



TEMPLATE

# Responsible Banking Progress Statement for PRB Signatories



# Summary template

## Banco de Occidente 2024

*Banks should fill in the following summary table, utilizing the italicized prompts.*

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
<p><i>Content</i> Briefly describe your bank's sustainability strategy, and which international, regional or national frameworks and UN Sustainable Development Goals it aims to align with. Note any changes in the reporting year.</p> <p>As a Bank, we consolidated a strategy based on trust, sustainable financial innovation and responsible impact management, contributing to the development of the country since 1965; with a total portfolio of \$48 billion and an annual growth of 7.89%, we promote key sectors such as commercial, consumer and housing, aligning our operations with the SDGs, we are in the process of incorporating ESG criteria and international standards such as GRI, TCFD, SASB and PCAF, which translates into proper management of green products, climate risk management and promotion of women entrepreneurs in the country.</p>	<p><i>Content</i> Briefly describe the bank's most significant impact areas and the steps taken to identify, measure and manage them—including impact analysis results, targets set (including sectors, portfolio coverage, and KPIs), actions taken, and progress against the targets. Where targets have been set, share details of the bank's transition/action plan, and progress made. Explain how the bank addressed interlinkages between impact areas where possible.</p> <p><i>Example Progress Indicators</i></p> <ul style="list-style-type: none"><li>% of bank's portfolio covered by the impact analysis and each set target</li><li>Updated values of KPIs defined by bank to measure progress against targets</li></ul> <p>The results of our 2023 impact analysis of 93% of our portfolio (commercial and consumer portfolio) allowed us to identify the two areas of greatest impact, which were: climate change and availability, accessibility, affordability, quality of resources and services (financial inclusion), on which we established the following follow-up indicators.</p> <p>In 2024, we made progress in their implementation and compliance; the summary of actions related to the implementation and monitoring of the objectives can be found on pages 8-14..</p>	<p><i>Content</i> Briefly describe how the bank works responsibly with clients and customers in relation to significant impacts, including products and services offered, internal policies and processes and engagement to implement targets/action plans/transition plans to encourage sustainable practices/economic activities. Note any changes in the reporting year.</p> <p><i>Example Progress Indicators</i></p> <ul style="list-style-type: none"><li>% of clients and/or customers engaged in key sectors in areas of significant impact.</li><li>USD sustainable finance volume mobilized and/or as a percentage of the global or sector portfolio</li></ul> <p><b>Climate change</b>; we focused on the volume Financial of our sustainable lines, which was \$3.6 trillion for 2024, of which \$3.43 trillion corresponds to our own portfolio and \$173,262 million to the development portfolio.</p> <p><b>Availability, accessibility, affordability, quality of resources and services (Financial Inclusion):</b></p> <p><b>SMEs' women:</b> We offer financing to small and medium-sized enterprises led by women we close</p>

		<p>2024 with \$1,822,369,924,619 destined to 11,641 clients.</p> <p>SMEs' women (foreign currency): We offer lines of credit designed to support the growth and development of small and medium-sized companies, financing their working capital needs and facilitating the promotion of their foreign trade operations; we closed 2024 with \$208,318,401,147 destined to 166 clients.</p> <p>As a non-financial value offering, we have focused on strengthening training programs for this special segment; therefore, in 2024 we had 3,637 new members join our training business community, of which 2,488 of our members were women.</p>
<p><i>Links &amp; references</i></p> <p><a href="file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf">[file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf</a> Pgs 19, Pgs 54,]</p>	<p><i>Links &amp; references</i></p> <p><a href="file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf">[file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf</a> Pgs 75-79]</p>	<p><i>Links &amp; references</i></p> <p><a href="file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf">[file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf</a> Pgs 78]</p>

