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# 4Q21 and FY2021 Consolidated Earnings Results

IFRS

Grupo Aval Acciones y Valores S.A. (“Grupo Aval”) is an issuer of securities in Colombia and in the United States.. As such, it is subject to compliance with securities regulation in Colombia and applicable U.S. securities regulation. Grupo Aval is also subject to the inspection and supervision of the Superintendency of Finance as holding company of the Aval financial conglomerate.

The consolidated financial information included in this document is presented in accordance with IFRS as currently issued by the IASB. Details of the calculations of non-GAAP measures such as ROAA and ROAE, among others, are explained when required in this report.

This report includes forward-looking statements. In some cases, you can identify these forward-looking statements by words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue,” or the negative of these and other comparable words. Actual results and events may differ materially from those anticipated herein as a consequence of changes in general, economic and business conditions, changes in interest and currency rates and other risk described from time to time in our filings with the Registro Nacional de Valores y Emisores and the SEC.

Recipients of this document are responsible for the assessment and use of the information provided herein. Matters described in this presentation and our knowledge of them may change extensively and materially over time but we expressly disclaim any obligation to review, update or correct the information provided in this report, including any forward looking statements, and do not intend to provide any update for such material developments prior to our next earnings report.

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

When applicable, in this document we refer to billions as thousands of millions.

# Consolidated key results for the year

COP \$tn		2020	2021	21 vs 20
Balance Sheet	Gross Loans	\$ 201.8	\$ 228.4	13.2%
	Deposits	\$ 211.8	\$ 234.5	10.7%
	Deposits/Net Loans	1.08 x	1.06 x	-0.02 x
Loan Quality	90 days PDLs / Gross Loans	3.6%	2.9%	(66) bps
	Allowance/90 days PDLs	1.52 x	1.70 x	0.18 x
	Cost of risk	3.0%	1.9%	(109) bps
Profitability	Net interest margin	5.2%	4.8%	(36) bps
	Fee income Ratio	22.0%	23.4%	142 bps
	Efficiency Ratio	46.0%	47.6%	155 bps
	Attributable net income	\$ 2.35	\$ 3.30	40.4%
	ROAA	1.5%	1.6%	19 bps
	ROAE	11.7%	15.3%	363 bps

**Gross loans** excludes interbank and overnight funds. **PDLs 90+** defined as loans more than 90 days past due. **Cost of Risk** calculated as Impairment loss on loans and other accounts receivable net of recoveries of charged-off assets divided by average gross loans. **Net Interest Margin** includes net interest income plus net trading income from debt and equity investments at FVTPL divided by total average interest-earning assets. **Fee income ratio** is calculated as net income from commissions and fees divided by net interest income plus net income from commissions and fees, gross profit from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income. **Efficiency Ratio** is calculated as total other expenses divided by net interest income plus net income from commissions and fees, gross profit from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income. **ROAA** is calculated as annualized Net Income divided by average of total assets. **ROAE** is calculated as Net Income attributable to Aval's shareholders divided by average attributable shareholders' equity. **NS** refers to non-significant figures.

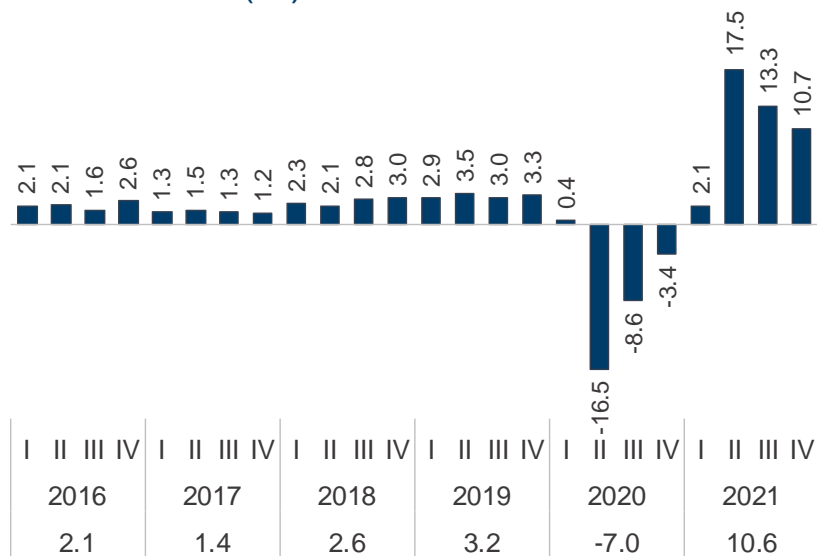
# Key results per region for the year

		Colombia			Central America <sup>(1)</sup>		
		62.7% of Assets			37.3% of Assets		
COP \$tn		2020	2021	21 vs 20	2020	2021	21 vs 20
Balance Sheet	Gross Loans	\$ 131.2	\$ 139.8	6.6%	\$ 70.6	\$ 88.6	25.5%
	Deposits	\$ 132.0	\$ 135.4	2.6%	\$ 79.8	\$ 99.0	24.1%
	Deposits/Net Loans	1.05 x	1.02 x	-0.03 x	1.13 x	1.14 x	0.00 x
Loan Quality	90 days PDLs / Gross Loans	4.5%	3.8%	(73) bps	1.8%	1.5%	(28) bps
	Allowance/90 days PDLs	1.44 x	1.60 x	0.16 x	1.89 x	2.10 x	0.21 x
	Cost of risk	3.2%	1.9%	(131) bps	2.6%	1.9%	(69) bps
Profitability	Net interest margin	4.8%	4.6%	(27) bps	5.8%	5.2%	(58) bps
	Fee income Ratio	18.5%	19.7%	117 bps	28.5%	29.9%	141 bps
	Efficiency Ratio	40.3%	42.2%	186 bps	56.5%	56.8%	31 bps
	Attributable net income <sup>(2)</sup>	\$ 1.55	\$ 2.10	36%	\$ 0.80	\$ 1.20	49%
	ROAA	1.7%	1.8%	13 bps	1.1%	1.4%	32 bps
	ROAE	17.2%	19.3%	206 bps	7.2%	11.2%	401 bps

(1) Central American refers to BAC Holding International Corporation ("BHI" formerly Leasing Bogotá Panamá S.A.) and Multi Financial Group, Inc "MFG" operations expressed in Colombian Pesos, at the exchange rate of each period. (2) Attributable net income for Grupo Aval of Ps 3,297.7 bn for FY21 corresponds to the Ps 2,101.5 bn of our Colombian operation plus Ps 1,740.3 bn of our Central American operation multiplied by 68.7%, our stake in Banco de Bogotá. **Gross loans** excludes interbank and overnight funds. **PDLs 90+** defined as loans more than 90 days past due. **Cost of Risk** calculated as Impairment loss on loans and other accounts receivable net of recoveries of charged-off assets divided by average gross loans. **Net Interest Margin** includes net interest income plus net trading income from investment securities held for trading through profit or loss divided by total average interest-earning assets. **Fee income ratio** is calculated as net income from commissions and fees divided by net interest income plus net income from commissions and fees, gross profit from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income. **Efficiency Ratio** is calculated as total other expenses divided by net interest income plus net income from commissions and fees, gross profit from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income. **ROAA** is calculated as annualized Net Income divided by average of total assets. **ROAE** is calculated as Net Income attributable to Aval's shareholders divided by average attributable shareholders' equity. **NS** refers to non-significant figures. Equity for Central America is calculated as (BHI + MFG) multiplied by our 68.7% stake in the companies. Equity for Colombia is calculated as the difference between our consolidated attributable equity and the equity in Central America.

