Due Diligence Report
in Human Rights 2025

At Banco de Occidente, we work in coordination with the different areas of the organization to integrate environmental, social, and governance criteria into our operations, ensuring that each decision has a positive impact on the people and environment where we operate. In this context, respect for the Human Rights of our stakeholders is consolidated as a cross-cutting axis of our sustainability strategy, allowing us to responsibly manage relationships throughout our value chain.

Based on international standards such as the United Nations Guiding Principles on Business and Human Rights, as well as the applicable regulations in Colombia and the guidelines of the Aval Group, the Bank has been progressively strengthening our human rights due diligence process, evolving from an initial stage of risk identification and assessment to an implementation phase. monitoring and continuous improvement.

During 2025, we made progress in the structured monitoring of the mitigation plan defined in the 2024 due diligence exercise, consolidating periodic monitoring mechanisms, articulation with the responsible areas, and strengthening existing controls for the management of risks and human rights impacts.

In a complementary manner, and as part of our institutional maturity process, we began the design of a **Management System for Human Rights Due Diligence**, whose development covers the second half of 2025 and the first half of 2026. This system aims to allow **autonomous, systematic and traceable** management of human rights risks, integrating this analysis into the organization's existing risk architecture, controls and processes, based on the corporate guidelines of the Aval Group.

This model seeks to incorporate a cross-cutting human rights approach into the Bank's operations, facilitating the early identification of risks based on existing signals, events, and grievance mechanisms, as well as the **timely activation of prevention, mitigation, and remediation measures**. It will also strengthen governance, the assignment of responsibilities and the traceability of management, ensuring its alignment with the United Nations Guiding Principles and the guidelines of the Aval Group.

In this regard, the present report provides an account of the progress achieved during 2025 in the implementation of mitigation plans addressing the identified risks, as well as the advances made in consolidating a structured due diligence approach that will continue to be strengthened in the coming cycles.

Human Rights Due Diligence Process

Our human rights due diligence approach extends to the entire organization, including **our operations, suppliers, and business partners**. To this end, we carry out systematic and periodic reviews that allow us to map the main challenges and establish concrete measures for the prevention, mitigation and remediation of negative impacts.

For the implementation of Human Rights Due Diligence for Banco de Occidente, in 2024 we had the support of the firm PWC and we carried out the following phases:

Context analysis from two perspectives: we reviewed 15 international standards and documents related to the relationship between companies and human rights, as well as three (3) colombian regulatory instruments; additionally, we examined banking sector dynamics and consulted six (6) external organizations in order to understand their perception of the Bank's management and its potential human rights risks and impacts.

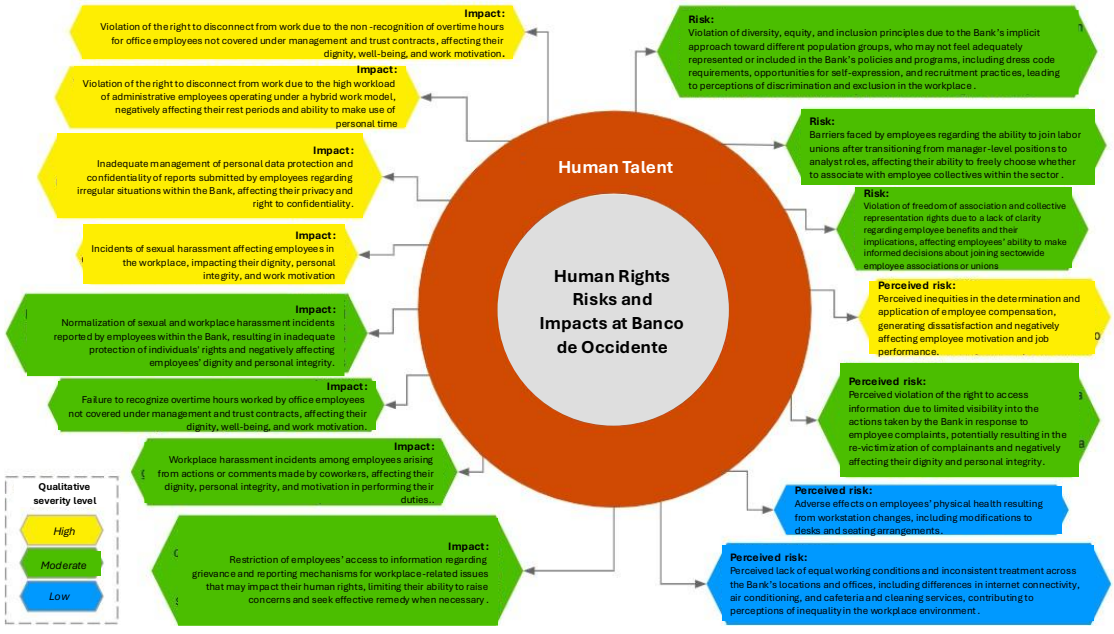
Furthermore, we reviewed the Bank's internal processes and their connection to respect for human rights, analyzing 39 corporate governance documents. This analysis was complemented by 14 interview sessions with areas potentially related to human rights issues.