<p><b>Principle 4: Stakeholders</b></p> <p><i>Content</i> Briefly describe how the bank consults, engages and collaborates/partners with relevant stakeholders for the purpose of implementing the Principles. This could include understanding impacts, setting ambitious targets, advocating for enabling regulatory/policy environments, and creating partner- ships that contribute to addressing significant impacts. Note any changes in the reporting year.</p> <p>We promote a constant and collaborative dialogue with our stakeholders, integrating their expectations to our sustainability strategy, that is why through initiatives such as SMEs' women and training spaces we strengthen the relationship with customers, employees, communities and others, we also participate in sectorial frameworks such as green protocol and national and international alliances, consolidating our commitment with a participative and sustainable development oriented banking.</p>	<p><b>Principle 5: Governance &amp; Culture</b></p> <p><i>Content</i> Briefly describe the key governance structures in place (Board and Executive level) and related accountability mechanisms to implement the Principles. This could include how governance supports your bank's management of significant impacts and risks, including target implementation and monitoring of action/transition plans. In addition, briefly describe how a culture of responsible banking is driven internally (e.g. via employee learning &amp; development). Note any changes or progress in the reporting period.</p> <p><i>Example Progress Indicators</i></p> <ul style="list-style-type: none"> <li>▣ Details of remuneration practices linked to sustainability targets.</li> <li>▣ % of employees trained on responsible banking topics.</li> </ul> <p>We have integrated sustainability into our governance strategy and organizational culture guided by our sustainability policy, the Sustainability Management and the Sustainability Steering Committee lead this management in a transversal manner; we strengthen talent development with more than 500 courses and a participation rate of over 90%, along with equitable salary policies and welfare programs, in addition to implementing environmental and social guidelines such as SARAS and the sustainable taxonomy to mitigate risks and promote responsible investments.</p>	<p><b>Principle 6: Transparency &amp; Accountability</b></p> <p><i>Content</i> Provide reference to additional relevant reports, if not listed as references with P1–P5. Briefly note whether/where assurance of sustainability information has been undertaken (optional).</p> <p>We reinforce our commitment to transparency and accountability in sustainability, have a strong governance structure that oversees our ESG strategy and promotes responsible financial solutions. We disclose key indicators and report our impacts along with mitigation measures. We use tools such as UNEP-FI to assess our impact and prioritize key areas for our strategy.</p> <p>Our report was externally assured by the consulting firm BDO, guaranteeing confidence and clarity to our stakeholders</p> <p>We have integrated sustainability in our governance strategy and organizational culture guided by our sustainability policy, the Sustainability Management and the Sustainability Steering Committee lead this management in a transversal way; we strengthen talent development with more than 500 courses and a participation of more than 90%, along with equitable salary policies and welfare programs, in addition to implementing environmental and social guidelines such as SARAS and the sustainable taxonomy to mitigate risks and promote responsible investments.</p>
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<p><i>Links &amp; references</i></p> <p><a href="file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf">[file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf]</a> Pgs 120]</p>	<p><i>Links &amp; references</i></p> <p><a href="file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf">[file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf]</a></p>	<p><i>Links &amp; references</i></p> <p><a href="file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf">[file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf]</a> Pgs 166 Pgs 172]</p>
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# Supplement templates

## Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

### Business model

Describe (high-level) your bank's business model, including the main business lines, customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, business areas or by disclosing the number of customers and clients served.

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

Pgs 19

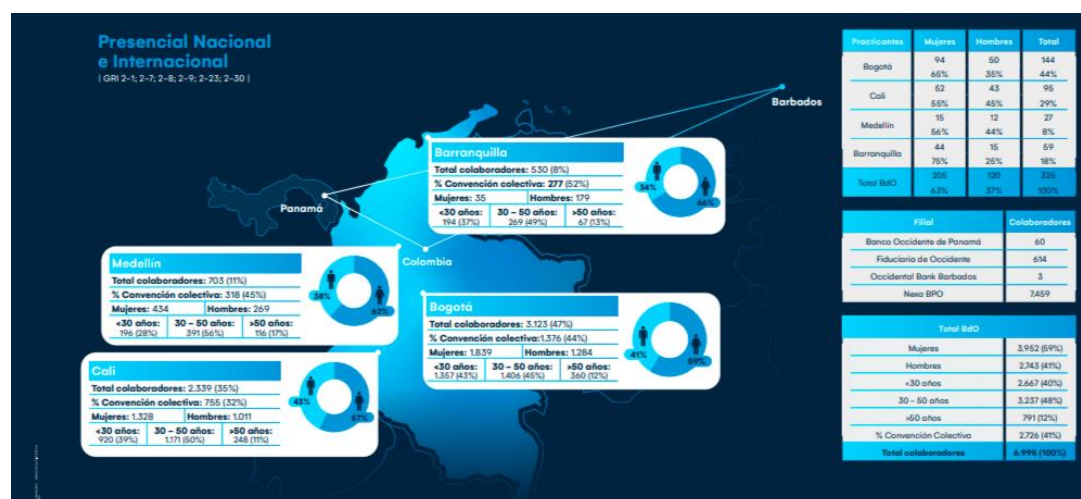
Pgs 54

### Response

#### Our business model

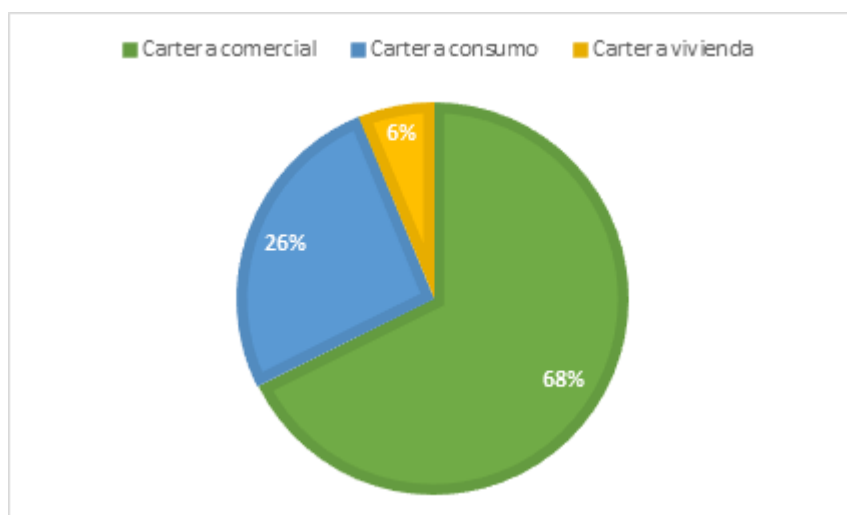
At Banco de Occidente, we have built a history of trust and strength that has allowed us to accompany our clients, shareholders, employees and other stakeholders in their growth and evolution. Since our foundation in 1965 in Cali, we have developed innovative and sustainable financial solutions, adapting to the needs of the market and contributing to the progress of the country.