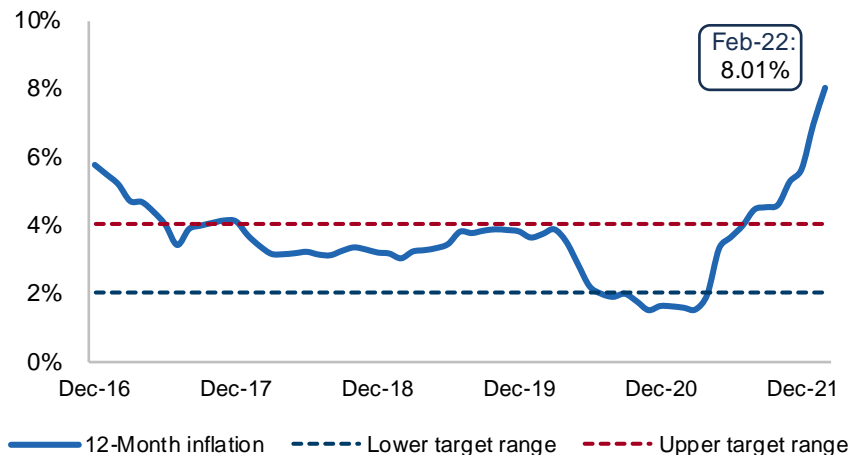
# Macroeconomic context - Colombia ( 1 | 2 )

## GDP Growth (%)



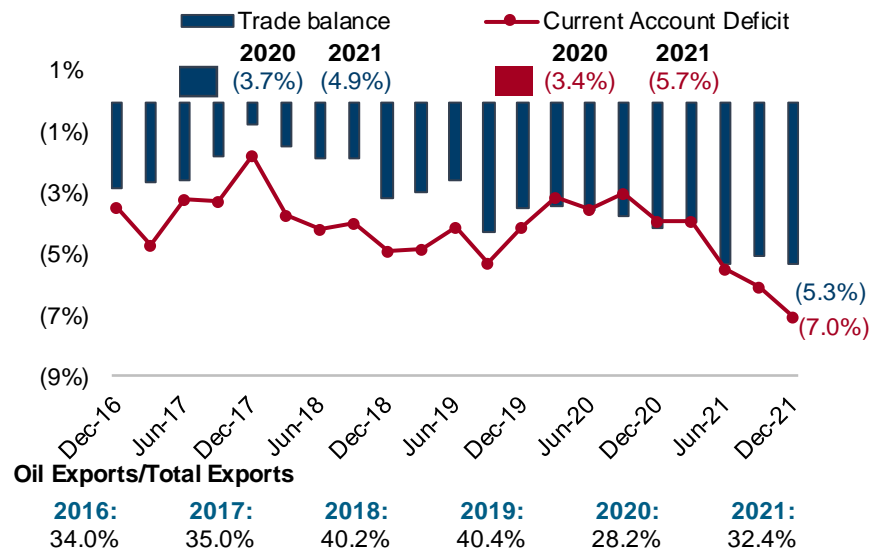
Source: DANE. Seasonally adjusted, constant prices of 2015 GDP

## Inflation (%)



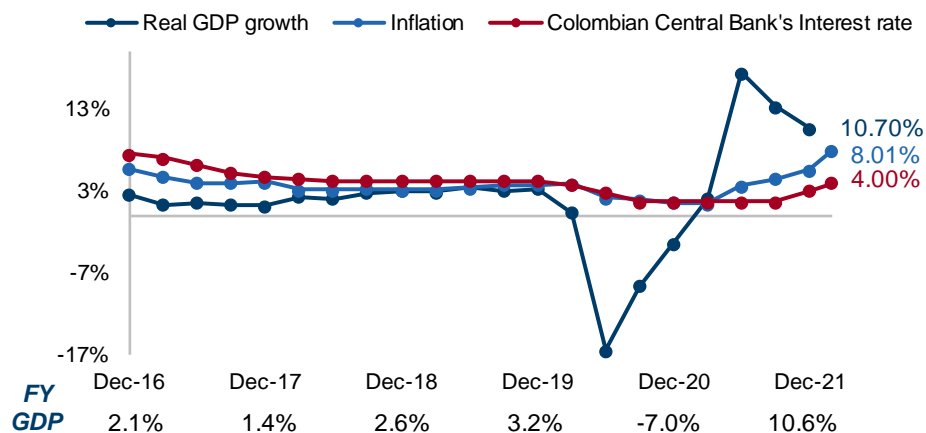
Source: Banco de la República de Colombia and DANE.

## Current Account ( % GDP, quarterly)



Source: Banco de la República de Colombia and DANE.

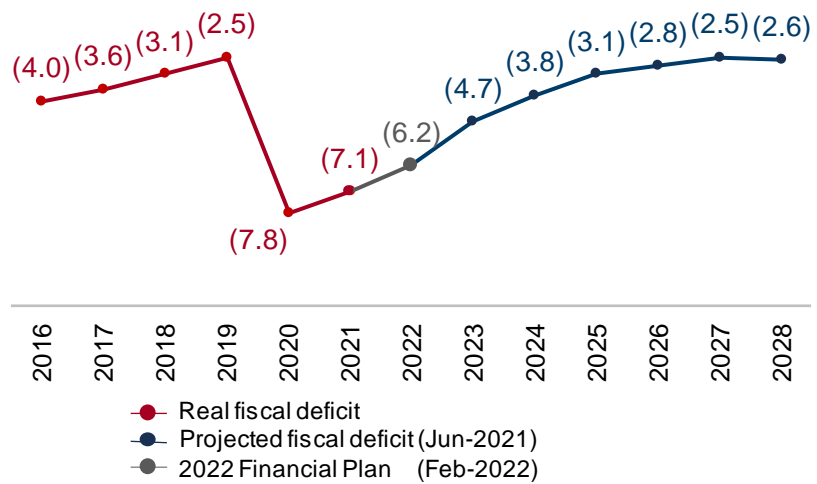
## Central Bank's Monetary Policy



Source: Banco de la República de Colombia and DANE. GDP Seasonally -adjusted, constant prices (2015 basis)

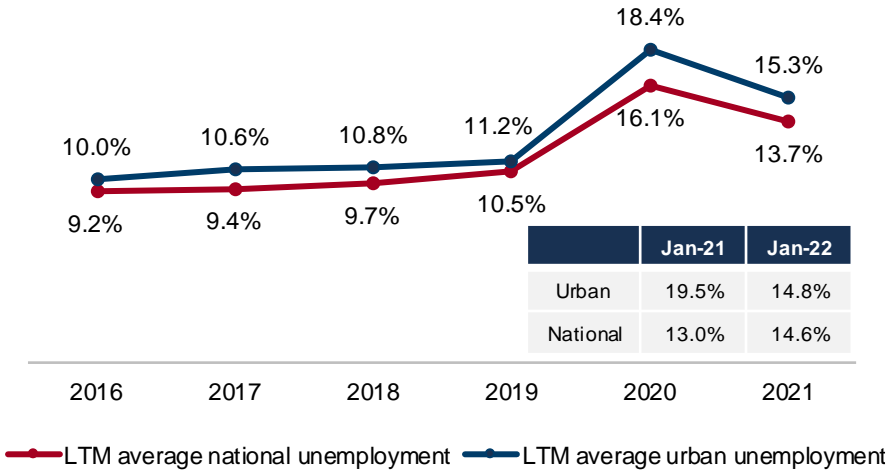
# Macroeconomic context - Colombia ( 2 | 2 )

## Real and Projected Fiscal Deficit Fiscal Rule (% of GDP)



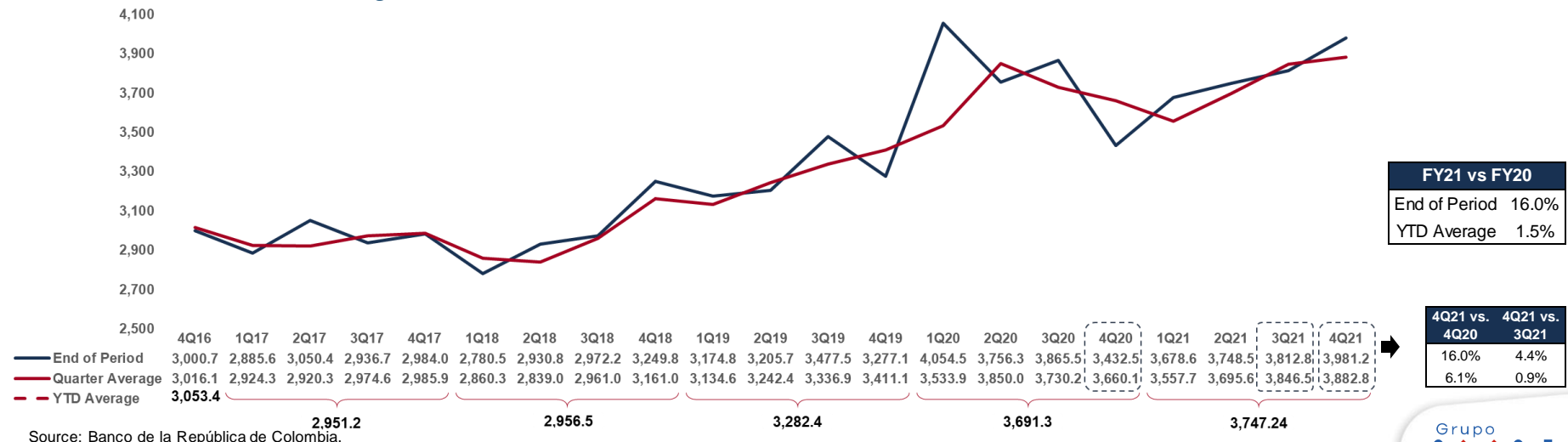
Source: Ministry of Finance. Projections start in 2022.

## Unemployment (%)



Source: Banco de la República de Colombia. Urban unemployment defined as unemployment of 13 cities and their metropolitan areas.

