ 1,301	$ (10,146)
Recreational activities – cultural activities	7,102	458	(5,783)
Real estate – companies – rental activities	194	10	(50)
Water collection – treatment – distribution	38,598	2,281	(19,352)
Wholesale trade - commission - contracting	3,414	193	(1,294)
Retail trade – non-specialized establishments	153	9	(79)
Construction – conditioning – finishes	34,440	2,093	(16,071)
Mail and telecommunications	36,295	2,297	(19,094)
Food and beverage production	89,628	10,769	(62,998)
Exploitation of public administration and defense	1,525	84	(670)
Exploitation of non-metallic minerals	16,783	827	(8,541)
Coal extraction	338	12	(349)
Extraction of metallic minerals	247	14	(98)
Extraction of oil gas – natural gas	55	3	(57)
Paper – cardboard factory and its products	65,552	1,387	(38,671)
Manufacturing – refining – oil – chemical products	2,785	246	(1,931)
Non(metallic minerals manufacturing	3,463	221	(1,107)
Manufacturing of other manufacturing industries	1,357	91	(542)
Manufacturing of metal products – machinery	13,822	1,968	(10,804)

By economic sector	Capital	Interest and accounts receivable	Impairment
Manufacturing of textile products	1,622	61	(819)
Financing insurance plans	4,239	385	(2,251)
Generation – manufacturing of electricity – gas – water	636	69	(179)
Hotels and restaurants	557	40	(214)
Industry – manufacturing – metals	11,694	888	(9,448)
Financial intermediation	422	39	(301)
Salaried	16,896	4,660	(14,034)
Capital rentiers	777,446	48,123	(549,328)
Printing activities	42,009	1,804	(26,180
Undifferentiated activities of individual households	386	22	(253)
Organizations and extraterritorial bodies	59	4	(14)
Other community service activities	41,715	2,504	(23,768)
Fishing - fish farming production	282	23	(77)
Agricultural and livestock production	39,283	4,758	(22,027)
Sanitation services and similar	2,286	173	(1,455)
Forestry, wood extraction, and services	416	22	(183)
Transformation - factory - wood basketry	1,083	90	(445)
Transport	50,051	847	(31,777)
Total	**$ 1,326,694**	**$ 88,776**	**$ (880,390)**

December 31, 2024

By geographical area	Capital	Interest and accounts receivable	Impairment
Barranquilla	$ 344,281	$ 26,728	$ (254,727)
Bogotá	498,157	32,406	(348,904)
Cali	304,636	14,288	(140,002)
Cundiboyacá	98,124	7,302	(71,786)
Eje Cafetero	59,084	4,019	(38,959)
Huila	45,965	3,603	(33,506)
Llanos Orientales	110,277	11,152	(91,446)
Medellín	147,782	9,289	(115,027)
Santander	124,760	13,409	(94,001)
Tolima	37,831	2,704	(26,407)
Total	**$ 1,770,897**	**$ 124,900**	**$ (1,214,765)**

December 31, 2023

By geographical area	Capital	Interest and accounts receivable	Impairment
Barranquilla	$ 244,537	$ 16,066	$ (163,681)
Bogotá	487,580	23,310	(315,283)
Cali	125,006	9,708	(87,265)
Cundiboyacá	68,074	4,393	(44,982)
Eje Cafetero	43,381	4,680	(30,660)
Huila	35,007	2,348	(21,484)
Llanos Orientales	84,437	8,057	(61,773)
Medellín	114,182	8,864	(68,684)
Santander	94,240	9,415	(67,016)
Tolima	30,250	1,935	(19,562)
Total	**$ 1,326,694**	**$ 88,776**	**$ (880,390)**

10.1 SALE OF PORTFOLIO

Year 2024

The Bank carried out portfolio sales operations worth $1,489,220 during the year 2024, where 98% of that asset was impaired.

The composition of the portfolio sold by portfolio modality was represented by 0.29% Mortgage, 7.22% Commercial, and 92.49% Consumption; these operations were carried out in the months related below:

		Total debt type portfolio		
Month	**Consumption**	**Mortgage**	**Commercial**	**Total Debt**
January	$ 50	$ 0	$ 0	**$ 50**
February	412,052	198	1,707	**413,957**
March	0	0	605	**605**
April	265,669	247	9,393	**275,309**
May	362	250	1,511	**2,123**
June	432,98	482	268	**433,738**
July	206,529	304	59,574	**266,407**
August	546	275	9,533	**10,354**
September	0	0	16,119	**16,119**
October	57,540	58	6,229	**63,827**
November	470	215	2,313	**2,998**
December	1,114	2,327	292	**3,733**
Total	**$1,377,320**	**$4,356**	**$107,544**	**$1,489,220**
% of the sold portfolio quota	**92.49%**	**0.29%**	**7.22%**	**100.00%**

Year 2023

The Bank carried out portfolio sale operations worth $991,499 during the year 2023, where 98% of that asset was impaired.

The composition of the portfolio sold by portfolio modality was represented by 7% Mortgage, 6% Commercial, and 87% Consumption; these operations were carried out in the months related below:

		Total debt type portfolio		
Month	**Consumption**	**Mortgage**	**Commercial**	**Total Debt**
January	$ 608	$ 749	$ 0	**$ 1,357**
February	1,412	2,065	0	**3,477**
March	72,054	352	248	**72,654**
April	486	673	317	**1,476**
May	51	230	1,775	**2,056**
June	261,085	85	2,653	**263,823**
July	8	108	1,427	**1,543**
August	41,652	82	796	**42,530**
September	11,807	22	2,612	**14,441**
October	13,289	59,529	386	**73,204**
November	463,007	362	30,931	**494,300**
December	152	898	19,588	**20,638**
Total	**$865,611**	**$65,155**	**$60,733**	**$991,499**
% of the sold portfolio quota	**87.30%**	**6.57%**	**6.13%**	**100.00%**

11. Securitizations and repurchase of securitized portfolio

Ehe Bank in the securitization processes aims to eliminate market risk of Peso credits, transform the current portfolio into liquid assets favorably improving the IRL ratio, reduce the consumption of regulatory capital of the balance sheet, optimize the return on solvency and generate growth opportunities in placing new portfolio at better rates in the market. In this sense, the Bank has a policy to select clients that allow the operation to be carried out efficiently, for which it chooses healthy portfolios.

The securities issued by the Securitizer Colombia TIPS, derived from the securitization processes of mortgage portfolios in pesos, were issued for terms of 10 and 15 years.

As of December 31, 2024 and 2023, a security (INSC15061232) is provisioned for $91.20 according to the guidelines established by Chapter I-1 of the Basic Accounting and Financial Circular - CBCF (External Circular 100/95) of SFC, according to the instruction of numeral 2.4 of Chapter XV of the CBCF.

Therefore, as of December 2024, there are currently 7 series in the market, of which the bank holds series B, MZ, and C of the issuance Pesos N-16, and series B1 and B2 of the issuance Pesos N23.

The details and balance of the securities derived from securitization processes (TIPS) are shown in the following table:

Series	Nominal valuel	Issue date	Maturity date	Term	2024	2023
TIPS Pesos N-16 B 2032	$ 16,605	07/12/2017	07/12/2032	15	$ 15,573	$ 15,573
TIPS Pesos N-16 MZ 2032	3,180	07/12/2017	07/12/2032	15	3,206	3,207
TIPS Pesos N-16 C 2032	830	07/12/2017	07/12/2032	15	838	839
TIPS Pesos N-23 B 1	3,013	19/07/2024	17/07/2039	15	1,498	0
TIPS Pesos N-23 B 2	6,027	19/07/2024	17/07/2039	15	6,998	0
Total	**$ 29,655**				**$ 28,113**	**$ 19,619**

Portfolio securitization: On July 17, 2024, the issuance of TIPS N23 Pesos No VIS was carried out for a total amount of $200,880 distributed in the following classes and amounts:

- Series A2039 amount $182,801
- Series B1-2039 amount $6,026
- Series B2-2039 amount $12,052

The balances of the issuances and the current portfolio in which the bank has participated as of December 31 are as follows:

	2024		2023	
Issuance	Total Capital Managed Portfolio	Balances in BBVA Tip's Titles	Total Capital Managed Portfolio	Balances in BBVA Tip's Titles
TIPS N-16	$ 26,140	$ 20,000	$ 34,586	$ 19,618
TIPS N-23	162,713	8,496	0	0
Total	**$ 188,853**	**$ 28,496**	**$ 34,586**	**$ 19,618**

Portfolio Buybacks: In 2024, 55 credits were repurchased from Titularizadora Colombiana S.A. of the N16 PESOS and N23 PESOS issues for a value of $4,020 per capital, which include repurchases for rate decrease and remodeling requests. Likewise, 1,949 unmarked credits were made for an amount of $145,239, which is due to the fact that securitized credits were marked in the N23 issue dated July 15 for an amount of $346,119 and the expected placement of TIPS by Titularizadora Colombiana S.A. was not completed, which only managed to place $200,880, for which reason the portfolio had to be returned to the Balance Sheet, of the differential not placed or issued.

Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
No. of credits	0	1	1	2	2	1	1,950	11	4	11	11	10	**2,004**
Total Capital Balance	0	5	0	26	56	48	144,979	1,367	343	857	886	692	**$ 149,259**
Total Debt Balance	0	5	0	27	56	48	147,935	1,375	345	864	893	697	**$ 152,245**

Portfolio Buybacks: In 2023, buybacks of 63 credits were made to the Colombian Securitizer S.A. of the N16 PESOS issuance, for a value of $1,975 for capital, which include buybacks due to requests for rate reductions, remodeling, and clean-ups.

Serie	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
No. of credits	0	0	1	3	0	1	2	2	2	1	51	0	**63**
Total Capital Balance	0	0	5	40	0	34	95	74	166	120	1,442	0	**$ 1,976**
Total Debt Balance	0	0	5	54	0	34	95	82	167	120	1,580	0	**$ 2,137**

11.1. HISTORY OF PRODUCTIVE PORTFOLIO SECURITIZATION

TIPS E-9 Pesos: In December 2008, the issuance of TIPS E-9 was carried out for a total amount of $401,000, where BBVA participated with $140,000, the issued TIPS class A for $369,000, B for $30,000, and MZ for $2,000 have ratings of AAA, AA-, and BBB respectively, and their maturity is between 2010 and 2023.

In March 2016, the cancellation of the TIPS E-9 issuance titles was carried out.

Configuration of the settlement cause in the emissions for total payment of the securities and the settlement of the Universalities for each Bank was carried out, in this procedure the payment of the Residual Right that the bank had over these 4 emissions was made, with payment in kind of the portfolio that was being managed from these emissions.

The closing date of these universalities was November 23, 2021.

TIPS E-10 Pesos: In March 2009, the issuance of TIPS E-10 was carried out for a total amount of $498,593, where BBVA participated with $74,233. The TIPS issued class A for $458,000, B for $37,000, and MZ for $10,000 have ratings of AAA, AA-, and BBB, respectively, and their maturity is between the years 2019 and 2024.

In May 2015, the cancellation of the securities of the TIPS E-10 issuance was carried out.

Configuration of the settlement cause in the emissions for total payment of the securities and the settlement of the Universalities for each Bank was carried out, in this procedure the payment of the Residual Right that the bank had over these 4 emissions was made, with payment in kind of the portfolio that was being managed from these emissions.

The closing date of these universalities was November 23, 2021.

TIPS E-11 Pesos: In May 2009, the issuance of TIPS E-11 was carried out for a total amount of $431,857, where BBVA participated with $48,650. The TIPS E-11 issued class A for $399,000, B for $32,000, and MZ for $11,000 have ratings of AAA, A, and BBB, respectively, and their maturity is between the years 2019 and 2024.

In November 2014, the cancellation of the securities of the TIPS E-11 issuance was carried out.

Configuration of the settlement cause in the emissions for total payment of the securities and the settlement of the Universalities for each Bank was carried out, in this procedure the payment of the Residual Right that the bank had over these 4 emissions was made, with payment in kind of the portfolio that was being managed from these emissions.

The closing date of these universalities was November 23, 2021.

TIPS E-12 Pesos: In August 2009. The issuance of TIPS E-12 was carried out. For a total amount of $376,820, where BBVA participated with $78,745. The TIPS E-12 issued class A for $349,000, B for $28,000, and MZ for $9,000 have ratings of AAA, AA, and BBB- respectively. And their maturity is between the years 2019 and 2024.

In June 2015, the cancellation of the securities of the TIPS E-12 issuance was carried out.

Configuration of the settlement cause in the emissions for total payment of the securities and the settlement of the Universalities for each Bank was carried out, in this procedure the payment of the Residual Right that the bank had over these 4 emissions was made, with payment in kind of the portfolio that was being managed from these emissions.

The closing date of these universalities was November 23, 2021.

TIPS N-6 Pesos: In August 2012, the issuance of TIPS N6 Pesos No VIS representing mortgage portfolio originated by BBVA Colombia S.A. for a total amount of $213,130 represented in 2,847 credits and Davivienda S.A. $155,867 represented in 1,661 credits was carried out.

On August 23, 2012, the issuance of TIPS N6 Pesos No VIS for a total amount of $381,882 distributed in the following classes and amounts was carried out: Series A2022 amount $322,872, series B2027 amount $46,125, series MZ amount $11,040, and series C amount $1,845.

The first batch: Total TIPS purchased by the market (87.5%) corresponded to Series A2022 for an amount of $322,872, from this first batch the TIPS sold according to the participation percentage of the BBVA portfolio were. Series A2022 amount $186,489.

The second batch: TIPS purchased by the originators (12.5%) of their portfolio + excess NPV cash flow (MZ-C) distributed as follows: B2027 amount $46,125, MZ 2027 amount $11,040, and C2027 amount $1,845.

From this second batch: TIPS purchased by BBVA according to the participation percentage of their portfolio (12.5%) + excess NPV cash flow distributed as follows: TIPS B2027 Amount $26,641, Tips MZ 2027 amount $6,104, and C2027 amount $1,066 for a total of $33,811.

The issued TIPS class B, MZ, and C have ratings of BBB+, CC, and CC, respectively. An early settlement of this issuance was carried out on February 24, 2022, once the cause for early settlement numeral 12.3.1 of the Issuance Regulation was configured. "When the total capital balance of the mortgage loans on the payment date is less than or equal to 5% of the total capital balance of the mortgage loans as of the issuance date (August 23, 2012)."

TIPS N-16 Pesos: In November 2017, the issuance of TIPS N16 Pesos VIS and Non-VIS representing mortgage portfolio originated by BBVA Colombia S.A. was carried out for a total amount of $167,252, Bancolombia $105,599, and Davivienda S.A. $106,359.

On December 6, the issuance of TIPS N16 Pesos VIS - Non-VIS was carried out for a total amount of $385,473 distributed in the following classes and amounts: Series A2027 amount $339,124, series B2032 amount $37,680, series MZ amount $6,785, and series C amount $1,884.

The first batch: Total TIPS purchased by the market (90%) corresponded to Series A2027 for an amount of $339,124, from this first batch the TIPS sold according to the participation percentage of the BBVA portfolio were Series A2027 amount $149,443.

The second batch: TIPS purchased by the originators (12.5%) of their portfolio + excess NPV cash flow (MZ-C) distributed as follows: B2027 amount $46,125, MZ 2027 amount $11,040, and C2027 amount $1,845.

From this second batch: TIPS purchased by BBVA according to the participation percentage of their portfolio (12.5%) + excess NPV cash flow distributed as follows: TIPS B2027 Amount $16,604, Tips MZ 2032 amount $3,180, and C2032 amount $830 for a total of $20,614.

The issued TIPS class B, MZ, and C have ratings of BBB, BB+, and BB-, respectively.

TIPS N-23 Pesos: In July 2024, the issuance of TIPS N23 Pesos No VIS representing a mortgage portfolio originated by BBVA Colombia S.A. was carried out for a total amount of $200,880.

On July 17, the issuance of TIPS N23 Pesos No VIS was carried out for a total amount of $200,880 distributed in the following classes and amounts: Series A2039 amount $182,801, series B1-2039 amount $6,026, series B2-2039 amount $12,052

The first batch: Total TIPS purchased by the market (91%) corresponded to Series A2039 for an amount of $182,801.

The second batch: TIPS B1, B2 purchased 50% by the originator and the remaining by the market, being the first time that subordinated titles are placed in the primary market.

The TIPS purchased by BBVA were:

- B1 2039 3,013,200,000
- B2 2039 6,026,400,000

The issued TIPS class B1 and B2 have ratings of AA and BBB, respectively.

12. Fair Value

According to IFRS 13, Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, or in its absence, in the most advantageous market to which BBVA Colombia has access at that time

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Financial instruments are initially recognized at their fair value, which equals the transaction price, unless there is evidence to the contrary in an active market; subsequently, and depending on the nature of the financial instrument, it may continue to be recorded at fair value through adjustments in the income statement or equity or at amortized cost.

When applicable, BBVA Colombia measures the fair value of an instrument using a quoted price in an active market for that instrument. A market is considered active if it is possible to obtain easily and regularly quoted prices either from a stock market, operator, broker, industry group, and/or pricing service, and those prices represent actual market transactions that occur regularly between independent parties and under conditions of full competition.

BBVA Colombia uses widely recognized valuation models to determine the fair value of common and simpler financial instruments, such as interest rates and currency swaps that only use observable market data and require few judgments and estimates from management.

In light of the above, BBVA Colombia uses methodologies and average market prices as a basis for establishing fair values of its financial instruments, which are provided by pricing supply companies for valuation "Precia S.A." and "PIP Colombia S.A.", selected by the entity and authorized by the Financial Superintendence of Colombia to perform this function.

When there is no quoted price in an active market, the entity uses valuation techniques that maximize the use of observable input data and minimize the use of unobservable input data. The objective of valuation techniques is to arrive at a determination of fair value that reflects the price of the financial instrument at the reporting date, which would have been determined by market participants on an independent basis.

In the case of financial instruments that are traded infrequently and have very little price transparency, fair value is less objective and requires various degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions, and other risks affecting the specific instrument, which requires additional work during the valuation process.

12.1. VALUATION TECHNIQUES

Approach of Internal Valuation Techniques. BBVA Colombia will use valuation techniques that are appropriate to the circumstances and for which information is available to determine the fair value of financial instruments, always maximizing the use of observable input data and minimizing the use of unobservable input data.

According to the above, the Bank will use, as applicable, the following approaches under IFRS 13 to measure the fair value of financial instruments:

Market Approach. Quoted prices will be used directly, and if not available, other relevant information generated by market transactions involving identical or comparable financial instruments will be used to determine the fair value of financial instruments when appropriate.

Income Approach. Present value techniques and option pricing models (Black & Scholes Model) will be used to measure the fair value of financial instruments as applicable. Observable input data will be maximized by always using observable discount curves, volatilities, and other market variables that reflect the assumptions that market participants would use to price the financial instrument.

Valuation of financial instruments. BBVA Colombia measures fair values using the following hierarchy, according to the importance of the input variables used in making the measurements:

- **Level 1:** The quoted market price (unadjusted) in an active market for an identical instrument.
- **Level 2:** Valuation techniques based on observable factors, either directly (i.e., as prices) or indirectly (i.e., obtained from market prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets considered to be less active; and other valuation techniques where all significant inputs are observable directly or indirectly from market data.
- **Level 3:** Fixed Income: Inputs for the asset or liability that are not based on observable market data. This category includes all instruments where the valuation technique includes factors that are not based on observable data and non-observable factors may have a significant effect on the valuation of the instrument. This category includes instruments that are valued based on quoted prices for similar instruments where significant non-observable adjustments or assumptions are required to reflect the differences between the instruments. If a fair value measurement uses observable market data that requires significant adjustments based on non-observable data, that measurement is classified as level 3.
- For equity that belongs to other references and that are illiquid assets as they are low liquidity stocks and are not valued by an Official Valuation Price Provider and are recognized under the equity method, they are classified as level 3..

The determination of what constitutes the term "observable" requires significant judgment on the part of the entity. Thus, observable data is considered to be market data that can be easily obtained, is regularly distributed or updated, is reliable and verifiable, is not private (exclusive use), and is provided by independent sources that actively participate in the relevant market.

The assumptions and factors used in valuation techniques include risk-free interest rates, benchmark interest rates, credit spreads, and other premiums used to determine discount rates, foreign currency exchange rates, and expected price volatilities.

The availability of observable market prices and factors reduces the need for management's judgments and estimates and also the uncertainty associated with determining fair values.

The availability of observable market prices and inputs varies depending on the products and markets and is subject to changes based on specific events and general conditions in the financial markets.

Below is a summary of the methods and forms of valuation of investments in equity instruments:

		Approach	
Investments in equity instruments	**Levels**	**2024**	**2023**
Credibanco S.A.	3	Income	Income
Redeban Multicolor S.A.	3	Asset	Income
ACH Colombia S.A.	3	Income	Income
Fund for the Financing of the Agricultural Sector (FINAGRO for its Spanish acronym)	3	Asset	Valued using an internal model of projected cash flows

For investments listed on the stock exchange, the Colombian stock exchange updates the fair value monthly considering the quoted price on the last day of the month published by "Precia S.A", a price provider for valuation.

Attached is a detailed analysis of the sensitivity of changes in investments in equity instruments of the Bank:

			Present value adjusted for discount rate			
			2024		2023	
Entity	Variables	Variation	Favorable impact	Unfavorable impact	Favorable impact	Unfavorable impact
Credibanco S.A.	Income	+/ - 100pb	117.13	109.71	122.76	115.08
	Perpetuity Gradient	+/ - 100pb	116.77	110.34	126.93	112.27
	Discount Rate	+/ - 50pb	119.14	108.18	125.37	113.05
Redeban Multicolor S.A	Income	+/ - 100pb			26,037.89	24,607.43
	Perpetuity Gradient	+/ - 100pb			26,011.78	25,074.79
	Discount Rate	+/ - 50pb			25,565.11	25,493.71
ACH Colombia S.A.	Income	+/ - 100pb	185,963.25	177,942.27	171,220.58	163,589.14
	Perpetuity Gradient	+/ - 100pb	191,908.85	173,571.72	177,499.04	159,030.43
	Discount Rate	+/ - 50pb	183,082.93	180,836.96	168,219.38	166,600.77

Details of the sensitivity analysis of the investment in equity instruments of the Fund for the Financing of the Agricultural Sector "FINAGRO" and Redeban Multicolor S.A. are provided:

Fund for the Financing of the Agricultural Sector (FINAGRO for its Spanish acronym)

Any valuation made using the discounted cash flow methodology has a certain degree of subjectivity. For this reason, PIP Colombia S.A. conducted a sensitivity analysis to define a range for the price of Finagro's stock; the analysis considers changes in the cost of capital (Ke) and the perpetual growth rate, which can be found in the following table:

Sensitivity of the Stock Price					
	Perpetual Growth Rate				
Ke	1,70%	2,20%	2,70%	2,49%	2,99%
14,57%	3,557.95	3,588.76	3,622.16	3,607.92	3,642.99
15,07%	3,532.65	3,561.28	3,592.22	3,579.04	3,611.47
15,57%	3,509.18	3,535.86	3,564.61	3,552.37	3,582.45
16,07%	3,487.33	3,512.26	3,539.06	3,527.67	3,555.65
16,57%	3,466.96	3,490.31	3,515.35	3,504.71	3,530.82

Redeban Multicolor S.A.

Any valuation made using the discounted cash flow methodology has a certain degree of subjectivity, For this reason, PIP Colombia S.A. conducted a sensitivity analysis to define a range for the Equity Value of Redeban, Our analysis considers changes in the weighted average cost of capital (WACC) and the perpetuity growth rate, which can be found in the following table:

Sensitivity of the Stock Price					
	Perpetuity Growth Rate				
Ke	1,60%	2,10%	2,60%	3,10%	3,60%
13,22%	1,290,235	1,290,235	1,290,235	1,290,235	1,290,235
14,22%	1,240,760	1,240,760	1,240,760	1,240,760	1,240,760
15,22%	1,193,683	1,193,683	1,193,683	1,193,683	1,193,683
16,22%	1,148,868	1,148,868	1,148,868	1,148,868	1,148,868
17,22%	1,106,185	1,106,185	1,106,185	1,106,185	1,106,185

12.2. CREDIT PORTFOLIO AND LEASING OPERATIONS AND CLIENT INVESTMENTS AND DEPOSITS

Due to the unavailability of observable market valuation inputs, the estimation of fair value for these assets and liabilities is performed using the present value method of cash flows using market discount rates at the time of valuation and including spreads,

In the case of the credit portfolio, loans to clients are classified as level 3, while loans to credit institutions and loans to central banks are classified as level 2. For the portfolio, expected cash flows are projected considering balance reductions due to early payments from clients, which are modeled based on historical information; additionally, credit spreads are included in the discount.

On the other hand, client deposits are segmented into time deposits and demand deposits. For the former, cash flows contractually agreed upon are discounted using current market rates and are classified as level 3, while those from credit institutions and central banks are classified as level 2. Demand deposits are classified as level 3.

12.3. FINANCIAL ASSETS AND LIABILITIES NOT RECORDED AT FAIR VALUE

December 31, 2024

	2024				
Asset	**Book Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Commercial Loan Portfolio	$ 31,537,543	$ 32,699,475	0	0	$ 32,699,475
Consumer Portfolio	24,847,352	28,851,047	0	0	28,851,047
Housing Portfolio	14,716,662	15,481,665	0	0	15,481,665
Credit Portfolio	**71,101,557**	**77,032,187**	**0**	**0**	**77,032,187**
Agricultural Development Securities	1,889,528	1,889,321	0	0	1,889,321
Solidarity Securities	1,147,231	1,150,188	0	0	1,150,188
Treasury Securities - TES	198,620	200,763	0	0	200,763
Mortgage Securities - TIP's	12,450	11,554	0	0	11,554
Investments held to maturity	**3,247,829**	**3,251,826**	**0**	**0**	**3,251,826**
Total portfolio and investments	**$ 74,349,386**	**$ 80,284,013**	**0**	**0**	**$ 80,284,013**

	2024				
Liabilities	**Book Value**	**Fair Valuee**	**Level 1**	**Level 2**	**Level 3**
Current Deposits	$ 7,914,511	$ 7,914,511	0	0	$ 7,914,511
Savings Deposits	32,033,651	32,033,651	0	0	32,033,651
Other Deposits	1,258,286	1,258,286	0	0	1,258,286
Demand Deposits	**41,206,448**	**41,206,448**	**0**	**0**	**41,206,448**
Certificates of deposit at term	37,674,475	38,131,842	0	397,343	37,734,499
Time Deposits	**37,674,475**	**38,131,842**	**0**	**397,343**	**37,734,499**
Total deposits and liabilities	**$ 78,880,923**	**$ 79,338,290**	**0**	**$ 397,343**	**$ 78,940,947**

December 31, 2023	2023				
Asset	**Book Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Commercial Loan Portfolio	$ 30,141,602	$ 29,795,046	0	0	$ 29,795,046
Consumer Portfolio	26,569,234	28,075,615	0	0	28,075,615
Housing Portfolio	14,444,737	14,403,955	0	0	14,403,955
Credit Portfolio	**71,155,573**	**72,274,616**	**0**	**0**	**72,274,616**
Agricultural Development Securities	2,106,983	2,105,097	0	0	2,105,097
Solidarity Securities	1,153,035	1,157,111	0	0	1,157,111
Mortgage Securities - TIP's	3,954	4,044	0	0	4,044
Investments held to maturity	**3,263,972**	**3,266,252**	**0**	**0**	**3,266,252**
Total portfolio and investments	**$ 74,419,545**	**$ 75,540,868**	**0**	**0**	**$ 75,540,868**

	2023				
Liabilities	**Book Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Current Deposits	$ 7,926,945	$ 7,926,945	0	0	$ 7,926,945
Savings Deposits	31,597,289	31,597,289	0	0	31,597,289
Other Deposits	978,374	978,374	0	0	978,374
Demand Deposits	**40,502,608**	**40,502,608**	**0**	**0**	**40,502,608**
Certificates of deposit at term	36,486,819	33,451,258	0	0	33,451,258
Time Deposits	**36,486,819**	**33,451,258**	**0**	**0**	**33,451,258**
Total deposits and liabilities	**$ 76,989,427**	**$ 73,953,866**	**0**	**0**	**$ 73,953,866**

The fair value of these products additionally corresponds to assumptions about the behavior of the products. In this case, the portfolio implicitly has a prepayment hypothesis, while the resources on demand and term have hypotheses about their maturity.

In addition to being discounted by a market curve, they include effects such as a credit spread that applies to the portfolio and term deposits.

12.4. LEVELS OF FAIR VALUE HIERARCHY FINANCIAL INSTRUMENTS BBVA COLOMBIA

Local Currency Debt Securities

The valuation of investments in debt securities is carried out daily, recording their results with the same frequency.

BBVA Colombia determines the market value of investments in debt securities, negotiable and available for sale, using the "unadjusted" prices published daily by "Precia S.A.", a price provider selected by the Bank for valuation. Securities that meet these conditions will be classified at level 1 of the fair value hierarchy.