Some of our main figures are reflected below:



We have more than 175 branches, 18 Credit Centers and 3,093 ATMs in Colombia, in addition to our subsidiaries in Panama and Barbados. Over the years, we have evolved to offer innovative, sustainable financial solutions aligned with market needs, which is why in 2024 we will increase our correspondent coverage to more than 80 thousand points of service throughout the country with our correspondents Efecty, Puntored, SuperGiros, Punto de pago, Éxito and EDEQ. Opening of service in Farnatodo and Gane through Puntored.

The Bank's total portfolio amounts to \$48.99 billion with an annual growth of 7.89% and is distributed 67.64% in commercial loans, 26.17% in consumer loans and 6.19% in housing loans.



### Strategy alignment

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other international frameworks such as the Kunming-Montreal Global Biodiversity Framework (GBF), the United Nations Guiding Principles on Business and Human Right (UNGPs), the forthcoming instrument on plastic pollution etc.

Include any other national and/or regional frameworks that your bank has a strategy to align with where relevant.

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

Pgs 76-79

Pgs 125

### Response

At Banco de Occidente, our corporate strategy integrally incorporates environmental, social and governance (ESG) criteria, with the purpose of aligning our operations with global sustainability challenges. This vision is reflected in the voluntary management of the Ten Principles of the United Nations Global Compact and support for the Sustainable Development Goals (SDGs).

Our strategy is based on recognized national and international standards, and is operationalized through an agenda that incorporates voluntary frameworks that promote transparency, continuous improvement and accountability. Among the main frameworks and standards that guide our management are:

- Global Reporting Initiative (GRI)



- Dow Jones Sustainability Index (DJSI)
- Partnership for Carbon Accounting Financials (PCAF)
- Principles for Responsible Banking - UNEP FI
- Asobancaria's Green Protocol
- Sustainability Accounting Standards Board (SASB)
- Task Force on Climate-Related Financial Disclosures (TCFD)

These commitments allow us to align our strategic objectives with the sustainability expectations of the environment, and to strengthen an organizational culture focused on positive impact.

Through various actions, we demonstrate the effective implementation of our sustainability commitments. We have developed green financial products to support the transition to a low-carbon economy; we incorporate climate risk analysis into credit management under the TCFD; we measure the carbon footprint of our portfolio in line with PCAF. In addition, we disclose our performance according to international standards such as GRI, SASB and TCFD, and strengthen internal culture through continuous sustainability training.

### Our sustainability strategy

We act to promote the development of our human talent, sustainable business growth and the conservation of our blue planet.



 Banco de Occidente | Del todo de lo que hacemos.

**Note:** Our sustainability strategy was updated in April 2025.

### Our contribution to the SDGs from each strategic pillar

In line with the 2030 Agenda, we have prioritized 8 SDGs and 15 key targets, reinforcing our commitment to a responsible business model that drives sustainable growth, social inclusion and environmental sustainability. See annex 1



## Principle 2: Impact & Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

### Impact Analysis

Show how your bank has identified, prioritized and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target- setting. Include details regarding: Scope, Portfolio Composition, Context, and Performance Measurement.

The impact analysis should include assessment of the relevance of the four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector](#), as part of its initial or ongoing impact analysis.

### Links & references

### Response

We applied the Portfolio Impact Analysis Tool for Banks, which allowed us to evaluate our loan portfolio and identify the most significant impacts in accordance with our commitment to the Principles of Responsible Banking.

Through this analysis, we selected two priority areas: climate change and Availability, accessibility, affordability, quality of resources and services (Financial Inclusion), in line with our corporate purpose and long-term strategy, these results will serve as a basis for further analysis through complementary methodologies, aligned with international best practices.

### Targets, Target Implementation, and Action Plans/Transition plans

Show that your bank has set and published a minimum of two SMART targets which address at least two different areas of most significant impact that your bank identified in its impact analysis. Once targets are set, explain the actions taken and progress made. Include details regarding: Alignment, Baselines, Targets, Target Implementation & Monitoring (and KPIs), Action Plans/ Transition plans and Milestones.

Banks are encouraged to disclose information regarding actions they are taking in four priorities laid out in [Leading the Way to a Sustainable Future: Priorities for a Global Responsible Banking Sector \(2024\)](#).

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>  
Pgs 75-79

### Response

At the Bank, we are committed to building a more inclusive, healthy and sustainable future. Therefore, our impact areas, indicators and goals are aligned with the main global and national frameworks, such as the Sustainable Development Goals (SDGs), the Paris Agreement, Colombia's National Development Plan and the Nationally Determined Contributions (NDCs). We are also part of key initiatives in the financial sector that allow us to move towards a greener, more equitable and resilient economy, generating shared value for our clients, communities and the country.