## Colombian Peso Exchange Rate

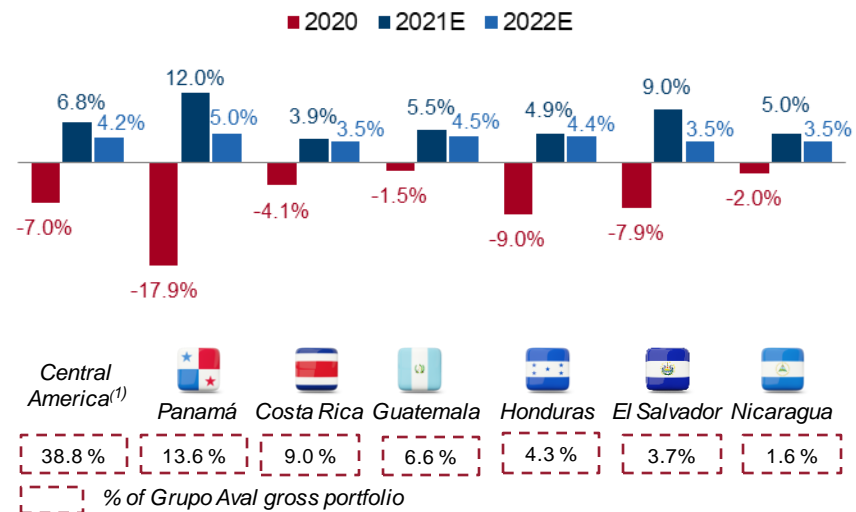


Source: Banco de la República de Colombia.



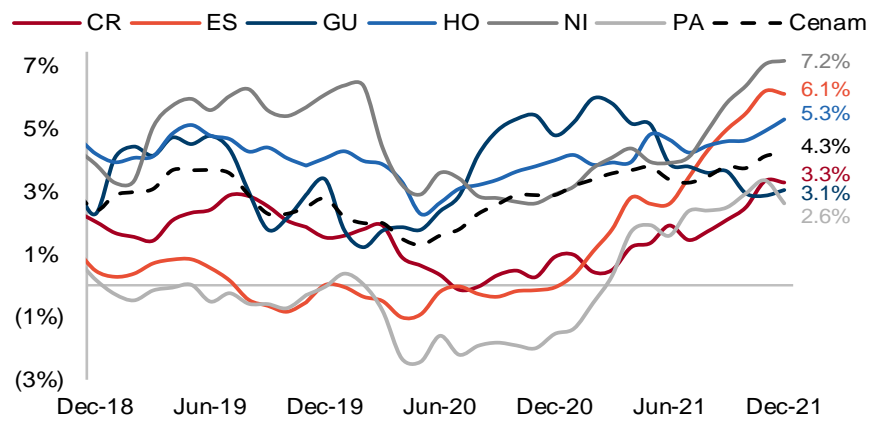
# Macroeconomic context – Central America

## Growth Outlook – Real GDP



Source: IMF (WEO October 2021); (1) Estimated aggregate growth of all the Central American countries

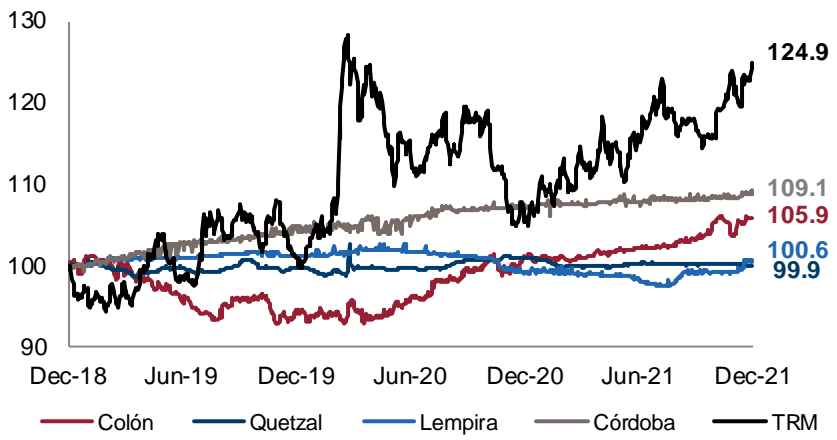
## Inflation per Country



Source: SECMCA. CR: Costa Rica, ES: El Salvador, GU: Guatemala, HO: Honduras, NI: Nicaragua, PA: Panamá, Cenam: Central America.

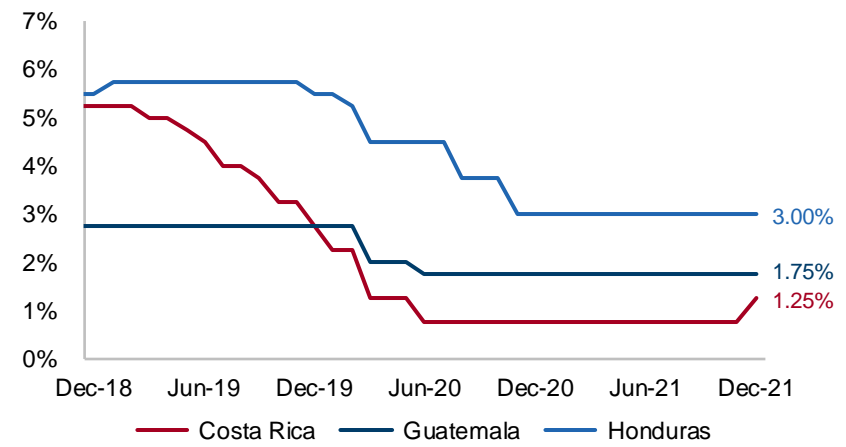
## Regional Exchange Rates

(100=12/31/2018)



Source: Bloomberg

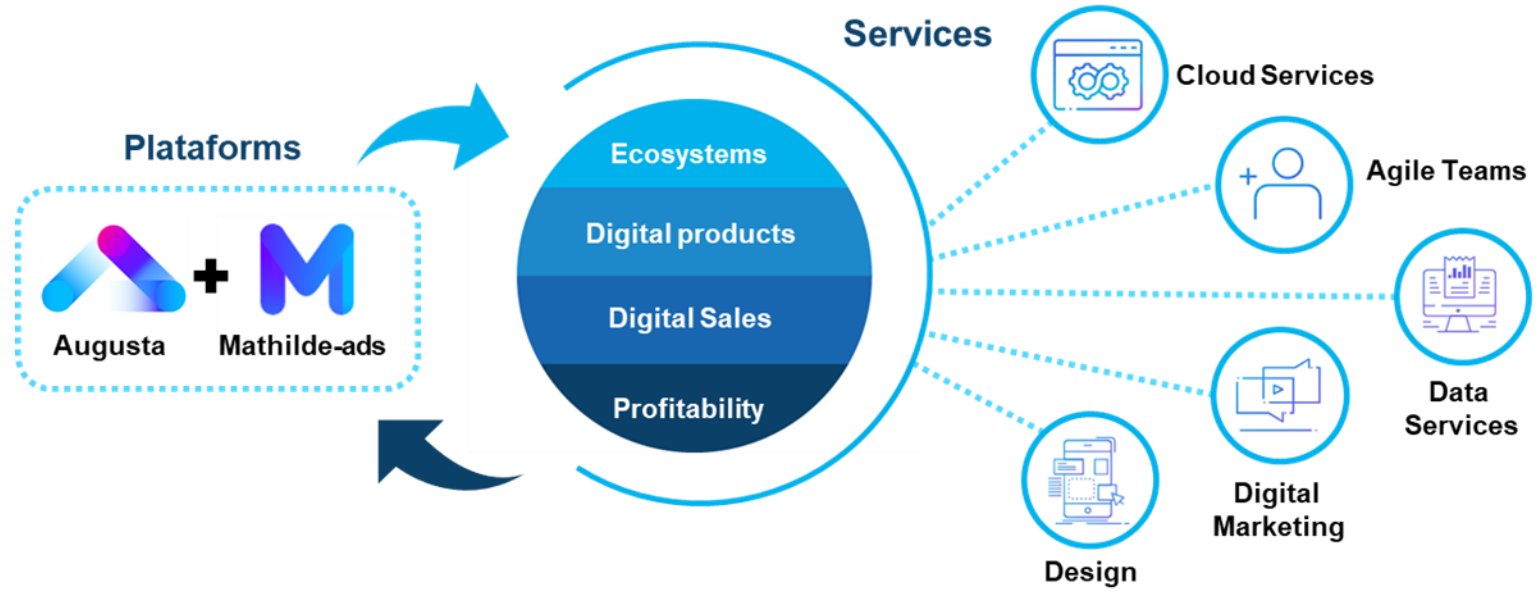
## Central Bank's Interest Rates



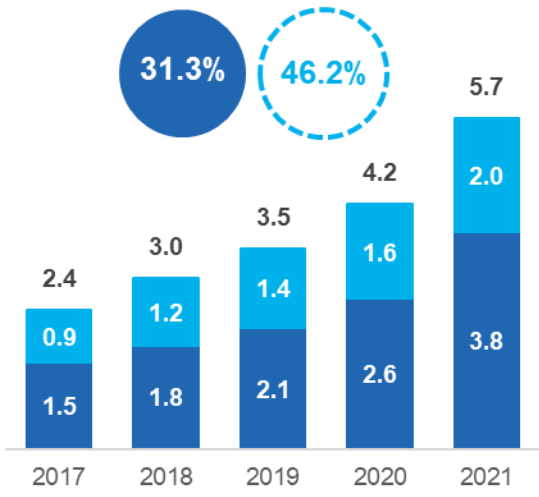
Source: SECMCA.