In the case of instruments that are not 100% observable in the market, but the price is determined based on other prices that are observable in the market, the entity will classify these instruments at level 2.

Investments in debt securities to be held until maturity and investments for which there is no published price on a specific date are valued exponentially based on the internal rate of return (IRR) calculated at the time of purchase and recalculated on coupon payment dates or repricing of the variable indicator. For these securities, a level 3 classification will be assigned in the fair value hierarchy.

Foreign Currency Debt Securities

Initially, the market value of the respective security or title in its currency is determined based on unadjusted market prices published by the price provider selected by the entity and authorized by the Superintendency to perform this function, for which the fair value hierarchy will be level 1.

In the absence of market prices from the official price provider, those determined in international markets published by Bloomberg are used, which, being observable on a financial information platform known to all market agents, would be classified as Level 1 within the fair value hierarchy.

Finally, when there are no observable inputs in the market, the calculation of fair value is determined exponentially based on the internal rate of return calculated at the time of purchase and recalculated on coupon payment dates or repricing of the variable indicator in applicable cases. Securities calculated with this last model (IRR) will be classified as level 3. As of December 31, 2024, and December 31, 2023, the Bank holds TIPS financial instruments for which this type of valuation applies.

Derivative Financial Instruments

According to the regulations of the Financial Superintendency of Colombia, derivative transactions are defined as contracts between two or more parties to buy or sell financial instruments at a future date, or contracts where the underlying asset is an index or a stock price. BBVA Colombia conducts transactions for commercial purposes or hedging purposes in forward contracts, options, swaps, and futures.

All derivatives are valued at their fair value. Changes in fair value are recognized in the income statement.

For the financial derivatives instruments listed below, except for futures, the fair value calculation is based on the quoted market prices of comparable contracts and represents the amount that the entity would have received from or paid to a counterparty to settle the contract at market rates on the date of the statement of financial position; therefore, a description of the valuation process by product is provided:

(a) Futures. Futures are valued based on the corresponding market price on the valuation date. These market inputs are published by the official price provider "Precia S.A.", a price provider for valuation, and taken directly from market quotes without adjustment, thus they are classified at level 1 of the fair value hierarchy.

(b) Forward (Fwd) de FX. The valuation model used is the discounted cash flows. These market inputs are published by the official price provider "Precia S.A.", a price provider for valuation, based on observable market information.

(c) Interest rate and exchange rate swaps. The valuation model is based on the discounting of cash flows. These market inputs are taken from the information published by the official price provider "Precia S.A.", a price provider for valuation.

(d) European Options USD/COP. The valuation model is based on the Black Scholes methodology using the variables provided by the official price provider.

BBVA Colombia has determined that the assets and liabilities derived measured at fair value are classified at level 2 as observed below, and the fair value hierarchy of the derivatives recorded at their fair value is detailed.

As of December 31, 2024

Assets and Liabilities	2024				
Hierarchies	**Book Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Assets	**$ 13,594,701**	**$ 13,594,701**	**$ 6,588,936**	**$ 6,417,391**	**$ 588,374**
Assets at Fair Value measured on a recurring basis	13,594,701	13,594,701	6,588,936	6,417,391	588,374
Investments	7,509,450	7,509,450	6,588,936	332,140	588,374
Marketable Investments	**3,406,417**	**3,406,417**	**3,074,277**	**332,140**	**0**
Bonds	1,999	1,999	0	1,999	0
Certificate of Time Deposit	328,957	328,957	0	328,957	0
Treasury Securities - TES	3,075,461	3,075,461	3,074,277	1,184	0
Available-for-sale investments	**3,530,614**	**3,530,614**	**3,514,659**	**0**	**15,955**
Treasury Securities - TES	3,291,907	3,291,907	3,291,907	0	0
Mortgage Securities - TIP's	15,955	15,955	0	0	15,955
Other securities	222.752	222,752	222,752	0	0
Investments in Equity Instruments	**438,621**	**438,621**	**0**	**0**	**438,621**
Holding Bursátil Chilena S.A	47,257	47,257	0	0	47,257
Credibanco S.A.	131,806	131,806	0	0	131,806
Redeban Multicolor S.A.	122,144	122.144	0	0	122.144

Assets and Liabilities	2024				
Hierarchies	**Book Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
ACH Colombia S.A.	137,414	137,414	0	0	137,414
Investments in non-controlling interests	**133,798**	**133,798**	**0**	**0**	**133,798**
Fund for the Financing of the Agricultural Sector (FINAGRO for its Spanish acronym)	133,798	133,798	0	0	133,798
Derivative financial instruments and cash transactions (Asset)	6,085,251	6,085,251	0	6,085,251	0
Trading	**5,665,200**	**5,665,200**	**0**	**5,665,200**	**0**
Forward contracts	2,106,305	2,106,305	0	2,106,305	0
Cash Transactions	271	271	0	271	0
Options	31,908	31,908	0	31,908	0
Swaps	3,526,716	3,526,716	0	3,526,716	0
Hedging	**420,051**	**420,051**	**0**	**420,051**	**0**
Swaps	420,051	420,051	0	420,051	0
Liabilities	**5,721,305**	**5,721,305**	**0**	**5,721,305**	**0**
Liabilities at Fair Value measured on a recurring basis	5,721,305	5,721,305	0	5,721,305	0

Assets and Liabilities	2024				
Hierarchies	**Book Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Derivative financial instruments and spot transactions (Liability)	5,721,305	5,721,305	0	5,721,305	0
Trading	**5,721,305**	**5,721,305**	**0**	**5,721,305**	**0**
Forward contracts	2,080,718	2,080,718	0	2,080,718	0
Cash Transactions	32	32	0	32	0
Options	31,927	31,927	0	31,927	0
Swaps	3,608,628	3,608,628	0	3,608,628	0
Assets	**13,160,350**	**13,160,350**	**9,820,787**	**1,059,407**	**0**
Assets measured on a non-recurring basis	13,160,350	13,160,350	9,820,787	1,059,407	0
Cash, cash balances in central banks and other demand deposits	10,880,194	10,880,194	9,820,787	1,059,407	0
Cash and deposits in banks	9,820,787	9,820,787	9,820,787	0	0
Money Market and Related Transactions	1,059,407	1,059,407	0	1,059,407	0
Others	2,280,156	2,280,156	0	0	0
Advances to Contracts and Suppliers	152,974	152,974	0	0	0
Accounts Receivable (Net)	2,127,182	2,127,182	0	0	0
Liabilities	**10,493,001**	**10,493,001**	**0**	**3,368,426**	**5,295,920**

Assets and Liabilities	2024				
Hierarchies	**Book Value**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Investment Securities	3,368,426	3,368,426	0	3,368,426	0
Investment Securities in Circulation	3,368,426	3,368,426	0	3,368,426	0
Financial Obligations	5,295,920	5,295,920	0	0	5,295,920
Bank loans and other financial obligations	5,295,920	5,295,920	0	0	5,295,920
Others	1,828,655	1,828,655	0	0	0
Accounts Payable	1,053,622	1,053,622	0	0	0
Other liabilities	775,033	775,033	0	0	0
Total assets and liabilities at fair value	**$ 42,969,357**	**$ 42,969,357**	**$ 16,409,723**	**$ 16,566,529**	**$ 5,884,294**

At the end of the year 2024, there was a transfer of hierarchy level in the investment of the Chilean Stock Holding Company S,A. which is at level 3 and at the end of 2023 was at level 1.

	Stage			
Content	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Transfers				
Transfer from Stage 1 to Stage 3	(51,902)	0	47,257	(4,645)

As of December 31, 2023

Assets and Liabilities	2023				
Hierarchies	**Valor en libros**	**Valor razonable**	**Nivel 1**	**Nivel 2**	**Nivel 3**
Assets	**$ 16,214,017**	**$ 16,214,017**	**$ 4,132,341**	**$ 11,676,690**	**$ 404,986**
Assets at Fair Value measured on a recurring basis	16,214,017	16,214,017	4,132,341	11,676,690	404,986
Investments	6,674,408	6,674,408	4,132,341	2,137,081	404,986
Marketable Investments	**3,693,672**	**3,693,672**	**1,561,621**	**2,132,051**	**0**
Bonds	14,884	14,884	0	14,884	0
Term Deposit Certificate	1,267,819	1,267,819	0	1,267,819	0
Treasury Securities - TES	2,410,969	2,410,969	1,561,621	849,348	0
Available-for-sale investments	**2,539,421**	**2,539,421**	**2,518,818**	**5,030**	**15,573**
Treasury Securities - TES	2,518,818	2,518,818	2,518,818	0	0
Term Deposit Certificate	5,030	5,030	0	5,030	0
Mortgage Securities - TIP's	15,573	15,573	0	0	15,573
Investments in Equity Instruments	**331,746**	**331,746**	**51,902**	**0**	**279,844**
Holding Bursátil Chilena S.A	51,902	51,902	51,902	0	0
Credibanco S.A.	135,909	135,909	0	0	135,909

Assets and Liabilities	2023				
Hierarchies	**Valor en libros**	**Valor razonable**	**Nivel 1**	**Nivel 2**	**Nivel 3**
Redeban Multicolor S.A.	25,586	25,586	0	0	25,586
ACH Colombia S.A.	118,349	118,349	0	0	118,349
Investments in non-controlling interests	**109,569**	**109,569**	**0**	**0**	**109,569**
Fund for the Financing of the Agricultural Sector (FINAGRO for its Spanish acronym)	109,569	109,569	0	0	109,569
Derivative financial instruments and cash transactions (Asset)	9,539,609	9,539,609	0	9,539,609	0
Trading	**9,320,646**	**9,320,646**	**0**	**9,320,646**	**0**
Forward contracts	5,756,081	5,756,081	0	5,756,081	0
Cash Transactions	986	986	0	986	0
Options	53,042	53,042	0	53,042	0
Swaps	3,510,537	3,510,537	0	3,510,537	0
Hedging	**218,963**	**218,963**	**0**	**218,963**	**0**
Swaps	218,963	218,963	0	218,963	0
Liabilities	**9,559,047**	**9,559,047**	**0**	**9,559,047**	**0**

Assets and Liabilities	2023				
Hierarchies	Valor en libros	Valor razonable	Nivel 1	Nivel 2	Nivel 3
Liabilities at Fair Value measured on a recurring basis	**9,559,047**	**9,559,047**	**0**	**9,559,047**	**0**
Derivative financial instruments and spot transactions (Liability)	9,559,047	9,559,047	0	9,559,047	0
Trading	**9,544,711**	**9,544,711**	**0**	**9,544,711**	**0**
Forward contracts	5,899,280	5,899,280	0	5,899,280	0
Cash Transactions	107	107	0	107	0
Options	53,056	53,056	0	53,056	0
Swaps	3,592,268	3,592,268	0	3,592,268	0
Hedging	14,336	14,336	0	14,336	0
Swaps	14,336	14,336	0	14,336	0
Assets	**11,931,689**	**11,931,689**	**8,556,215**	**2,583,679**	**0**
Assets measured on a non-recurring basis	11,931,689	11,931,689	8,556,215	2,583,679	0
Cash, cash balances in central banks and other demand deposits	11,139,894	11,139,894	8,556,215	2,583,679	0
Cash and deposits in banks	8,556,215	8,556,215	8,556,215	0	0

Assets and Liabilities	2023				
Hierarchies	Valor en libros	Valor razonable	Nivel 1	Nivel 2	Nivel 3
Money Market and Related Transactions	2,583,679	2,583,679	0	2,583,679	0
Others	791,795	791,795	0	0	0
Advances to Contracts and Suppliers	105,923	105,923	0	0	0
Accounts Receivable (Net)	685,872	685,872	0	0	0
Liabilities	**9,402,871**	**9,402,871**	**0**	**2,519,332**	**5,137,874**
Investment Securities	2,519,332	2,519,332	0	2,519,332	0
Investment Securities in Circulation	2,519,332	2,519,332	0	2,519,332	0
Financial Obligations	5,137,874	5,137,874	0	0	5,137,874
Bank loans and other financial obligations	5,137,874	5,137,874	0	0	5,137,874
Others	1,745,665	1,745,665	0	0	0
Accounts Payable	1,013,179	1,013,179	0	0	0
Other liabilities	732,486	732,486	0	0	0
Total assets and liabilities at fair value	**$ 47,107,624**	**$ 47,107,624**	**$ 12,688,556**	**$ 26,338,748**	**$ 5,542,860**

Fair value measurements classified as level 3
The movement of assets whose hierarchy level corresponds to level 3 is presented below:

Disclosure of level 3 investments	2024	2023
Balance at the beginning of the period	$ 3,281,825	$ 3,015,947
Purchases	2,694,579	3,182,712
Sales / maturities	(3,272,657)	(3,043,327)
Valuation	564,034	126,493
Balance at the end of the period	**$ 3,267,781**	**$ 3,281,825**

During the year 2024, a variation of investments classified as level 3 is presented, which correspond to maturities of securities made by the Bank according to the nature and dynamics of the business.

13. Accounts receivable, net

As of December 31, the balance of this account is summarized as follows:

Item	2024	2023
Deposits for executive lawsuits, guarantees, and others (1)	$ 1,718,410	$ 355,183
Accounts transferred to ICETEX	155,532	155,145
Commissions (2)	14,800	12,569
To employees	267	197
To parent company, subsidiaries, related parties, and associates	693	464
Taxes	423	369
Advances to contracts and suppliers (3)	152,974	105,923
Prepaid expenses *	55,820	43,411
Others (4)	203,374	139,997
Subtotal	**2,302,293**	**813,258**
Impairment of other debtors (5)	(22,137)	(21,463)
Total accounts receivable, net	**$ 2,280,156**	**$ 791,795**

1. The main variation corresponds to temporary deposits, which represent the collateral required in foreign markets within the framework of derivative transactions, known as Margin Call. These deposits are recorded as guarantees to cover exposures in such operations, including Swap coupons.

   The increase in this line is due to the fluctuation of rates throughout 2024, which impacted margin requirements. As a result, a balance of USD 354,197,448 and EUR 212,415 was recorded in December..

2. The variation presented in the commissions line is due to: (i) the increase in credit card handling fees, associated with a greater number of clients; and (ii) the increase in commissions for sales through the Despegar platform, which increased during December. The increase in the advances account is mainly due to the formalization of new leasing contracts, which include: (a) advances from the agro leasing line, and (b) advances corresponding to commercial leasing contracts, additionally, advances have been recorded for ATM maintenance projects and corporate software maintenance.

3. The increase in the advances account is mainly due to the formalization of new leasing contracts, which include: (a) advances for the agro leasing line, and (b) advances corresponding to commercial leasing contracts, in addition, advances have been recorded for ATM maintenance projects and the maintenance of corporate software.

4. In the other line, there is a general increase of $63,377, where the most significant variation corresponds to accounts receivable for (a) greater settlement of operations with derivatives in foreign currency of $90,181, (b) movements with the Central Counterparty Risk Chamber of $28,881, and (c) adjustments in municipal accounts receivable due to changes in the ICA rate of $37,826.

5. The movement of the impairment account in accounts receivable for the years ended December 31, 2024, and 2023:

Impairment account movement	2024	2023
Balance at the beginning of the year	$ (21,463)	$ (29,168)
Provision charged to expenses in the year (1)	(11,189)	(20,305)
Transfer of other items	(358)	(99)
Recovery of provision (2)	10,873	28,109
Total at the end of the year	**$ (22,137)**	**$ (21,463)**

1. Provision corresponding to accounts receivable associated with leasing contracts increased due to the following factors: (i) temporary high default by customers, and (ii) accumulation of pending interest to be collected of $1,062 and provision given by Deceval seizures of $437.

2. During the period, a recovery of $10,873 was recorded in the provision for losses due to write-offs of personal accounts.

13.1. PREPAID EXPENSES

Item	2024	2023
Corporate software maintenance	$ 31,369	$ 26,382
Insurance	8,374	9,009
Electronic	6,843	283
Others	9,234	7,737
Total prepaid expenses	**$ 55,820**	**$ 43,411**

Prepaid expenses are summarized as follows:

Prepaid expenses include contracts for robust local and corporate software maintenance, the amortization period is stipulated according to legal or contractual rights and cannot exceed the period of those rights but can be less than what is established by the parties. The indicated useful life depends on the period over which the entity expects to use the asset.

The additions presented during the year 2024 in the prepaid expenses accounts correspond to payments made as follows:

- Payments made for the acquisition of global, multi-risk, life, and vehicle insurance policies.
- Payments made for support renewals and software maintenance, transfer pricing, and technical data storage services.
- Deferred district tax generated during the year 2024.

The withdrawals generated during the year 2024 correspond to the amortizations generated during the period in which the services are received or their costs or expenses were incurred.

The movement of prepaid expenses during the years 2024 and 2023 was as follows:

December 31, 2024

Item	Balance 2023	Additions	Amortization	Balance 2024
Corporate software maintenance	$ 26,382	$ 134,465	$ (129,478)	$ 31,369
Insurance	9,009	12,516	(13,151)	8,374
Electronic	283	11,438	(4,878)	6,843
Others	7,737	33,563	(32,066)	9,234
Total	**$ 43,411**	**$ 191,982**	**$ 179,573**	**$ 55,820**

December 31, 2023

Item	Balance 2022	Additions	Amortization	Balance 2023
Corporate software maintenance	$ 33,084	$ 110,424	$ (117,126)	$ 26,382
Insurance	7,657	19,893	(18,541)	9,009
Electronic	1,038	343	(1,098)	283
Others	3,599	35,677	(31,539)	7,737
Total	**$ 45,378**	**$ 166,337**	**$ (168,304)**	**$ 43,411**

14. Tangible assets, net

Below is a summary of tangible assets, net:

December 31, 2024

Item	Land (8) (12)	Buildings (4) (9) (12)	Vehicles	Fixtures and accessories (2) (7) (10)	Computer equipment (1) (6) (11)	Plant machinery and equipment under assembly (5)	Improvements on leased assets	Buildings in progress (3)	Property rights of use	Total
Costo										
Saldo al 31 de diciembre de 2023	**$ 143,233**	**$ 621,809**	**$ 965**	**$ 247,258**	**$ 328,346**	**$ 843**	**$ 17,399**	**$ 1,077**	**$ 259,299**	**$ 1,620,229**
Compras	0	0	0	26,691	43,416	1,917	0	26,067	0	**98,091**
Activaciones / adiciones	0	1,971	0	0	1,514	(1,514)	1,168	(3,139)	8,530	**8,530**
Retiros	0	0	0	(5,296)	(37,084)	(78)	0	0	0	**(42,458)**
Traspaso a activos no corrientes mantenidos para venta	(9,338)	(45,903)	0	(7,666)	(7,067)	0	0	0	0	**(69,974)**
Contratos rescindidos	0	0	0	0	0	0	0	0	(8,623)	**(8,623)**
Reclasificaciones	0	0	0	0	0	0	68,194	0	0	**68,194**
Cost balance as of December 31, 2024	**133,895**	**577,877**	**965**	**260,987**	**329,125**	**1,168**	**86,761**	**24,005**	**259,206**	**1,673,989**

Item	Land (8) (12)	Buildings (4) (9) (12)	Vehicles	Fixtures and accessories (2) (7) (10)	Computer equipment (1) (6) (11)	Plant machinery and equipment under assembly (5)	Improvements on leased assets	Buildings in progress (3)	Property rights of use	Total
Depreciation										
Balance as of December 31, 2023	**0**	**(232,506)**	**(633)**	**(179,953)**	**(256,482)**	**0**	**(2,023)**	**0**	**(131,441)**	**(803,038)**
Depreciation for the year	0	(6,088)	0	(17,035)	(28,910)	0	(1,856)	0	(32,892)	**(86,781)**
Withdrawals	0	0	0	5,296	36,231	0	0	0	0	**41,527**
Transfer to non-current assets held for sale	0	20,431	0	7,666	7,067	0	0	0	0	**35,164**
Cancelled contracts	0	0	0	0	0	0	0	0	8,623	**8,623**
Withdrawal for Operational Risk	0	0	0	0	(465)	0	0	0	0	**(465)**
Reclassifications	0	0	0	0	0	0	(68,194)	0	0	**(68,194)**
Depreciation balance as of December 31, 2024	**0**	**(218,163)**	**(633)**	**(184,026)**	**(242,559)**	**0**	**(972,073)**	**0**	**(155,710)**	**(873,164)**
Impairment										
Balance as of December 31, 2023	(9.169)	(15,425)	0	0	0	0	0	0	0	**(24,594)**
Deterioration / recovery of deterioration	1.451	3,574	0	0	0	0	0	0	0	**5,025**
Deterioration balance as of December 31, 2024	**(7.718)**	**(11,851)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(19,569)**
Book value as of December 31, 2024	**$ 126.177**	**$ 347,863**	**$ 332**	**$ 76,961**	**$ 86,566**	**$ 1,168**	**$ 14,688**	**$ 24,005**	**$ 103,496**	**$ 781,256**

During the year 2024, total purchases of tangible assets amounted to $98,091, the most representative items are:

1. The total purchase of computer equipment was $43,416, the most notable purchases include: purchase of 1,451 laptops for a total of $5,100, storage infrastructure and Teusaquillo cabin were acquired for a total of $2,635, purchase of SAN storage BRS for a total of $6,003, purchase of director switch for a value of $937, purchase of 248 bill counters for a value of $3,002, purchase of 163 thermal printers for a total of $1,187, purchase of 500 Pin Pads for a total of $568, purchase of 77 servers for a total of $896, 222 printers were purchased for a value of $1,099, acquisition of RKL servers for migration of information logical security Cryptosec for a value of $910.

2. The total purchase of furniture and accessories was $26,691, the most notable purchases include: purchase of uninterruptible power supply installation system for a value of $1,776, purchase of 165 air conditioners for a value of $4,859, purchase of 559 chairs for a value of $1,130, purchase of 100 physical security devices for $708, purchase of 158 straight benches for offices for $246, purchase of 18 communication elements (Switch replaced due to obsolescence) for $2,344, purchase of 157 office elements for $204 and payment for 1 and 2 of the service contract for supply, delivery, installation, configuration, commissioning, support, and maintenance of communication infrastructure for a value of $4,558.

3. Purchases for ongoing constructions amounted to $26,067, these correspond to office remodeling works for the NOVA project.

4. The addition of buildings for $1,971 corresponds to ongoing works and the relocation of the main office of the General Directorate valued at $997, the change of the water system in the main building valued at $613, and remodeling studies for the Nova project valued at $362.

5. The purchases of machinery, plants, and assembly equipment amounted to $1,917 intended for the adaptation and relocation of works for the relocation of ATMs and offices, according to business needs.

The withdrawal of tangible fixed assets has generated a total cost value of $42,458 during the year 2024, which mostly corresponds to direct write-offs, the most significant are listed:

6. Direct write-off of 574 ATMs valued at $20,815 because they are out of service or do not have manufacturer support and the inability to upgrade their operating system to Windows 10, the direct write-off of 19 logical security assets valued at $3,498 associated with the NetApp storage system and Appliance servers, and the write-off of 154 laptops due to theft derived from the physical custody contract with the provider Indra valued at $771.

7. The direct write-off of 40 assets associated with the telephone infrastructure valued at $2,159, due to their obsolescence and the change of communication system, the direct write-off of 217 real estate assets unfit for use corresponding to the office on 34th Street valued at $248, and the direct write-off of 451 physical security equipment due to non-existence, under the framework of the inventory homogenization audit.

During the year 2024, transfers of fixed assets to the non-financial asset management team (GANF) for commercialization have generated a total value of $69,974.

8. Transfer of land: valued at $9,338 corresponding to 22 owned commercial premises for sale, framed in the Nova office renovation project and 2 partial transfers associated with the renovation works of the Medellín metro.

9. Transfer of buildings: the transfer of 22 buildings valued at $45,903 is carried out framed in the Nova office renovation project.

10. Transfer of communication equipment: this transfer, approved in act 1,722 of November 30, 2023, included the write-off of 907 assets of which 747 were transferred to GANF for $7,666.

11. Transfer of IT equipment: transfers were made for a value of $7,067, the most relevant were: transfer of 1,582 assets approved in the board meeting of November for a value of $4,345, transfer of 2 Blade enhancers approved in act 1,732 of July 31, 2024, for a value of $376.

12. Deterioration: the movements of deteriorations for the years 2024 and 2023 are listed.

	2024	2023
Initial Balance	$ (24,594)	$ (30,586)
Net P&L impact	$ 1,485	$ 5,974
Transfer to non-current assets held for sale	3,540	18
Final Balance	**$ (19,569)**	**$ (24,594)**

December 31, 2023

Item	Land	Buildings	Vehicles	Fixtures and accessories	Computer equipment	Plant machinery and equipment under assembly	Improvements on leased assets	Construction in progress	Properties with right of use	Total
Cost										
Balance as of December 31, 2022	$ 143,297	$ 619,432	$ 965	$ 247,809	$ 315,632	$ 623	$ 14,367	$ 1,481	$ 203,837	**$ 1,547,443**
Purchases	0	465	0	11,426	33,401	1,914	0	5,146	66,109	**118,461**
Activations / additions	0	2,517	0	0	1,619	0	3,032	0	0	**7,168**
Withdrawals	0	0	0	(11,977)	(11,913)	(75)	0	-1	0	**(23,966)**
Transfer to non-held assets for sale	(64)	(605)	0	0	(10,393)	0	0	0	0	**(11,062)**
Activation of equipment in assembly and ongoing constructions	0	0	0	0	0	(1,619)	0	(5,549)	0	**(7,168)**
Contracts terminated	0	0	0	0	0	0	0	0	(10,647)	**(10,647)**
Cost balance as of December 31, 2023	**143,233**	**621,809**	**965**	**247,258**	**328,346**	**843**	**17,399**	**1,077**	**259,299**	**1,620,229**

Item	Land	Buildings	Vehicles	Fixtures and accessories	Computer equipment	Plant machinery and equipment under assembly	Improvements on leased assets	Construction in progress	Properties with right of use	Total
Depreciation										
Balance as of December 31, 2022	**0**	**(226,141)**	**(633)**	**(173,261)**	**(252,169)**	**0**	**0**	**0**	**(105,079)**	**(757,283)**
Depreciation for the year	0	(6,531)	0	(18,669)	(26,127)	0	(2,023)	0	(30,500)	**(83,850)**
Withdrawals	0	0	0	11,977	11,421	0	0	0	0	**23,398**
Transfer to non-held assets for sale	0	166	0	0	10,393	0	0	0	0	**10,559**
Contracts terminated	0	0	0	0	0	0	0	0	4,138	**4,138**
Depreciation balance as of December 31, 2023	**0**	**(232,506)**	**(633)**	**(179,953)**	**(256,482)**	**0**	**(2,023)**	**0**	**(131,441)**	**(803,038)**
Impairment										
Balance as of December 31, 2022	**(9,738)**	**(20,848)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(30,586)**
Deterioration / recovery deterioration	569	5,423	0	0	0	0	0	0	0	**5,992**
Balance deterioration as of December 31, 2023	**(9,169)**	**(15,425)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(24,594)**
Book value as of December 31, 2023	**$ 134,064**	**$ 373,878**	**$ 332**	**$ 67,305**	**$ 71,864**	**$ 843**	**$ 15,376**	**$ 1,077**	**$ 127,858**	**792,597**

Depreciation. The depreciation of fixed assets is carried out using the straight-line method and begins when they are in optimal condition for use, The useful life and cost of the asset are determined through appraisals conducted by independent experts every 36 months, and the depreciation base is calculated by taking the cost minus the residual value of each fixed asset (buildings).

All properties and equipment of the Bank are properly insured against the risks of fire, allied dangers, damage to electrical and electronic equipment, machinery breakdown, malicious acts (HAMCCop), and theft, through valid insurance policies, and there are no restrictions on ownership.

For the purpose of establishing provisions or individual valuations on real estate, commercial appraisals are conducted by independent firms registered with the Real Estate Exchange. The validity applied for these appraisals is 3 years, and as of December 31, 2024, appraisals were conducted on 3% of the properties owned by the Bank.

Appraisal Date	Amount	% Participation
2022	229	2%
2023	237	96%
2024	210	6%

A list of fully depreciated assets as of December 31, 2024, is attached.

Item	Amount	$ Value
Buildings	$ 44	$ 8,147
Furniture and accessories	54,805	109,232
Computer equipment	22,926	180,416
Improvements on leased assets	671	65,845
Final Balance	**$ 78,446**	**$ 363,640**

15. Investments in subsidiaries and joint ventures

Below is the detail of the investments in subsidiaries and joint ventures that were made:

estments in subsidiaries and joint ventures	2024	2023
Subsidiary investments	$ 187,182	$ 163,224
Investments in joint ventures	169,822	167,494
Total investments in subsidiaries and joint ventures	**$ 357,004**	**$ 330,718**

For investments classified as controlled participations, including BBVA Fiduciaria and BBVA Valores, their valuation is determined using the Equity Method according to Law 222 of 1995.