## **Baseline**

Impact area	Indicator code	Response
Climate change	A1.1 Climate strategy	Yes, we have a climate strategy
	A 2.1 Client engagement process	Yes, we maintain active interaction with our business clients through sustainable lines, where we promote sustainable practices with accompaniment and partnerships for training and consulting.
	A 3.1 Financial volume of green assets/low-carbon technologies	By 2024, we will have achieved a sustainable portfolio of \$3.61 trillion, of which \$3.43 trillion correspond to our own portfolio and \$173,262 million to the development portfolio.
	A.4.1 Reduction of GHG emissions	In 2024, we calculated part of our portfolio's emissions with the result of 468,594.62 tons of CO <sub>2</sub> e reported in sectors such as energy, construction, and oil. Financed emissions (Scope 3) were measured in the Corporate and Large Enterprise segments.
Availability accessibility, affordability, quality of resources and services (Financial Inclusion)	C 1.3 # of partnerships active to achieve financial health and inclusion targets	We have alliances with entities such as Pacto Global, FinDev Canada, the IDB and SMEs' Latin which has promoted training to strengthen women's leadership. In 2024, together with Pacto Global, we held a talk on Gender Equality: Why is it a right and a good business? where we obtained an attendance of 91 people.
	C 2.3 # of new customers per month	We are still working on defining monthly metrics, however in 2024 we had 3,637 new members join our community, demonstrating a constant and significant growth. In addition, we are proud to highlight that 2,488 of our new users are women, which confirms the interest of women in these spaces and reflects our commitment to gender equality.
	C 3.3 % of Customers actively using the Online/mobile banking platform/tools	More than 70% of the Bank's new sales were made through digital solutions, and 30.9% of our customers actively use our digital platforms.

## **Smart targets**

### **Sustainable Financing**

In 2024, our sustainable portfolio reached \$3.61 trillion, composed of \$3.43 trillion in our own portfolio and \$173,262 million in the development portfolio. Of this portfolio, 25% was allocated to environmental initiatives, such as Green Buildings and Renewable Energy, and 75% to projects with social impact, highlighting women SMEs and Affordable Infrastructure. With these results, we have made 43% progress towards our goal of reaching \$8 trillion in sustainable portfolio by 2030. This segment currently represents 7% of our total portfolio, and we continue to work to expand its share and impact in line with our long-term sustainability vision.

## Corporate Finance - Green Lending, Social Lending, Sustainable Lending

Category	Description	Monetary value for fiscal year 2024 (Portfolio Balance) (COP) Full figure.	No. Customers
Green Constructor Line	We finance sustainable construction projects with certifications such as EDGE, LEED and CASA Colombia, promoting efficient buildings with a lower environmental impact.	\$227,136,917,248	24
Green Leasing	We finance projects and/or assets that promote sustainability practices within companies, promoting efficiency and reducing environmental impacts.	\$ 41,897,806,297	54
Other Corporate Banking Products	Through our ordinary portfolio products, we finance sustainable initiatives and projects aligned with our Sustainable and Transition Taxonomy.	\$ 50,071,039,115	9
Other Business Banking Products		\$ 38,515,103,327	4
Other Government Banking Products		\$565,548,371,950	28
Structured Finance Unit	We support large-scale projects aligned with our Sustainable and Transition Taxonomy, facilitating their development with sustainability criteria.	\$188,648,041,344	8
International Business (Foreign Exchange Operations)	We support the growth and development of small and medium-sized enterprises, financing their working capital needs and foreign trade operations.	\$ 73,399,120,050	2
Total Sustainable Value		\$1,185,216,399,331	
Total Value of Corporate Loans		\$33,138,645,951,0611	
Percentage of total sustainable value over total value		3.6%	

Between 2023 and 2024, in our Green Builder Credit line we approved \$920,055 million for 24 projects, with disbursements of \$307,717 million, reflecting our commitment to sustainability and the financing of initiatives aligned with Banco de Occidente's strategy.

We highlight a 0% past-due portfolio in green Builder Credil line, which demonstrates the responsibility of our clients and the soundness of these projects, which generate environmental and economic benefits.

In addition, we project disbursements of \$1.1 billion in Government Banking, with 24% earmarked for sustainable projects. In 2024, we began the implementation of sustainable portfolio archetypes, in a context of greater institutional and legislative focus on sustainability, reinforced by our participation in COP16 and the consolidation of a clear policy to support this type of initiative.

<sup>1</sup> This value corresponds to commercial plus leasing portfolio  
Responsible Banking Progress  
Statement

## Consumer Finance - Sustainable Loans & Mortgages

Category	Description	Fiscal Year 2024 Monetary Value (COP) Portfolio Balance Full figure.	No. Custome rs
Occiauto Planeta Azul	Credit line for customers looking to acquire hybrid or 100% electric vehicles, promoting sustainable mobility and the reduction of emissions.	\$190,602,197,022	2,360
Housing Planeta Azul	We finance the acquisition of sustainable housing in surrogate and direct projects, as long as they have sustainable housing certification.	\$ 27,433,000,000	120
Solar Power Planeta Azul	We finance the installation of solar panels through personal loans, available in Ordinary Portfolio and Personal Loan Limit.	\$89,470,058	2
Total Sustainable Value		\$218,124,667,080	
Total Value of Personal and Mortgage Loans		\$15,855,089,280,000	
Percentage of total sustainable value over total value		1.4%	