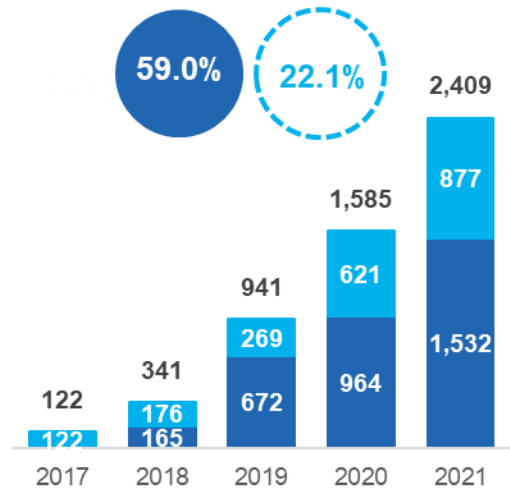
# Digital strategy



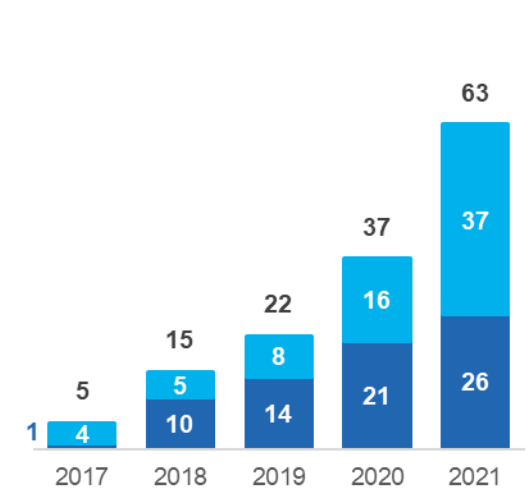
Clients (mm)



Sales (000)<sup>1</sup>



Products



Digital clients / Digital sales ratio

Colombia Central America

1. In Colombia digital sales ratio is calculated considering only the sales of retail products for which a digitalized solution has been developed. In Central America the ratio considers only core products.



# ESG Highlights

## Corporate Efficiencies

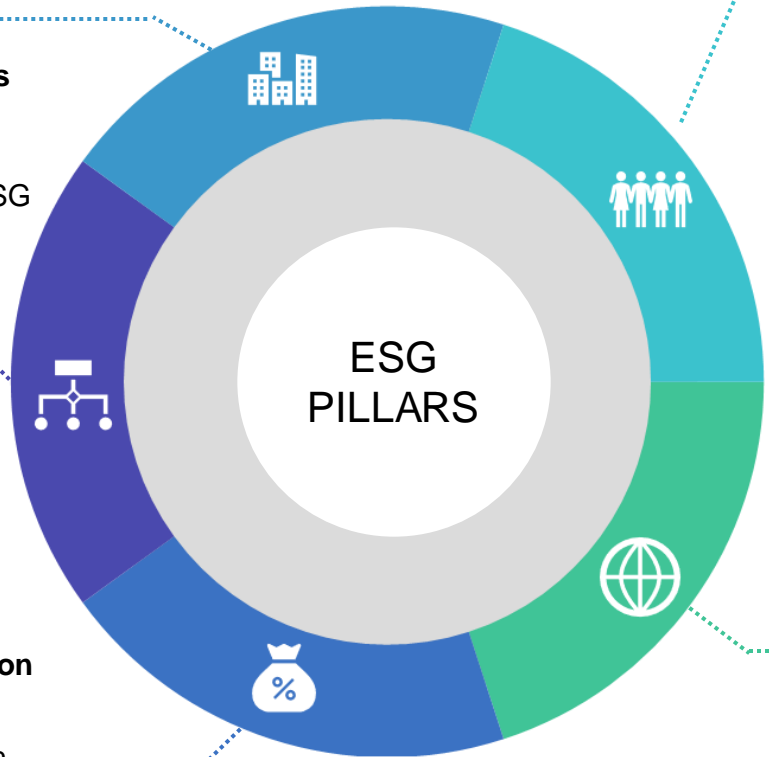
We adhered to the **United Nations Global Compact**  
 Strengthening our **Corporate Procurement Policy** to include ESG Standards

## Corporate Governance & Risk Management

ESRA implementation in some of our subsidiaries

## Economic Impact

Corficolombiana issued a **500 billion pesos** social bonds  
 New products with partnerships with **Unicef** and **Saving The Amazon**  
 We start disclosing **Cybersecurity and Fraud information**



## Human Capital

We built our **Corporate Diversity and Inclusion policy**  
 Banco de Bogotá, Banco de Occidente, Banco Popular and Porvenir received the **Great Place to Work Certification**

## Social & Environmental

We implement initiatives to mitigate the effects of climate change:  
**Amazon reforestation**  
**Use of renewable energies**

Banco de Bogotá and Corficolombiana were included in the **Dow Jones Sustainability Index**.

## 2022 Goals



Develop our corporate **Human Rights policy**

**Carbon footprint** measurement at Grupo Aval

Opening of **CTIC** during the second semester 2022

# BAC Spin-off

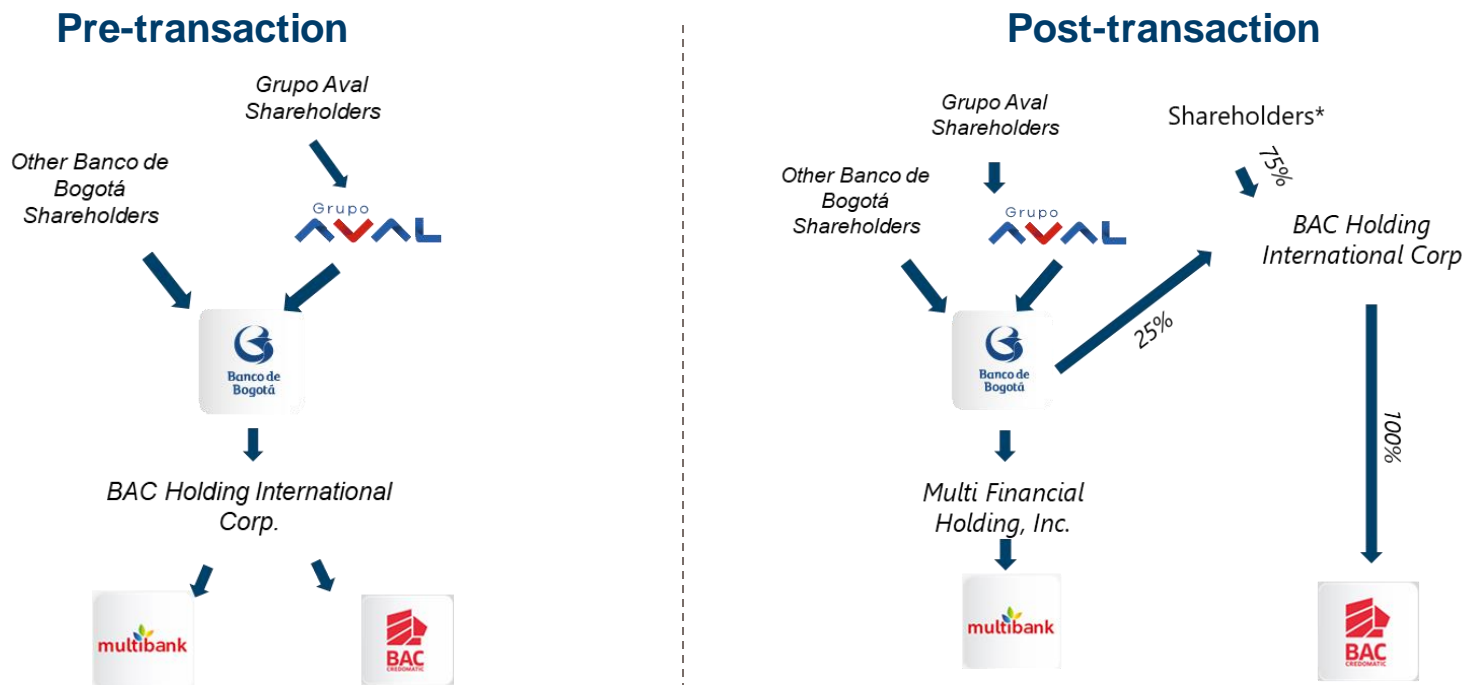
## Main Steps



\*Each of BdB and Grupo Aval's spin off will require a company (New Co BdeB/New Co Aval) to act as recipient of the spun off asset to then merge with BHI with BHI acting as the surviving/absorbing company.