There is an increase of 7.95%, represented by $26,286 in investments in subsidiaries and joint agreements, mainly due to the profit distribution project of $37,240 corresponding to the year 2023, of which BBVA Asset Management S.A. Trust Company accounts for $32,862 and BBVA Valores Colombia S.A. Brokerage Firm accounts for $4,378; these dividends were previously approved in each of the Shareholders' Assemblies and the application of the equity participation method for 2024.

Investments in subsidiaries and joint agreements. Corresponds to investments in equity instruments in controlled participations that as of December 31, 2024, and December 2023, were composed of:

BBVA Asset Management S.A. Trust Company (hereinafter "the Trust Company"): The main purpose of the Trust Company is to enter into commercial trust contracts, to enter into state trust contracts as provided in Law 80 of 1993, and, in general, to enter into all those businesses that involve fiduciary management and those that are legally authorized for trust companies. In carrying out its purpose, the Trust Company can fundamentally acquire, sell, encumber, manage movable and immovable property, legally represent bondholders, intervene as debtor or creditor in all kinds of credit operations, and issue, accept, endorse, collect, and negotiate in general all kinds of securities.

BBVA Valores Colombia S.A. Brokerage Firm (hereinafter "the Brokerage Firm"): its corporate purpose is to develop the commission contract for the purchase and sale of securities registered in the National Securities Registry, to develop the contracts for managing securities funds for its national and foreign clients, and to carry out operations on its own account. Additionally, it has authorization from the Superintendency to carry out activities related to the securities market and to provide advice on activities related to the capital market.

RCI Banque Colombia S.A. Financing Company (hereinafter "RCI" or "the Company"): its purpose is to enter into or execute all operations and contracts legally permitted to financing companies, subject to the requirements and limitations of Colombian law, which are:

1. To raise term resources with the primary purpose of carrying out active consumer credit operations, payroll loans, factoring, and remittances.

2. To provide retail financing (credit, leasing) for buyers of new Renault vehicles and new vehicles of related brands, as well as used vehicles of all brands.

3. To provide wholesale financing to dealers and distributors of Renault and related brands and the inventory of spare parts.

4. To transfer and sell accounts receivable from vehicle loans.

5. To obtain loans from financial institutions, related parties, or affiliates of its shareholders in the form of loans, bonds, asset-backed securities, commercial papers, and other instruments, and to secure such obligations as necessary.

6. To facilitate the sale of related insurance and other services (including life insurance, payment protection insurance, and comprehensive vehicle insurance).

7. Remarketing of vehicles that are returned by leasing customers and that are recovered from defaulting customers.

December 31, 2024

Item	Domicile	Capital	Equity capital	Share percentage %	Carrying value	Risk rating for solvency and market	Assets	Liabilities	Profits and/or Losses
Investments in subsidiaries					$ 187,182				
BBVA Asset Management S.A. Sociedad Fiduciaria	Bogotá D.C.	55,090	52,066	94.51%	124,906	A	163,260	31,102	50,004
BBVA Valores Colombia S.A. Comisionista de Bolsa	Bogotá D.C.	29,000	27,388	94.44%	62,276	A	81,542	17,162	14,136
Investments in joint ventures					169,822				
RCI Banque Colombia S.A.	Medellín	234,942	115,122	49.00%	169,822	A	3,553,287	3,206,640	(111)
Total investments in subsidiaries and joint ventures					**$ 357,004**				

December 31, 2023

Item	Domicile	Capital	Equity capital	Share percentage %	Carrying value	Risk rating for solvency and market	Assets	Liabilities	Profits and/or Losses
Investments in subsidiaries					$ 163,224				
BBVA Asset Management S.A. Sociedad Fiduciaria	Bogotá D.C.	55,090	52,066	94.51%	111,466	A	158,300	40,362	35,121
BBVA Valores Colombia S.A. Comisionista de Bolsa	Bogotá D.C.	29,000	27,388	94.44%	51,758	A	65,398	10,594	11,590
Investments in joint ventures					167,494				
RCI Banque Colombia S.A.	Medellín	234,942	115.122	49.00%	167,494	A	4,234,390	2,258,747	30,303
Total investments in subsidiaries and joint ventures					**$ 330.718**				

16. Intangible assets, net

Intangible assets as of December 31 are summarized as follows:

December 31, 2024

Intangible assets, net	Licenses (1)	Developments (2) (3) (4) (5) (6) (7)	Total
Cost			
Balance as of December 31, 2023	$ 48,289	$ 628,685	**$ 676,974**
Purchases	908	147,673	**148,581**
Reactivations	0	3,206	**3,206**
Disposal of Assets	(1,592)	(7,797)	**(9,389)**
Balance cost as of December 31, 2024	**47,605**	**771,767**	**819,372**
Amortization			
Balance as of December 31, 2023	(45,062)	(407,945)	**(453,007)**
Amortization of the year	(1,135)	(61,544)	**(62,679)**
Amortization of the year Internal Cost	0	(928)	**(928)**
Reactivations	0	(1,151)	**(1,151)**
Disposal of Assets	1,592	5,067	**6,659**
Reclassification	0	(938)	**(938)**
Balance amortization December 31, 2024	**(44,605)**	**(467,439)**	**(512,044)**
Impairment			
Balance as of December 31, 2023	0	(25)	**(25)**
Deterioration of exercise	0	(3,643)	**(3,643)**
Decrease of Assets	0	2,730	**2,730**
Reclassification	0	938	**938**
Balance deterioration December 31, 2024	**0**	**0**	**0**
Total intangible assets, net	**$ 3,000**	**$ 304,328**	**$ 307,328**

December 31, 2023

Intangible assets, net	Licenses	Developments	Total
Cost			
Balance as of December 31, 2022	$ 48,239	$ 541,220	**$ 589,459**
Purchases	216	104,808	**105,024**
Activations/Additions	0	6,823	**6,823**
Withdrawals	(166)	(24,166)	**(24,332)**
Cost balance as of December 31, 2023	**48,289**	**628,685**	**676,974**
Amortization			
Balance as of December 31, 2022	(43,557)	(372,259)	**(415,816)**
Amortization for the year	(1,561)	(49,875)	**(51,436)**
Withdrawals	56	14,189	**14,245**
Amortization balance December 31, 2023	**(45,062)**	**(407,945)**	**(453,007)**
Impairment			
Balance as of December 31, 2022	0	0	**0**
Deterioration of exercise	0	(12,123)	**(12,123)**
Withdrawals	0	12,098	**12,098**
Deterioration balance December 31, 2023	**0**	**(25)**	**(25)**
Total intangible assets, net	**$ 3,227**	**$ 220,715**	**$ 223,942**

In the year 2024, a total of acquisitions and developments of intangible assets worth $148,581 were generated, among the most significant are the following:

1. 1 Back up license was acquired for $68, 1 Softland Erp - Systems Engineering license for $32 and 22 Oracle Transparent Data Encryption (TDE) licenses for $808

2. There are 154 ongoing software development initiatives, with a cumulative value of $51,931. Among the most significant projects are: Brickell Project - Bbva Colombia for $6,363, Single Data Model (SMD 2) for $4,748, Single Data Model (SMD 1) for $2,682, immediate payment system SPI for: $1,876, SREP data quality BCBS239 Colombia 2024 for $1,665 and CRM for $1,575.

3. There are 135 ongoing software development initiatives (internal cost), with a cumulative value of $22,008. Brickell Project - Bbva Colombia for $2,309, Single Data Model (SMD -1) for $1,057, Immediate Payment System SPI for $873, Single Data Model (SMD -2) for $822, Cronos Collections Diy Refinancing for $744 and generation of QR receiver between Redeban accounts for $733.

4. There are 516 corporate software development initiatives in production with a cumulative value of $52,609. Among the most significant projects are: CDD based reporting Colombia for $1,996, veridas updates and Biocatch Open Market for $1,199, Datio Evolution for $1,158, Grm Col Data Processes Transformation Rdt for $1,077, digital housing VIS/No VIS for $1,005 and digital loan One Click E2e for $901.

5. There are 376 corporate software development initiatives in production (internal cost) worth $21,125. Among the most significant projects are: Horizon Alpha Colombia for $749, Datio Evolution for $744, digital housing VIS/No VIS for $613, operations transformation plan 2022 for $494, CRM Plan: Pipeline Monitoring for $383 and veridas updates and Biocatch Open Market for: $381.

6. The impairment of 54 technical initiatives worth $7,797 has been carried out, the most representative initiatives are: Execution vulnerability worth $2,230, Cash conversion worth $751, Diy-Bbva Net Cash worth $569, CV update (Format 466) worth $499, Smart Offe project worth $438 and massive high automation Payroll Account worth $237.

7. The write-off of 13 assets associated with licenses that are no longer operational due to application changes and obsolescence has been carried out, worth $1,592. The most representative assets are: Control Compliant Suit licenses worth $537, Intellinx licenses worth $247, Reflection license worth $220, acquisition of 10,000 Sw Specops Password Policy worth $193, Wmware Vsphere Enterprise Plus licenses worth $92 and local software licenses for full disk solution worth $85.

17. Non-current assets held for sale, net

The non-current assets held for sale mainly correspond to goods received in payment from credit portfolio debtors, and for which the bank's intention regarding these goods is to sell them in the short term; for this, departments, processes, and programs have been established for their sale, either in cash or with financing granted to potential buyers.

As of December 31, the balance of this account is summarized as follows:

Item	2024	2023
Goods received in payment		
Real estate	$ 54,777	$ 33,901
Subtotal of goods received in payment	**54,777**	**33,901**
Goods returned from leasing contracts		
Real estate	19,166	20,454
Vehicles	578	510
Machinery and equipment	176	293
Real estate in residential leasing	31,553	26,549
Others	34	34
Subtotal of returned goods from leasing contracts	**51,507**	**47,840**
Unused goods in the corporate purpose		
Land	10,504	2,521
Buildings	34,322	12,792
Furniture and Fixtures	447	556
Computer equipment	23,673	8,940
Subtotal of unused goods in the corporate purpose	**68,946**	**24,809**
Trusts	84,445	7,175
Subtotal of trusts	**84,445**	**7,175**
Subtotal receivables, received in payment and returned	**259,674**	**113,725**
Impairment of non-current assets held for sale		
Goods received in payment	(32,065)	(26,408)
Returned goods from leasing contracts	(32,282)	(27,689)
Trusts	(17,112)	(7,175)
Furniture and Fixtures	(428)	(513)
Computer equipment	(23,672)	(8,940)
Subtotal impairment	**(105,559)**	**(70,725)**
Total non-current assets held for sale, net	**$ 154,115**	**$ 43,000**

As of December 31, 2024, the Bank had 561 non-current assets held for sale valued at $259,674 and an impairment of $105,559; As of December 31, 2023, the Bank had 444 non-current assets held for sale valued at $113,725 and an impairment of $70,725

The non-current assets held for sale with an age of more than two years for the years 2024 and 2023 amounted to $83,103 and $78,453 respectively,

In 2024, the Bank sold 127 non-current assets held for sale for a total of $16,921, generating a loss of $788.

The Trusts show a variation of $77,270, this increase mainly corresponds to the recognition of the PACTIA private equity fund valued at $73,700, and three fiduciary rights over a warehouse located in the city of Cartagena.

Regarding disposals, during the year 2024, lots were received at a total cost of $8,178, offices at a total cost of $45,903, and computer equipment at a total cost of $14,733, due to the implementation of the NOVA project.

It relates to the payment method received for the sales of non-current assets held for sale:

	2024			2023		
Type	**Sale value**	**Cash sale**	**BBVA credit sale**	**Sale value**	**Cash sale**	**BBVA credit sale**
Goods received in payment	$ 6,505	$ 6,190	$ 315	$ 6,960	$ 6,960	$ 0
Returned goods leasing contracts	8,189	7,639	550	13,447	13,447	0
Unused goods in the corporate purpose	2,227	2,227	0	7,184	7,184	0
Total	**$ 16,921**	**$ 16,056**	**$ 865**	**$ 27,591**	**$ 27,591**	**$ 0**

The movement of the provision for the protection of non-current assets held for sale during the years ended December 31, 2024, and December 31, 2023, was as follows:

Item	**2024**	**2023**
Balance at the beginning of the year	$ (70,725)	$ (60,900)
Provision charged to expenses in the year	(28,858)	(12,583)
Transfers of fully depreciated assets	(14,647)	(6,769)
Less - Withdrawal for sales and recoveries	8,671	9,527
total impairment balance	**$ (105,559)**	**$ (70,725)**

18. Other assets, net

The balance of the account as of December 31 was composed as follows:

Other assets, net	2024	2023
Art and culture goods (1)	$ 1,377	$ 1,286
Miscellaneous (2)	23,795	16,496
Subtotal	**25,172**	**17,782**
Deterioration of other assets	(2,515)	(2,380)
Total other assets, net	**$ 22,657**	**$ 15,402**

1. The variation in art and culture assets of $90 corresponds to the update of the commercial appraisal of the collection of artworks held by BBVA in Colombia.

2. In various accounts, a representative variation is presented due to the following increases in different operations:

- Operations for collection compensation of the client network Redeban Multicolor with an amount of $1,708.

- Corresponds to the reclassification of link and automatic reconciliation accounts that present differences due to incidents that have not been purged from the stock with active deficiencies as of December 9, 2024, for a value of $1,401.

- Operations for national taxes collected through PSE, where tax payments made after 17:30 until 23:00 are found with a variation of $1,103 and are regularized on the next business day.

The movement of the account for the deterioration of other assets in the years ended December 31, 2024, and December 31, 2024, was as follows:

Movements in impairment accounts	2024	2023
Balance at the beginning of the year	$ (2,380)	$ (1,142)
Deterioration during the year (3)	(1,373)	(1,760)
Recovery of impairment	1,238	522
STotal balance at the end of the year	**$ (2,515)**	**$ (2,380)**

3. The movement of the account for the deterioration of other assets in the years ended December 31, 2024, compared to December 31, 2023, had an increase of $134 due to provisions made to four cost centers (Tunal, Country, Premium, and San Andrés) for rejections of acquisitions; however, a provision of $645 from office 370 is released and is broken due to acquisition operations of the client Evolution Renting.

19. Current Tax

Below is the breakdown of balances by current tax:

Current tax	2024	2023
Current tax assets		
Balance in favor of current tax	$ 1,473,190	$ 828,295
VAT on productive fixed assets	8,840	6,776
Total current tax	**$ 1,482,030**	**$ 835,071**

For the period between December 2024 and December 2023, there is an increase in the balance in favor in the last year due to the Bank's tax loss, with which the tax liability is not liquidated and the amount effectively paid for withholdings and selfwithholdings is accumulated; likewise, the accumulation of the VAT tax discount on real productive fixed assets is presented only for the Bank, taking into account that it has not been possible to take this tax benefit due.

For the subsidiary companies, the tax liability derived from their profits, which show growth between 2023 and 2024, is presented.

20. Customer deposits

The passive portfolio of BBVA Colombia as of December 31, 2024, was composed as follows:

Customer deposits	2024	2023
Savings deposits	$ 31.788.730	$ 31.320.746
Current account deposits	7.914.511	7.926.945
Liabilities for services	499.637	522.286
Special deposits	528.695	447.077
Special savings accounts	244.175	275.223
Simple deposits	746	1.320
Cancelled accounts	811	762
Banks and correspondents	222.345	1.439
Electronic deposits	6.798	6.810
Subtotal of customer deposits on demand	**41.206.448**	**40.502.608**
Certificates of deposit at term	37.661.112	36.473.868
Real value savings certificates	13.363	12.951
Subtotal of term customer deposits	**37.674.475**	**36.486.819**
Total customer deposits	**$ 78.880.923**	**$ 76.989.427**

The detail of deposits and liabilities as of December 31, 2024 was:

Item	Local currency	Foreign currency	Total currency
Current account			
Official Sector	$ 1,483,412	$ 0	**$ 1,483,412**
Private Sector	6,420,971	10,128	**6,431,099**
Subtotal current account	**7,904,383**	**10,128**	**7,914,511**
Simple deposit			
Private Sector	746	0	**746**
Subtotal simple deposit	**746**	**0**	**746**
CDT - Pesos			
Official Sector	4,311,059	0	**4,311,059**
Private Sector	33,350,053	0	**33,350,053**
Subtotal CDT - Pesos	**37,661,112**	**0**	**37,661,112**
Savings deposits			
Deposits:			
Official Sector	9,786,191	0	**9,786,191**
Private Sector	22,002,539	0	**22,002,539**

Item	Local currency	Foreign currency	Total currency
Special savings:			
Private Sector	244,175	0	**244,175**
Subtotal savings deposits	**32,032,905**	**0**	**32,032,905**
CDT - UVR			
Private Sector	13,363	0	**13,363**
Subtotal CDT - UVR	**13,363**	**0**	**13,363**
Other Deposits			
Banks and correspondents	7,276	215,069	**222,345**
Special deposits	117,643	417,850	**535,493**
Banking services	383,013	116,624	**499,637**
Others			
Cancelled accounts	811	0	**811**
Total customer deposits	**$ 78,121,252**	**$ 759,671**	**$ 78,880,923**

The detail of deposits and liabilities as of December 31, 2023, was:

Item	Local currency	Foreign currency	Total currency
Current account			
Official Sector	$ 1,524,834	$ 0	**$ 1,524,834**
Private Sector	6,395,015	7,096	**6,402,111**
Current account subtotal	**7,919,849**	**7,096**	**7,926,945**
simple deposit			
Private Sector	1,320	0	**1,320**
Simple deposit subtotal	**1,320**	**0**	**1,320**
CDT - Pesos			
Official Sector	3,574,259	0	**3,574,259**
Private Sector	32,899,609	0	**32,899,609**
CDT - Pesos subtotal	**36,473,868**	**0**	**36,473,868**
Savings deposits			
Deposits:			
Official Sector	10,520,763	0	**10,520,763**
Private Sector	20,799,983	0	**20,799,983**
Special savings:			
Private Sector	275,223	0	**275,223**
Savings deposits subtotal	**31,595,969**	**0**	**31,595,969**
CDT - UVR			
Private Sector	12,951	0	**12,951**
CDT - UVR subtotal	**12,951**	**0**	**12,951**
Other Deposits			
Banks and correspondents	1,439	0	**1,439**
Special deposits	58,198	395,679	**453,877**
Tax collection	10	0	**10**
Banking services	365,343	156,943	**522,286**
Others			
Cancelled accounts	762	0	**762**
Total customer deposits	**$ 76,429,709**	**$ 559,718**	**$ 76,989,427**

- A 3% increase is observed compared to the previous year, with this increase mainly attributable to term deposit certificates (CDT) at 4% and savings deposits at 1%. On the other hand, a significant decrease of 44% was recorded in the simple deposits category in the private sector compared to the previous year.
- The increase in special deposits is due to the collateral required in USD, with a growth of 18.26% compared to the previous year. This increase also responds to additional factors such as national taxes, customs and office payments, which depend on the flow of taxpayers.
- An increase of $467,894 in savings deposits is reported compared to the previous year, mainly driven by the private sector in the individual segment. Additionally, an increase in balances sent to inactive accounts is observed.
- Regarding term deposit certificates (CDT) in pesos, a 4% increase was recorded compared to the previous year, attributable to greater collection in the official sector of peso CDT and a positive impact in the interest category. Furthermore, an increase in the individual sector in IBR CDT was evidenced.
- An increase was recorded in Banks and Correspondents in foreign currency, related to the overdrafts of BBVA New York and BBVA Madrid banks.

According to each collection modality, the effective annual rates (EA) charged on customer deposits were as follows:

Rates for term deposit certificates and checking accounts:

	2024		2023	
	Minimum rate	Maximum rate	Minimum rate	Maximum rate
Checking Account	0.01%	0.05%	0.01%	0.60%
CDT	7.50%	9.05%	9.80%	12.36%

Savings account rates, a generality is reported as these depend on the conditions of the subproducts:

	2024		2023	
	Minimum rate	Maximum rate	Minimum rate	Maximum rate
Savings Account	0.01%	9.10%	0.01%	11.80%
	Average		Average	
		4.56%		5.91%

21. Derivative financial instruments and spot transactions (liability)

The financial instruments traded by BBVA are classified as assets (see note 9) or liabilities according to their outcome.

As of December 31, the balance of this account classified as a liability is summarized as follows:

Derivative financial instruments and cash operations	2024	2023
Tradeable (1)	$ 5,721,305	$ 9,544,711
Hedging (2)	0	14,336
Money market and simultaneous transactions (3)	2,492,895	2,720,622
Total derivative financial instruments and spot transactions (liability)	**$ 8,214,200**	**$ 12,279,669**

21.1. FINANCIAL INSTRUMENTS - TRADING DERIVATIVES (LIABILITY)

As of December 31, 2024, the balance of this account classified as a liability was summarized as follows:

Item	Notional Value		Fair Value	
Contratos Forward	**2024**	**2023**	**2024**	**2023**
Purchase on foreign currency				
Rights	$ 10,453,178	$ 65,226,464	$ (9,978,462)	$ (57,143,437)
Obligations	0	0	10,138,346	63,037,829
Sale on currencies				
Rights	51,616,701	696,150	(49,832,066)	(631,457)
Obligations	0	0	51,750,838	638,398
Purchase of securities				
Rights	144,000	0	(121,595)	0
Obligations	0	0	124,987	0
Sale on securities				
Less Credit Risk	0	0	(1,330)	(2,053)
Total forward contracts	**$ 62,213,879**	**$ 65,922,614**	**$ 2,080,718**	**$ 5,899,280**
Cash Transactions	**2024**	**2023**	**2024**	**2023**
Currency Purchases				
Rights	$ 2,208	$ 4,534	$ (2,204)	$ (4,515)
Obligations	0	0	2,207	4,535
Currency Sales				
Rights	1,948	76,081	(1,945)	(76,024)
Obligations	0	0	1,948	76,082

Item	Notional Value		Fair Value	
Purchase on securities				
Rights	63,220	76,646	(65,143)	(77,714)
Obligations	0	0	65,158	77,734
Sales on titles				
Rights	36,140	22,851	(32,466)	(19,930)
Obligations	0	0	32,477	19,939
Total spot transactions	**$ 103,516**	**$ 180,112**	**$ 32**	**$ 107**
Options	**2024**	**2023**	**2024**	**2023**
Put sales	$ 959,359	$ 544,773	$ 9,024	$ 47,402
Ventas Call	1,187,353	796,623	22,919	5,671
Less DVA credit risk	0	0	(16)	(16)
Fair value of exchange price	**$ 2,146,712**	**$ 1,341,396**	**$ 31,927**	**$ 53,057**
Swaps	**2024**	**2023**	**2024**	**2023**
About interest rates:				
Rights	$ 78,060,270	$ 64,478,838	$ (14,705,076)	$ (10,397,913)
Obligations	0	0	16,862,958	12,853,579
On currencies				
Rights	10,233,872	9,701,942	(10,221,189)	(9,345,038)
Obligations	0	0	11,689,548	10,496,910
Less CVA credit risk	0	0	(17,613)	(15,271)
Total Swaps	**$ 88,294,142**	**$ 74,180,780**	**$ 3,608,628**	**$ 3,592,267**
Total cash and derivative transactions	**$152,758,249**	**$ 141,624,902**	**$ 5,721,305**	**$ 9,544,711**

The Bank is one of the main banks in the Public Debt Market Makers Scheme, which structurally requires it to maintain a high portfolio in treasury bonds (both fixed-rate TES and UVR TES). This need has been increasing over time as the strategy of the Public Credit Directorate has been to increase the duration of On the Run bonds.

The guarantees received in derivative transactions as of December 31, 2024 and 2023 were as follows:

Counterparty	DIV	2024	2023
<Passive>			
Bbva Bancomer S.A. México	USD	0	(1,630,000)
Bbva Madrid Clearing Broker	USD	0	(43,286,425)
Morgan Stanley And Co International	USD	(94,768,850)	(58,608,850)

21.2. DERIVATIVE FINANCIAL INSTRUMENTS FOR HEDGING (LIABILITY)

Fair value accounting hedge

It was designated as fair value because the obligation is indexed to the IBR rate (Reference Banking Indicator), which was developed by the private sector, with the support of the Bank of the Republic and other entities to reflect the liquidity of the Colombian money market. That is, when acquiring a debt in the market today, a rate similar to the reference rate would be estimated.

The accounting for hedging derivatives as of December 31 is as follows:

Hedging liability - Swap CCS 2024
Accrual of interest

Hedging Type	Currency	Value of Right	Value of Obligation	Statement of financial posi-tion	<Statement of Profit or Loss>	Statement of other comprehensive in-come
Fair value	USD	$ 0	$ 0	$ 0	$ 0	$ 0
Cash Flow		0	0	0	2,598	(2,598)
Total				**$ 0**	**$ 2,598**	**$ (2,598)**
Total passive coverage						**$ 0**

Hedging liability - Swap CCS 2023
Accrual of interest

Hedging Type	Currency	Value of Right	Value of Obligation	Statement of financial posi-tion	<Statement of Profit or Loss>	Statement of other comprehensive in-come
Fair value	USD	$ 0	$ 0	$ 0	$ 0	$ 0
Cash Flow		(40,400)	54,736	0	3,242	11,094
Total				**$ 0**	**$ 3,242**	**$11,094**
Total passive coverage						**$14,336**

21.3. MONEY MARKET AND SIMULTANEOUS OPERATIONS

As of December 31, 2024, the balance of this account was summarized as follows:

Description	Rate	2024	Rate	2023
Ordinary interbank funds purchased:				
Public sector entity (1)	8.95%	$ 150,075	0	$ 0
Subtotal of purchased interbank funds		**150,075**		**0**
Transfer commitments in closed repo operations:				
Bank of the Republic (2)	6.95%	1,917,661	12,23%	1,652,211
Central Counterparty Risk Chamber (3)	7.03%	47,677	12,06%	113,753
Subtotal of closed repo operations		**1,965,338**		**1,765,964**
Commitments arising from short positions in simultaneous opera-tions				
Banco de la República	0	195,859	0	567,881
Banks	0	0	0	32,191
Insurance companies	0	35,095	0	0
Stockbrokers	0	0	0	1,823
Trust Companies	0	41,167	0	6,966
Fund Management Companies	0	15,833	0	0
Non-residents	0	89,528	0	345,797
Subtotal commitments for simultaneous transactions		**377,482**		**954,658**
Total passive positions in money market operations		**$ 2,492,895**		**$ 2,720,622**

1. In December 2024, ordinary interbank funds were agreed upon with public sector entities at a rate of 8.95%, maturing in 8 days, while as of December 2023, no interbank funds were agreed upon.

2. On the other hand, as of December 31, 2024, repo operations were agreed upon with the Bank of the Republic at an average rate of 6.95%, with maturities of 3 days and 6 calendar days, while for the cut-off in December 2023, repo operations were agreed upon with the Bank of the Republic at an average rate of 12.23%, with maturities of 5 calendar days.

   Additionally, as of December 31, 2024, there is a decrease with the Central Counterparty Risk Clearing House at an average rate of 7.03% with maturities of 5 calendar days, while for the month of December 2023 closed repo operations were agreed with the Central Counterparty Risk Clearing House at an average rate of 12.06%, maturity between 4 and 7 calendar days. On the other hand, no repo operations were agreed with the Insurance and Reinsurance Company for the two periods.

3. There is a decrease of 9.14% in total passive positions in money market operations, represented by $227, mainly due to commitments for simultaneous transactions that showed a decrease of 152.90% in December 2024 compared to December 2023.

22. Financial obligations

Below is a summary of credits and other financial obligations:

Financial obligations	2024	2023
Foreign currency		
BBVA Madrid	$ 689,856	$ 598,288
Andean Development Corporation	221,405	0
Bancoldex S.A	4,794	33,736
International Finance Corporation Ifc	1,325,019	1,142,973
Bladex - Panamá	44,340	38,463
Official Credit Institute	128,253	0
Caixabank S.A.	0	40,339
Total Foreign Currency	**2,413,667**	**1,853,799**
Local currency		
Local currency	777,705	688,845
Territorial Development Finance - FINDETER	264,553	488,029
Banco de Comercio Exterior S.A. - BANCOLDEX	607,907	780,016
Fund for the Promotion of the Agricultural Sector - FINAGRO	407,433	406,736
International Finance Corporation IFC	824,655	920,449
Total Legal Currency	**2,882,253**	**3,284,075**
Total Credits in Banks and Other Financial Obligations	**$ 5,295,920**	**$ 5,137,874**

The variation between 2024 and 2023 in resources obtained in foreign currency comes from the increase in financing with BBVA Madrid, International Finance Corporation (IFC), Bladex - Panama, and the incorporation of new obligations with the Andean Development Corporation and the Official Credit Institute. On the other hand, cancellations of obligations with CaixaBank, S.A. and a decrease in financing with Bancoldex S.A. were recorded.