In our Occiauto Planeta Azul line, we managed to increase disbursements by 14.48%, reaching \$112.667 billion, which is reflected in the growth of the portfolio by 26.34% compared to the previous year. By 2025, we have set ourselves three key goals in the hybrid and electric vehicle sector:

- Increase the amount disbursed by 15%, reaching \$129.567 billion, consolidating the growth achieved in 2024.
- Increase the portfolio balance by 20%, exceeding \$228.722 billion, strengthening our presence in sustainable mobility financing.
- Maintain competitive conditions with lower rates compared to combustion vehicles, taking advantage of government benefits such as tariff incentives and the exemption of restriction (pico y placa), in addition to the growing offer of brands aligned with the needs of the Colombian consumer.

In 2024, Housing Planeta Azul grew by 170% compared to 2023, exceeding all our expectations and consolidating its position in the sustainable housing market. This result reflects the growing demand and effectiveness of our strategy SMEs´

In addition, we implemented the personal loan for solar panels, establishing an alliance with a company specializing in solar energy, to offer greater benefits to our customers.

## SMEs' Loans

Category	Description	Fiscal Year 2024 Monetary Value (COP) Portfolio Balance Full figure.	No. Custom ers
SME owned or managed by Women	We offer financing to small and medium-sized businesses led by women that meet at least one of the following conditions: Ownership: More than 50% of the shares are owned by women. Direction: • More than 20% of the shares are owned by women.	\$1,822,369,924,619	11,641

	<ul style="list-style-type: none"> <li>• The company has at least one woman in its management body (valid for legal representative).</li> <li>• At least 30% of the board of directors is made up of women.</li> </ul> <p>With this line of credit, we reaffirm our commitment to gender equality and the strengthening of women-led companies in the country.</p>		
International Business (SME Women Foreign Currency)	We offer lines of credit designed to support the growth and development of small and medium-sized enterprises, financing their working capital needs and facilitating the promotion of their foreign trade operations. With this, we seek to strengthen the competitiveness of SMEs and contribute to their sustainability in the market.	\$208,318,401,147	164
Total Sustainable Value		\$ 2,030,688,325,766	
Total value of loans to SMEs		\$15,035,030,835,532	
Percentage of total sustainable value over total value		13.5%	

*Total value of loans to SMEs correspond to the total value of the commercial portfolio of the Business and SME segment and International Business.*

In 2024 we strengthened Banco de Occidente Women's SME Value Proposition in order to strengthen the relationship and closeness we have with our clients, analyzing and understanding the needs and expectations of women in leadership positions, especially in their relationship with the financial sector, which encourages the closing of current gaps in gender equity, promoting an inclusive and equitable environment. Through a differential proposal to this segment.

### International Business

In 2024, we obtained credit lines for USD 150 million with a sustainable focus (environmental and social) for placement in Foreign Currency (FC), strengthening our We Are Sustainable strategy and the growth of this portfolio.

By 2025, we will work to expand sustainable lines of credit in EM, implement automatic follow-up reports and update the EM Format, to improve traceability and alignment with our sustainability objectives.

In 2024, through rediscount lines with preferential conditions, we financed sustainable projects for \$173,262 billion, focused on clean transportation, renewable energies, energy efficiency, waste management and Women's SME, these initiatives reinforce our commitment to the economic and environmental development of the country.

### Action plan

#### Climate change

Activity	Phase 1: Diagnosis and Preparation (2023)	Phase 2: Initial Implementation (2024)	Phase 3: Consolidation and Scaling-up (2025-2030)
1. Increase financing for sustainable and low-carbon investment.	- Mapping of green investment opportunities	<ul style="list-style-type: none"> <li>- Initial disbursements in clean technologies, green buildings and renewable energy.</li> <li>- Increased credit lines for: sustainable mobility, renewable energy and Affordable</li> </ul>	<ul style="list-style-type: none"> <li>- Scaling the sustainable portfolio to reach the \$8 billion target by 2030.</li> <li>- Inclusion of ESG criteria in all lending decisions of the Bank's sustainable lines of credit.</li> </ul>

		Infrastructure.	
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### Availability, accessibility, affordability, quality of resources and services (Financial Inclusion)

Activity	Phase 1: Diagnosis and Preparation (2023)	Phase 2: Initial Implementation (2024)	Phase 3: Consolidation and Scaling-up (2025-2030)
1. Value Proposition and Loyalty	<ul style="list-style-type: none"> <li>- Compilation of lessons learned</li> <li>- Analysis of previous results</li> </ul>	<ul style="list-style-type: none"> <li>- Post-event content design</li> </ul>	<ul style="list-style-type: none"> <li>- Post-event communications automation</li> <li>- Retention and loyalty measurement</li> </ul>
2. Customer Knowledge (Focus Groups)	<ul style="list-style-type: none"> <li>- Session planning</li> <li>- Methodological design</li> </ul>	<ul style="list-style-type: none"> <li>- Execution of focus groups</li> <li>- Needs and expectations analysis</li> </ul>	<ul style="list-style-type: none"> <li>- Adjustments to services according to insights</li> <li>- Integration with business processes</li> </ul>
3. Training and Gender Equality	<ul style="list-style-type: none"> <li>- Definition of priority issues</li> <li>- Partnerships with key stakeholders (Global Compact, UN Women, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>- Development of virtual sessions</li> <li>- Call for talks and workshops</li> </ul>	<ul style="list-style-type: none"> <li>- Certification of participants</li> <li>- Expansion of the training portfolio</li> </ul>