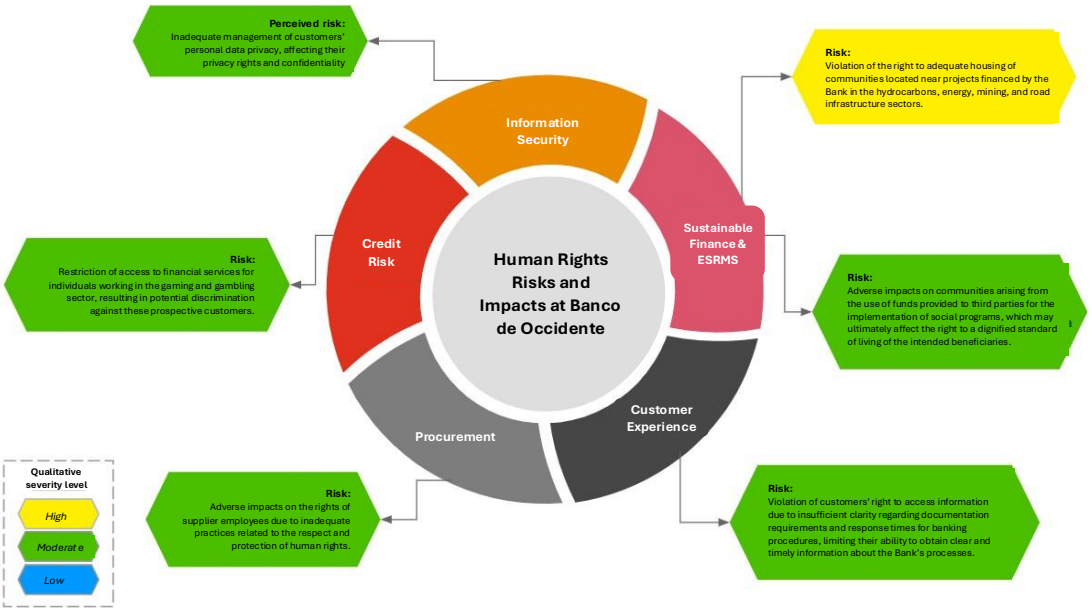
Finally, 8 key relevant issues were identified, which served as input for the following phases of the process:

- Comprehensive management and transparency in information.
- Decent working conditions and Health and safety at work.
- Diversity, equity and inclusion.
- Responsible Social Investment and Environmental Protection and Preservation
- Personal and family well-being of workers.
- Habeas data and use of personal data.
- Accessibility to digital channels.
- Freedom of association and access to collective bargaining.

Identification of risks and impacts:

We map the possible risks and impacts on Human Rights within our operations and value chain, through the correlation of primary and secondary sources: benchmarking with 17 external sources to recognize the risks and impacts on Human Rights that concern the financial sector, and 40 consultation spaces for the collection of information with the different stakeholders of the Bank. which include interviews, surveys (collaborators, NGOs and foundations, guilds, suppliers and business partners, regulators and authorities, business clients and individuals). Finally, the information obtained was contrasted with the information collected in the benchmark, resulting in 21 possible risks and negative impacts on human rights for the Bank's operation and our supply, of which 8 are impacts, 8 are risks and 5 are perceived risks.