Expected closing 1Q22

## Transaction Structure



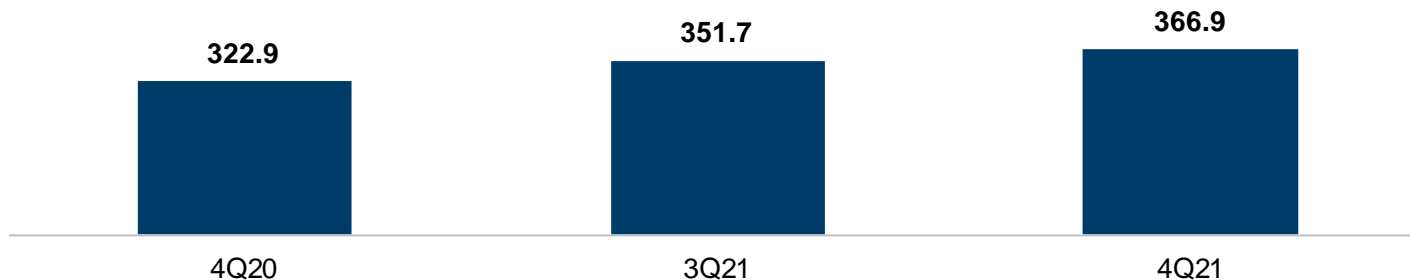
\*Includes Grupo Aval and other Banco de Bogotá Shareholders



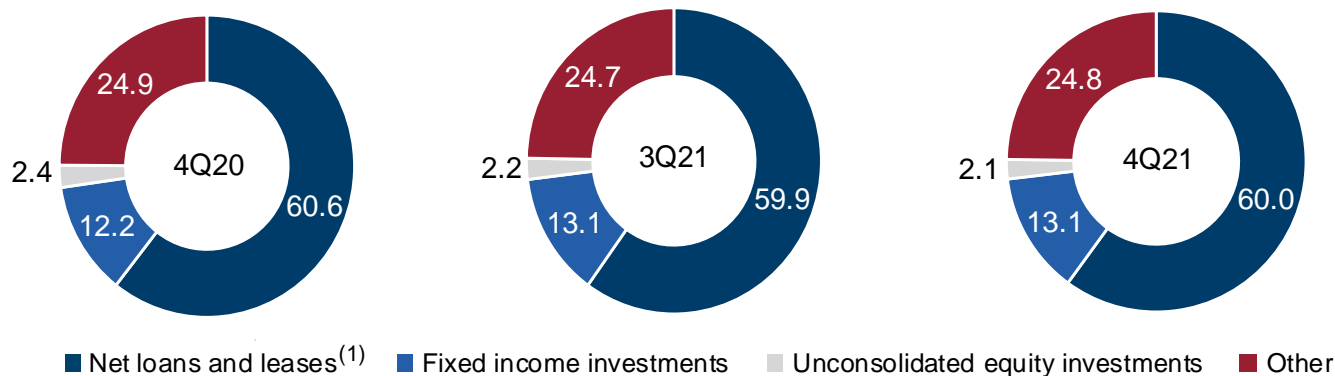
## Total Assets

Y/Y% = 13.6%; (Exc. Fx = 7.6%)

Q/Q% = 4.3%; (Exc. Fx = 2.7%)



## Assets Breakdown (%)



Colombian operation (%)

65.2

64.1

62.7

Foreign<sup>(2)</sup> (%)

34.8

35.9

37.3

Exc. FX = Growth excluding FX movement of Central American Operations

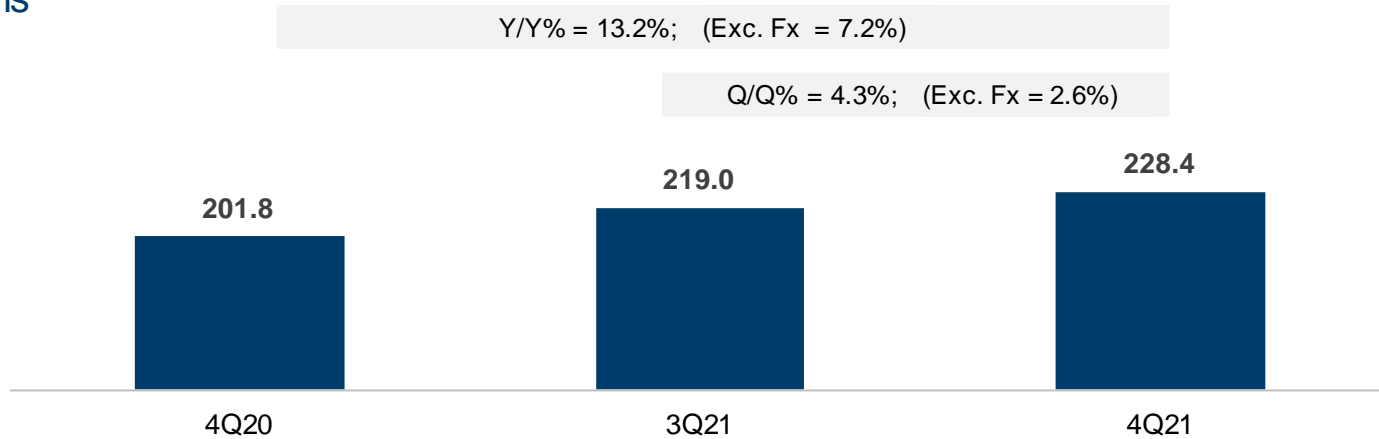
(1) Net loans and leases include interbank and overnight funds

(2) Foreign operations reflect Central American operations

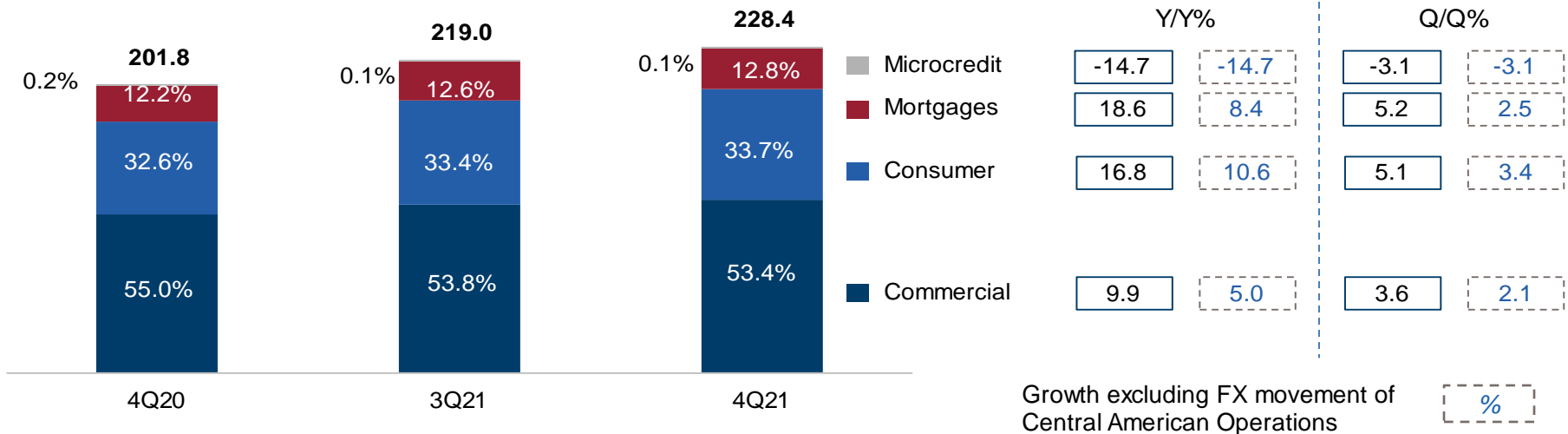
# Loans and receivables

Figures in Ps. Trillions—Excluding interbank and overnight funds

## Gross loans



## Gross loans Breakdown



Exc. FX = Growth excluding FX movement of Central American Operations



# Loan portfolio quality

Figures in Ps. Billions

	<sup>(1)</sup> 30 days past due loans			<sup>(2)</sup> 90 days past due loans		
	4Q20	3Q21	4Q21	4Q20	3Q21	4Q21
Commercial	4.55%	3.70%	3.58%	4.02%	3.20%	3.06%
Consumer	5.36%	5.15%	4.41%	2.97%	2.92%	2.59%
Mortgages	5.02%	5.09%	4.68%	2.94%	2.82%	2.81%
Microcredit	20.35%	31.60%	31.62%	13.37%	26.96%	27.36%
<b>Total loans</b>	<b>4.90%</b>	<b>4.40%</b>	<b>4.04%</b>	<b>3.56%</b>	<b>3.10%</b>	<b>2.90%</b>