### Target implementation and monitoring

#### Climate change

The Bank's senior management plays a key role in this commitment. In 2022, we created the Sustainability Committee, responsible for making strategic environmental, social and governance (ESG) decisions. This committee oversees, among other aspects, the management of our financed emissions and allows us to consolidate a comprehensive strategy to align our operations with the global decarbonization agenda. We know that addressing the challenge of financed emissions requires joint efforts, which is why we actively participate in collaborative initiatives with other financial institutions and industry associations.

Our participation in the Sustainable Banking Alliance (ABS) in Colombia has given us access to standardized tools and methodologies to improve the measurement of our emissions and to work hand in hand with other actors in the implementation of best practices in the industry. This is only the first step on a path that will allow us to manage our indirect environmental impact more effectively. As we move forward in this process, we will continue to strengthen our capabilities, explore new sustainable financing opportunities, and develop strategies that will enable us to reduce financed emissions, thereby contributing to building a more sustainable and resilient economy.

Among the main results of the financed issuance target are the following

Number of customers evaluated	426
Data quality used in the measurement	4.8
Number of operations analyzed	1.631
Emissions intensity metric	0.18 tons of CO <sub>2</sub> for every million pesos financed (ton CO <sub>2</sub> /MCOP).

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### **Sustainable Financing**

With the goal of taking advantage of the various opportunities arising from climate change, mitigating the financial risks we face, and supporting our clients in the transition toward decarbonization, during 2024 we developed our Sustainable and Transition Taxonomy, based on Colombia's Green Taxonomy and the taxonomy designed by IDB Invest. This taxonomy has nine eligibility categories that are financed under our lending modalities and cover areas such as energy, waste management, agriculture, mobility, construction, nature conservation, among others.

These categories encompass measures ranging from mitigation to adaptation and have previously established indicators and calculation methodologies for their adequate monitoring. During 2025, we expect to formalize and disseminate this taxonomy to the various stakeholders to generate transparency regarding these issues. For more information on our taxonomy, see page 73 of our report.

### **Availability, accessibility, affordability, quality of resources and services (Financial Inclusion)**

Our focus has been on promoting female leadership, closing gender gaps, and strengthening the relationship between our women business leaders and the financial sector.

Strong and committed leadership has been essential to the success of "Women Who Inspire Progress." We have had a dedicated team that has managed every aspect of the event efficiently and with a focus on quality. The implementation of processes and the allocation of sufficient resources have ensured that every activity, from the discussions to the training sessions, is carried out to the highest standards.

Furthermore, we have maintained effective dialogue and communication with our stakeholders. This has allowed the needs and expectations of our clients to be heard and addressed, creating an inclusive and equitable environment. The information and evidence highlight the positive impact of our actions, making these types of events sustainable and replicable.

This comprehensive and well-managed approach has been recognized as a best practice within the organization.



## Principle 3: Clients & Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

### Client and Customer engagement

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. It should include information on the client engagement strategy including but not limited to the impact areas identified/ targets set, awareness raising activities with clients and customers, relevant policies and processes, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

Pgs 78

### Response

At Banco de Occidente, we integrate environmental, social, and governance (ESG) sustainability principles into all our activities, promoting the financing of operations that not only strengthen our clients' competitiveness but also drive the transition toward a more responsible and resilient economy. In 2024, we reached a balance of \$3.4 trillion in our sustainable credit lines, fostering innovation and the adoption of clean technologies.

We also have two major initiatives developed within the framework of the Women's SME value proposition:

The " Women's SME: Women Who Inspire Progress" event was held in Cali, Medellín, Barranquilla, and Bogotá, with 56 women business leaders in attendance (15 SME clients invited per city). This event has been a significant milestone in our strategy to reach out to women entrepreneurs.

Training: In the business community, by the end of 2024, we had a total of 37,673 users. During that year, 3,637 new members joined our community, demonstrating steady and significant growth. We're also proud to highlight that 2,488 of our new users are women, confirming the interest women have in these spaces and reflecting our commitment to gender equality.

### Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how your bank has developed these in the reporting period. Provide information on sustainability-related products and services and frameworks in place that support the transition needs of clients, size of the sustainable finance portfolio in USD or local currency and/or as a % of your bank's portfolio,\* and which SDGs or impact areas you bank is striving to make a positive impact on (e.g. green mortgages—climate, social, sustainability bonds—financial inclusion, etc.).

\* Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

#### Response

Our annual report details our actions with clients across the various banks, reflecting our commitment to sustainable, inclusive, and responsible development. However, we are also using information gathered from client feedback and reports from our partners, such as UNEP-FI and the Global Compact, to adjust our strategy to address future business opportunities. This strategy is currently under development but is aligned with our sustainability strategy and the Bank's sustainable taxonomy.

## Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

### Stakeholder identification and consultation

Describe which stakeholders (or groups/types of stakeholders) your bank has identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of the bank's engagement strategy following criteria for effective engagement and advocacy, how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

Pgs 120

### Response

We engage with diverse stakeholders to foster transparency, improve decision-making, and strengthen relationships. To do this, we use different communication channels, such as newsletters, presentations, emails and social media, with a frequency appropriate to each group.

Stakeholder	Characterization	Channels	Periodicity
Government and Regulatory Bodies	*Superintendence of Industry and Commerce *Finance Superintendence *Banco de la República *Colombian Stock Exchange	Legal contact mailbox	Quarterly
Governing bodies	*Board of Directors *Steering Committee	Board of Directors / Sustainability Steering Committee	Biweekly / Quarterly
Clients	*Business Banking (government, institutional, medium-sized corporate, large business, SME) *Personal Banking (Elite plus, elite, Preferred plus, preferred)	Email and social media	Monthly / On Demand
Opinion Generators	*Public opinion *Mass media *Alternative media	Traditional media	On demand
Human Team	*Employees *Affiliates *Fondoccidente *Union	Corporate mailboxes	On demand
Communities	*Planeta Azul Community *Social Media Users *Universities *Entities supported by Social Investment	Correo Planeta Azul, bank social media and mailbox (selection and	Monthly/ On Demand

		sustainability)	
Guilds	*Asobancaria *Asofondos *Anif *Chambers of Commerce	Bank mailbox	quarterly
Shareholders	*Grupo Aval *Shareholders' Assembly	Website and shareholders' assembly Email	Annual On Demand
Suppliers	*Logistics	Bank mailbox	quarterly
Allies	*WWF *Correspondents *ADL *Dale! *GPTW *Second Tier Banks (Bancoldex, Finagro, Findeter) *IDB *Product Partners (UNICEF, concessionaires, construction companies, etc.)	Bank mailbox	quarterly

## Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking.

### Governance Structure for Implementation of the Principles

Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts (including accountability at the executive leadership level, clearly defined roles and responsibilities for sustainability matters in internal processes, etc.) and support the effective implementation of the Principles.

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

### Response

At Banco de Occidente, we have adopted the Principles for Responsible Banking as a framework for structuring our sustainability strategy, integrating economic, social, environmental, and governance criteria in line with the purpose and business model of the bank and its subsidiaries.

Our Sustainability Policy guides these actions, seeking to strengthen operational, reputational, and strategic management. This strategy is governed by the Sustainability Management Department and the Sustainability Steering Committee, which defines guidelines, oversees their implementation, and promotes the integration of sustainability at all organizational levels, in coordination with the responsible areas and in constant dialogue with our stakeholders.

### Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g., capacity building, learning & development, sustainability training for relevant teams, inclusion in remuneration structures and performance management and leadership communication, amongst others).

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

Pgs 166

Pgs 172

### Response

At the Bank, we stand by those who do what they do. We believe that sustainable development is not a distant aspiration, but rather the guiding principle of our decisions and challenges us to transform realities. This is how we highlight our commitment to building a culture of Responsible Banking focused on the well-being and development of our employees.

In 2024, we focused on strengthening our organizational development through the launch and consolidation of our Corporate University "La U". This platform has been key to optimizing our educational offerings, allowing for more efficient training. Throughout the year, \$3,284,311,600 was invested in training and education programs. In total, 283,106 hours of training were provided, giving us an average of 37.53 hours of training per employee. In addition, the average amount invested in training and education programs per employee was \$467,850, reflecting our constant investment in the development of each of our employees.

The implementation of the Balanced Score Card has allowed us to align strategic objectives with the performance of our teams, strengthening an organizational culture oriented toward results and sustainability.

These actions have established us as a benchmark in responsible labor management, being recognized for the second consecutive year as the Best Place to Work in Colombia in the category of more than 1,500 employees.

#### **Risk and due diligence processes and policies**

Describe what processes your bank has installed to identify and manage environmental and social risks associated with your bank's portfolio. This can include aspects such as identification of significant/salient risks, due diligence processes, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures your bank has in place to oversee these risks.

#### **Links & references**

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

#### **Response**

As part of our commitment to sustainability, we have internal policies that establish guidelines for mitigating environmental impacts in our financing operations. Our Sustainable Finance Guidelines, Environmental and Climate Change Policy, and Environmental and Social Risk Management System (SARAS) Policies are key tools in this process.

These policies allow us to identify clients with high environmental impacts, sectors vulnerable to climate change, and opportunities to promote sustainable investments through our Sustainable and Transition Taxonomy.

## Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

The information provided in the Responsible Banking Progress Statement is sufficient. If third-party assurance has been undertaken, provide details on the scope of assurance and the reference/link to the Independent (Limited) Assurance Report

### Links & references

<file:///C:/Users/LVNIETO/Downloads/PERIODIC%20YEAR%20END%20REPORT%202024.pdf>

### Response

At Banco de Occidente, we reaffirm our commitment to transparency and accountability in the development of our sustainability strategy, through responsible management consistent with the Principles for Responsible Banking (PRB).