During the first human rights due diligence cycle in 2024, the Bank prioritized the risks identified as most relevant to the operation. **Issues such as child labor, forced labor, and human trafficking were not included in the initial risk matrix,** because they were addressed through the Code of Ethics and AML/CFT prevention policies.

In line with international best practices, **in the following due diligence cycles we will explicitly incorporate these issues into the identification and assessment of risks**, even when they are of low probability, to ensure their permanent monitoring.

On the other hand, the analysis was carried out considering broad interest groups, such as **employees, customers and suppliers.** While these groups include diverse populations (women, men, and different profiles), the process did not systematically incorporate a differentiated analysis for potentially more vulnerable populations such as women, children, indigenous communities, or migrant workers.

As part of continuous improvement, **the Bank will advance in the progressive incorporation of a differentiated approach that allows the identification of specific risks for these groups** and the definition of proportional actions where appropriate.

Risk and impact assessment and action plan:

Once the process of identifying risks and negative impacts on human rights has been completed, we carry out the assessment of these following the main international standard in the field, the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Guide for the Assessment and Management of Human Rights Impacts (EGIDH) of the Global Compact and the ranges used by the organization's Risk area.

These criteria allow the Bank to be clear on the following:

- Scale: to measure the level of impact on rights holders.
- Scope: number of people affected in the Bank's area of influence and stakeholders.
- Irremediability: the Bank's ability to return rights holders to the situation prior to the impact, through prevention, mitigation, and remediation actions.

The calculation of the scale, scope and irremediability criteria results in an **assessment of the severity of** the inherent risk, the ranges of which are explained in the following table:

Table 5: Level of severity

			Severity Level				
			1	2	3	4	5
			Very low	Low	Mediu m	High	Very high
Occurrence	1	Very low	0	23-35	41-50	49-60	61-75
	2	Low	0	22-28	32-40	37-48	46-60
	3	Medium	0	13-21	24-31	25-36	31-45
	4	High	0	8-12	16-23	13-24	16-30
	5	Very High	0	4-7	8-10	11-12	13-15

Source: PwC creation

Additionally, we evaluate the occurrence through past events, giving a rating from 1 to 5 according to the frequency that the impacts have had on stakeholders; and the type of involvement in determining whether the Bank causes, causes, or contributes to, such risks and impacts.

Once the assessment is completed, we prioritize the most serious and urgent risks and impacts on human rights to manage according to the level of severity, occurrence and level of involvement; which gives way to the construction of the mitigation and remediation plan.

Based on the work carried out in 2024, in 2025 we carry out a periodic structured monitoring of the risk and impact map, through quarterly spaces with the responsible areas, allowing us to monitor progress, adjustments and effectiveness of controls.

Mitigation and remediation plans implemented

Mitigation and remediation actions are classified as: i) preventive, such as policies, training and controls; ii) corrective measures, which include process adjustments and disciplinary sanctions; and iii) remediation, such as reparation of damages, restitution of rights and compensation when applicable.

The Bank maintains an evaluation of **100% of its own operations**, as well as its relationship with suppliers and other actors in the value chain, identifying and prioritizing human rights risks based on criteria of severity, occurrence and involvement.

Below are the main **mitigation plans implemented**, organized by theme, risk, mitigation and remediation plan:

Topic	Risk/Impact	Mitigation plans	Remediation Plan
Human Talent and working conditions **Audience: collaborators**	• Normalization of situations of sexual and workplace harassment within the Bank reported by employees, which translate into a lack of guarantees of protection of people's rights by the Bank and an impact on the dignity and integrity of people • Situations of sexual harassment of employees in the workplace, affecting their dignity, integrity and work motivation • Situations of workplace harassment among staff, generated by actions or comments of other co-workers, which affects their dignity, integrity and motivation in the performance of functions	The new policy for the prevention of workplace and sexual harassment was designed and disseminated, which is complemented by the Internal Work Regulations and the Code of Ethics, with an explicit scope for the reparation of cases. This policy was socialized through training processes aimed at senior management and middle management, achieving national coverage. The Internal Work Regulations were updated, which includes and mentions sexual harassment.	Banco de Occidente has a formal remediation process that includes the confidential receipt of complaints, the timely investigation of cases, and the application of corrective and sanctioning measures. Through the Labor Coexistence Committee and institutional channels, due process, non-revictimization, confidentiality and the implementation of measures aimed at preventing recidivism and restoring adequate working conditions are guaranteed. **Source:** Policy for the Prevention of Workplace Harassment / Coexistence Committee and processing of complaints, guarantee of reparation, sanction and non-repetition.
	Inadequate management in the protection of personal data and information on complaints made by employees regarding irregular situations	Formal confidentiality mechanisms were implemented in the management of complaints, including confidentiality agreements for those responsible for the	The Bank guarantees the confidentiality of complaints and information associated with the investigation processes, ensuring restricted access to authorized bodies.