## 30 days past due formation <sup>(1)</sup>

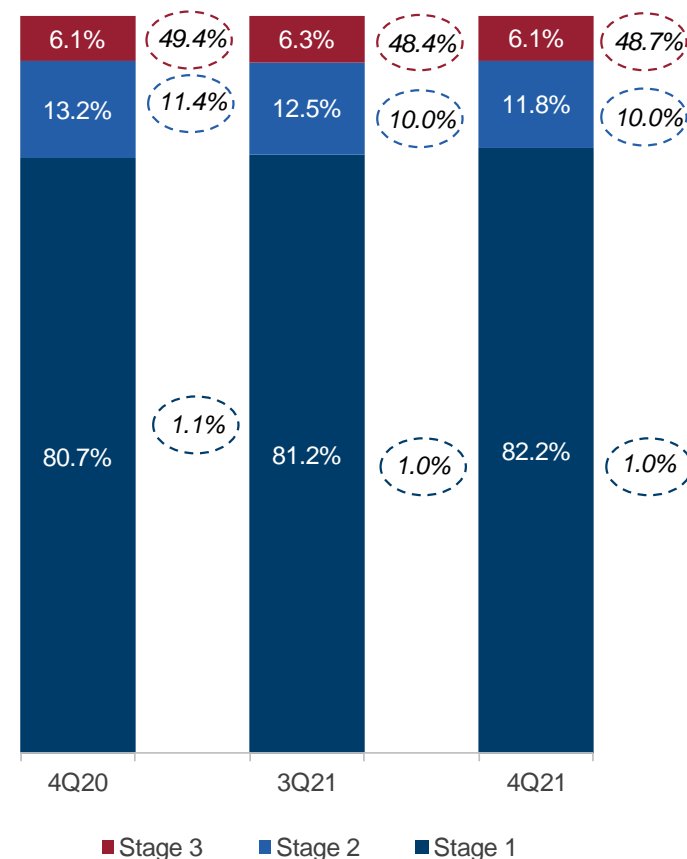
	4Q20	1Q21	2Q21	3Q21	4Q21	FY20	FY21
Initial +30 PDLs	10,829	9,883	9,960	10,178	9,641	7,827	9,883
New +30 PDLs	(187)	1,448	1,337	675	813	6,053	4,273
Charge-offs	(758)	(1,370)	(1,119)	(1,213)	(1,234)	(3,997)	(4,936)
<b>Final +30 PDLs</b>	<b>9,883</b>	<b>9,960</b>	<b>10,178</b>	<b>9,641</b>	<b>9,221</b>	<b>9,883</b>	<b>9,221</b>

## 90 days past due formation <sup>(2)</sup>

	4Q20	1Q21	2Q21	3Q21	4Q21	FY20	FY21
Initial +90 PDLs	6,737	7,187	7,139	7,305	6,782	5,842	7,187
New +90 PDLs	1,208	1,322	1,285	689	1,082	5,343	4,379
Charge-offs	(758)	(1,370)	(1,119)	(1,213)	(1,234)	(3,997)	(4,936)
<b>Final +90 PDLs</b>	<b>7,187</b>	<b>7,139</b>	<b>7,305</b>	<b>6,782</b>	<b>6,631</b>	<b>7,187</b>	<b>6,631</b>

## Loans and coverage by Stages (%)

○ Coverage



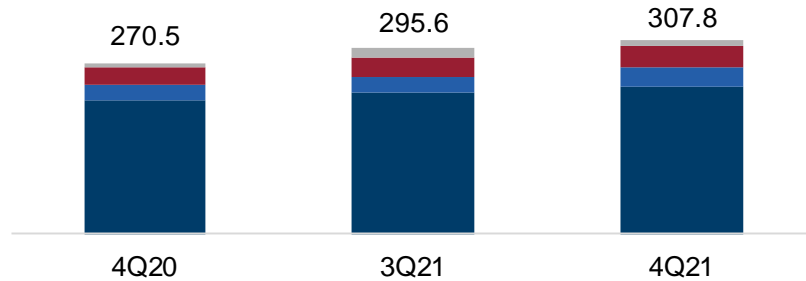
(1) Past Due Loans + 30 / Total Loans including interest accounts receivable

(2) Past Due Loans + 90 / Total Loans including interest accounts receivable. PDLs 90+ defined as loans more than 90 days past due.

## Total funding

Y/Y% = 13.8%; (Exc. Fx = 7.7%)

Q/Q% = 4.1%; (Exc. Fx = 2.5%)

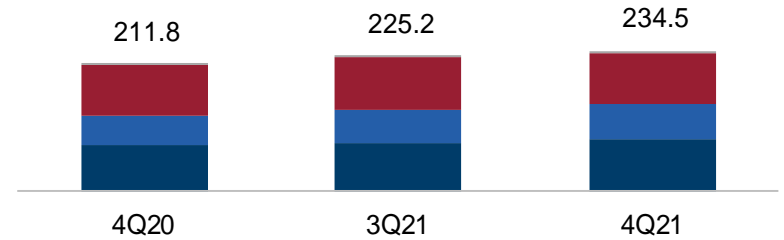


Funding composition (%)	4Q20	3Q21	4Q21
Deposits	78.3	76.2	76.2
Banks and others	8.8	8.4	9.9
Bonds issued	10.3	10.4	10.5
Interbank borrowings	2.7	5.1	3.5

## Total deposits

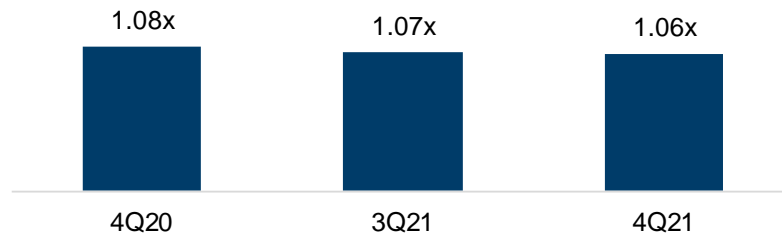
Y/Y% = 10.7%; (Exc. Fx = 4.4%)

Q/Q% = 4.1%; (Exc. Fx = 2.3%)

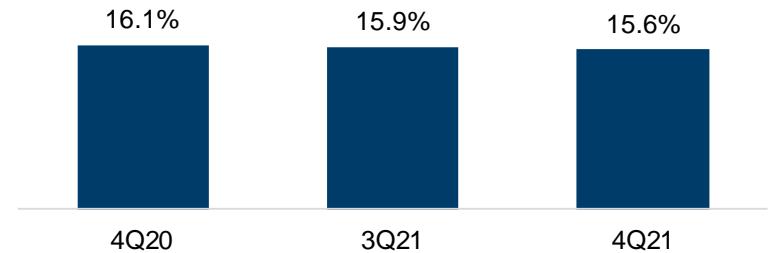


Deposit composition (%)	4Q20	3Q21	4Q21
Savings accounts	36.1	36.3	38.0
Checking accounts	24.2	25.2	25.3
Time deposits	39.4	38.3	36.5
Others	0.3	0.3	0.3

## Deposits / Net loans\* (%)



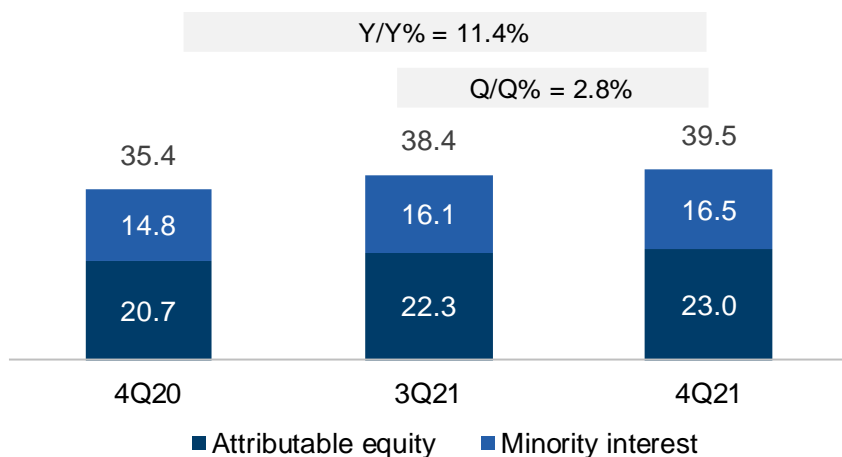
## Cash / Deposits (%)