The most representative financings correspond to those acquired with IFC for USD 300 million and BBVA Madrid for USD 150 million, which together represent 83% of the total outstanding financings in foreign currency.

The average rate for obligations in foreign currency was set at Sofr + 0.60% for short-term loans maturing up to one year as of December 31, 2024.

Financial costs continue to be calculated daily based on 360 days, considering the capital, the frequency, and the interest rate of each obligation.

The maturity of loans varies according to the program, usually between one and ten years. The funds provided directly by the bank range from 0% to 40% of the total loan, while the rest is financed by government entities. The obligations are guaranteed by the corresponding loans granted to clients.

In 2023, the bank acquired a new AT1 credit with BBVA Madrid, which in 2024 was recorded at a value of $824,655.

Foreign Currency			Local Currency		
No.	Category	Time	No.	Category	Time
1	Short term	<365	1	Short term	<364
2	Medium term	>365<1825	2	Medium term	>365<1095
3	Long term	>1825	3	Long term	>1096

The composition by term in foreign currency is as follows:

		Capital			
2024	Interests	Short Term	Medium Term	Largo Plazo	Total
BBVA Madrid	$ 28,483	$ 0	$ 0	$ 661,373	**$ 689,856**
Andean Development Corporation	948	0	220,457	0	**221,405**
Bancoldex S.A	8	4,707	79	0	**4,794**
International Finance Corporation Ifc	3,435	440,915	880,669	0	**1,325,019**
Bladex - Panamá	248	0	44,092	0	**44,340**
Official Credit Institute	1,489	0	0	126,764	**128,253**
Total	**$ 34,611**	**$ 445,622**	**$ 1,145,297**	**$ 788,137**	**$ 2,413,667**

		Capital			
2023	Interests	Short Term	Medium Term	Largo Plazo	Total
Bbva Madrid	$ 24,981	$ 0	$ 0	$ 573,308	**$ 598,289**
Bancoldex S.A	219	1,418	9,167	22,932	**33,736**
International Finance Corporation Ifc	3,744	0	1,139,230	0	**1,142,974**
Bladex - Panama	242	0	38,221	0	**38,463**
Caixabank S.A.	2,118	38,221	0	0	**40,339**
Total	**$ 31,304**	**$ 39,639**	**$ 1,186,618**	**$ 596,240**	**$ 1,853,799**

The composition by term in local currency is as follows:

December 31, 2024	Interests	Capital			Total
		Short Term	Medium Term	Long Term	
Territorial Development Finance - FINDETER	$ 6,587	$ 20,193	$ 93,692	$ 657,234	**$ 777,705**
Banco de Comercio Exterior S.A. - BANCOLDEX	1,340	37,430	142,268	83,515	**264,553**
Fund for the Promotion of the Agricultural Sector - FINAGRO	7,139	55,429	143,946	401,392	**607,907**
International Finance Corporation IFC	1,176	0	0	406,257	**407,433**
Bbva Madrid - AT1	1,777	0	0	822,878	**824,655**
Total	**$ 18,019**	**$ 113,052**	**$ 379,906**	**$ 2,371,276**	**$ 2,882,253**

December 31, 2023	Interests	Capital			Total
		Short Term	Medium Term	Long Term	
Territorial Development Finance - FINDETER	$ 10,298	$ 21,819	$ 78,862	$ 577,866	**$ 688,845**
Banco de Comercio Exterior S.A. - BANCOLDEX	3,761	60,162	307,676	116,430	**488,029**
Fund for the Promotion of the Agricultural Sector - FINAGRO	12,827	81,295	263,394	422,500	**780,016**
International Finance Corporation IFC	1,304	0	0	405,432	**406,736**
Bbva Madrid - AT1	97,571	0	0	822,878	**920,449**
Total	**$ 125,761**	**$ 163,276**	**$ 649,932**	**$ 2,345,106**	**$ 3,284,075**

In compliance with NIC 07 paragraphs 44a and 44c, the reconciliation of financing activities of the cash flow is disclosed.

	Credits in Banks and Other Finan-cial Obliga-tions	Investment Securities in Circulation	Subscribed and Paid Capital	Premium on Share Placement	Other Com-prehensive Income (OCI)	Retained Earnings	Reserves	Article 6 Law 4/80
Balance updated as of January 1, 2024	$ 5,137,874	$ 2,519,332	$ 89,779	$ 651,950	$ 184,316	$ 389,385	$ 4,559,354	$ 506
Payments of loans and other financial liabili-ties	(1,463,793)	(220,458)	0	0	0	0	0	0
Collections of loans and other financial liabili-ties	1,399,477	749,556	0	0	0	0	0	0
Other cash inflows (outflows)	6,225	(11,652)	21,223	897,057	71,366	0	191,596	0
Total changes in cash flow from financing	**(58,091)**	**517,446**	**21,223**	**897,057**	**71,366**	**0**	**191,596**	**0**
Effect of changes in foreign exchange rates	217,638	309,169	0	0	0	0	0	0
Interest expense	168,620	216,158	0	0	0	0	0	0
Interest Payment	(170,122)	(193,682)	0	0	0	0	0	0
Total other changes related to liabilities	**216,136**	**331,645**	**0**	**0**	**0**	**0**	**0**	**0**
Balances as of December 31, 2024	**$ 5,295,919**	**$ 3,368,423**	**$ 111,002**	**$ 1,549,007**	**$ 255,682**	**$ 389,385**	**$ 4,750,950**	**$ 506**

23. Investment Securities in Circulation

As of December 31, 2024, the balance of this account is summarized as follows:

	2024			2023		
Item	**Subordinated Bonds**	**Ordinary Bonds**	**Total**	**Subordinated Bonds**	**Ordinary Bonds**	**Total**
Capital	$ 2,555,118	$ 824,511	**$ 3,379,629**	$ 2,099,820	$ 447,180	**$ 2,547,000**
Interests	21,024	13,896	**34,920**	19,737	6,520	**26,257**
Costs and Valuation	(37,596)	(8,527)	**(46,123)**	(48,684)	(5,241)	**(53,925)**
Totals	**$ 2,538,546**	**$ 829,880**	**$ 3,368,426**	**$ 2,070,873**	**$ 448,459**	**$ 2,519,332**

The first issuance of subordinated bonds series G of 2009 in COP for $156,000 was made on September 19, 2011, with a term of 15 years and a yield of IPC + 4.70%. The second issuance of subordinated bonds series G of 2009 for $365,000 was made on February 19, 2013, with a redemption term between 10 and 15 years, with a maximum variable rate yield of IPC + 3.60% for 10 years, and IPC + 3.89% for 15 years. Of these issuances, only $165,000 remain valid at a rate of IPC + 3.89% maturing in 2028.

The third issuance of subordinated bonds series G of 2014 for $250,000 was made on November 26, 2014, with a redemption term between 15 and 20 years, with a maximum variable rate yield of IPC + 4.38% for 15 years, and IPC + 4.50% for 20 years.

The first issuance of subordinated bonds in USD 400 was made on April 21, 2015, with a redemption term of 10 years, with fixed rate yields of 4.875%. The second issuance of subordinated bonds in USD 50 was made on November 27, 2024, with a redemption term of 10 years, with yields at SOFR 6m + 3.75%.

The first issuance of the thematic ordinary bond (Blue Bond) in USD for $117 was made between September 22, 2023, and October 27, 2023, with a term of 5 years and divided into 3 tranches among 3 investors.

The second issuance of ordinary thematic bond (Biodiversity Bond) in USD for $70 was made on July 11, 2024, September 18, 2024 and October 25, 2024 with a term of 3 years and divided into 3 tranches and 2 investors.

The issuance prospectuses include the following characteristics:

Subordinated Bonds 2009 (issuances made in September/2011, February/2013, and November/2014)

- **Subordination of obligations:** As they are subordinated bonds, in the event of the issuer's liquidation, the redemption of the subscribed capital is subordinated to the prior payment of external liabilities, being an irrevocable obligation.

- **Form of capital amortization, prepayments, and repurchase events:** Form of capital amortization, prepayments, and repurchase events: The capital of the bonds will be amortized under the modalities of month-end, quarter-end, semester-end, and/or year-end and/or a single payment on the maturity date, as determined in the corresponding public offering notice. Prepayable Bonds may be issued, as determined in the respective public offering notice. The issuance of subordinated bonds made under this Program in 2011, 2013, and 2014 does not include the prepayment of the same.

The issuer may repurchase its own subordinated bonds. The repurchase will be carried out through the Colombian Stock Exchange as long as 5 years have passed since the issuance of the bonds. This operation is voluntary for the holders of the Bonds. In the event that the issuer acquires its own bonds, the principle of confusion will apply without the need to wait until the maturity of the securities.

This issuance is not covered by the deposit insurance of the Guarantee Fund for Financial Institutions (FOGAFIN).

Subordinated Bonds USD 2015

- **Subordination of obligations:** As they are subordinated bonds, in the event of the issuer's liquidation, the redemption of the subscribed capital is subordinated to the prior payment of external liabilities, being an irrevocable obligation.
- **Form of capital amortization, prepayments, and reacquisition events:** The capital of the bonds will be amortized under the modalities of month expired, quarter expired, semester expired, and/or year expired and/or a single payment on the maturity date of the same, as determined in the corresponding public offering notice.

The issuer may not repurchase its own subordinated bonds until a period of no less than 5 years has elapsed. The repurchase may only be carried out with the approval and authorization of the Financial Superintendence of Colombia.

This issuance is not covered by the deposit insurance of the Guarantee Fund for Financial Institutions (FOGAFIN).

The details of the issuances and bonds are shown in the attached table:

Bond issuance	Authorized amount	Term years	Face Rate	Coupon	Nominal value	Issue date	Expiration date
Subordinated 2011	$ 3,000,000	15	IPC+4.70%	TV	$ 156,000	19/09/2011	19/09/2026
Subordinated 2011		15	IPC+3.89%	TV	165,000	19/02/2013	19/02/2028
Subordinated 2011		15	IPC+4.38%	TV	90,000	26/11/2014	26/11/2029
Subordinated 2014		20	IPC+4.50%	TV	160,000	26/11/2014	26/11/2034
Subordinated 2015 USD	USD 500	10	4.88%	SV	USD 400	21/4/2015	21/4/2025
Subordinated 2024 USD	USD 95	10	SOFR 6m + 3.75%	SV	USD 50	27/11/2024	27/11/2034
Ordinary 2023		5	SOFR 6m + 1.85%	SV	USD 50	22/9/2023	22/9/2028
Ordinary 2023		5	SOFR 6m + 1.85%	SV	USD 17	25/09/2023	25/09/2028
Ordinary 2023		5	SOFR 6m + 1.85%	SV	USD 50	27/9/2023	27/9/2028
Ordinary 2024		3	SOFR 6m + 1.25%	SV	USD 15	11/07/2024	11/07/2027
Ordinary 2024		3	SOFR 6m + 1.25%	SV	USD 20	18/9/2024	18/9/2027
Ordinary 2024		3	SOFR 6m + 1.25%	SV	USD 35	25/10/2024	25/10/2027
Total bonds COP	**$ 3,000,000**				**$ 571,000**		
Total bonds mil-lions USD	**USD 595**				**USD 637**		

24. Accounts payable

As of December 31, the balance of this account is summarized as follows:

Item	2024	2023
Suppliers (1)	$ 181,133	$ 129,157
Labor contributions	7,691	7,358
Deposit insurance Fogafin (2)	134,664	123,650
Dividends and surpluses (3)	74,266	81,991
Attention to seizures	5,685	2,575
Nation law 546 of 1999	64,658	58,334
Surplus operations loans and others (4)	36,955	65,668
Checks issued not cashed (5)	18,943	56,483
Promising buyers	21,295	18,499
Costs and expenses payable	6	6
Settlement and compensation POS Central Counterparty Risk Chamber (6)	30,994	66,119
Collection commission and VAT National Guarantee Fund	4,574	7,090
Customer Loyalty Points(7)	27,129	0
Advertising campaigns visa and mastercard	1,197	1,388
Commissions and fees	3,341	3,014
Transfer disbursements checks other places	9,610	4,941
Other accounts payable (8)	431,481	386,906
Total accounts payable	**$ 1,053,622**	**$ 1,013,179**

1. There is a variation of $51,976 compared to the previous year in accounts payable corresponding to pending payments to suppliers, reflecting a 40% increase in the different leasing lines. This increase is due to the low placement of the product in the market.

2. Variation of $11,014 in the deposit insurance line from fogafin, due to an 8% growth in pending provision funds corresponding to the payment that must be made quarterly for deposit insurance premiums.

3. There is a 9% decrease of $7,725 in the dividends line corresponding to the funds not collected by shareholders as of December 31, 2024.

4. Variation of $28,713 is due to the prescription of accounts payable liabilities of CDT's, which generates a significant decrease of 44% in the incidence line of collection.

5. <1>Variation of $37,540 compared to the previous year, corresponding to a 66% decrease in the line of checks issued to customers not collected after a period of 6 months<1>.

6. Decrease of $35,125 in the settlement and compensation line of the Central Counterparty Risk Chamber, due to the settlement of contracts in representative operations with the CRCC as of December 31, 2024.

7. Increase of $27,129 corresponding to the provision for the customer loyalty program implemented in 2024 for points managed in the business management line.

8. A variation of $44,575 is presented in the line of other accounts payable for the following reason:

- settlement of operations with BBVA Madrid in USD whose maturity was on 12/27/2024 and the payment was made on 01/02/2025, generating a 51% increase in the line of derivatives settlement as of December 31, 2024.
- Increase in the line of other accounts payable GPS is due to merchandise entries recorded in GPS which are made by each GLG according to the account's parameters.
- Increase in pending payments due to excess life insurance compensation, which occurs due to the lack of claimants and the funds are not claimed.
- Transactional increase due to the redemption of Despegar points, generated by purchases with credit and debit cards which are exchanged for flight tickets generating growth in the value of accounts payable to Despegar.

25. Other liabilities

The account balance as of December 31 was composed as follows:

Item	2024	2023
Capital and overdue interests CDT (1)	$ 160,624	$ 149,370
Credits to be applied from clients (2)	37,180	22,872
Deferred credits	2,873	3,638
Balances to apply to obligations (3)	317,021	251,561
Network compensation	12,008	11,900
Income received in advance	17,498	20,974
Interest originated in the restructuring process	815	1,151
Surplus network operations	71,944	80,197
Deferred payment letters of credit	2,743	0
Purchases ascredibanco international	10,472	15,135
Balances in favor in foreign currency	5,885	5,248
Other liabilities (4)	27,187	39,311
Liability for right of use (5)	108,783	131,129
Total other liabilities	**$ 775,033**	**$ 732,486**

1. There is an increase of $11,254, mainly due to incidents of CDT's which are generated when a security has an instruction at maturity of the principal or yields "Payment in Cash" and are kept as a liability waiting for the client to claim it; it increases to the extent that there are clients with this typology and in particular those securities that are negotiated in Deceval.

2. Values received towards client obligations with the Bank made with a check from another Financial Entity, with an increase of $14,309 its impact is completely transitory as the clearing process (2 days) is completed in which it is confirmed that the funds are received successfully and apply to the client's beneficiary loan and the balance is circumstantial according to the number of checks in this situation at the closing date.

3. The most significant variations are presented as follows:

   - In the line of portfolio of promissory notes, there is an increase of $18,397 corresponding to resources received from agreements for payment of the portfolio of clients who have this loan line.

   - Waiting account for factoring collection shows an increase of $53,324 corresponding to resources from payments made by clients to factoring operations, the application process of the resources is manual and the balances reported pending in this account correspond to processes that could not be identified on the same day but are applied the next day.

   - Credits to apply to leasing obligations showed a variation of $4,810 in decrease which corresponds to the balances in favor of leasing clients generated because the client pays a higher amount of the monthly fee, the decrease in balances compared to 2023 occurs because the closing of the year 2023 was on 12/28/2023, so the due dates of the 29th and 30th were moved to January 2, 2024, a situation that does not apply for 2024 as the last business day was 12/30/2024.

4. For other liabilities, the most significant variation was $12,072, due to the decrease in balances corresponding to centralized balances for surpluses of drawdowns, commissions from the National Guarantee Fund and cancelled drafts with a term of more than 90 days, of which several items were used as prescription of liabilities and recovery of commissions from previous years, additional credits to loans from the same client that presented surpluses of commissions from the National Guarantee Fund.

25.1. LIABILITIES FOR RIGHTS OF USE

At the end of the year 2024, a decrease of $22,346 is presented compared to the same period of 2023 due to the lease contracts for the offices expiring in 2025, which are governed by IFRS16; many of these contracts had a probable end date in 2025, which is why it was determined that the term should be extended.

Additionally, this variation was affected by the cancellation of contracts in the office closure project, which generated adjustments in the amounts of the lease liability.

Below is a summary of the liabilities for rights of use:

Liabilities for rights of use	2024	2023
Liability for leases (locations and ATMs)	$ 108,783	$ 131,128
Total liabilities for rights of use	**$ 108,783**	**$ 131,128**

Liabilities for rights of use	2024	Movimiento año 2024	2023
Liability for local leases	$ 56,066	$ 20,233	$ 76,299
Liability for ATM leases	52,717	2,112	54,829
Total liabilities for rights of use	**$ 108,783**	**$ 22,345**	**$ 131,128**

The following table relates to the maturity of short and long-term lease contracts for locations and ATMs:

Liabilities for local leases	2024	2023
Not later than one year	$ 22,456	$ 26,367
Later than one year and less than three years	28,051	40,258
Later than three years and up to five years	13,147	20,031
More than five years	1,323	4,288
Total liabilities for leases without discounting	**$ 64,977**	**$ 90,944**

Liabilities for automatic teller machine leases	2024	2023
Not later than one year	$ 12,631	$ 11,545
Later than one year and less than three years	25,061	21,993
Later than three years and up to five years	21,538	21,518
More than five years	6,627	14,469
Total liabilities by cashiers not deducted	**$ 65,857**	**$ 69,525**

Amounts recognized in the Separate Income Statement:

Item	2024	2023
Interest on lease liabilities	$ (10,898)	$ (7,878)
Real estate rental expenses	(2,957)	(2,719)
Depreciation of right of use for cashiers	(23,879)	(22,403)
Depreciation of right of use for premises	(9,013)	(8,097)
Total	**$ (46,747)**	**$ (41,097)**

A difference is presented in the variation of the depreciation of asset accounts against the impact on results, due to contracts that were terminated during the year, six contracts for cashiers and seventeen contracts for premises at the end of December 2024 compared to ten contracts for cashiers and fourteen contracts for premises during the year 2023.

26. Employee benefits

Employee benefits	2024	2023
Severance pay	$ 24,646	$ 22,390
Interest on severance pay	2,891	2,626
Vacations	51,321	36,402
Legal and extra-legal bonuses	38	0
Current provisions for employee benefits (1)	101,294	101,813
Other benefits (2)	91,968	65,853
Subtotal short-term benefits	**272,158**	**229,084**
Seniority bonus	68,560	62,830
Vacation bonus for seniority	6,805	2,335
Actuarial calculation of retirement pensions	41,563	43,056
Retirement plan bonus	1,696	1,787
Subtotal long-term benefits	**118,624**	**110,008**
Total employee benefits	**$ 390,782**	**$ 339,092**

The component of short-term labor obligations as of December 31, 2024 and 2023 is detailed below:

(1) For the year 2024, the item for current provisions for employee benefits corresponds to the incentive variable remuneration EDI (Individual Performance Evaluation) and CIB (Corporate and Investment Banking), which is linked to the achievement of goals.

(2) It shows an increase of $26,115 between the year 2024 and the year 2023, which mainly corresponds to severance indemnities in 54% and the balance payable for the month of December 2024 for social security, equivalent to 46%.

Actuarial calculation. within the long-term benefits, the Bank recognizes its employees a seniority bonus every five years of employment at the Bank, this benefit is calculated in days of salary for each five-year period and when the termination of the contract is not due to just cause for dismissal, the bonus is granted proportionally.

Upon reaching 30, 35, or 40 years of affiliation with the Bank, it will grant them, as recognition of the stability achieved, an additional vacation period (15 days) to those who legally meet the aforementioned affiliation times. The additional vacation period created here may be compensated in cash at 100%. Likewise, the Bank will pay the worker who reaches the aforementioned years of affiliation a vacation bonus equal to and additional to the agreed amount, concerning the extra-legal vacations that are recognized. The vacation bonus is equivalent to twenty-three (23) days of basic salary without exceeding a fixed amount for each mentioned year. For the year 2024, this fixed amount is equivalent to $2,845,444:

Item	2024	2023
Obligation of benefits at the beginning of the period	$ 62,830	$ 51,120
1- Cost of services	9,390	6,763
2- Interest cost	6,169	5,950
3-Cash flow	(10,745)	(10,783)
Experience adjustment	3,873	7,544
Adjustment of financial hypothesis change	(2,310)	2,236
Adjustment of demographic hypothesis change	(647)	0
Obligation at the end of the period 2024 and 2023	**$ 68,560**	**$ 62,830**

Reconciliation:

Item	2024	2023
Balance December 31, 2024 and 2023	$ 62,830	$ 51,120
Payments Seniority Premium	(10,745)	(10,783)
Expense Benefit Seniority Premium	9,390	6,763
Financial Cost Seniority Premium	6,169	5,950
Change in Demographic Variables	916	9,780
Obligation at the end of the period 2024 and 2023	**$ 68,560**	**$ 62,830**

Actuarial calculation of retirement plan premium:

The Bank has conducted the actuarial valuation as of December 31, 2024 and 2023 of the retirement plan premium commitment that BBVA has assumed with its retired and active participants.

Item	2024	2023
Obligation of benefits at the beginning of the period	$ 1,787	$ 1,511
1- Cost of services	106	80
2- Interest cost	180	184
3- Cash flow	(56)	(58)
Experience adjustment	(391)	(139)
Adjustment of financial hypothesis change	78	209
Adjustment of demographic hypothesis change	(8)	0
Obligation at the end of the period 2024 and 2023	**$ 1,696**	**$ 1,787**

Reconciliation:

Item	2024	2023
Balance as of December 31, 2024 and 2023	$ 1,787	$ 1,511
Adjustment actuarial calculation by hypothesis	(322)	70
Adjustment actuarial calculation charged to expenses	287	264
Transfer (1)	(56)	(58)
Obligation at the end of the period 2024 and 2023	**$ 1,696**	**$ 1,787**

(1) Transfer made of pensions for individualization registration by retirement plan premium

Pensions (Prior to Law 100 of 1993)

Pension Payment. For the determination of the number of pension payments for each pension, the legal and constitutional regulatory framework applicable at the time the right to the pension is established is taken into account.

The number of pension payments recognized by the ISS in this valuation was determined as follows:

- All pensions caused prior to July 29, 2005 are calculated at 14 pension payments per year.

- All pensions caused after July 29, 2005 are calculated at 13 pension payments per year.

- All pensions that are caused prior to July 31, 2011 and whose amount is less than 3 current legal minimum monthly wages are calculated at 14 pension payments per year.

BBVA, for its part, recognizes all its retirees 15 payments per year, thus providing an additional payment in some cases and two additional payments in other cases. For those retirees with pension shares for which BBVA is not responsible for the final pension, only the proportion of the share corresponding to 14 payments per year is granted.

For the purposes of the proforma, the payment number 15 is valued as an additional benefit established by collective agreement, and payment number 14 for retirees to whom the ISS grants 13 payments is included in the pension reserve (columns 31 and 32).

Additional Benefits. according to circular 039 of October 21, 2009, reserves for the extra-legal benefits offered by the Company to its retirees and beneficiaries are calculated.

In the case of BBVA, these benefits are as follows:

- An extra-legal payment, 15 days are paid in June and 15 in December.

- A funeral aid of $4,447,819 upon the death of the retiree and $1,034,653 upon the death of the spouse.

- A life insurance policy for all retirees and survivors entitled to pension substitution at a cost of $84,800 per year in case of natural death and $133,000 per year in case of accidental death.

- The company pays the value of a Hospitalization and Surgery policy for some of its retirees (according to family group). The amount paid depends on the number of beneficiaries and for the current year for participants in the valuation, this maximum premium is $178,645.

Types of pensions and/or contingencies to be valued

Retirees in charge of the bank. is calculated based on what is established in article 260 of the Labor Code, which applies to all persons who are in a transitional regime who have provided their services to companies that recognize and pay pensions. The amount of the pension corresponds to 75% of the average of the salaries earned in the last year of service, provided that the person has completed 20 or more years of service with the pension-paying company. This pension is granted for life.

Pension Substitutes. the survivor's pension or substitution charged to the Bank is recognized to the surviving beneficiaries of retirees due to retirement charged to the Bank, in accordance with the provisions established in Law 12 of 1975, Law 113 of 1985, and Law 71 of 1988 and other concordant norms, as follows:

- To the surviving spouse for life at 100% if there are no beneficiary children.

- In case there are beneficiary children, they will share equally with the surviving spouse. The beneficiaries must be within the ages specified and/or certify the student status as required by the cited regulations.

According to what is established in Decree 1889 of 1994, funeral aid is not calculated.

Withdrawals without Just Cause between 10 and 15 years of service. It was determined in accordance with article 8 of law 171 of 1961 that a person who is dismissed without just cause who has accumulated more than ten (10) and less than fifteen (15) years of service will be entitled to a lifetime pension charged to the entity, once they reach 60 years of age. The amount of the pension is proportional to what would have corresponded to them if they had completed the service time established in article 260 of the Labor Code (20 years).

Withdrawals without Just Cause with more than 15 years of service. It was determined in accordance with Article 8 of Law 171 of 1961, which establishes that a person who is withdrawn without just cause, who has accumulated more than fifteen (15) years of service, will be entitled to a lifelong pension from the entity, once they reach 50 years of age. The amount of the pension is proportional to what would have corresponded to them if they had completed the service time established in article 260 of the Labor Code (20 years).

Voluntary withdrawals with more than 15 years of service. It is recognized according to the provisions of Article 8 of Law 171 of 1961, which orders that any worker who voluntarily withdraws from the company with 15 or more years of service will be entitled to a lifelong retirement pension from the company, once they reach 60 years of age. The amount of the pension is proportional to what would have corresponded to them if they had completed the service time established in article 260 of the Labor Code (20 years).

Active employees entitled to a pension from the bank with pension expectations in the ISS. The actuarial reserve is recognized to cover a lifelong retirement pension in accordance with the provisions of Article 260 of the Labor Code, which is applicable to them because they had more than 10 years of service with the Bank at the time of joining the General Pension System. The Bank will pay this pension permanently until the employee on whose behalf contributions to the ISS are still being made meets the minimum requirements established by the General Pension System. For this purpose, the date on which the contribution weeks requirement will be met is taken into account (which increases annually up to a limit of 1300 in the year 2015) and the retirement ages (men 60 and women 55, and from January 1, 2014, 62 for men and 57 for women). From the moment the old-age pension is triggered in the ISS, an actuarial reserve is calculated to cover a monthly payment for life equal to the difference between the pension that the company was paying and the pension that the ISS will recognize.

Retirees at the bank with a share. For these individuals, an actuarial reserve is recognized to cover a lifelong retirement pension in accordance with Article 260 of the Labor Code. These retirees include both those for whom BBVA is responsible for the final pension, and those for whom BBVA only grants the corresponding proportion without being responsible for the final pension. For those retirees for whom BBVA is not responsible for the final pension, the actuarial reserve is calculated in proportion to the share determined by the length of service that the worker worked with the Bank. At the request of BBVA, the actuarial reserve for those retirees for whom BBVA is responsible for the final pension is calculated as 100% at the company's expense and not in proportion to the corresponding share, except for the individuals mentioned in updates.

Pension substitutions at the Bank with a share. The surviving beneficiaries of retirees for retirement at the Bank are recognized, in accordance with the regulations established in Law 12 of 1975, Law 113 of 1985, and Law 71 of 1988 and other concordant regulations as follows:

- To the surviving spouse for life at 100% if there are no beneficiary children.

- In case there are beneficiary children, they will share equally with the surviving spouse. The beneficiaries must be within the ages specified and/or certify the student status as required by the cited regulations.

For beneficiaries whose final pension is the responsibility of BBVA, the actuarial reserve is calculated 100% at BBVA's expense and not in proportion to the corresponding share, according to BBVA's request. For beneficiaries whose final pension is not the responsibility of BBVA, the actuarial reserve is made according to the value of the corresponding pension share for the Bank. According to the provisions of Decree 1889 of 1994, no funeral assistance is calculated.

Shared pensions and pensions at the Bank with pension expectations in the ISS:

Pension shareability: As a result of the transition to the Pension System of the Colombian Institute of Social Insurance (ISS), the legislation established the figure of pension shareability, so that all those who could eventually acquire this right would maintain the right to be retired by their employer, but with the possibility that the company would transfer that pension obligation to Social Security, as long as it maintained a contribution rhythm that would allow the person to eventually meet the pension requirements established by the system. The regulatory framework for this figure is established in Article 16 of Agreement 049 of 1990, which contains the conditions for the application of pension compatibility.