	within the Bank, affecting their intimacy and privacy	processes and controls in the handling of sensitive information (signing of a Confidentiality Agreement for the members of the Labor Coexistence Committee) It was defined that the administration of the mailbox for reporting complaints related to the work environment is solely in charge of the president of the Labor Coexistence Committee thus guaranteeing confidentiality	In case of non-compliance, disciplinary measures are applied in accordance with the Code of Ethics, protecting the privacy of employees and the integrity of the process. **Source:** Workplace Harassment Prevention Policy / Confidentiality of complaints Code of Ethics and Conduct/ Principle of confidentiality and protection of information
	Violation of diversity, equity, and inclusion due to the Bank's tacit conception regarding its openness to different population groups, which do not feel included in the structure of the Bank's programs and policies such as the dress code, the ability to express oneself freely, and recruitment, generating feelings of discrimination and exclusion in the workplace	The "People's Manifesto" was structured, approved by the Board of Directors and disseminated, integrating diversity and inclusion guidelines into the organizational strategy and corporate governance spaces. This manifesto has scope for subsidiaries. Diversity, Equity, and Inclusion issues are incorporated into the Sustainability Committee, where vice presidents and president participate.	The Bank has regulatory mechanisms that expressly prohibit discrimination and establish processes for reporting, investigating, and punishing such conduct. It also implements corrective measures aimed at guaranteeing conditions of equality, including reasonable accommodation for vulnerable populations. **Source:** Workplace Harassment Prevention Policy / Principle of Non-Discrimination Internal Work Regulations/ Prohibition of Employment Discrimination, Implementation of Reasonable Accommodations Code of Ethics/ Principle of Equity
	Barriers to employees regarding the option of unionizing once they move from managers to analysts, affecting their ability to decide to partner with groups of employees in the sector Violation of freedom of association and association due to lack of clarity in the direction of benefits, affecting their ability to decide to associate with groups of employees in the sector	The processes of disseminating the benefits of the collective agreement were strengthened and information spaces were promoted to ensure the understanding of the rights of association of employees. This information is disseminated by the Work Environment teams in the different areas as well as by the Union, who in turn made visits to the offices to provide accompaniment in the landing of their condition as collaborators covered by the collective agreement.	The Bank recognizes and protects the right of employees to freedom of association, establishing mechanisms to prevent and punish any form of restriction or undue pressure. In the event of violations, the complaint processes and the corresponding disciplinary measures are activated. **Source:** Internal Work Regulations / Prohibition of limiting the right of association, recognition of permits for trade union activities
	Violation of the right to disconnect from work due to the high workload of administrative collaborators in the hybrid work model, their rest and use of free time Violation of the right to disconnect from work due to the non-recognition of overtime to office staff without a management and trust contract, affecting their dignity, integrity and work motivation Non-recognition of overtime to office staff without a management and trust contract, affecting their dignity, integrity and work motivation	The Labor Disconnection Policy (2025) was implemented, accompanied by internal communication campaigns and compensation schemes for situations of additional work in offices for continuous working hours or additional hours, promoting respect for rest times. In the case of some administrative areas of the Bank, a scheme of compensatory days was defined when the additional working conditions are met.	The Bank has mechanisms to control the working day, including maximum limits, mandatory registration of overtime and recognition of surcharges or compensatory breaks. In case of deviations, adjustments and corrective measures are implemented that guarantee fair working conditions and respect for rest time. **Source:** Internal Work Regulations/ Working day limits, Registration and payment of overtime, Compensation and surcharges
	Violation of the right to access information of employees with respect to the mechanism for reporting issues associated with labor situations that may affect their human rights, compromising the possibility of expressing their disagreements with respect to these situations and of accessing effective reparation if necessary	Employees' access to complaint mechanisms was strengthened through the consolidation of formal channels such as the Ethics Line, the Work Environment mailbox and the Coexistence Committee, along with instances of escalation at the level of Human Management and Labor Relations. In addition, annual awareness-raising actions were implemented through the ethics and ethics course, and the human rights approach was incorporated into these channels, facilitating their use and strengthening access to care and reparation processes.	The Bank has formal channels for reporting situations that affect the rights of employees, including the Ethics Line and the Coexistence Committee. These mechanisms allow for the management of reported cases in a structured manner, ensuring their attention, investigation, and response. **Source:** Policy for the Prevention of Workplace Harassment / Socialization of Complaint Mechanisms Code of Ethics and Conduct / Ethics Line as a reporting channel
	Perception of violation of the right of access to information associated with the lack of knowledge of the measures taken by the Bank in terms of managing the situation reported by employees, which can revictimize complainants, affecting their dignity and integrity	We improve transparency in the management of complaints through the timely communication of the conclusions and actions taken in the face of reported cases, through formal reception channels, in those cases in which the complaint is not anonymous. In addition, within the framework of the Labor Coexistence Committee, the	Banco de Occidente guarantees that, within the framework of the complaint response processes, feedback will be provided to the people involved on the status and outcome of the cases, ensuring transparency in management and reducing the risk of revictimization. These processes are developed under the principles of confidentiality, due process and non-revictimization, promoting