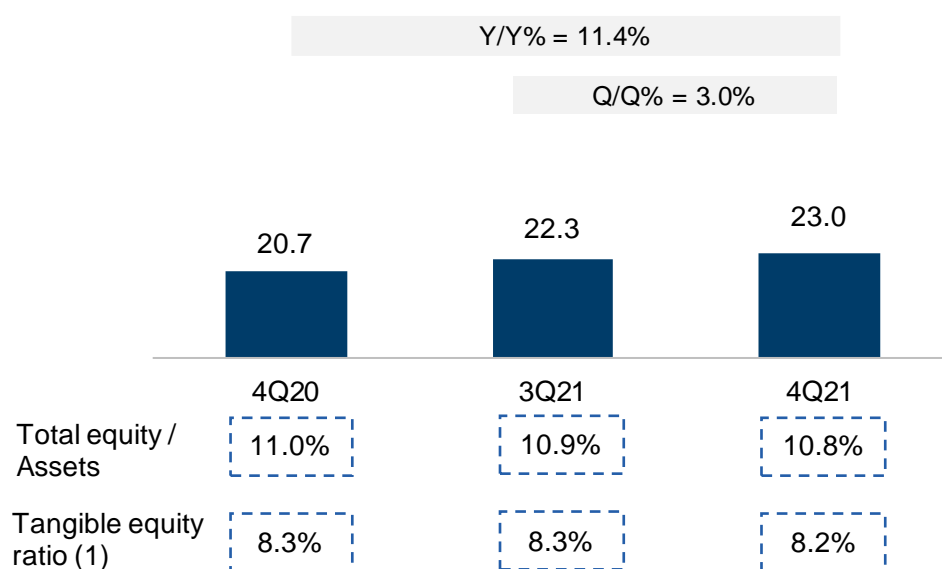
Exc. FX = Growth excluding FX movement of Central American Operations

(\*) Net Loans equals gross loans plus interbank and overnight funds net of allowance for impairment of loans and receivables

## Attributable Equity + Minority Interest



## Attributable Shareholders Equity



## Consolidated Capital Adequacy of our Banks (%)



	Banco de Bogotá			Banco de Occidente			banco popular			Banco AV Villas		
	4Q20 B II	3Q21 B III	4Q21 B III	4Q20 B II	3Q21 B III	4Q21 B III	4Q20 B II	3Q21 B III	4Q21 B III	4Q20 B II	3Q21 B III	4Q21 B III
Primary capital (Tier 1)	8.9 <sup>(2)</sup>	11.1 <sup>(2)</sup>	11.5 <sup>(2)</sup>	8.7	9.3	11.1	8.7	11.8	13.5	10.7	12.7	12.3
Solvency Ratio	12.1	13.5	13.5	10.6	11.7	12.3	10.5	13.5	14.5	12.0	13.3	12.9

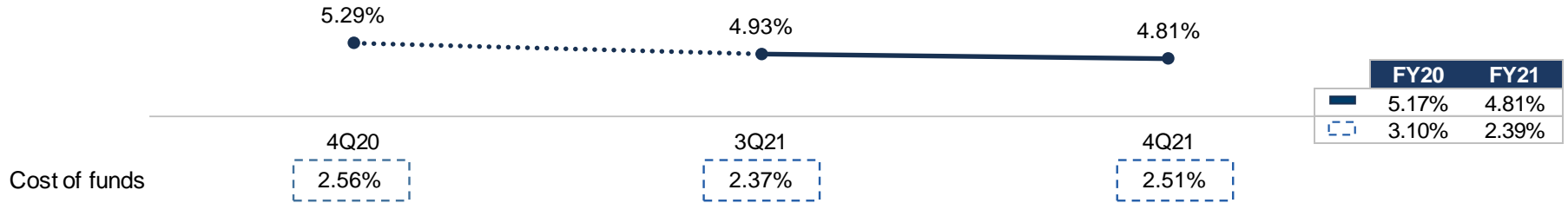
(1) Tangible Equity Ratio is calculated as Total Equity minus Goodwill and other Intangibles divided by Total Assets minus Goodwill and other Intangibles

(2) For 4Q20 Total Tier 1: CET1 :7.8% and AT1: 1.1%, 3Q21 under Basel III : Total Tier 1: CET1 :9.9% and AT1: 1.3% and for 4Q21 under Basel III : Total Tier 1: CET1 :10.2% and AT1: 1.3% .

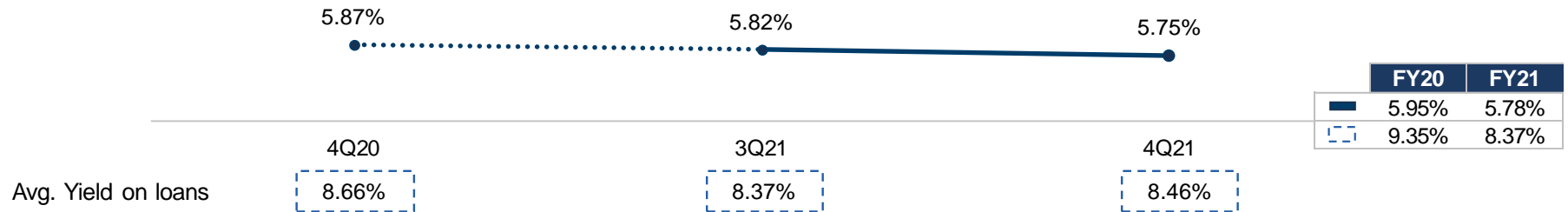


4Q20	3Q21	4Q21	4Q21 / 4Q20	4Q21 / 3Q21
3.4	3.3	3.4	0.0%	0.6%

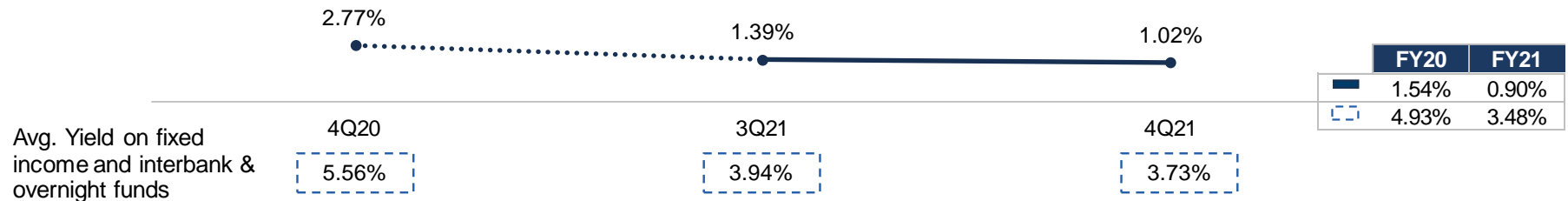
### Net Interest Margin<sup>(1)</sup>



### Loans Interest Margin<sup>(2)</sup>



### Net Investments Margin<sup>(3)</sup>



(1) Net Interest Income and Net Interest Margin: Includes net interest income plus net trading income from investment securities held for trading through profit or loss divided by total average interest-earning assets. NIM without income from investment securities held for trading through profit or loss was 4.9% for 4Q21, and 5.0% for 3Q21 and 4Q20.

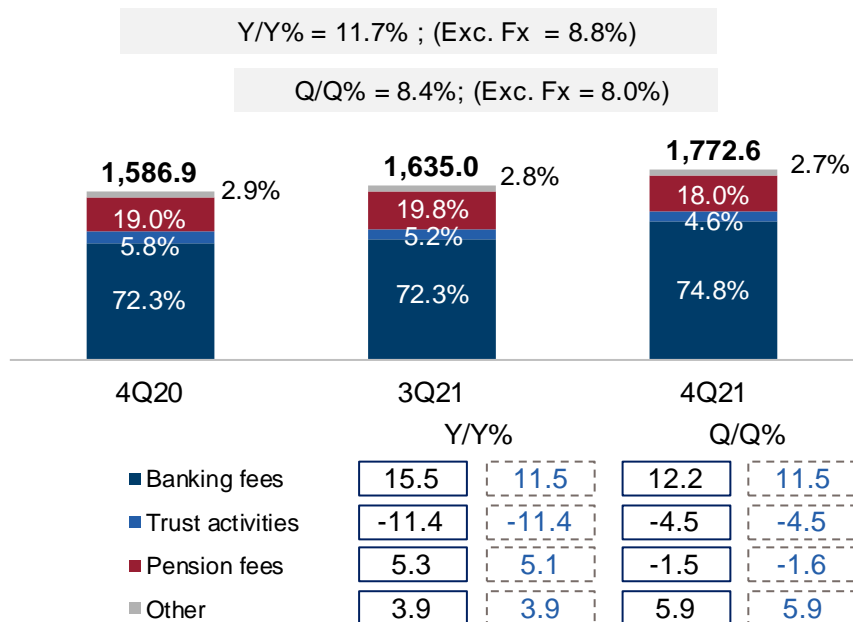
(2) Loans Interest Margin: Net Interest Income on Loans to Average loans and financial leases.

(3) Net Investments Margin: Net Interest income on fixed income securities, net trading income from equity and fixed income investment securities held for trading through profit and on interbank and overnight funds to Average securities and Interbank and overnight funds.