Pensioners at the company's expense with pension expectations in the ISS. A monthly retirement pension is recognized in accordance with the requirements established in Article 260 of the Labor Code, which the Bank will pay permanently until the employee on whose behalf contributions to the ISS are still being made meets the minimum requirements established by the General Pension System. For this purpose, the date on which the contribution weeks requirement will be met is taken into account (which increases annually up to a limit of 1300 in the year 2015) and the retirement ages (men 60 and women 55, and from January 1, 2014, 62 for men and 57 for women). From the moment the old-age pension is triggered in the ISS, an actuarial reserve is calculated to cover a monthly payment for life equal to the difference between the pension that the company was paying and the pension that the ISS will recognize.

Shared pensions. These pensions only recognize the difference between the value of the pension that the company was paying and the one recognized by the ISS. It is calculated as a lifetime annuity.

For the evaluation of the mathematical reserve for retirement, and of pension bonds and titles, the following methodologies and actuarial bases were used. These are adjusted to the current regulations for the preparation of actuarial calculations (Decree 1625 of 2016 and Decree 2420 of 2015).

Pension reconciliation:

Item	2024	2023
Balance as of December 31, 2024 and 2023	$ 43,056	$ 34,924
Pension payments	(5,050)	(4,810)
Pension expenses	4,372	4,256
Adjustment against equity	(815)	8,686
Obligation at the end of the period 2024 and 2023	**$ 41,563**	**$ 43,056**

Sensitivity of actuarial calculation

Closure 2024 and expense 2025	Pensions	Additional Benefits	Retirement Bonus	Seniority Bonus	Vacation Bonus	2024 Disclosure and 2025 Ex-pense	Comments
Obligation Dev. at the end of the period						P.V. Defined Benefit Obliga-tion (DBO) at EOY	
Obl. Dev. at closure for an increase of 50 b.p.	39,449	748	1,647	67,238	6,633	DBO at year end from a 50 bps increase	It is the sensitivity by discount rate: if the discount rate decreases or increases by 25 basis points.
Obl. Dev. at closure for a decrease of 50 b.p.	42,222	798	1,750	69,939	6,988	DBO at year end from a 50 bps decrease	
Long-term inflation (CPI)						Long term infla-tion rate	
Obl. Dev. at closure for an increase of 50 b.p.	39,270	743	N/A	N/A	N/A	DBO at year end from a 50 bps increase	EIt is the sensitivity by CPI: if the CPI decreases or increases by 25 points while maintaining the same discount rate.
Obl. Dev. at closure for a decrease of 50 b.p.	42,405	803	N/A	N/A	N/A	DBO at year end from a 50 bps decrease	

Bases of the actuarial hypothesis. Over time, the total cost of the plan will depend on a number of factors, including the amount of benefits paid, the number of people receiving benefits, the administrative expenses of the plan, and the returns obtained from the assets allocated for benefit payments. These amounts and other variables are uncertain and unknown at the time of valuation and are only predicted in such a way that they are within a reasonable range of possibility.

Since it is not possible or practical to model all variables, summarized information, estimates, or simplified information was used to facilitate the modeling of future events in an efficient manner. Likewise, the figures expressed in the actuarial calculation are based on the accounting policies of the Bank.

The hypotheses and actuarial technical bases used in the calculation applying IAS 19 are:

Economic and demographic hypotheses	For the financing situation as of December 31, 2023, and the determination of the cost for the fiscal year 2024
Discount rate	Retirement pensions and additional benefits: 10.50%
	Seniority bonus: 9.98%
	Retirement bonus: 10.42%
	Vacation bonus: 10.31%
Inflation	2025: 5.10%
	2026: 3.86%
	2027 and beyond: 3.00%
Wage increase rate	2025: 2.00%
	2026: 4.86%
	2027 and beyond: 4.00%
Pension increase rate	2025: 5.10%
	2026: 3.86%
	2027 and beyond: 3.00%
Minimum wage increase rate	2025: 7.10%
	2026: 5.86%
	2027 and beyond: 5.00%
Increase rate for the aids provided by the Bank	2025: 7.10%
	2026: 5.86%
	2027 and beyond: 5.00%

Economic and demographic hypotheses	For the financing situation as of December 31, 2023, and the determination of the cost for the fiscal year 2024
Growth rate of the Retirement and Disability Premium	2025: 5.10%
	2026: 3.86%
	2027 and beyond: 3.00%
Medical expense increase rate	The medical benefit that retirees are entitled to is a Hospital-ization and Surgery policy. According to PwC's experience, the health increase for these plans under normal conditions is 2 points above inflation
Mortality	Colombian Mortality Table for Life Annuities 2008 (RV08)
Invalidez	Disability table for assets – SuperBancaria Resolution 0585 of 1994
Turnover	BBVA turnover table based on age, adjusted to 95%

Hypotheses and technical bases for the Actuarial Calculation with the application of Decree 1625 of 2016:

Hypotheses and technical bases for the actuarial calculation with the application of Decree 1625 of 2016	
Mortality Table	Mortality table for Valid Renters Men and Women 'Experi-ence 2005-2008' referred to in Resolution 1555 of 2010 issued by the Financial Superintendence of Colombia.
Wage and Pension Adjustment	The formulation used explicitly incorporates future salary and pension increases by using a rate equal to the average resulting from adding three (3) times the inflation of year k-1, plus two (2) times the inflation of year k-2, plus one (1) time the inflation of year k-3 according to Article 1 of De-cree 2984 of 2009 and Article 1 of Decree 2783 of 2001. This rate is a nominal annual rate of 3.98%.
Technical Interest	The real technical interest of 4.80% was used according to Article 1 of Decree 2984 of 2009 and Article 1 of Decree 2783 of 2001.

Actuarial Methodology. The calculation method was the prospective method, valuing future benefits in a fractional manner, past period (fractional rents).

COMPARISON		
	Local Standard	IFRS
Pensioners	45,816	40,791
Additional Benefits	874	772

27. Estimated Liabilities and Provisions

The Bank carries out the recording of the liability for provisions based on the evaluation of experts in the Legal, Labor Relations, and Tax Advisory areas. These experts, in accordance with the current state of each legal process, qualify and categorize each case. In addition, decision trees are applied based on the nature of the contingency, whether judicial, labor, or tax, for classification according to the following criteria for the constitution of the provision:

- Probable Obligation: recorded and disclosed
- Possible Obligation: disclosed
- Remote Obligation: not recorded or disclosed

As of December 31, 2024, the balance of this account is summarized as follows:

Estimated liabilities and provisions	2024	2023
Expenses for unpaid invoices (1)	$ 91,663	$91,372
Lawsuits for breach of contracts (2)	49,501	47,837
Labor claims (3)	4,875	10,270
Fines and sanctions from other administrative authorities (4)	202	200
Sales force commission CF	1,494	1,300
Dismantling costs IFRS16 (5)	17,207	15,044
Others (6)	52,671	47,134
Various personnel expenses	4	4
Total estimated liabilities and provisions	**$ 217,617**	**$ 213,161**

1. Estimated provisions are recorded for unpaid invoices at the end of each period, covering various concepts, including correspondent banking services, ANCMV maintenance, energy, cleaning, among others.

2. Civil processes correspond to a total of 1,566 processes, with estimated claims amounting to $417,601. As of December 2024, provisions have been established for $49,501 corresponding to 15 processes considered probable; likewise, the variation of $1,664 corresponds to income and increases in provisions of $2,651, payments of processes of $709, and processes concluded in favor of the Bank for $278. Likewise, the Bank reports 3 criminal cases with a total claim of $284, which, being classified as remote, do not have a provision established.

3. Regarding labor processes, Banco BBVA reports a total of 140 cases, with a total claim value of $13,952, of which 21 processes are provisioned for $4,875 with a probable classification; likewise, the decrease of $5,395 in the provision for these processes corresponds to the following concepts: (a) income and increases in provisions of $1,149, (b) payments of processes of $1,884, (c) updates in the classification of processes of $4,157, and (d) processes concluded in favor of the Bank for $503. The main reasons for the claims are related to pension contribution payments, reimbursements, salary adjustments, compensations for alleged unfair dismissals, among others. According to the Bank's legal advisors, it is considered that the final outcome will be favorable for the Bank or that its loss will not be significant.

4. The Bank addresses 20 tax processes in the administrative route and before the contentious administrative jurisdiction, with estimated claims amounting to $1,661 and provisions recorded as of December 31, 2024, for $202 associated with 6 processes with a probable classification. The provisions correspond to processes of popular actions for withholding the tax on financial transactions, processes for territorial taxes, public lighting, lateness in providing information, and processes for tax collection.

5. Increase in the provision for dismantling costs, taking into account the contractual clause of each contract in which the Bank commits to leave the property in the conditions in which it received the real estate. As each contract is different, the real estate area seeks the expert opinion of an architect to estimate this provision; this is in line with the implementation of IFRS16, according to the corresponding regulations (Decree 2170 of 2017, modified by the Single Decree 2420 of 2015 and Resolution 033 of 2018 of the General Accounting Office of the Nation – CGN).

6. As of December 2024 and December 2023, there is an increase of $5,537 in the concept of other provisions for general expenses, personal expenses, and commissions; among which the most representative are:

- Increase in provisions for payments to suppliers of $5,948.
- Decrease in provisions for commissions for electronic services cardholders and credit card (ACH, CENIT, SOI, and PSE, support Banking) and Billing SLA BANKING for $411.

The following estimated liability movements were as follows:

December 31, 2024

Item	Legal processes	Others	Total
Initial balance January 1, 2024	$ 58,307	$ 154,854	**$ 213,161**
Increase	2,605	8,596	**11,201**
Income	1,197	0	**1,197**
Payment	(2,593)	(411)	**(3,004)**
Withdrawal	(4,938)	0	**(4,938)**
Final balance as of December 31, 2024	**$ 54,578**	**$ 163,039**	**$ 217,617**

December 31, 2023

Item	Legal processes	Others	Total
Initial balance January 1, 2023	$ 69,270	$ 214,276	**$ 283,546**
Increase	7,259	7,829	**15,088**
Income	5,691	0	**5,691**
Payment	(3,792)	(67,251)	**(71,043)**
Withdrawal	(20,121)	0	**(20,121)**
Final balance as of December 31, 2023	**$ 58,307**	**$ 154,854**	**$ 213,161**

28. Capital subscribed and paid

The subscribed and paid capital of the Bank is divided into ordinary shares and preferred shares without voting rights. The latter cannot represent more than 50% of the subscribed capital. As of December 31, 2024, 17,308,966,108 ordinary shares and 479,760,000 preferred shares were subscribed and paid; with a nominal value of $6.24 pesos, for a total subscribed and paid capital of $111,002.

The Board of Directors of BBVA Colombia approved the issuance of 3,401,037,037 ordinary shares subject to the right of preference and their placement through a public offering in the amount and conditions of the regulations

- Public Offering: On August 2, a notice was published for the first stage for the exercise of the right of preference for the issuance of 3,401,037,037 ordinary shares of 2024 of the Bank.
- Maximum amount of the issuance: The issuance was up to $918,280
- Subscription price: The subscription price of the ordinary shares was $270 pesos.
- Stages of the offer: The offer was made in three stages, namely: first stage – right of preference, second stage – increase, and third stage – remainder.

BBVA COLOMBIA					
MAIN SHAREHOLDERS					
Name	No. Identification	No. Ordinary shares	No. Preferred shares	No. Total actions	% Participa-tion
BBV AMERICA SL	900.504.684-6	3,154,061,835	256,150,000	3,410,211,835	19.17064
BANCO BILBAO VIZCAYA ARGEN-TARIA S.A	830.070.454-0	13,522,601,422	196,857,652	13,719,459,074	77.12446
Others		632,302,851	26,752,348	659,055,199	3.70490
Total		**17,308,966,108**	**479,760,000**	**17,788,726,108**	**100%**

29. Reserves

As of December 31, the balance of this account is summarized as follows:

Reserves	2024	2023
Legal reserve	$ 4,559,327	$ 4,559,327
Occasional reserves:		
At the disposal of the Board of Directors	0	1
For investment protection	191,623	532
Total reserves	**$ 4,750,950**	**$ 4,559,860**

Legal reserve. According to legal provisions, 10% of the Bank's net profit each year must be allocated to a "reserve fund" until its balance is at least equivalent to 50.01% of the subscribed capital. As a consequence, the legal reserve cannot be reduced to less than this last percentage except to cover losses in excess of undistributed profits. The premiums on the placement of shares are also credited to the legal reserve.

At the disposal of the Board of Directors and others. Reserves that can be used for future distributions, which include:

- Not taxed at the disposal of the Board of Directors the balance of $1.
- For investment protection the balance of $532.

Declared dividends. The detailed movement of the declared dividends is revealed:

Item	2024	2023
Net profit from the previous year 2023 and 2022	$ 195,221	$ 933,513
Preferred shares outstanding (in units)	479,760,000	479,760,000
Preferred dividends per share (in pesos)	7.50 por acción	32.44 por acción
Total declared dividends - preferred	3,598	15,563
Ordinary shares outstanding (in units)	17,308,966,108	13,907,929,071
Ordinary dividends per share (in pesos)	0 por acción	32,.4 por acción
Total declared dividends - ordinary	0	451,173
Dividends declared as of December 31, 2024 and 2023	3,598	466,736
Dividends payable as of December 31, 2024 and 2023	$ 74,266	$ 81,991

The dividends on preferred shares for the year 2023 were paid in cash in a single payment on June 12, 2024.

The preferred and ordinary dividends for the year 2022 were paid in cash in a single payment on June 15, 2023.

Restrictions on dividend payments

According to Decree 4766 of December 14, 2011, holders who acquired shares during the ex-dividend periods, which correspond to (4) trading days immediately prior to the payment date, will be exempt from dividend payments.

The management carried out by the Shareholders Area for the payment of dividends is the publication in the official newspaper and on the Bank's page of the dates on which the declared dividends for each fiscal year will be paid to shareholders. An update of customer data was also carried out, from which there is a remainder of mandatory shareholders from Banco Ganadero that has not been possible to update.

30. Premium on placement of shares

Next, the balances of the premium on share placement are presented:

Premium on placement of shares	2024	2023
Share placement	$ 1,549,007	$ 651,950
Total premium on share placement	**$ 1,549,007**	**$ 651,950**

For the period from December 31, 2024, to December 31, 2023, a variation of $897,057 in the premium on share placement is presented, due to the issuance of ordinary shares.

Item	2024
Number of shares issued	3,401,037,037
Sale value per share	$ 270
Nominal value of the share	6.24
Highest value paid per share	263.76
Increase in the premium on share placement	$ 897,057

31. (Loss) Basic earnings per ordinary and preferred share (in pesos)

Next is the summary of the loss and basic earnings per ordinary and preferred share, calculated according to the criteria established in IAS 33:

(Loss) Basic earnings per ordinary and preferred share	2024	2023
(Loss) Net income attributable to shareholders	$ (368,949)	$ 194,688
Average number of shares outstanding	17,788,726,108	14,387,689,071
Basic earnings per share (*)	(21)	14
Total (Loss) Basic earnings per ordinary and preferred share (*)	**$ (21)**	**$ 14**

During the years ended December 31, 2024, and 2023, no other financial instruments or employee stock-based commitments have been identified that affect the calculation of diluted earnings per share in the presented periods, Consequently, earnings per share, both basic and diluted, are uniform and show no significant variations between both calculations.

32. Other Comprehensive Income

The following detail presents the movements of other comprehensive income for the years ended December 31, 2024 and 2023, respectively.

Item	2024	Movements of the period	2023
Gain from investments using the equity method (1)	$ 5,017	$ (1,590)	$ 6,607
Actuarial losses defined benefit plans	1,205	1,138	67
Share in other comprehensive income of non-controlling interests (2)	327,277	131,105	196,172
Income tax related to investments in equity instruments of other com-prehensive income	(48,062)	(18,500)	(29,562)
Subtotal other comprehensive income that will not be reclassified to profit or loss for the period	**285,437**	**112,153**	**173,284**
Gain from remeasurements of financial assets available for sale, before tax (3)	(17,579)	(65,586)	48,007
Reclassification adjustments, financial assets available for sale, before tax (4)	(18,580)	(459)	(18,121)
Income tax related to financial assets available for sale of other compre-hensive income	14,464	26,418	(11,954)
Loss from cash flow hedges, before tax (5)	(13,433)	(1,933)	(11,500)
Income tax related to cash flow hedges of other comprehensive income	5,373	773	4,600
Subtotal other comprehensive income that will be reclassified to profit or loss for the period	**(29,755)**	**(40,787)**	**11,032**
Total other comprehensive income	**$ 255,682**	**$ 71,366**	**$ 184,316**

1. The variation of investments in equity instruments before taxes, for the closing on December 31, 2024, is detailed below:

Entity	2024	2023	Variation
BBVA Asset Management Fiduciaria S.A. (valoración ORI)	$ 453	$ 1,411	$ (958)
BBVA Securities Brokerage S.A. (ORI valuation)	3,938	4,460	(522)
RCI Banque Colombia	626	736	(110)
Totals	**$ 5,017**	**$ 6,607**	**$ (1,590)**

2. Movement of the valuation of the equity participation recorded in ORI:

Name	2024	2023	Variation
Credibanco S.A.	$ 32,972	$ 37,074	$ (4,102)
Holding Bursátil Chilena S.A.	(8,466)	(3,821)	(4,645)
Fund for the Financing of the Livestock Sector "FINAGRO"	47,623	23,394	24,229
Redeban Multicolor S.A.	118,445	21,887	96,558
ACH Colombia S.A.	136,703	117,638	19,065
Totals	**$ 327,277**	**$ 196,172**	**$ 131,105**

3. The variation of $(65,586) due to new measurements of financial assets available for sale, before taxes, is mainly presented due to the maturity of the Fixed Rate and UVR Treasury Securities and TIPs recorded during 2024.

4. The decrease of $459 due to the adjustment of reclassifications of financial assets available for sale before taxes corresponds to the sale of the securities TFIT16240724 and CB07FV270124 that were held as of December 2023.

5. Movement for the concept of cash flow coverages shows the following variation:

Date	Valuation	Causing interests	Difference in exchange	Variation
December 2024	$ 155,365	$ 2,598	$ (171,396)	$ (13,433)
December 2023	75,821	3,242	(90,563)	(11,500)
Total	**$ 79,544**	**$ (644)**	**$ (80,833)**	**$ (1,933)**

33. Legal Controls

During the year 2024, the Bank complied with all legal control regulations established by the Financial Superintendence of Colombia, as follows:

- Regarding the limit of own position in foreign currency, minimum required reserve on legal currency deposits, standard measurement of liquidity risk (IRL), mandatory investments in TDA.

The Bank's portfolio policy complies with the current housing law, according to which housing loans can be granted as follows:

- Social Interest Housing up to 80% Financing on the value of the housing.
- Housing other than Social Interest. up to 70% Financing on the value of the housing

After fulfilling internal approvals and those from the Financial Superintendence of Colombia, BBVA Colombia anticipated the application of decrees 1477 of 2018 and 1421 of 2019, which were set for January 2021. This process concluded with the transmission to the SFC of the Solvency Ratio indicator as of June 2020 according to the mentioned decrees.

As of December 2023, the regulatory limit of total solvency was set at 11.5%, thus consolidating the transition to the Solvency regulation, maintaining this limit for the following years.

As of December 31, 2024 and 2023, the entity's total individual solvency ratio was 13.09% and 12.39%, respectively.

34. Commitments and Contingencies

In the normal course of operations, the Bank issues financial instruments which are recorded in contingent accounts. The Bank's management does not expect material losses as a result of these transactions.

The Bank issues sureties, guarantees and letters of credit to guarantee contracts and obligations of special customers. These guarantees have maturities ranging from one to fifteen years, and commissions are charged to correspondent banks, whether or not they belong to the group, for this service.

As of December 31, 2024, the Bank recorded the following balances:

34.1. IN LEGAL CURRENCY

Item	2024	2023
Guarantees	$ 0	$ 4,514
Garantías Bancarias	1,387,995	1,452,902
Total guarantees and bank guarantees in Legal Currency	**$ 1,387,995**	**$ 1,457,416**

34.2. IN FOREIGN CURRENCY

December 31, 2024

Item	USD	EUR	CNY	MXN	PEN
Bank Guarantees	$ 428	$ 40	$ 3	$ 51	$ 1
Letters of Credit (LC)	78	16	0	2	0
Total in foreign currency	506	56	3	53	1
Exchange rates (applied at the cut-off)	4,409	4,577	604	218	1,177
Total in pesos $	**$ 2,230,954**	**$ 256,312**	**$ 1,812**	**$ 11,554**	**$ 1,177**

December 31, 2023

Item	USD	EUR
Bank Guarantees	$ 440	$ 38
Letters of Credit (LC)	75	15
Total in foreign currency	515	53
Exchange rates (applied at the cut-off)	3,822	4,245
Total in pesos $	**$ 1,968,330**	**$ 224,985**

Historically, Banco BBVA has not been in default of any Bank Guarantee in legal or foreign currency.

The risk area was asked for a rating of the customers that as of December 31, 2024 have an outstanding balance in both legal and foreign currency, and the result was as follows:

34.3. GUARANTEES IN LEGAL CURRENCY (EXPRESSED IN MILLIONS OF PESOS).

The rating of the information as of December 31, 2024 and 2023 is as follows:

	2024		2023	
Clasification	COP	Percentage	COP	Percentage
A	$ 0	0%	$ 4,514	100%
Total in pesos	**$ 0**	**0%**	**$ 4,514**	**100%**

34.4. BANK GUARANTEES IN FOREIGN CURRENCY (EXPRESSED IN MILLIONS OF US DOLLARS)

The rating of the information as of December 31, 2024 and 2023 is as follows:

Classification 2024	USD	EUR	CNY	MXN	PEN	Percentage
A	$ 427.00	$ 40.00	$ 3.00	$ 51.00	$ 1.00	99.86%
C	0.43	0.00	0.00	0.00	0.00	0.09%
Total in foreign currency	427.43	40.00	3.00	51.00	1.00	
Exchange rates (applied at the cut-off)	4,409	4,577	604	218	1,177	
Total in pesos $	**$ 1,884,538.87**	**$ 183,080.00**	**$ 1,812.00**	**$ 11,118.00**	**$ 1,177.00**	**100%**

The rating of the information as of December 31, 2023 is as follows:

Classification 2023	USD	EUR	CNY	CHF	Percentage
A	$ 440.00	$ 0.00	$ 0.00	$ 0.00	100%
Total in foreign currency	440.00	0.00	0.00	0.00	
Exchange rates (applied at the cut-off)	3,822.05	4,244.58	537.84	4,569.89	
Total in pesos $	**$ 1,681.702.00**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**100%**

34.5. LETTERS OF CREDIT IN FOREIGN CURRENCY (EXPRESSED IN MILLIONS OF CURRENCY)

The rating of the information as of December 31, 2024 is as follows:

Classification 2024	USD	EUR	CNY	MXN	PEN	Percentage
A	$ 77,00	$ 16,00	0,00	2,00	0,00	96,82%
B	1,00	0,00	0,00	0,00	0,00	1,10%
Total in foreign currency	78,00	16,00	0,00	2,00	0,00	
Exchange rates (applied at the cut-off)	4.409	4.577	604	218	1.177	
Total in pesos $	**$ 343.902,00**	**$ 73.232,00**	**$ 0,00**	**$ 436,00**	**$ 0,00**	**100%**

The rating of the information as of December 31, 2023 is as follows:

Classification 2023	USD	EUR	CAD	CHF	Percentage
A	$ 75,00	$ 0,00	$ 0,00	$ 0,00	100%
Total in foreign currency	75,00	0,00	0,00	0,00	
Exchange rates (applied at the cut-off)	3.822,05	4.244,58	2.898,43	4.569,89	
Total in pesos $	**$ 286.653,75**	**$ 0,00**	**$ 0,00**	**$ 0,00**	**100%**

As a result of the work performed for the evaluation of the current status of the Guarantors, Bank Guarantees and Letters of Credit in force at the end of 2024, the following are the facts that caught our attention:

- 99.86% of clients with operations (Bank Guarantees) in legal currency do not represent any level of risk as the rating of their economic Group is "A."
- Of the foreign currency letters of credit issued for the mentioned quarter, 96.82% have the most optimal rating, which is rating A.
- Of the total Guarantees issued in foreign currency, 99.86% consist of clients who are rated under category A.
- According to the revised bases, it is considered that BBVA Colombia S.A. at the end of 2024 does not require the constitution of any provision for the products of Guarantees, Bank Guarantees and Letters of Credit in Legal and Foreign Currency.

35. Interest and valuation income

The interest income and valuations from ordinary activities for the years ended December 31, 2024, and 2023, are composed as follows:

Loan portfolio and financial leasing operations	2024	2023
Commercial credit portfolio		
Commercial credits	$ 3,151,859	$ 3,271,195
Overdrafts commercial credits	17,710	21,010
Operations for discounting commercial portfolio	33,969	25,430
Operations for rediscounting commercial portfolio	199,471	279,355
Delinquent commercial portfolio	29,949	47,050
Subtotal commercial credit portfolio (1)	**3,432,958**	**3,644,040**
Consumer credit portfolio		
Consumer credits	3,274,413	3,096,330
Delinquent consumer portfolio	71,710	67,114
Subtotal consumer credit portfolio (2)	**3,346,123**	**3,163,444**
Credit card credit portfolio		
Commercial credit card portfolio	8,787	9,744

Loan portfolio and financial leasing operations	2024	2023
Consumer credit card portfolio	927,196	979,230
Subtotal credit portfolio by credit card	**935,983**	**988,974**
Mortgage portfolio		
Housing loans and residential leasing	989,480	914,959
Adjustment of the real value unit UVR	62,697	56,594
Subtotal housing credit portfolio	**1,052,177**	**971,553**
Factoring operations credit portfolio		
Factoring operations	174,500	188,124
Subtotal factoring operations credit portfolio (3)	**174,500**	**188,124**
Financial leasing credit portfolio		
Penalties for default on financial leasing contracts	2,695	4,554
Financial component of financial leasing – consumer	749	529
Financial component of financial leasing – commercial	280,902	299,400

Loan portfolio and financial leasing operations	2024	2023
Subtotal financial leasing credit portfolio (4)	**284,346**	**304,483**
Residential leasing credit portfolio		
Financial component of residential leasing	411,252	397,140
Subtotal residential leasing credit portfolio (4)	411,252	397,140
Total credit portfolio and financial leasing operations	**$ 9,637,339**	**$ 9,657,758**

Financial instruments valuation, net	2024	2023
Investment Securities		
Money market operations		
Financial income (expenses) from money market operations and other inter-ests (5)	$ 49,595	$ (192,109)
Valuation of short positions in simultaneous open repo operations and temporary transfer of securities (6)	(12,018)	(173,690)
Valuation of spot operations	(642)	1,200
Investments at fair value		
Valuation of debt instruments at fair value (7)	278,179	653,526
Investments at amortized cost		
By valuation at amortized cost of investments	577,868	614,945
By the equity method	0	0
Subtotal investment securities	**892,982**	**903,883**
<bu>Derivatives<bu>		
Trading derivatives (8)	(154,548)	801,156
Hedging derivatives	(80,430)	(77,424)
Subtotal derivatives	**(234,978)**	**723,732**
Total valuation by financial instruments, net	658,004	1,627,615
Total income from interest and valuations	**$ 10,295,343**	**$ 11,285,373**

During the year ended December 31, 2024, interest income presented a decrease in the interest margin of 9.62% related to a volatility of the fixed rates granted by the Bank in the portfolio.

1. Interest income from commercial portfolio decreased by $211,082, presenting its main variations in commercial portfolio interest in $119,336 and rediscount operations of commercial portfolio $79,884; due to the decrease in 258 bps in the long-term fixed rates in the portfolio weight.

2. The consumer portfolio generated a higher income of $182,679, within this total $178,083 correspond to the increase mainly to the medium term product of libranza, which is generated by the Bank's strategies to continue improving the portfolio rates of the market.

3. In discounting and factoring/confirming operations a lower income of $13,624 was obtained, the variation is due to a decrease in the rates by 400 bps in the long-term fixed rates in the weight of the portfolio.

4. E4) In financial leasing operations, a decrease of $20,137 was obtained, the variation is mainly due to the category of commercial financial leasing with an increase of $18,498, and there is also an increase of $14,112 in housing leasing.

Additionally, the decrease in the intervention rate of the Bank of the Republic of Colombia had a significant impact, closing at 9.50% on December 31, 2024, compared to 13% at the end of the same period the previous year. This behavior of the rate influenced financial margins, reflecting a lower profitability on productive assets.

5. At the end of 2024, in the line of money market operations and other interests compared to the previous year, there is a decrease of $241,704, due to a drop in the number of operations carried out, additionally due to the fluctuation of the rates of the Bank of the Republic in the yields from commitments in simultaneous operations by $9,878 and Repo transfer operations by $143,256.