		notification of decisions to the parties involved in cases of workplace harassment is guaranteed, helping to reduce the risk of revictimization and strengthening confidence in the care mechanisms.	respectful treatment of employees and the restoration of adequate conditions in the work environment. **Source:** Policy for the Prevention of Workplace Harassment / Principle of non-revictimization and due process, Guarantee of investigation, reparation and response
	Perception of lack of equal working conditions and difference in treatment between cities and Bank headquarters, such as the functioning of the internet which is better in some cities, air conditioning and cafeteria and toilet services, generating a perception of inequality in their work environment	Maintenance and inspection plans were executed in 100% of the headquarters, along with ergonomic evaluations and updating of risk matrices, guaranteeing adequate working conditions at the national level	Banco de Occidente establishes the obligation to guarantee adequate working conditions for all employees, including access to infrastructure, services and safe work environments, through the management of the Occupational Health and Safety System. In the event that inadequate conditions are identified, corrective actions are implemented to improve work environments and ensure dignified and equitable conditions. **Source:** Internal Work Regulations/ Employer's obligation to guarantee adequate working conditions and infrastructure, Implementation of actions from the SG-SST
	Feeling of disadvantaged conditions in the definition and application of salaries for employees, generating demotivation in the exercise of their functions and work performance	We strengthened the understanding of compensation schemes through the implementation of the Global Compensation Charter, as a corporate instrument aimed at providing greater clarity on salary components. This tool allows employees to understand and compare the elements of their compensation, in line with principles of fairness and transparency defined at the corporate level, helping to mitigate perceptions of disadvantage in the definition and application of salary.	The Bank manages pay equity through review and adjustment processes set forth in the Salary Manual, including equalizations, compensation studies, and job evaluation committees, which allow for the correction of deviations and ensure consistency in remuneration. **Source:** Salary and Organizational Structure Manual / Internal Equity and Leveling Process, Job Evaluation Committee
	Negative effects on the physical health of employees due to changes in desks/chairs	We implemented inspections of workplaces nationwide, reaching coverage in most of the operation centers and advancing in the issuance of associated technical reports. In addition, the identification and assessment of biomechanical risks in the workplace was updated, along with socialization and training actions in ergonomics, including institutional spaces and internal communication channels.	The Bank implements remediation actions through the SG-SST, which include the identification of biomechanical risks, the execution of corrective measures, and follow-up through programs such as the epidemiological surveillance system for musculoskeletal disorders. **Source:** Manual Occupational Health and Safety Management System / Risk Identification and Control, Epidemiological Surveillance System (DME)
Communities and responsible financing Audience: Communities	Impact on communities due to the use of resources granted to third parties for the implementation of social programs that could end up affecting the dignified life of the recipients of such programs	A biannual monitoring tool was implemented to assess the impact of donations and their contribution to the well-being of beneficiary communities. This exercise is complemented by visits to the requested entities to record testimonies and evidence.	In the event that negative or unwanted impacts are identified in communities benefiting from social programs financed by the Bank, the mechanisms established in the Social Investment Policy are activated, which include monitoring, analysis of alerts and the adoption of corrective actions. These actions may include adjustments in the execution of the program, additional requirements to the partner entity, the redirection of resources or the non-continuity of the initiative, **Source:** Social Investment Policy – Banco de Occidente / Impact measurement and monitoring, Unauthorized practices and focus on human rights
	Violation of the right to housing of the communities surrounding projects financed by the Bank in the hydrocarbons, energy, mining and road construction sectors	We incorporate human rights criteria into the Environmental and Social Risk Management System (SARAS). In cases involving involuntary resettlement risks, categorization, follow-up and monitoring processes are activated with clients, requiring evidence of mitigation and remediation plans as a condition for the continuity of credit operations. In addition, progress was made in updating the SARAS instruments in line with current regulations, as well as in the	In cases where projects financed by the Bank present risks of affecting the right to housing, including situations of involuntary resettlement, the mechanisms of the Environmental and Social Risk Management System (SARAS) are activated. This process includes the requirement of resettlement and remediation plans by customers, the incorporation of specific environmental and social clauses in credit agreements, the periodic monitoring of their compliance and, in the event of non-compliance, the adoption of corrective measures that may include the suspension,