# Fees and other operating income

Figures in Ps. Billions

## Gross fee income



## Non-financial sector <sup>(1)</sup>

	4Q20	3Q21	4Q21	FY20	FY21
Energy & gas	594	266	231	1,139	1,060
Infrastructure	500	520	499	2,046	2,368
Hotels	13	3	17	-22	-14
Agribusiness	11	13	25	23	57
Other <sup>(2)</sup>	-102	-91	-96	-363	-372
<b>Total</b>	<b>1,016</b>	<b>711</b>	<b>676</b>	<b>2,823</b>	<b>3,098</b>

(1) Net income from sales of goods and services

(2) Reflects net NFS from Nexa BPO, Megaline and Aportes en Línea call-centers and other subsidiaries

% Growth excluding FX movement of Central American Operations

## Other operating income

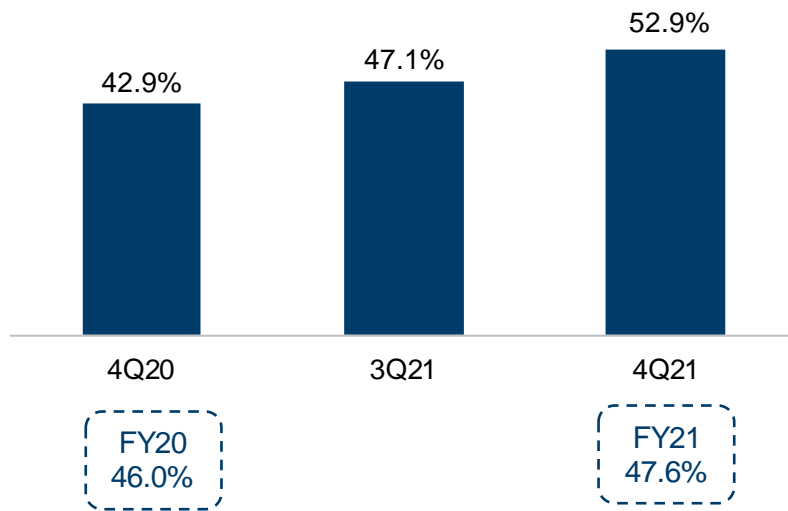
	4Q20	3Q21	4Q21	FY20	FY21
Foreign exchange gains (losses), net	731	26	85	363	87
Net income (loss) on financial derivatives	-216	136	151	531	711
Other trading income on derivatives	1	20	17	139	87
Derivatives and foreign exchange gains (losses), net (1)	516	182	253	1,032	885
Gains on valuation of assets	-47	6	13	-50	21
Net income from other financial instruments mandatory at FVTPL	60	63	63	252	270
Net gain on sale of investments and OCI realization	100	78	33	613	315
Gain on the sale of non-current assets held for sale	68	9	8	112	36
Income from non-consolidated investments <sup>(2)</sup>	65	128	81	312	459
Other income from operations	72	88	106	367	375
<b>Total other income from operations</b>	<b>833</b>	<b>553</b>	<b>557</b>	<b>2,639</b>	<b>2,362</b>

Exc. FX = Growth excluding FX movement of Central American Operations

(1) Includes income from trading and hedging derivatives reflected as part of the net trading income on the Statement of Profit or Loss.

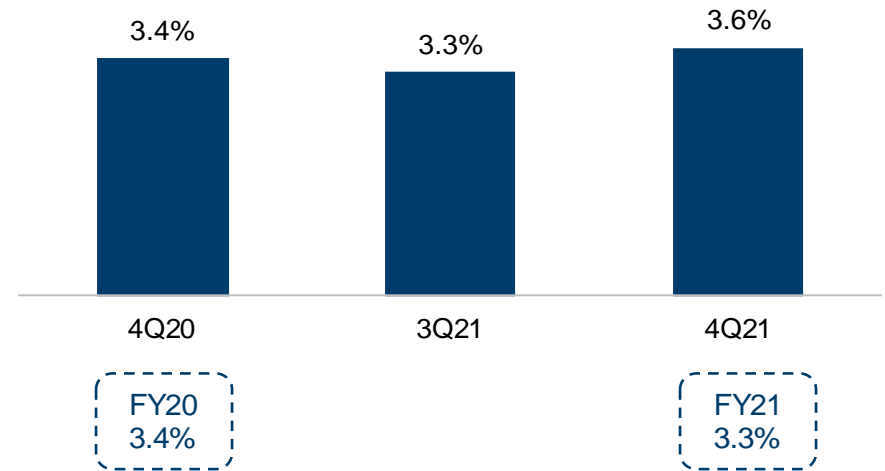
(2) Includes share of profit of equity accounted investees, net of tax, and dividend income.

## Cost to income



Cost to income efficiency ratio is calculated as total other expenses divided by net interest income plus net income from commissions and fees, net income from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income.

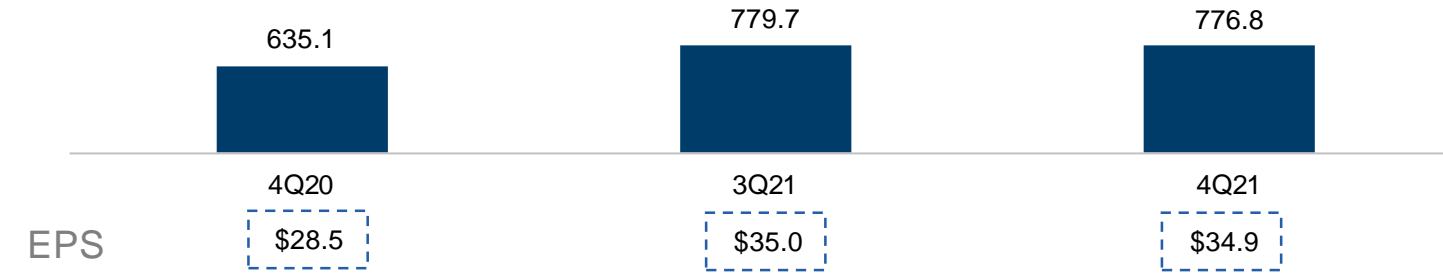
## Cost to assets



Cost to assets efficiency ratio is calculated as annualized total other expenses divided by average total assets.

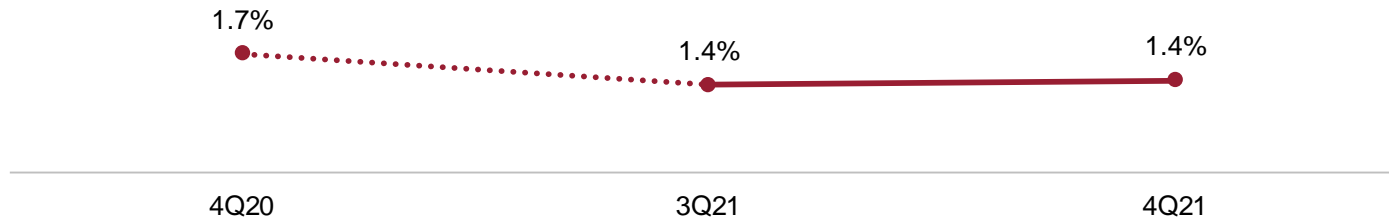
Figures in Ps. Billions

## Net income attributable to controlling interest



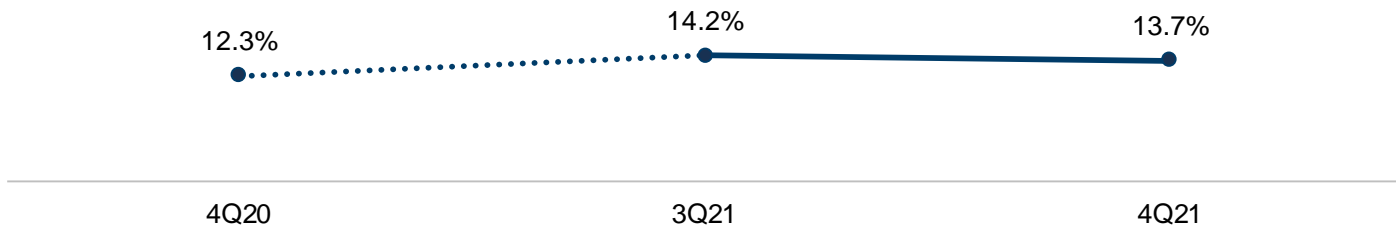
	FY20	FY21
■	2,349.5	3,297.7
□	\$ 105.4	\$ 148.0

## ROAA <sup>(1)</sup>



	FY20	FY21
■	1.5%	1.6%

## ROAE <sup>(2)</sup>



	FY20	FY21
■	11.7%	15.3%

<sup>(1)</sup>ROAA for each quarter is calculated as annualized Net Income divided by average of total assets.

<sup>(2)</sup>ROAE for each quarter is calculated as annualized Net Income attributable to Aval's shareholders divided by average attributable shareholders' equity

Grupo