6. Short operations in the money market of repo, simultaneous operations and temporary transfer of securities show a decrease with respect to the previous year of $161,661, corresponding to the decrease in positions of sale of securities within the market of repo, simultaneous operations and temporary transfer of securities.

7. The valuation of debt instruments at fair value shows a significant decrease, mainly explained by the fall in the value of Treasury securitiesTreasury Debt TES issued as guarantee by the Nation for $223,840 and Term Deposit Certificates for $223,840, as well as by the decrease in the valuation of Term Deposit Certificates (CDT), which recorded a negative variation of $146,153.

8. The variation in the trading derivatives item is mostly explained by the impact of the settlement and valuation of peso/dollar currency forward operations, whose effect on the financial statements represented an adjustment of $955,704. This fluctuation responds to market conditions and to the strategies applied for hedging and managing the exchange risk in the investment portfolio.

36. Interest and valuations expenses

For the years ended December 31, 2024 and 2023, the balances of these accounts are summarized as follows:

Interest and valuations expenses	2024	2023
Client deposits		
Savings accounts	$ (1,622,525)	$ (1,850,236)
Current account	(213,197)	(310,583)
Certificates of deposit at term	(4,144,112)	(4,329,021)
Other interest expenses	(680)	(1,143)
Total client deposits (1)	**(5,980,514)**	**(6,490,984)**
Financial obligations		
Bank loans and financial obligations	(575,339)	(562,618)
Total financial obligations (2)	(575,339)	(562,618)
Total interest and valuation expenses	**$ (6,555,853)**	**$ (7,053,602)**

1. As of the end of 2024, the total customer deposits show a decrease of 7.86% compared to the end of 2023, amounting to $510,470, which are represented as follows:

a. The accumulated interest as of December 2024:

i. For savings accounts, there is a decrease of $227,711, mainly in the Ganadiario product,

ii. For current accounts, there is a decrease of $97,387, resulting from effective resource mobilization strategies through digital offers..

b. In the category of term deposit certificates (CDTs), there is a decrease of $184,909 in the issuance of deposits with a maturity greater than 12 months; due to the intervention rate of the Bank of the Republic of Colombia, which closed at 9.50% compared to the same period last year, which closed at 13%.

Although the interest rates for deposits have been decreasing during 2024, customers continue with their saving and investment trend, which can be reflected in the increase of this category in note 20.

2. The category of expenses for interest on financial obligations shows an increase compared to the previous year, mainly due to:

a. Causation of interest for the payment of the coupon of the subordinated debt AT1 in the amount of $181,650 during the year 2024 with an interest participation percentage of 32%, this obligation was created in 2023 caused interest for $97,571.

b. Interest accrued on financing with banks abroad and costs of bank loans with the International Finance Corporation (IFC), BBVA Madrid, other foreign obligations and rediscounts for $382,791

37. Commission income, net

Below is the summary of net income from commissions:

Net income from commissions	2024	2023
Letters of credit	$ 5,063	$ 3,215
Guarantees	8	23
Bank guarantees	29,972	30,301
Banking services	57,869	56,983
Affiliated establishments cards	234,332	213,888
Office network service	165,389	148,428
By remittances	6,546	6,243
Credit card management fees	120,965	115,532
Debit card management fees	42,125	44,538
By derivative products	114	249
Others	258,828	226,622
Subtotal income from commissions (1)	**921,211**	**846,022**
Data processing	(127,795)	(73,670)
External credit placements	(224,008)	(191,700)
Network services	(32,418)	(18,874)
Banking services	(23,015)	(18,863)
Franchises	(84.347)	(67,391)
Others	(217,362)	(174,279)
Subtotal expenses from commissions (2)	**(708,945)**	**(544,777)**
Total income from commissions, net	**$ 212,266**	**$ 301,245**

1. There was a variation of $75,189 in income from commissions, which corresponds to:

    a. An increase in establishments affiliated to cards for an amount of $20,444, in credit card handling fees there was an increase of $5,433 and office network service for $16,961, mainly in commissions for Visa Master acquisition.

    b. As for others, this presents a variation of $32,206 mainly for concepts such as manual commission reimbursement, ACH transactions, PSE commissions, In House commissions and commissions for loan disbursement.

2. In commission expenses there is an increase of $164,168, which mainly corresponds to:

    a. Data processing for $54,125, franchises for $16,956, other commission expenses for $43,083, the variation corresponds to the placement of loans and consumer loans.

    b. As for network services, there was a variation of $13,544 corresponding to the commission for the use of the Redeban and Credibanco network.

38. Other operating income

For the years ended December 31, 2024 and 2023, the balances of these accounts are summarized as follows:

Other operating income	2024	2023
Sale of non-current assets held for sale	$ 1,791	$ 3,915
Sale of investment financial assets (1)	280,596	316,129
Subtotal disposals	**282,387**	**320,044**
Dividends	16,625	20,894
Leases	4,471	3,605
Others – Various (2)	227,038	191,287
Recovery of operational risk	13,280	22,006
Net exchange difference (3)	699,095	(476,656)
Subtotal other operating income	**960,509**	**(238,864)**
Total other operating income	**$ 1,242,896**	**$ 81,180**

In the year 2024, other operating income shows an increase of $1,161,716 compared to the year 2023, the most representative items are:

1. The variation in the sale of financial investment assets for $35,533, is mainly due to the reduction in the profit from the sale of fixed rate TES and TES UVR securities.

2. An increase of $35,751 in the 'Other various' line, mainly due to recoveries, extraordinary reimbursements, advertising agency rebates, and insurance refunds.

3. The exchange difference showed a variation of $1,175,751, influenced by the change in the representative market rate (TRM) which went from $4,409.15 at the end of 2024 to $3,822.05 at the end of 2023. This line corresponds to the adjustment of balances denominated in foreign currency due to fluctuations in the exchange rate.

39. Other operating expenses

Other operating expenses for the years ended December 31, 2024 and 2023 are composed as follows:

Other operating expenses	2024	2023
Loss on sale of goods received in payment and returned	$ (870)	$ (234)
Employee benefits (1)	(999,924)	(898,619)
From the sale of investments (2)	(220,067)	(315,924)
Non(current assets held for sale	(7,303)	(5,502)
Loss on portfolio sale	(17,741)	(10,936)
Fees	(50,873)	(39,092)
Taxes and rates (3)	(290,933)	(279,065)
Leases, net	(7,937)	(7,321)
Contributions, affiliations, and transfers	(29,455)	(25,196)
Insurance (4)	(292,263)	(264,351)
Maintenance and repairs	(142,627)	(122,474)
Fit(out and installation	(21,377)	(14,156)
Fines and penalties, litigation, compensation, and claims	(8,129)	(9,790)
Depreciation of property, plant, and equipment	(53,889)	(51,327)
Depreciation of property, plant, and equipment for right of use	(32,892)	(30,499)
Amortization of intangible assets	(63,608)	(53,460)
Miscellaneous (5)	(946,216)	(757,402)
Loss from disasters	(31,458)	(46.586)
Total other operating expenses	**$ (3,217,562)**	**$ (2,931,934)**

In the year 2024, other operating expenses show an increase of $285,628 equivalent to 9.7% compared to the previous year; the most significant items contributing to this increase were as follows:

1. 1. During the fiscal year 2024, there was an increase of 11.3% in benefits and compensations for employees, reflecting a total increase of $101,305. Detailing each variation:

- In the salary area, wages recorded a decrease of $10,685, and total salaries showed an increase of $9,537. An increase in social security contributions was observed, totaling $15,571, which implied increases in Severance and Severance Interest of $3,576, in Vacations and Vacation Bonus of $6,071. These adjustments underscore the focus on strengthening salary structures and associated benefits.

- In the actuarial calculation, a decrease in the seniority bonus was recorded, amounting to $6,018. This indicates that there is a staff turnover for the last year of 2024.

- In the pension concept, a substantial increase of $6,195 is observed, evidencing a commitment to the long-term financial well-being of employees.

In conclusion, a considerable increase in compensation of $50,944 is highlighted, and an increase in bonuses granted as part of the Incentive Funds of $15,813 is observed. These adjustments indicate a careful strategy of optimization and review of compensation structures.

2. From the sale of investments, the annual variation presented was $95,857, mainly represented by higher expenses from the sale of financial instruments: treasury securities (TES), debt instruments maturing classified as measured at fair value and therefore affecting the period's results.

3. An increase in the item taxes and rates was presented for an amount of $11,868, within this item the expense for Industry and Commerce Tax, and GMF stands out.

4. Insurance shows an increase of 10.6% mainly due to higher expenses in deposit insurance.

5. In the item of other miscellaneous expenses, an increase of $188,814 was presented where expenses for rent, support, and call center of applications, tools, and software projects of the bank incurred to improve internal operational processes and customer service stand out. 5. In the item of other miscellaneous expenses, an increase of $188,814 was presented where expenses for rent, support, and call center of applications, tools, and software projects of the bank incurred to improve internal operational processes and customer service stand out.

40. Income tax expense

40.1. COMPONENTS OF INCOME TAX EXPENSE

The income tax expense for the years 2024 and 2023 includes the following:

	2024	2023
Current tax	$ 1,116	$ 106,677
Occasional gain tax	155	435
Deferred tax, net	(177,974)	(49,691)
Income tax from previous years	29,601	30,850
Total income tax on profits	**$ (147,102)**	**$ 88,271**

40.2. RECONCILIATION OF THE TAX RATE ACCORDING TO TAX PROVISIONS AND THE EFFECTIVE RATE:

The current tax provisions applicable to the bank stipulate that in Colombia:

- According to the Law of Equality and Social Justice 2277 of 2022, the income tax rate for legal entities starting in 2023 is 35%. Additionally, financial institutions must liquidate an additional 5 percentage points on income and complementary taxes until 2027, resulting in a total rate of 40%.

- At the end of 2024, there is a financial loss and a tax loss, while at the end of 2023, there was an accounting profit; however, due to the application of the current tax treatments in the income determination, a tax loss was determined. For both years regarding tax loss, a deferred tax asset is liquidated and recorded at the tax rate of 40%. This loss may be compensated with ordinary net income obtained within the following twelve (12) annual taxable periods, according to what is established in Article 147 of the Tax Statute.

- For the years 2024 and 2023, presumptive income is not determined, as it was in effect until the taxable year 2020, the last year in which it was calculated at a rate of 0.5%, according to Article 188 of the Tax Statute.

- With the Economic Growth Law 2010 of 2019, the term of firmness of the income tax declaration and complementary taxes for taxpayers who determine or compensate tax losses or are subject to the transfer pricing regime will be 5 years.

- The tax on occasional gains is taxed at a rate of 15%.

- At the end of the fiscal year 2024, the tax for Value to Add is included in the provision due to the limitation of deductions established in Article 259-1 of the Tax Statute.

- Law 2277 of 2022 also introduced paragraph 6 to Article 240 of the Tax Statute, which must explicitly liquidate the Minimum Tax Rate (TTD), which cannot be less than 15%; otherwise, an Additional Tax (IA) must be liquidated until that rate is reached. At the end of 2023, the Bank did not recognize Additional Tax based on the analyses conducted and the lawsuits that were ongoing;

however, in November 2024, the Constitutional Court in Ruling C-19 declared the mentioned article constitutional, leading to the liquidation and payment of the additional tax for the taxable year 2023 through the correction of the income tax declaration. For the year 2024, due to the accounting loss, there is no place for TTD or Additional Tax.

- The Social Investment Law 2155 of 2021 established the audit benefit. For the years 2022 and 2023, taxpayers who increase their net income tax for the taxable year in relation to the net income tax of the immediately preceding year by 35%, the term of firmness is 6 months, and when the increase is 25%, the term will be 12 months. With the above, the income tax declaration for the taxable year 2022 became firm in December 2023, 6 months after its submission.

- In application of what is stipulated in Article 115 of the Tax Statute, 100% of the taxes, rates, and contributions effectively paid are deductible, except for the tax on financial transactions, which is deductible at fifty percent (50%).

Below is the detail of the reconciliation between the total income tax expense calculated at the current tax rates for 2024 and 2023 respectively and the income tax expense effectively recorded in the income statement.

	2024		2023	
Gains before tax from continuing operations	**Relationship %**	**(516.052)**	**Relationship %**	**282.959**
Income tax expense calculated at 35% (nominal rate)	35.00%	$ (180,618)	35,00%	$ 99,036
Dividends received not constituting income	0.92%	(4,758)	(2,53%)	(7,167)
Income valuation using the equity method	4,41%	(22,752)	(5,80%)	(16,411)
Other non-taxable income	1.02%	(5,238)	(7,45%)	(21,080)
Other non-deductible expenses	(7.03%)	36,273	9,53%	26,954
Non-deductible taxes	(4.33%)	22,341	6,64%	18,787
Rate differential deferred tax effect vs nominal rate	17.88%	(92,285)	(121,36%)	(343,410)
Fines, penalties	(0.55%)	2,845	1,21%	3,426
Income tax from previous years	(5.74%)	29,600	10,90%	30,850
Tax credit for loss	(12.89%)	66,532	102,87%	291,085
Others	(0.19%)	958	2,19%	6,201
Total income tax expense recognized in the results (related to continu-ing operations)	**28.50%**	**$ (147,102)**	**31,20%**	**$ 88,271**

40.3. DEFERRED TAXES BY TYPE OF TEMPORARY DIFFERENCE:

The differences between the bases of assets and liabilities for IFRS purposes and the tax bases of the same assets and liabilities for tax purposes result in temporary differences that generate deferred tax calculated and recorded as of December 31, 2024 and 2023, based on the currently applicable tax rates for the years in which such temporary differences will be realized or settled.

The following is the net result of the deferred tax assets and liabilities presented in the financial position statements as of December 31, 2024 and 2023:

Deferred tax assets and liabilities	2024	2023
Deferred tax asset	$ 776,587	$ 620,658
Deferred tax liability	(234,588)	(266,452)
Total deferred tax assets and liabilities	**$ 541,999**	**$ 354,206**

Year ended December 31, 2024

2024	Opening balance (Restated	Recognized in the results	Recognized in other comprehensive income	Recognized directly in equity	Closing balance
Deferred tax asset related to:					
Cash flow hedges	$ 6,546	$ 0	$ (1,173)	$ 0	$ 5,373
Net investment hedges	95,921	(70,447)	0	0	25,474
Repo operations, simultaneous and TTVs	0	1,262	0	0	1,262
Property, plant and equipment	39,105	2,098	0	1,237	42,441
Financial assets at fair value through profit or loss and amortized cost	0	18,096	14,463	0	32,559
Deferred income	7,566	(2,798)	0	0	4,768
Allowances	102,681	12,181	0	0	114,862
Unutilized tax credits	0	1,587	0	0	1,587
Defined benefit obligations	28,717	23,826	0	0	52,543
Restatement of Assets and Liabilities ME	128	67,671	0	0	67,799
Leases	7,326	953	0	0	8,279
Tax loss	332,669	76,289	0	0	408,958
Others	0	10,682	0	0	10,682
Subtotal deferred tax asset	**620,659**	**141,400**	**13,290**	**1,237**	**776,587**

2024	Opening balance (Restated	Recognized in the results	Recognized in other comprehensive income	Recognized directly in equity	Closing balance
Deferred tax liability related to:					
Cash flow hedges	(1,947)	0	1,947	0	0
Associates	(52,046)	4,954	(18,610)	0	(65,702)
Property, plant and equipment	(144,723)	(4,909)	0	0	(149,633)
Repo operations, simultaneous and TTVs	(3,635)	3,635	0	0	0
Intangible assets	(11,773)	3,938	0	0	(7,835)
Financial assets at fair value through profit or loss and amortized cost	(24,834)	12,879	11,955	0	0
Allowances	(4,553)	(6,014)	0	0	(10,567)
Unclaimed issuance and repurchase costs	(372)	(479)	0	0	(851)
Others	(5,653)	5,653	0	0	0
Restatement of Assets and Liabilities ME	(16,917)	16,917	0	0	0
Subtotal of deferred tax liability	**(266,453)**	**36,574**	**(4,708)**	**0**	**(234,588)**
Deferred tax expense, net	**$ 354,206**	**$ 177,974**	**$ 8,582**	**$ 1,237**	**$ 541,999**

Year ended December 31, 2023

2023	Opening balance (Restated)	Recognized in profit or loss	Recognized in other comprehensive income	Recognized directly in equity	Closing balance
Deferred tax asset related to:					
Cash flow hedges	$ 1,946	$ 0	$ 4,600	$ 0	$ 6,546
Net investment covers	286,579	(190,658)	0	0	95,921
Property, plant and equipment	45,370	(4,282)	0	(1,983)	39,105
Financial assets at fair value through profit or loss and amortized cost	19,582	(19,582)	0	0	0
Deferred income	7,566	0	0	0	7,566
Allowances	116,255	(13,573)	0	0	102,681
Defined benefit obligations	39,576	(10,859)	0	0	28,717
Restatement of Assets and Liabilities ME	116,889	(116,761)	0	0	128
Leases	6,946	380	0	0	7,326
Tax Loss	0	332,669	0	0	332,669
Others	(440)	440	0	0	0
Subtotal of deferred tax assets	**640,269**	**(22,226)**	**4,600**	**(1,983)**	**620,659**

2023	Opening balance (Restated)	Recognized in profit or loss	Recognized in other comprehensive income	Recognized directly in equity	Closing balance
Deferred tax liabilities related to:					
Cash flow hedges	(6,404)	0	4,457	0	(1,947)
Associates	(53,797)	5,022	(3,271)	0	(52,046)
Property, plant and equipment	(142,256)	(2,467)	0	0	(144,723)
Repo operations, simultaneous and TTVs	0	(3,635)	0	0	(3,635)
Intangible assets	(6,851)	(4,922)	0	0	(11,773)
Financial assets at fair value through profit or loss and amortized cost	844	(12,879)	(12,799)	0	(24,834)
Allowances	(6,064)	1,511	0	0	(4,553)
Unclaimed issuance and repurchase costs	(1,047)	675	0	0	(372)
Others	(4,377)	(1,276)	0	0	(5,653)
Restatement of Assets and Liabilities ME	(127)	(16,790)	0	0	(16,917)
Subtotal of deferred tax liability	**(220,079)**	**(34,761)**	**(11,613)**	**0**	**(266,453)**
Deferred tax expense, net	**$ 420,190**	**$ (56,987)**	**$ (7,013)**	**$ (1,983)**	**$ 354,206**

For presentation purposes in the financial position statement, the Bank offset the deferred tax assets and liabilities in accordance with paragraph 74 of IAS 12, considering the application of current tax regulations in Colombia regarding the legal right to offset current tax assets and liabilities.

40.3.1 Deferred taxes regarding subsidiaries and joint operations

As of December 31, 2024 and 2023, the Bank has not recorded deferred tax liabilities regarding temporary differences of the investment in its Subsidiaries, as it has the authority to control the reversal of such temporary differences, and does not plan to reverse them in the near future (exception of IAS 12). If this deferred tax liability had been recorded, the value of the difference would amount to $49,392 and $40,634 as of December 31, 2024 and 2023 respectively.

40.3.2 Effect of current and deferred taxes on each component of other comprehensive income in equity

The effects of current and deferred taxes on each component of other comprehensive income are detailed below:

	Movement as of December 31, 2024			Movement as of December 31, 2023		
	Amount before tax	Deferred tax	Net	Amount before tax	Deferred tax	Net
Items that will not be reclassified to profit or loss						
Losses (gains) from investments using the equity method	$ (1,590)	$ 0	$ (1,590)	$ 3,662	$ 0	$ 3,662
Share of other comprehensive income from non-controlling interests	131,105	(18,500)	112,605	45,841	(3,270)	42,571
Defined benefit obligations	1,138	0	1,138	(8,757)	0	(8,757)
Items that may be reclassified subsequently to profit or loss						
Financial assets available for sale	(66,045)	26,418	(39,627)	31,996	(12,798)	19,198
Cash flow hedges	(1,933)	773	(1,160)	(22,642)	9,057	(13.585)
TOTAL	**$ 62,675**	**$ 8,691**	**$ 71,366**	**$ 50,100**	**$ (7,011)**	**$43,089**

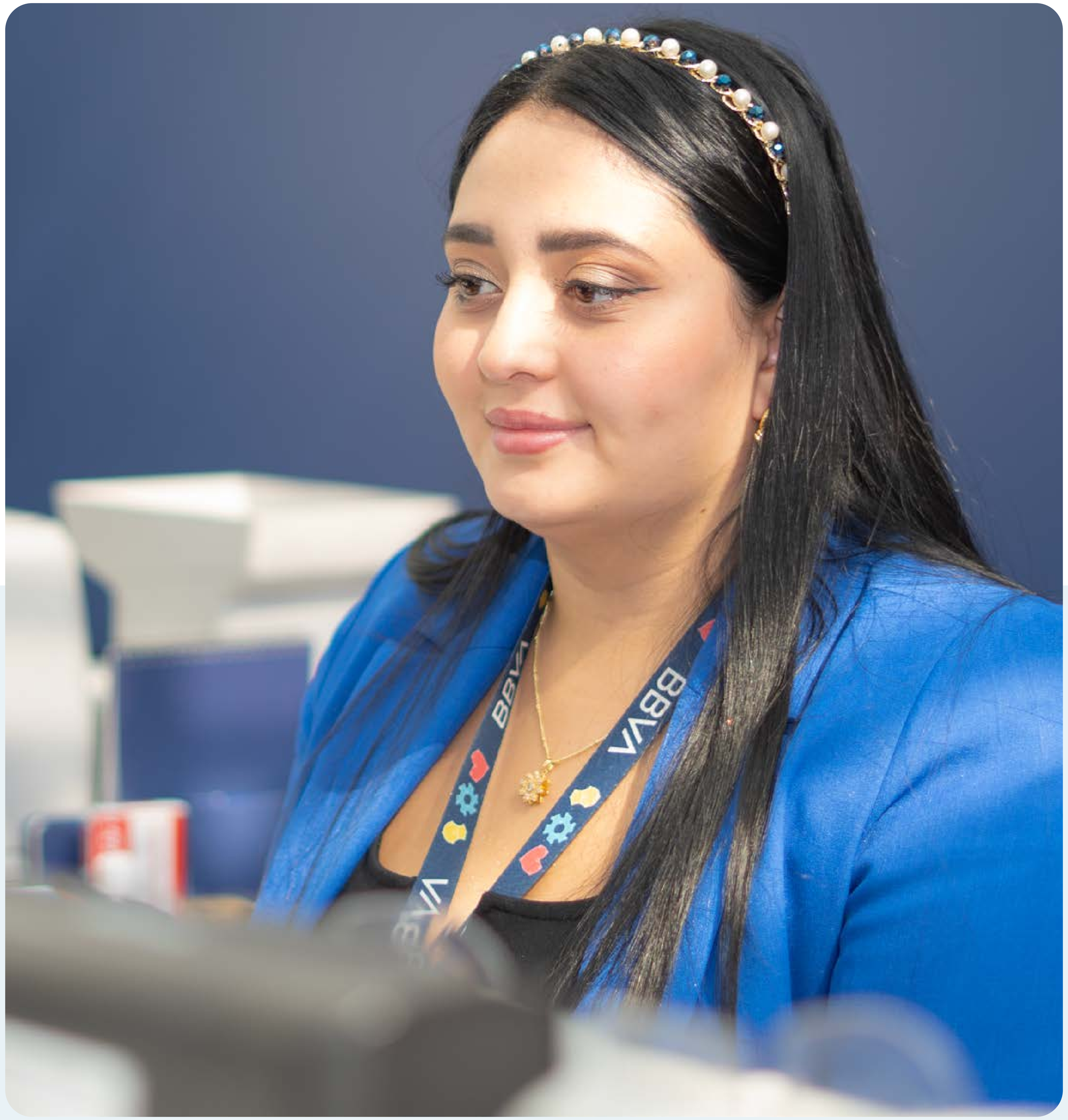
40.4. TRANSFER PRICING

In accordance with the provisions of Laws 788 of 2002, 863 of 2003, 1607 of 2012, and 1819 of 2016, regulated by Decree 2120 of 2017, the bank prepared the transfer pricing study on transactions with related parties abroad during the taxable year 2023. The study did not result in adjustments affecting the bank's income, costs, and tax expenses.

Although the transfer pricing study for the year 2024 is in the process of preparation, no significant changes are anticipated compared to the previous year.

40.5. UNCERTAINTIES IN TAX POSITIONS

As of January 1, 2020, and through Decree 2270 of 2019, which was adopted for the purposes of the local financial statements of Group 1, the CINIIF 23 interpretation - uncertainties regarding income tax treatments, in application of this standard, the bank has analyzed the tax positions adopted in the declarations still subject to review by the tax authority, in order to identify uncertainties associated with a difference between such positions and those of the tax administration. According to the evaluation carried out, no facts have been identified that would lead to the recording of additional provisions for this concept.



41. Related Parties

For comparative purposes, BBVA Banco Bilbao Vizcaya Argentaria, S.A. is recognized as a shareholder with a participation exceeding 10%. National companies such as the Financial Services Marketing Company, Trust Lot 6.1 Zaragoza, Trust Horizontes Villa Campestre, Open Pay Colombia, and foreign companies Banco BBVA Argentina S.A., Banco BBVA Perú S.A., BBVA (Switzerland) S.A., BBVA Axial Tech S.A. de CV, BBVA México S.A., BBVA Securities Inc. are recognized as other related parties.

As of December 31, 2024, payments for key management personnel remuneration amounting to $29,711 have been made; for short-term employee benefits $14,352, stock-based payments $3,397, post-employment benefits $49, and $11,913 for other concepts such as comprehensive salary, bonuses, vacations, and vacation premiums.

Details of related parties as of December 31, 2024

Item	Shareholders with over 10% participation (a)	Subsidiary Companies		Interests in Joint Ventures			Other non-subsidiary companies of BBVA not subordinated to BBVA Colombia			
		BBVA Securities	BBVA Trust	RCI COLOMBIA	Board Members	Legal Representatives and Key Management Personnel	BBVA Insurance	BBVA Life Insurance	Other National Affiliates (b)	Other For-eign Affili-ates (b)
Assets										
Cash (Banks and other financial entities)	$ 195,233	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 16,300
Investments	0	62,277	124,906	177,311	0	0	0	0	0	0
Derivatives and spot trans-actions	4,994,729	0	0	0	0	0	0	0	0	11,853
Loan portfolio and financial leasing operations, net (1)	0	0	0	747,679	41	3,110	5	1	11	0
Accounts receivable, net	89,501	2	37	0	0	0	0	0	0	2
Security deposits	1,557,036	0	0	0	0	0	0	0	0	4,674
Prepaid expenses	2,568	0	0	0	0	0	4,738	220	0	0
Non-current assets held for sale	0	0	0	0	0	0	0	0	14,349	0
Other assets	2,286	0	0	0	0	0	0	0	0	0
Total	**$ 6,841,353**	**$ 62,279**	**$ 124,943**	**$ 924,990**	**$ 41**	**$ 3,110**	**$ 4,743**	**$ 221**	**$ 14,360**	**$ 32,829**

		Subsidiary Companies		Interests in Joint Ventures			Other non-subsidiary companies of BBVA not subordinated to BBVA Colombia			
Item	**Shareholders with over 10% participation (a)**	**BBVA Securities**	**BBVA Trust**	**RCI COLOMBIA**	**Board Members**	**Legal Representatives and Key Management Personnel**	**BBVA Insurance**	**BBVA Life Insurance**	**Other National Affiliates (b)**	**Other For-eign Affili-ates (b)**
Liabilities:										
Deposits (Savings and Cur-rent)	$ 0	$ 7,808	$ 30,016	$ 57,659	$ 36	$ 3,266	$ 36,067	$ 63,051	$ 20,108	$ 0
Derivatives and spot trans-actions	5,344,054	0	0	0	0	0	0	0	0	13,860
Financial obligations (3)	1,514,511	0	0	0	0	0	0	0	0	0
Outstanding investment securities	0	0	0	0	0	0	0	35,288	0	0
Accounts payable (2)	6,176	0	0	0	0	0	0	5	147	12
Total	**6,864,741**	**7,808**	**30,016**	**57,659**	**36**	**3,266**	**36,067**	**98,344**	**20,255**	**13,872**
Ingresos										
Income:	16,272,732	0	0	25,093	15	530	0	0	0	124,391
Income from interest and valuations (3)	6,662	3	384	613	3	19	35,070	122,350	16	1,926
Commission income	0	15,420	47,260	501	0	0	0	0	0	0
Income from the equity method	0	0	169	0	0	0	20	82	1,316	0
Leases	0	6	5	1,822	0	0	0	0	14	0
Other Income	**$ 16,279,394**	**$ 15,429**	**$ 47,818**	**$ 28,029**	**$ 18**	**$ 549**	**$ 35,090**	**$ 122,432**	**$ 1,346**	**$ 126,317**

		Subsidiary Companies		Interests in Joint Ventures			Other non-subsidiary companies of BBVA not subordinated to BBVA Colombia			
Item	Shareholders with over 10% participation (a)	BBVA Securities	BBVA Trust	RCI COLOMBIA	Board Members	Legal Representatives and Key Management Personnel	BBVA Insurance	BBVA Life Insurance	Other National Affiliates (b)	Other For-eign Affili-ates (b)
Expenses:										
Interests	$ 16,939	$ 144	$ 5,978	12,364$	$ 4	$ 377	$ 5,663	$ 13,946	$ 71	$ 0
Valuation of derivatives (4)	16,829,800	0	0	0	0	0	0	0	0	74,662
Commissions	5,518	0	86	0	5	68	0	0	181,203	13,377
Bank loans and financial obligations	238,606	0	0	0	0	0	0	0	0	0
Employee benefits	0	0	0	0	0	3	0	0	0	0
Fees	0	0	0	0	458	0	0	0	633	0
Insurance	0	0	0	0	0	0	7,378	2,138	0	0
Other expenses	5,134	0	79	23	78	649	37	0	1,909	131,474
Total	**17,095,997**	**144**	**6,143**	**12,387**	**545**	**1,097**	**13,078**	**16,084**	**183,816**	**219,513**
Contingent commitments and obligations	68,738	0	0	104	0	0	55	82	150	36,496
Purchase commitments for calls and puts	1,867,806	0	0	0	0	0	0	0	0	278,907
Total	**$ 1,936,544**	**$ 0**	**$ 0**	**$ 104**	**$ 0**	**$ 0**	**$ 55**	**$ 82**	**$ 150**	**$ 315,403**

The main transactions carried out are presented below:

1. As of December 31, 2024, a value of -$6,345 is recorded for impairment of the loan portfolio and financial leasing operations and accounts receivable, which is generated by the portfolio with RCI Colombia S.A.