		formation of internal teams on social risks and human rights, strengthening the preventive approach in the evaluation of financed projects.	restructuring or early termination of the credit operation. **Source:** Environmental and Social Risk Management System (SARAS) Manual / Categorization by involuntary resettlement and territorial sensitivity, E&S clauses, action plans and measures in the event of non-compliance
Supply chain **Audience: suppliers**	Violation of the rights of suppliers' collaborators, due to inappropriate practices in relation to respect for human rights.	Human rights criteria were incorporated into the processes of linking and updating suppliers, including the mandatory acceptance of the human rights policy and the evaluation of associated practices. Specific surveys and follow-up mechanisms were implemented for strategic suppliers, promoting the adoption of human rights due diligence practices and strengthening their capacities.	In the event of identifying inappropriate practices that affect the human rights of supplier employees, the Bank activates the mechanisms defined in the Purchasing Sustainability Policy, which include the reevaluation of the supplier, the requirement of improvement plans and, if necessary, the non-renewal or termination of the business relationship.
Customers and financial services **Audience: natural person client**	Violation of the right of access to information of customers - natural person with respect to the requirements for their procedures and the respective response times, compromising their ability to access clear information about the Bank's processes	Access to clear and timely information for customers was optimized through the modernization of processes and the strengthening of document management, facilitating the consultation of requirements and response times through internal and digital tools. Additionally, operational processes were optimized through continuous improvement, automation, and redesign initiatives (including low-code solutions and RPA), which contributes to greater efficiency, consistency in information, and improved customer experience.	In cases where deficiencies are identified in access to clear, complete or timely information for customers, the Bank activates the mechanisms defined in the Request, Complaint and Claim Management Procedure (PQRS), which guarantee reception, traceability, analysis and response within the established times. This process includes corrective actions such as the complementary delivery of information, clarification of requirements, escalation to specialized instances and monitoring compliance with service level agreements, as well as the implementation of continuous improvement measures aimed at preventing recurrences and strengthening customer experience. **Source:** Procedure – Manage Petitions, Complaints and Claims / Right to petition, mandatory response and traceability, Corrective actions, follow-up and root cause management
	Violation of the right of access to financial services for natural persons working in the gaming and gambling sector, generating discrimination against such potential customers	Risk management associated with discrimination in access to financial services was implemented through the review and adjustment of evaluation criteria in credit granting processes. In this framework, it was defined that the decision model based on binding lists does not incorporate restrictions associated with the economic sector of customers, including the gaming and gambling sector, ensuring that decisions are based on established regulatory and risk criteria	The Bank implements a decision model based exclusively on regulatory and risk management criteria, supported by the mandatory consultation of binding and security lists, in accordance with applicable national and international regulations. This model does not incorporate restrictions associated with the economic sector of the clients, including the gaming and gambling sector, guaranteeing that the decisions of linking and granting products are based on the objective verification of binding international lists, security and internal lists, and on individualized analyses when applicable. In addition, the process includes traceability, operational controls and review mechanisms, which ensure equal treatment, prevents discriminatory bias and safeguards the right of access to financial services of natural persons. **Source:** Reference Manual Binding Lists for Colombia and Security – MANAPY006 / Uniform and non-discriminatory application of binding lists, objective, normative and traceable decision criteria
	Inadequate management of customers' personal data, affecting their intimacy and privacy	Mandatory training programs were developed aimed at 100% of employees, promoting an organizational culture focused on the correct management of information. In addition, information and service channels were enabled through digital spaces such as the data protection microsite on the website, as well as the inclusion of consultation and complaint mechanisms in customer engagement processes.	When an impact on the privacy or privacy of customers materializes, the Bank activates the procedures for dealing with requests, complaints and claims in data protection, corrects, updates or deletes the affected information, manages information security incidents with the corresponding corrective actions and regulatory reports, and applies disciplinary measures and adjustments to internal controls to prevent the recurrence of the event, in accordance with the provisions of numerals 2.12, 2.16,