To this end, we maintain a solid governance structure that ensures active oversight by the board of directors; we promote innovation in ESG-focused financial solutions tailored to our clients' needs; and we disclose key performance indicators that allow us to monitor our strategic objectives.




In addition, we conduct impact analyses using tools such as the UNEP FI and clearly report negative impacts along with the mitigation measures implemented, thus strengthening our accountability to our stakeholders.




Our sustainable management report was certified by the consulting firm BDO.






## Annex: Sustainable Development Goals

Dimension	Material theme	ODS	Our contribution	Goal	Contribution indicator
Our Blue Planet	direct emissions	 	We contribute to climate change mitigation as an entity certified Carbon Neutral by ICONTEC and with the True Green Seal.	ODS 13.2	Carbon emissions intensity of Scope 1, 2, and 3 operations (Categories 1 to 14) Location-based TON CO2e/FTE Market-based TON CO2e/FTE
	financed emissions		We measure our funded emissions in order to identify sectors with high GHG emissions and set reduction targets	ODS 13.2	Intensity of financed Scope 3 emissions (Category 15)
	Climate risk management		We incorporate environmental, social, and climate criteria into our credit risk assessment, ensuring that financed projects are resilient to the effects of climate change.	ODS 13.1	Number of projects evaluated with Environmental, Social and Climate criteria
	Protection of biodiversity and ecosystems		Through ecological restoration with native species, we help mitigate environmental degradation, biodiversity loss, and the effects of climate change.	ODS 15.1	Number of families that received benefits from the project. Number of seedlings planted Replanting Number of seedlings planted Replanting Seedling survival rate Number of hectares restored

					
			<p>We contribute to the care of our environment by including sustainable practices within the Bank.</p>	<p>ODS 7 b</p>	<p>Percentage reduction in water and energy consumption for our operations.</p> <p>Water reduction:</p> <p>Energy reduction:</p>
Generation of social value	Financial inclusion		<p>We implement policies to promote gender equity in our workforce, focusing on equal pay and professional development opportunities for women.</p> <p>We also design financial education programs aimed at female entrepreneurs, providing them with tools and resources to strengthen their businesses.</p>	<p>ODS 5.a</p>	<p>Women SMEs' portfolio balance</p> <p>Number of women trained in specific programs</p>
	Memorable customer experience		<p>We have created experience centers providing an innovative space for personalized consultations and services. We have also created the first Touch Cards in Colombia, designed for people with visual impairments, improving their autonomy and security in financial transactions.</p>	<p>ODS 8.10</p>	<ul style="list-style-type: none"> <li>• Net Promoter Score (NPS)</li> <li>• Customer Service Satisfaction Index (INS)</li> <li>• The impact of our actions and the optimization of the user experience are evaluated.</li> </ul>
Our People	Human Development		<p>In 2024, we achieved a score of 92.1, exceeding our goal of 88.6 for this</p>		

	Labor Relations		<p>year. 93% of employees participated in the survey, reflecting a high level of engagement and openness to sharing feedback, a key factor in the continuous improvement of our working conditions.</p>	ODS 8.5	Work environment index
Transparency	ESG Affairs Leadership		<p>We have consolidated our commitment to sustainability through the generation of strategic alliances that promote the economic, social and environmental development of the country, such as:</p> <p>Commitments: Global Compact, UNEP-FI, Finance for Biodiversity, Green Protocol, Social Protocol, SDGs, WWF</p> <p>Management and reporting frameworks: TCFD, SASB, GRI, S&amp;P Global</p> <p>Own initiatives: Planeta azul Award</p>	ODS 17.5	<ul style="list-style-type: none"> <li>• S&amp;P points/percentiles.</li> <li>• Annual reports on each of the commitments and management and reporting frameworks.</li> </ul>
Profitable Growth	Profitable growth		<p>Through a comprehensive strategy, we support medium-sized enterprises (SMEs) and individuals, where we have made investments to strengthen our digital channels, facilitating access to financial services and promoting financial inclusion in remote regions.</p>	ODS 8.3	SMEs' financing balance

			In addition, we support SMEs with non-financial value propositions through free business training, boosting employment and entrepreneurship.	ODS 8.10	Total number of people and companies with access to financial services through in-person and digital channels
Profitable Growth	Sustainable Finance		We actively promote the financing of clean and innovative energy infrastructure projects as part of our commitment to the transition to a low-carbon economy.	ODS 9.2	Percentage of sustainable portfolio share in the total portfolio of the three main economic sectors financed
			We have significantly increased financing for electric and hybrid vehicles, facilitating access to cleaner and more efficient mobility technologies. In doing so, we are supporting the transformation of the transportation sector in Colombia, promoting sustainable mobility that benefits the environment and the quality of life in cities.	ODS 11.2	Portfolio balance and disbursements, number of vehicles financed by the Occiauto Planeta Azul line.
				ODS 11.3	Portfolio balance and number of certified sustainable construction projects financed.
				ODS 7 b	Portfolio balance allocated to financing renewable energy projects.