2. As of December 31, 2024, the Bank has financial obligations with BBVA Madrid in the amount of $1,520,687. Additionally, in June 2023 the Bank acquired an AT1 loan with BBVA Madrid for $822,878

3. A positive MtM (Mark to Market) is recognized for the valuation of derivatives, with a value of $16,272,732 with BBVA Madrid and $124,391 with BBVA Mexico SA.

4. For negative MtM (Mark to Market) due to the valuation of derivatives, as of December 31, 2024, a value of $16,829,800 is recorded with BBVA Madrid and $74,662 with BBVA Mexico

Detalle de partes relacionadas al 31 de diciembre de 2023

		Subordinated Companies		Interests in Joint Ventures			Other non-subordinated BBVA group companies of BBVA Colombia			
Item	Shareholders with over 10% participation	BBVA Securities	BBVA Trust	RCI COLOMBIA	Board Members	Legal Representatives and Key Management Personnel	BBVA Insurance	BBVA Life Insurance	Other National Linked	Other Linked Abroad
Assets										
Cash (Banks and other financial entities)	$ 92,004	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 6,898
Investments	0	51,758	111,624	182,633	0	0	0	0	0	0
Derivatives and spot transactions	8,357,605	0	0	0	0	0	0	0	0	86,645
Net loan portfolio and financial leasing operations	0	0	0	893,001	233	3,927	3	23	63	0
Accounts receivable, net	14,306	1	34	5,910	0	0	0	0	0	521
Security deposits	235,851	0	0	0	0	0	0	0	0	0
Prepaid expenses	0	0	0	0	0	0	3,247	0	0	0
Non-current assets held for sale	0	0	0	0	0	0	0	0	14,349	0
Total	**$ 8,699,766**	**$ 51,759**	**$ 111,658**	**$ 1,081,544**	**$ 233**	**$ 3,927**	**$ 3,250**	**$ 23**	**$ 14,412**	**$ 94,064**

		Subordinated Companies		Interests in Joint Ventures			Other non-subordinated BBVA group companies of BBVA Colombia			
Item	Shareholders with over 10% participation	BBVA Securities	BBVA Trust	RCI COLOMBIA	Board Members	Legal Representatives and Key Management Personnel	BBVA Insurance	BBVA Life Insurance	Other National Linked	Other Linked Abroad
Liabilities:										
Deposits (Savings and Current)	$ 0	$ 6,434	$ 65,887	$ 127,979	$ 200	$ 2,563	$ 80,750	$ 167,052	$ 20,000	$ 0
Derivatives and spot transactions	8,503,207	0	0	0	0	0	0	0	0	82,738
Investment Securities in Circulation	0	0	0	0	0	0	0	39,580	0	0
Margin Call	165,443	0	0	0	0	0	0	0	0	6,230
Accounts payable	744,595	11	14	0	0	0	906	0	6,576	981
Total	**9,413,245**	**6,445**	**65,901**	**127,979**	**200**	**2,563**	**81,656**	**206,632**	**26,576**	**89,949**
Income:										
Interest and valuation income	31,305	0	0	121,727	71	467	0	0	3	1,485
Commissions	618	8	354	718	2	24	33,771	105,711	23	2,829
Income from the equity method	0	10,946	33,352	2,748	0	0	0	0	0	0
Leases	0	0	155	0	0	0	19	0	1,223	0
Total	**$ 31,923**	**$ 10,954**	**$ 33,861**	**$ 125,193**	**$ 73**	**$ 491**	**$ 33,790**	**$ 105,711**	**$ 1,249**	**$ 4,314**

		Subordinated Companies		Interests in Joint Ventures			Other non-subordinated BBVA group companies of BBVA Colombia			
Item	Shareholders with over 10% participation	BBVA Securities	BBVA Trust	RCI COLOMBIA	Board Members	Legal Representatives and Key Management Personnel	BBVA Insurance	BBVA Life Insurance	Other National Linked	Other Linked Abroad
Expenses:										
Interests	5,574	141	7,641	14,657	38	346	6,015	14,905	138	0
Commissions	154,355	0	40	0	0	32	0	0	158,995	13,152
Employee benefits	0	0	0	0	0	13	0	0	0	0
Insurance	0	0	0	0	0	0	7,393	5,627	0	0
Consulting fees	0	0	0	0	0	1	0	0	0	0
Other operating expenses	4,445	11	0	0	0	0	0	0	3,989	94,765
Other Expenses	0	0	0	0	35	670	0	0	0	0
Total	**$ 164,374**	**$ 152**	**$ 7,681**	**$ 14,657**	**$ 73**	**$ 1,062**	**$ 13,408**	**$ 20,532**	**$ 163,122**	**$ 107,917**
Contingent commitments and obliga-tions	232,318	0	0	0	0	0	0	0	0	102,481
Commitments to purchase calls and puts	0	0	0	0	0	0	0	0	0	1,341.396

42. Market risk report, interests, and structural

The principles and policies of Risk Management, as well as the tools and procedures, are maintained with recognition criteria, in accordance with IFRS 7, "Financial Instruments:" "Information to disclose", below is the distribution by items of the Separate Financial Statement, of BBVA Colombia's exposure to credit risk as of December 2024 and December 2023, net of provisions.

For financial assets held for trading, the methodology used to assess risk was the nominal value expressed in pesos of the fixed income trading position held by the treasury, financial assets available for sale and investments held to maturity were considered as the methodology to assess risk the nominal value expressed in pesos of the fixed income DPV (Available For Sale) position and maturity held by the COAP, regarding the derivatives portfolio and hedge accounting, the methodology of the Financial Superintendence of Colombia is used.

To determine the risk of credit investment, it is calculated with the gross original exposure of provisions and active guarantees related by portfolio.

The exposure and management of risk as of December 2024 and 2023 was as follows:

Item	2024	2023
Cash and deposits in banks	$ 9,387,216	$ 7,013,178
Financial assets held for trading	3,452,161	3,724,824
Financial assets available for sale	3,604,698	2,486,802
Investments at fair value with changes in OCI	3,166,345	3,157,408
Derivatives and hedge accounting	3,437,510	3,886,233
Consumer portfolio	28,403,409	29,187,967
Commercial portfolio	32,192,127	30,975,526
Mortgage portfolio	15,241,460	14,974,638
Credit investment	75,836,996	75,138,131
Approved but undisbursed loans	1,500,955	1,467.540
Credit limits	7,066,462	6,443,999
Bank guarantees	3,470,765	3,298,685
Letters of credit	1,932,605	1,367,816
Total maximum net risk exposure	**$ 13,970,787**	**$ 12,578,040**

Regarding cash equivalents for risk exposure, deposits in the Central Bank of the country are not considered.

42.1. MARKET RISK

Market risk is defined as the possibility that the group incurs losses associated with a decrease in the value of its portfolio due to changes in the prices of the financial instruments in which it holds positions. The Bank, the fiduciary, and the broker, although managing their risks individually, maintain a corporate methodology, in which they manage the market risk derived from their operations with the basic objective of limiting potential losses, quantifying the economic capital necessary to carry out their activities, and optimizing the relationship between the level of exposure assumed and the results set.

To face this management with maximum guarantees, the Bank has developed a series of policies and organizational systems for identifying, measuring, controlling, and monitoring the risks inherent to operations, both trading and balance sheet.

42.1.1. Segregation of functions

Depending on the function related to the actions of contracting, accounting, compliance, or risk monitoring, responsibility was assigned to each of the following dependencies:

- **Global Markets .** Area responsible for directing the application of the established policies and programs to ensure efficient management of the Bank's financial resources and also to control that there is sufficient liquidity for the normal development of the institution's operations, designing policies on investment portfolios that contribute to strengthening the financial, competitive, and expansion situation of the group at the national and international level.
- **Market Administration .** Area responsible for controlling the daily operations of the desk, as well as confirming, settling, and clearing treasury operations. It is also responsible for the custody of contracts and the administration of securities deposits, depending on the Vice Presidency of Media.
- **Market Accounting .** Area responsible for validating and ensuring the proper incorporation of operations from trading activity into the Bank's balance sheet, in addition to controlling, calculating, and reporting the own position in foreign currency, depending on the Financial Vice Presidency.
- **Market and Structural Risks** Area responsible for quantifying, valuing, and timely reporting the risks of Global Markets operations, as well as liquidity and structural balance risks depending on the Risk Vice Presidency.
- **Legal Area.** Responsible for analyzing and evaluating the legal risks that may arise from the acts or contracts formalizing operations, in such a way that no legal situation affecting the legal documentation or implementation of the same is evident. In exercising its functions, the Legal area verifies compliance with the relevant legal standards and adherence to the entity's policies and standards. In all cases, it legally structures operations based on the current legal standards to which the Bank is subject, including participation in new markets or products.
- **Internal Control and Operational Risk .** Responsible for analyzing, evaluating, and managing Internal Control (processes) along with the operational risks that may arise from Global Markets operations, identifying them and proposing mitigating control measures, in compliance with the corporate model and local regulatory guidelines required for the proper maintenance of the Internal Control System (ICS) and the Operational Risk Management System (ORMS).

42.1.2. Nature and scope of the risks arising from financial instruments

Top management has designated the following objectives to the treasury:

- Management of the Bank's short-term liquidity; and
- Management of the mechanisms and tools necessary for covering interest rate, exchange rate, and liquidity risks, both in the operation of own resources and in operations with clients.

For this reason, the Global Markets area carries out actions on its own account to meet its liquidity needs and those of external clients. It also actively participates as a market maker in fixed income, in spot and term currency operations, as well as in money market operations. For this, it has an organizational structure made up of generation desks (interest rates and currency operations), distribution desks (client needs), and structuring activity.

Considering the objectives assigned to the treasury and in order to optimize, manage, and administer the inherent risks, senior management has decided to establish functions by areas, quantifiable limits, and risk measurement tools.

Methods used to measure risk: The Bank uses the standard model for measuring, controlling, and managing risk; additionally, it uses tools to determine limits on traders' positions and to quickly review positions and strategies as market conditions change.

The main sources of market risk to which the Bank is exposed aren:

a. **Interest rate:** The portfolios in the Global Markets area are exposed to this risk when their value depends on the level of certain interest rates in the financial market.

b. **Exchange rate:** The banking book and the trading book are exposed to this risk when their values and operations depend on currency exchange in the financial market.

The methodologies used for measuring VaR are periodically evaluated and subjected to back testing that allows determining their effectiveness. In addition, the Bank has tools for conducting stress tests and/or sensitivity analysis of portfolios under the simulation of extreme scenarios.

42.1.3. Limits

Limits were established for exposures due to the risk of global markets activity, designating the following:

The main metric is the average target economic capital (ETC) according to the standards defined by Basel 2.5. The calculation of this indicator is based on VaR, and a stressed VaR measurement is added, resulting in the final measure being the maximum of the two (VaR and VaR Stress) over an average of 3 months. In this way, greater weight is assigned to current or past market stress events. This measure is rescaled by the multiplier set by Basel of three times the square root of ten to calculate the economic capital charge.

Monitoring is done based on a "global limit," which is further broken down by risk factors, as well as by desks, currencies, and products, for which there are internal alert signals when consumption reaches 85% or higher. A breach of this alert signal requires explicit communication from the head of the Global Markets area to the market and structural risk area, informing the strategy to be followed. The market and structural risk area informs senior management and the Global Market Risk Unit, which will indicate how long it is possible to continue with that strategy.

Limits are approved by the Board of Directors, while measurement, monitoring, and control are carried out daily by the Market and Structural Risk area, issuing reports to senior management periodically and to the Board of Directors monthly.

42.1.4. Measurement and monitoring tools

Among the main risk measurement tools are value at risk-VaR, Stress VaR, and sensitivity-delta. However, other tools such as stress testing and stop loss are used.

- **Value at Risk -VaR:** The VaR measurement methodology employed by the Bank is historical simulation, which seeks to capture the negative impacts that the historical risk factors may have on the current position of the Bank's trading portfolio. By using historical data, the correlation that exists between them and their occurrence distributions is naturally included.

For monitoring and controlling limits for Global Markets operations, a measurement based on the "VaR without exponential smoothing" methodology is carried out, using two years of information from financial markets.

VaR Figures Millions of COP				
	December	Minimum	Maximum	Average
Year 2024	$ 8,886	$ 7,235	$ 30,963	$ 13,768
Year 2023	$ 7,113	$ 5,115	$ 30,847	$ 12,478

- **Stop loss:** It is a measure of monitoring the accumulated losses in the Global Markets portfolios in order to limit the negative impacts on the income statement.

During 2024, monitoring of the stop-loss was carried out through a double control mechanism, implementing an annual limit to control possible accumulated losses in the income statement, accompanied by the monthly loss limit. These limits aim to minimize the impact on the total income statement.

- **Stress Testing:** It is the generation of a set of historical scenarios, stressing the risk factors associated with the different positions of Global Markets. The observed period starts in June 2008 and extends until June 2009.

SVaR Lehman Figures Millions of COP				
	December	Minimum	Maximum	Average
Year 2024	9,285	8,998	37,493	15,001
Year 2023	8,299	5,690	36,797	14,775

- **Sensitivity (Delta).** It is another measure that BBVA Colombia uses to estimate the exposure of Global Markets portfolios. This tool estimates the sensitivity of the portfolios to a variation of 1 basis point in interest rates, and aims to trigger internal alerts for interest rate risk. This is why complementary sub-limits are established by products.

42.1.5. Positions and market risk profile

Global markets positions for the year 2024 and 2023 (In billions)

The comparative table with the positions of the Bank's portfolios is presented below.

	Dec-2024	Local currency		Other currencies		Dec-2023	Local currency		Other currencies	
Classification	Amount	Average	Maximum	Average	Maximum	Amount	Average	Maximum	Average	Maximum
Public debt	$ 3,075	$ 3,572	$ 4,726	$ 0	$ 0	$ 2,518	$ 2,162	$ 2,823	$ 31	$ 152
Corporate bonds	331	737	1,326	0	0	1,176	1,174	1,641	0	0
Spot FX	0	0	1	0	1	1	0	0	0	0
Forward	13	(143)	111	0	20	(169)	(46)	643	9	18
Equities without subsidi-aries *	736	657	736	0	0	609	585	609	0	0

*Correspond to strategic investments made by BBVA Colombia Bank. Due to this, they do not count in the market risk metrics.

Market risk profile Bank 2024 and 2023 (In billions)

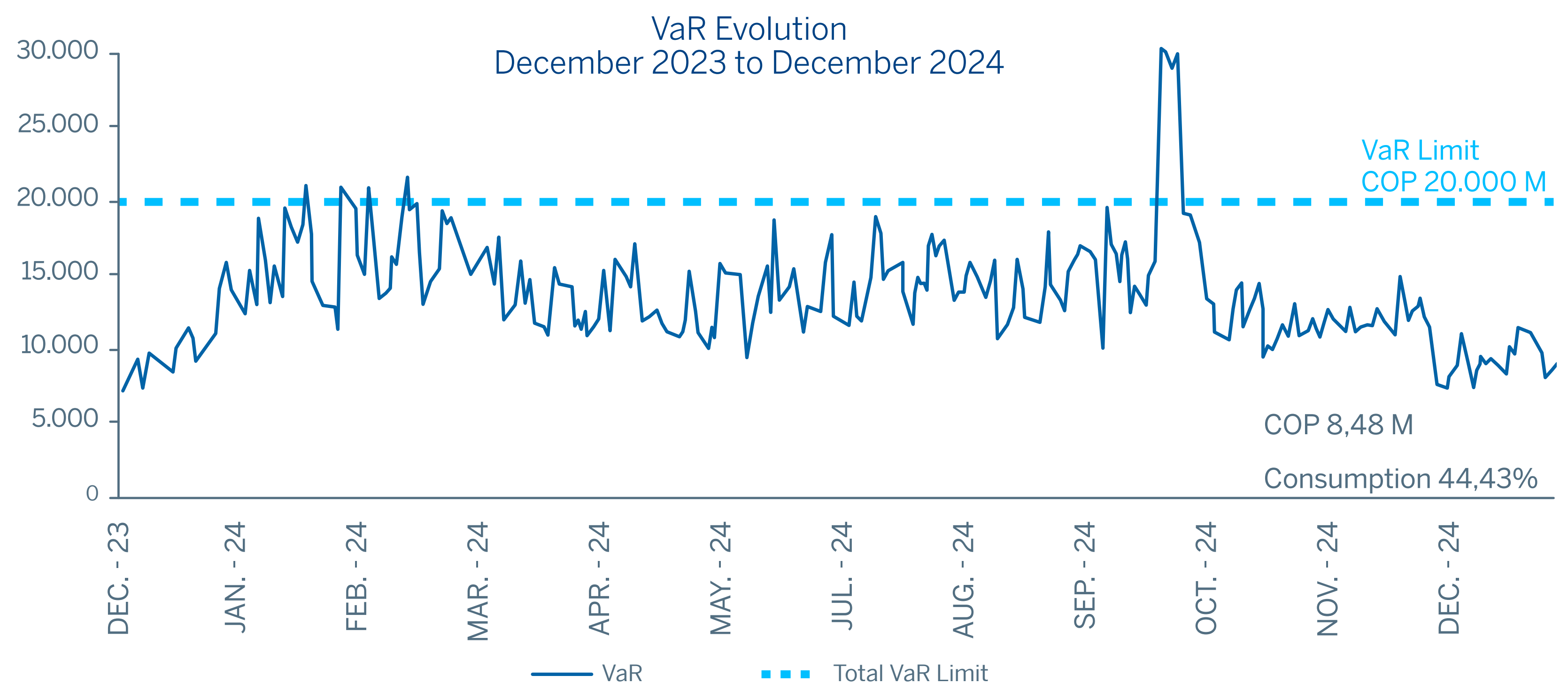
Global markets risks	Dec-2024	Average	Maximum	Minimum	Dec-2023	Average	Maximum	Minimum
VaR interest rates	$ 9,112	$ 13,986	$ 29,357	$ 7,290	$ 7,366	$ 11,934	$ 27,693	$ 4,908
VaR exchange rates	772	2,237	8,153	213	891	2,964	15,781	125
Total VaR	8,886	13,768	30,963	7,235	7,113	12,478	30,847	5,115
Limit consumption economic capital	43%	51%	55%	44%	55%	60%	75%	41%
Total delta for 1 bp	128	(257)	128	(682)	(65)	(190)	205	(655)
Sub-limit delta consumption	19%	39%	102%	0.90%	10%	31%	98%	0.12%

During the year 2024, the average market risk consumption (VaR) of trading operations was $13,768, with a consumption over the authorized internal economic capital limit of 51%. The average interest rate sensitivity for 1 bp (Delta) was COP -$257 with a consumption of 39% over the authorized internal limit.

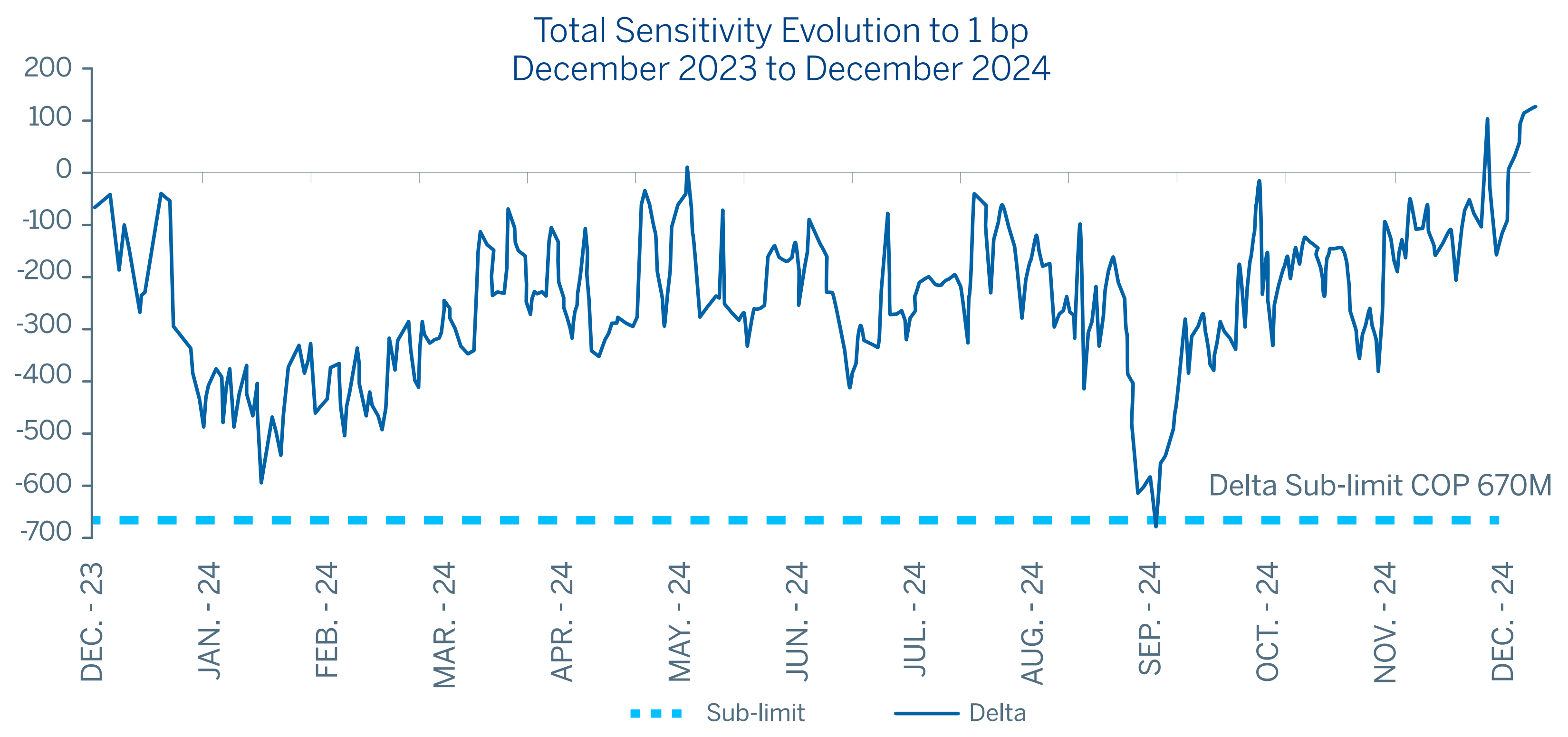
Market risk evolution – trading: During 2024, daily measurements and controls of the consumption levels of the approved internal limits were carried out, regularly informing senior management about compliance with them.

The following graphs show their evolution:

Market Risk Monitoring



Market Risk Monitoring



and long term, mainly holding TES with short-term maturities as well as Term Deposit Certificates (CDTs). Although the financial instruments continue to be traditional, in 2024 we maintained investments in so-called GREEN TES, which are issued by the Ministry of Finance as sovereign green bonds, aimed at aligning with international best practices on environmental benefits, sustainable financing, transparency, and responsibility to investors. Green bond issuances finance expenses associated with areas such as water management and sanitation, clean transportation, ecosystem services and biodiversity protection, renewable energies, circular economy, and sustainable agricultural production adapted to climate change. On the other hand, the derivatives portfolio maintained the composition by product type, with the main products being dollar-peso forwards and IRS in IBR. Consistently with the portfolio composition, the sensitivities are concentrated by type in peso and dollar.

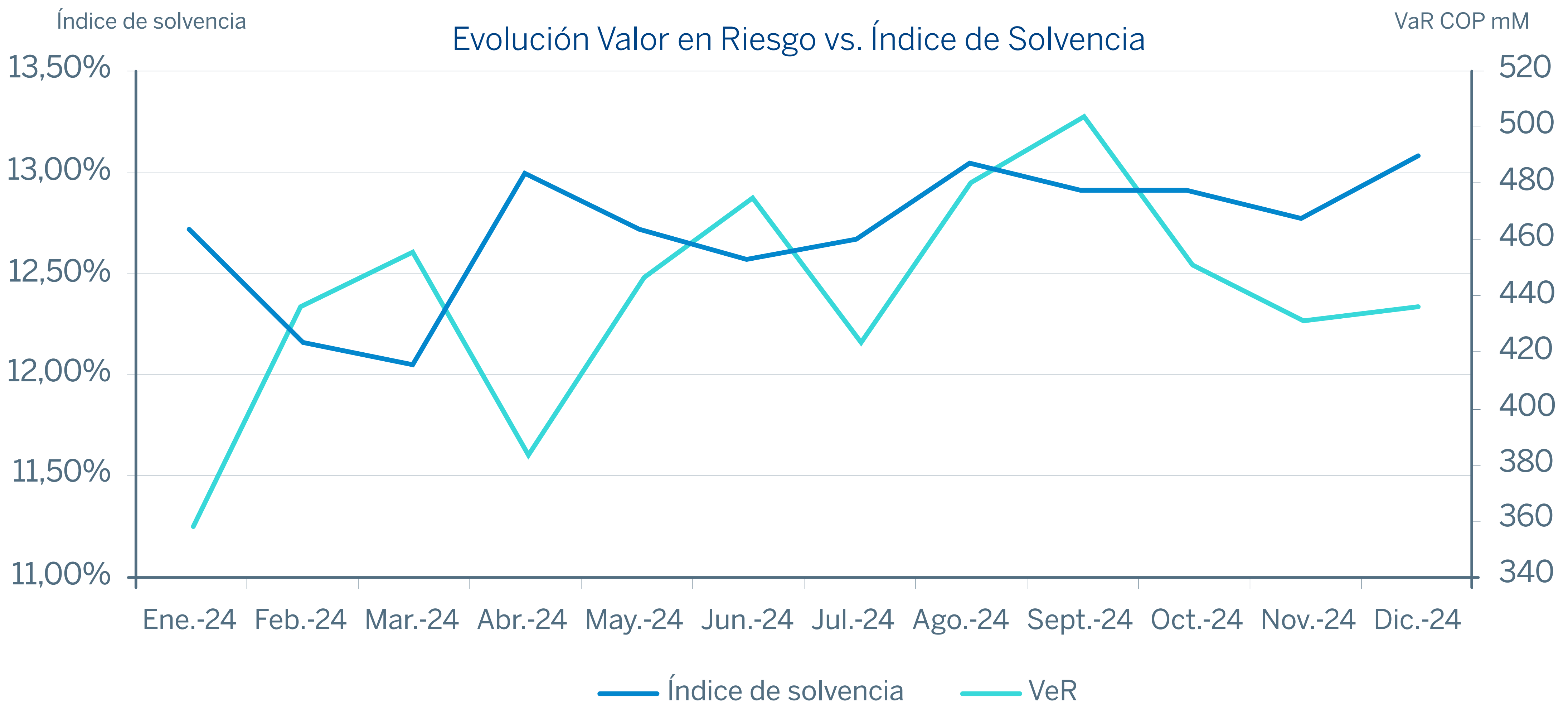
The market risk monitoring process is complemented by stress testing scenarios, aimed at estimating the losses that the Bank would incur in case extreme situations arose in the markets.

It involves subjecting the maintained positions to strong hypothetical market fluctuations based on historical or eventual situations, obtained through scenario generation. In this way, the effect of the results is quantified in order to identify possible adverse impacts that may exceed the VaR figures, which could potentially occur and design contingency plans that must be applied immediately in case an abnormal situation arises.