			2.17, 2.18 and 2.22 of the Personal Data Management Program.

During 2025, mitigation measures were applied in **100% of the sites (physical headquarters and operation centers).** Due diligence identified general operational risks (such as physical safety and working conditions) whose mitigation measures, such as the safety manual and work environment protocols, are mandatory in all Bank offices nationwide.

Banco de Occidente and its subsidiaries maintain a permanent commitment to strengthening the mechanisms for participation, dialogue and complaints of its stakeholders, with the aim of ensuring effective management of the remediation of human rights impacts.

Within this framework, the Bank has formal channels for the reception and management of complaints and denunciations, among which the following stand out:

Banco de Occidente Ethics Line: https://www.bancodeoccidente.com.co/wps/portal/banco-deoccidente/bancodeoccidente/footer/otros/linea-etica

Banco de Occidente Customer Service:

- Email: servicio@bancodeoccidente.com.co
- National Line: 018000514652

Work environment Banco de Occidente: ambientelaboral@bancodeoccidente.com.co

Through these mechanisms, stakeholders can submit their requirements or complaints, in an identified or anonymous manner, which are managed in accordance with established procedures, guaranteeing confidentiality, traceability and compliance with applicable legal deadlines.

As a relevant milestone in 2025, the Bank explicitly incorporated the human rights approach into the Ethics Line, allowing the specific classification of complaints associated with possible violations in this area. This advance strengthens the institutional capacity to identify, analyze, and manage human rights risks, improving the traceability of cases and the quality of monitoring and reporting. In this context, during 2025 there were no complaints associated with possible human rights violations through this channel, which reflects the trend observed in reporting mechanisms, without prejudice to the actions taken to strengthen the identification, classification, and management of this type of situation in institutional channels.

Communication and transparency: The Bank reports on the progress of its human rights management through different mechanisms, including:

- The disclosure of policies, procedures and results in the Management and Sustainability Report, as well as in the Human Rights Report.
- Periodic monitoring of the action plan, with a quarterly report to the Steering Committee.
- The promotion of spaces for dialogue with stakeholders to strengthen accountability and participation.

Review and continuous improvement: The Bank adapts its due diligence process based on lessons learned and the evolution of the regulatory and corporate environment, ensuring that its mechanisms for identifying, assessing, mitigating, and remediating human rights risks are updated.

As part of this process, opportunities for strengthening have been identified aimed at:

- The implementation of an **autonomous human rights due diligence system**, in coordination with the risk teams and aligned with the guidelines of the Aval Group.
- The explicit incorporation of risks associated with child labor, forced labor and human trafficking.
- The strengthening of a differentiated approach for vulnerable groups.
- The deepening of the analysis by interest groups.
- The development of indicators that improve the measurement and traceability of management.