Monitoring the Value at Risk See Regulatory Model – Standard Model

According to external circular 09 of 2007 from the Financial Superintendence of Colombia, the Bank has been measuring its exposure to market risks of both interest rates and exchange rates daily, which incorporates the measurement for negotiable and available positions in Global Markets, along with those securities classified at maturity that are delivered to constitute guarantees in a central counterparty risk chamber. The above is to determine the effect that possible changes in market conditions may have on the economic value of the Bank's equity, an impact that is also reflected in the solvency ratio.

The following graph shows the evaluation of the value at risk and the solvency margin:



VeR Banco

Market Risk Profile Bank

Ver (Figures in millions)	Dec-2024	Dec-2023
Interest Rate	$ 407,662	$ 462,419
Exchange Rate	29,536	5,756
Total value at risk	**$ 437,198**	**$ 468,175**

The Bank presents the risk exposure under the methodology published in Annex 1 of Chapter XXI of Circular 100 of 1995 issued by the Financial Superintendence of Colombia, in which a decrease of 6,62% is seen between the year 2023 and 2024. This decrease is reflected in the interest rate exposure, which decreased by 11.84% due to a reduction in the position in TESUVR25 by more than 1,500,000, additionally, the active position in derivatives was reduced by more than $326,000 with durations between 2.8 and 3.6.

Liquidity Risk

Liquidity and funding risk is defined as the potential loss caused by events that affect the ability to access resources to meet its liabilities, either due to the inability to sell assets, unexpected reduction of commercial liabilities, or having the usual funding sources closed both in normal situations and in stress.

The management of funding and liquidity at BBVA Colombia is based on the principle of financial autonomy, which means a decentralized and independent management from the other geographies of the BBVA Group. This principle helps to prevent and limit the liquidity risk of each of the entities, by limiting vulnerability to events that affect the BBVA group during periods of high risk. For this reason, the entity acts independently to cover its liquidity needs in the market in which it operates.

BBVA Colombia

During the year 2024, the internal model for measuring liquidity and funding structure did not present changes in its metrics compared to 2023, these calculations are made daily through three indicators defined as follows:

- Monitoring the funding structure of the balance sheet, Loan to Stable Customer Deposits (LtSCD), which contrasts the net credit investment granted against the stable resources of the clientele and has set an upper limit of 120%. The objective is to preserve a stable funding structure in the medium term, considering that maintaining an adequate volume of stable resources from clients is key to achieving a solid liquidity profile.

- The Basic Capacity is the management and control metric for short-term liquidity risk, defined as the ratio between available explicit assets and the maturities of wholesale liabilities and volatile resources, over different time frames, with particular relevance to those of 30 days. This metric aims to promote the short-term resilience of the liquidity risk profile, ensuring that BBVA Colombia has sufficient collateral to face the risk of wholesale market closures. The limit for 2024 is set at 30 days at 150%.

- To achieve a proper diversification of the funding structure, avoiding a high dependence on short-term funding, a maximum limit for Short-Term Funding (STF) is established, which includes both wholesale funding and the less stable resources from clients. For the year 2024, a limit of COP 13.5 trillion was set.

Monthly, the liquidity committee and senior management are informed of the evolution of these indicators for timely decision-making.

During 2024, BBVA Colombia maintained a solid liquidity position in order to keep an adequate GAP, with client resources increasing more than net credit investment, as well as bond issuances and loans with multilateral banks for specific purposes. The strategy to maintain the diversification of funding sources and ensure robustness in the funding structure remains in place.

The following tables show the evolution of short-term liquidity for the years 2024 and 2023:

	2024			2023		
Month	LtSCD (%)	CB 30 D (%)	FNCP (blln)	LtSCD (%)	CB 30 D (%)	FNCP (blln)
January	111%	1082%	11,024	117%	N,C	$ 9,036
February	111%	308%	13,018	118%	N,C	8,621
March	111%	307%	11,789	118%	N,C	9,519
April	109%	2558%	9,636	119%	771%	10,877
May	110%	1050%	10,679	118%	20627%	10,592
June	109%	1118%	11,200	119%	281%	12,794
July	110%	900%	10,808	118%	327%	12,510
August	110%	511%	11,886	116%	972%	10,679
September	109%	503%	12,225	114%	1019%	11,030
October	109%	386%	10,799	111%	N,C	8,164
November	107%	1388%	10,121	111%	N,C	8,541
December	106%	N,C	9,773	111%	2398%	10,217
Limit	**120%**	**150%**	**13,500**	**120%**	**150%**	**$ 13,500**

Detail of Basic Capacity by time periods.

2024			2023		
1 Month	3 Months	12 Months	1 Month	3 Months	12 Months
N.C	225%	84%	2398%	179%	96%

Regulatory Model. In addition to the main indicators mentioned above, BBVA Colombia reports the Liquidity Regulatory Indicator ("IRL"), a regulatory format with weekly and monthly frequency that contains contractual and non-contractual short-term flows. The IRL must comply for each of the bands (7 and 30 days) that the ratio between liquid assets adjusted for market liquidity and exchange rate risk, and the total net liquidity requirement, is at a level above 100% (regulatory limit). During the year 2024, the liquidity risk indicator (IRL) with a 7-day time horizon was at average levels of (748.6%), while the 30-day IRL was on average (181%), indicating that for a short-term horizon, BBVA Colombia presents more than sufficient liquidity to meet its short-term financing commitments.

	2024		2023	
IRL	7 days (%)	30 days (%)	7 days (%)	30 days (%)
January	918.6%	230.8%	640.3%	188.4%
February	705.2%	178.2%	371.9%	185.7%
March	735.8%	172.8%	826.4%	168.5%
April	786.5%	170.6%	641.6%	176.6%
May	781.1%	177.5%	723.8%	165.2%
June	696.9%	171.6%	486.1%	159.3%
July	733.5%	156.6%	770.4%	178.4%
August	584.2%	198.4%	586.1%	194.7%
September	926.2%	180.6%	883.9%	194.9%
October	722.9%	187.3%	899.1%	198.0%
November	643.5%	167.0%	812.7%	207.9%
December	879.2%	169.7%	905.2%	191.3%
Limit	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Management Limit	**158.0%**	**158.0%**	**140.0%**	**140.0%**

In all cases, the indicators remain above the internal and regulatory limit.

For the end of 2024 and 2023, the 30-day IRL is summarized as follows:

Contractual Maturities 2024				
IRL	Days 1 To 7 - total	Days 8 To 15 - total	Days 16 To 30 - total	Days 31 To 30 - total
CDTS	$ 789,723	$ 1,696,877	$ 1,971,075	$ 4,457,675
Interbank funds	150,298	0	0	150,298
Repos, Simultaneous and T.T.V.	1,965,830	0	0	1,965,830
Operations with derivative financial instruments	166,213	516,971	711,459	1,394,643
Bank loans and other financial obligations	0	0	514	514
Accounts payable not associated with CDTS and CDATs	122,936	140,498	263,435	526,869
Other liabilities and creditor contingencies	793,453	237,127	110,206	1,140,786

Contractual Maturities 2023				
IRL	Days 1 To 7 - total	Days 8 To 15 - total	Days 16 To 30 - total	Days 31 To 30 - total
CDTS	788,995	1,133,843	1,417,675	3,340,513
Repos, Simultaneous and T.T.V.	1,727,897	0	0	1,727,897
Operations with derivative financial instruments	181,189	1,040,699	1,054,000	2,275,888
Bank loans and other financial obligations	219	0	478	697
Accounts payable not associated with CDTS and CDATs	114,103	130,403	244,506	489,012
Other liabilities and creditor contingencies	2,139,564	129,438	378,809	2,647,811

Note: These are contractual maturities of principal and interest with a time frame not exceeding 30 days,

Structural Risk

Structural Interest Risk . The control and monitoring of the structural interest risk management of BBVA Colombia is based on a set of metrics and tools that allow for appropriate monitoring of the entity's risk profile. The structural interest risk captures the potential impact that market interest rate variations have on the interest margin and the entity's equity value. At BBVA Colombia, the main sources of this risk are considered to be: repricing risk, yield curve risk, optionality risk, and basis risk, which are analyzed from two complementary perspectives: results (interest margin and MtM Fixed Income Portfolios) (short term) and economic value (long term). Under this scheme, a dynamic model (going concern) is employed consistent with the corporate assumptions of results forecasting.

The monitoring encompasses the positions of the Banking Book and excludes all positions of the Trading Book, it is carried out monthly, and consists of a wide range of scenarios that includes sensitivities to parallel movements to the different impacts, changes in slope, and curvature. Other probabilistic metrics based on statistical scenario simulation methods are evaluated, such as the Margin at Risk ("MeR") and Economic Capital ("CER"), defined as the maximum unfavorable deviations in the interest margin and economic value, respectively, for a given confidence level and time horizon. Thresholds of impact are established on these management metrics, both in terms of deviations from the interest margin and from the perspective of the impact on economic value. All of this is carried out differently for each of the main currencies to which there is exposure on BBVA's balance sheet, subsequently considering the diversification effect among currencies.

The following are the average levels of interest rate risk, in terms of sensitivity for BBVA Colombia's balance sheet during the year 2024:

	Limit	2024	2023
Alert Aggregate Margin Sensitivity	5.00%		0.63%
Margin at Risk Limit(*)	4.00%		2.11%
Alert Aggregate Economic Value Sensitivity	450,000	597,450	405,801
Economic Capital Limit	600,000	685,889	600,863

(*) Percentage regarding the projected "1 year" interest margin of each unit.
Values presented in balance

Structural exchange rate risk

It aims to assess and control the potential impacts caused by fluctuations in exchange rates due to positions in foreign currency, on the solvency and results of BBVA Colombia. During the year 2024, an exposure limit is established as a percentage of the solvency ratio at 4.5% against movements in 20% of the TRM:

Table Sensitivity of solvency to exchange rate variations December 2024 and 2023

Impact of a 20% / 30% movement in the TRM			
2024		2023	
Impact on Solvency Ratio	Real Solvency Ratio	Impact on Solvency Ratio	Real Solvency Ratio
2.45%	13.09%	2.60%	12.50%

Credit Risk

Evolution of exposure and quality of credit risk.

The comprehensive risk management (credit, market, and operational) is carried out in accordance with BBVA Colombia's internal Risk Policy and current Colombian regulations, and is implemented through the development of models and tools that allow coordinating monitoring and control activities, with the aim of identifying and mitigating the different risks to which the credit portfolio is exposed.

BBVA Colombia closes 2024 with a decrease of -$316,607, the quarterly variation presented is as follows: 1Q24 > 0.15%, 2Q24> 1.83%, 3Q24 > -0.57%, 4Q24>-0.41%.The decrease occurs in the commercial and consumer portfolios, commercial -$138,089; -0.43%, with a decrease mainly in CIB -$450,343; -4.04% and growth in companies $204,352; 1.6%. In the consumer portfolio -$286,271; -1.19% due to the drop in free investment -$203,838; -3.63%, with loans varying in the quarter -$116,662; -1.17%. In Mortgage $56,073; 0.38%, in TDC $40,139; 0.92%.

Doubtful portfolio ends at the close of December 2024 with a quarterly variation of 1.16% ($37,353), with concentration in the consumer portfolio $72,166; 3.91%. The doubtful ratio for the fourth quarter stands at 4.30%, which is +7bps compared to 3Q24.

Portfolio Management, Risk Reporting & Sustainability

Risk Planning & Reporting

During 2024, together with the management and recovery areas, follow-up and updates were made on the projections of the portfolio behavior and its effect on provision expenses. These forecasts allowed the Bank to act promptly in response to customer difficulties, aiming to reduce the impacts on the deterioration of the local and consolidated portfolio.

On the other hand, at the end of November 2024, the de-accumulation phase of the counter-cyclical component for the commercial portfolio was completed, and as indicated by the transitional instructions of External Circular 17 of 2023, a reconstitution plan for this component was sent to the Financial Superintendence of Colombia.

Data&AA

Progress is being made in the development of the NGA initiative in the two execution lines EMC1 and EMC2, whose main pillars focus on the development and implementation of risk models in better times and the incorporation of non-traditional estimation algorithms (Machine Learning), resulting in more robust and stable estimates over time.

In line with the committed work plan for 2024, the technical developments of the new models for the SME segment were completed, including a 360° perimeter granting model covering reactive and behavioral aspects, a collection model for individual and self-employed clients for early and late delinquency segments, and a Digital Footprint model that considers non-traditional information. Once the technical developments were completed, progress was made in the integration processes in management and implementation in corporate engines and tools. The target date for the productive deployment of the models is Q3 2025.

From the Data area, the execution of the RdT and BCBS initiatives continues, which seek regulatory compliance, supporting and aiming to align risk management practices with the international standards established by the Basel Committee.

Finally, the annual calibration process of expected loss parameters under international IFRS9 methodologies was concluded, with its presentation in committees in November 2024 and its production launch in the same month.

Risk Solutions Group

Responsible for the management and implementation of projects to meet the needs of the different risk areas according to the strategic plan for 2024.

Within the strategic plan for the domain in 2024, significant projects were implemented, such as the Cronos Strategy for collections, models that predictively determine the debt levels of new and linked clients, such as: mortgage individuals, behavioral individuals, EWS companies, EWS SMEs, and individual limits. Additionally, for SMEs, the project for the transformation of the admission circuit is being installed, and for wholesale, the ARCE Empresas tool.

Regarding regulatory projects, the following were implemented: alignment of rating by thresholds, reconstitution plan for provisions in the de-accumulation phase, and the implementation of local regulatory projects NDoD, CFEN, and global regulatory projects, such as LIFE: Regulatory compliance EBA and holding reports.

Retail Credit

The Retail credit area includes the following dependencies:

- Individual Admission Management

This management is responsible for the analysis and decision-making process of credit operations originated for natural persons (non-self-employed) through various channels. In the analysis process, compliance with regulations will be ensured, guaranteeing 2 key aspects: Risk Profile and Assessment of payment capacity.

During the fourth quarter of 2024, housing, payroll, and vehicle operations were mainly evaluated, with an average approval rate of 67%. Other lines such as free consumption showed lower activity.

The Admission maintains specialized teams to address credit lines that require priority responses, such as Autos and client segments from Personal Banking, Premium, and Wealth, as well as housing loans from selected builders.

Continues to support the commercial teams for the correct implementation and support of credit requests, focusing on the target market of the Bank.

- Retail Monitoring Management.

Responsible for monitoring exposures with early warning that allow for assuming credit risk according to the defined risk appetite strategy, within the established management limits according to the Asset Allocation process, the thresholds set in the action frameworks.

Continuously monitors the quality of placements made under the attribution of the branch network and the Mass Factory during the maturation of the portfolio, to ensure the performance of risk indicators.

Additionally, support is provided in managing preventive portfolio clients in order to anticipate the deterioration of portfolios based on statistical information according to the risk group associated with each client's profile. For the year 2024, an average of 876 thousand operations were managed with approximately $12,000,000 monthly.

- Management of Policies, Campaigns, Products, Guarantees, and Specific Appraisals.

Responsible for updating regulations according to corporate guidelines and local regulations, also defines new policies and adjustments to admissions based on the periodic review of portfolio behavior and economic evolution. Manages the processes and circuits for mass approvals of portfolios, establishes controls over the offered quotas.

In Policies, for Q4 2024 according to the current economic situation and deterioration indicators, adjustments were made to the effort rate applied to free investment and vehicles, changing to a methodology that calculates the available amount on credit cards. In consumption, $2,369,988 was billed during Q4 2024, highlighting that $1,481,931 was in the payroll portfolio, followed by $637,851 in free investment mainly leveraged by pre-approved loans and $250,205 in vehicle portfolio.

In credit cards, the strategies of pre-approved loans and D+0 continue to be the pillars of placements with an average of 40,300 cards per month during the fourth quarter.

In Housing, the placement of the product increases with a billing of $827,520 representing a 14% increase compared to Q3 2024, continuing the push for VIS housing billing leveraged on UVR amortization and portfolio growth through the digital housing tool.

In Pre-Approved loans, for the November - December campaign (6B) 332m in consumptions, 570m in cards, and 234m in payroll loans were offered.

SME Risks

During the year 2024, continuity was maintained in admission policies given the stability of credit demand from the business fabric and the financial results of legal entities and individuals with businesses that have filed income tax returns for 2023.

Main results

1. 35% of our SME clients have a pre-approved offer, 28% of total billing has been through this channel, stability in financing through digital channelss.
2. 35% of our SME clients have a pre-approved offer, 28% of total billing has been through this channel, stability in financing through digital channelss.
3. 100% of SME executives continue to accompany the main clients facing financial difficulties with preventive solutions.

The transformation lines generate value in the experience of our clients, thus the recommendation level (NPS) remains in the top positions, and the quality portfolio plan evolves according to budget expectations.

Recovery

During the fourth quarter of 2024, the collections area was under constant review and redesign of strategies to maintain the favorable trend of recoveries, focusing efforts mainly on containment; these strategies allowed for the continued redirection of results, achieving mainly:

- To have impairments in early bands at levels below 11%.
- Free investment portfolios and credit cards with less susceptibility for the beginning of 2025 and with the best efficiency ratios of the year in the last quarter.
- Developments for self-management of overdue clients with credit cards in the app were completed.

The shock collection plan concluded in December 2024, but through the NPL plan, monitoring of all indicators is maintained to continue seeing better trends in efficiency ratios.

Wholesale Credit

Wholesale investment recorded a decrease of 1.4% in the fourth quarter of 2024, maintaining credit activity compared to the same period in 2023 where it reached a variation of (1%). The decrease in Q4-2024 is driven by CIB Banking. The clients with the largest decreases were (GM Financial Colombia SA $199,471, Holcol $73,255, Empresa Colombiana de Petroleos SA $84,970), Corporate Banking (Promigas $100,263) Government Banking (Department of Cundinamarca $98,302)

The participation of the overdue wholesale portfolio is 0.12%, closing in December 2024 at $35,748, with a YtD variation of (18.5%).

Measures to contain overdue accounts in the wholesale segment continue, which include permanent monitoring of clients with unpaid obligations starting from five days, taking preventive actions such as suspending current limits and structuring tailored solutions, in pursuit of strengthening guarantees. In parallel, action plans for clients alerted in Hat 1 and 2 by the early warning model (EWS), initiated in Q1-2024, are being integrated into management.

Finally, it is worth mentioning that the campaign for updating and validating ratings for the year 2023 shows, as of December 31, a progress of 99% in amount.

43. Corporate Governance

Board of Directors and Senior Management

The Bank's Bylaws establish that the Board of Directors constitutes the governing, management, and oversight body of the company. The members of the Board of Directors are aware of the responsibility involved in managing financial and non-financial risks and know the business structure processes, allowing them to provide the necessary support and follow-up. For the year 2024, the Board of Directors performed its functions in accordance with the previously agreed session schedule, maintaining fluid contact with the Bank's Senior Management, showing great dedication and adaptability to the circumstances of the moment. Their knowledge, both of the environment and of the BBVA Group in Colombia, has served for the proper development of the functions of the social bodies.

Policies and Division of Functions

The Risk Governance Model at BBVA Colombia stands out for the active participation of the Board of Directors in strategy, supervision, and monitoring of risks, approving the strategy and general policies, while the Risk and Internal Control and Compliance areas implement them, reporting to the Comprehensive Risk Committee and the Board of Directors periodically.

Reports to the Board of Directors

In financial risk management, the Executive Vice President of Risks leads specialized units that report periodically to the Risk Committee and the Board of Directors. These reports include detailed information about exposure and relevant events related to the assumed risks. Regarding non-financial risks, the independent and specialized Internal Control and Compliance unit takes responsibility for leading their management and control. This unit provides detailed information to both the Board of Directors and its Support Committees about exposure and relevant events:
The above ensures a coordinated working scheme between the committees and the Board, reinforcing the existing control environment at BBVA Colombia, thus contributing to comprehensive and effective supervision.

Technological Infrastructure

The implementation of the Risk Management System - SGR is supported by a high-level technological infrastructure, which facilitates active risk management by providing necessary information and results adapted to the type and volume of operations.

Methodologies for Risk Measurement

The Risk Management System - SGR encompasses the Risk Appetite Framework - MAR, which establishes limits and acceptable risks, its reporting line, and monitoring metrics, which are consistent with the general guidelines of the Group, adapting to the reality and specific needs of BBVA Colombia.

Organizational Structure - Human Resources

The Bank has an organizational and operational structure that guarantees independence between the business area, the control area, and the accounting area. This allows the different decision-making bodies of the Bank to have the necessary technical and judgmental elements for adequate risk management. The employees assigned to the Vice Presidency of Risks possess the experience and qualifications required to fulfill the assigned functions.

Verification of Operations

It is ensured that the operations carried out by the Bank comply with the agreed conditions, supported by internal controls and security mechanisms. The accounting of operations is carried out accurately and efficiently, reducing errors and avoiding undue losses or gains.

44. Other aspects of interest

a. Projected financial information

During the quarter, the Bank began its budget and financial forecasting process for the years 2025 to 2027. This process is based on macroeconomic estimates made internally by the economic research team. With these variables and the development of the Bank's strategic objectives, profits were estimated for the following years. These results are leveraged by improved performance in both revenues and expenses.

On the interest margin side, we see an improvement due to lower interest rates, which allows for a rapid reduction in the cost of resources. On the asset side, we see a decline, but at a much slower pace. This is because loan disbursements in recent years, in a high interest rate environment, have allowed for the formation of a loan portfolio that will continue to generate attractive returns. In these estimates, the margin grows by double digits in the years mentioned.

In terms of commissions, the Bank will continue to promote its strategic plans to generate higher income from the provision of various financial services. Within these, the Bank will promote payment methods on the issuing side of the business, which will enable it to generate higher commissions. Another key line item is insurance commission income, which will benefit from the bank's increased activity in the coming years.

In managing its spending, BBVA will be austere in the allocation of its resources. These will be used in core activities that generate the greatest economic benefit to the entity or as required by law. This applies to personnel expenses, general expenses, and investments.

Similarly, the Bank estimates lower credit impairment charges in light of expectations of an economic recovery. The year 2024 is the year with the greatest deterioration in the loan portfolio, which is estimated to have peaked in the second half of the year, allowing for a path to recovery in subsequent years.

In this regard, taking into account both the situation in the recent past disclosed in the separate interim financial statements presented as of December 31, 2024, and what is expected in the near future, it can be stated that the bank has an adequate financial structure, which allows it to continue developing its operations in a profitable manner, in addition to obtaining the necessary resources to meet its short- and medium-term obligations, in accordance with the proper management of the balance sheet and income statement accounts.

That said, an assessment of the liquidity position disclosed in the separate interim financial statements confirms that the Bank has the liquidity and solvency required to continue operating as a going conc

b. Performance measures and indicators December 2024 and 2023

The following are the financial performance and indicators defined in Decree 854 of 2021 as minimums for evaluating a company's business continuity. In this case, they are presented for the December 2024 and 2023 closings, which allow for an assessment of the financial management carried out and, with this, an evaluation of whether the current business hypothesis is appropriate:

Indicator	2023	2024	Formula	Result
Negative equity position	$ 5,935,967	$ 6,554,303	Total assets <$0	Total assets > $0
Consecutive losses in two closing periods or several monthly periods depending on the business model	194,688	-368,949	(Result of exercise < 0) and (Result of previous exercise < 0)	(Result for the year ending December 2023 > 0) and (Result for the year ending December 2024 < 0)
Net working capital over short-term debt	0	0	(Trade accounts receivable + current inventory – Trade accounts payable) / Current liabilities (<0.5)	Result < 0.5
UAII / Total assets < Liabilities	0.27%	-0.49%	(Earnings before interest and taxes / Total assets) < Total liabilities"	Result > -1

The sound management practices at BBVA Colombia enable it to conduct its operations while maintaining strong indicators of asset quality and solvency.

Therefore, it is concluded that there are no significant uncertainties related to events or conditions that could raise significant doubts about the bank's ability to continue as a going concern.

c. Results refinement for first-time adoption - ESFA

The Bank conducted an assessment of historical adjustments to the ESFA with the aim of establishing the necessary mechanisms and methodologies to ensure the ongoing refinement of the impact generated by the initial application on January 1, 2014, to accumulated earnings, in accordance with accounting principles and policies accepted in Colombia.

Adjustments made as of December 31, 2024, and December 31, 2023
The Bank identified the following items that were subject to adjustment:

Concept	Balance at the end of 2024	Variation	Balance at the beginning of 2024
Recovery of asset revaluation due to sale of real estate	$ 17,703	$ 1,405	$ 16,298
Recovery based on Almaagrario valuation for sale in March 2015	18,685	0	18,685
Recovery of provisions and non-existing contingencies	122	0	122
Recovery of provisions and depreciation due to disposals and ANMV	4,823	0	4,823
Impact Deferred tax on PP&E	-6,002	14,675	-20,677
Total purified	**$ 35,331**	**$ 16,080**	**$ 19,251**

45. Subsequent Events

Since the accounting closing of these separate financial statements as of December 31, 2024, up to the date of February 19, 2025, no significant subsequent events have occurred that require disclosure.

46. Significant Events

The following are the significant events in the Bank's separate financial statements as of December 31, 2024:

- The Board of Directors of BBVA Colombia approved the issuance of 3,401,037,037 ordinary shares subject to the right of preference and their placement through a public offering in the amount and conditions of the regulations. The operation was unanimously approved by the Board of Directors of the entity in a session held on April 12, 2024. The amount and conditions of said issuance, as well as the respective regulations of the issuance, were set by the same Board of Directors of the Bank.

  - Subscription price: The subscription price of the ordinary shares was $270 pesos.
  - Stages of the offer: The Offer was made in three stages, namely: First Stage – Right of preference, Second Stage – Growth, and Third Stage – Remainder.

First stage: Right of preference

- Public Offer: On August 2, a notice was published for the first stage for the exercise of the right of preference for the issuance of 3,401,037,037 ordinary shares of 2024 of the Bank.
- Maximum amount of the issuance: The issuance was up to $918,280
- Amount placed: In this phase, 3,248,330,782 shares were placed for a value of $877,050
- Subscription price: The subscription price of the ordinary shares was $270 pesos.

Second Stage: Growth

- Public Offer: On September 3, a notice was published for the second stage for the exercise of the right of growth for the issuance of 152,706,255 ordinary shares of 2024 of the Bank.
- Maximum amount of the issuance: The issuance was up to $41,230.
- Amount placed: A total of 152,706,253 shares were placed in this phase worth $41,230.
- Subscription price: The subscription price of the ordinary shares was $270 pesos.

Third Stage: Remaining

- Public Offer: On September 11, a notice was published for the third stage for the exercise of the right of increase of the issuance of 2 ordinary shares of 2024 of the Bank.

In the three stages, the companies that are part of the Group acquired 3,399,439,287 ordinary shares.

47. Glossary

- **The Bank:** Name for BBVA Colombia S.A.
- **ANMV:** Non-Current Assets Held for Sale
- **GMF:** Tax on financial transactions
- **BRDP:** These are the unencumbered assets and assets returned in leasing contracts.
- **COAP:** It is the Assets and Liabilities Committee.
- **CIB:** It is Corporate and Investment Banking.
- **FIXING:** It is a form of stock market contracting used to set a reference price at a given moment for low liquidity assets, such as stocks, bonds, currencies, or commodities.
- **GANF:** Management of Non-Financial Assets
- **EFAN:** Financial statements of Business Areas
- **Distributions:** It is the distribution of operating expenses of the central areas to the banks.
- **Margin Call:** Also known as a margin call: It is the notice given by the broker when our deposit level is very close to the minimum margin, or in other words, that there are no guarantees left to cover the risk of our position.
- **TES:** They are known as "National Government Debt Securities" and refer to the securities issued by the Government of Colombia to finance its operations and projects. These debt securities are issued through the Ministry of Finance and Public Credit and are acquired by investors, both national and international.
- **Subordinated Debt AT1:** Contingent convertible bonds, also known as CoCo or Additional Tier 1 Capital (AT1 in English), are a hybrid issuance, with characteristics of debt (they pay interest to the investor) and capital (they have loss absorption capacity). They are perpetual instruments (without a determined maturity), although the issuer reserves the right to redeem the bond once a minimum of five years have passed since its issuance. The coupon payment of this type of issuance can be canceled at the issuer's request (without being accumulative). The main characteristic of this type of issuance is that, if certain conditions included in the issuance prospectus are met, they can convert into shares. Among the most common is that the CET1 (Common Equity Tier 1) ratio falls below a certain value. Therefore, these issuances are directed only to institutional investors. The fulfillment of a series of requirements allows AT1 issuances to count as Additional Tier 1 Capital according to current regulations (CRD IV). This regulation allows adding an additional 1.5% of capital through these issuances to the required requirements.
- **The 144A Rule and Regulation S:** They are provisions established by the Securities and Exchange Commission (SEC) of the U.S. for the issuance and sale of securities in international markets.