

# EMERGING RISKS

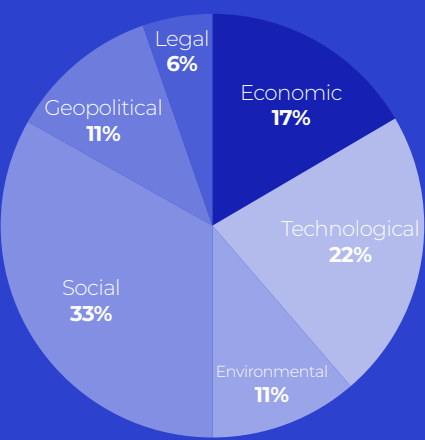
# ANALYSIS 2025

As part of Grupo Aval's corporate risk management strategy, we have identified emerging risks that could affect the normal operation of Grupo Aval and our financial subsidiaries in the short and medium term. For the 2024 analysis, we enriched the study of these risks with various sources of information. This has allowed us to expand the scope of the analysis and the information included, strengthening the process of identifying these risks.

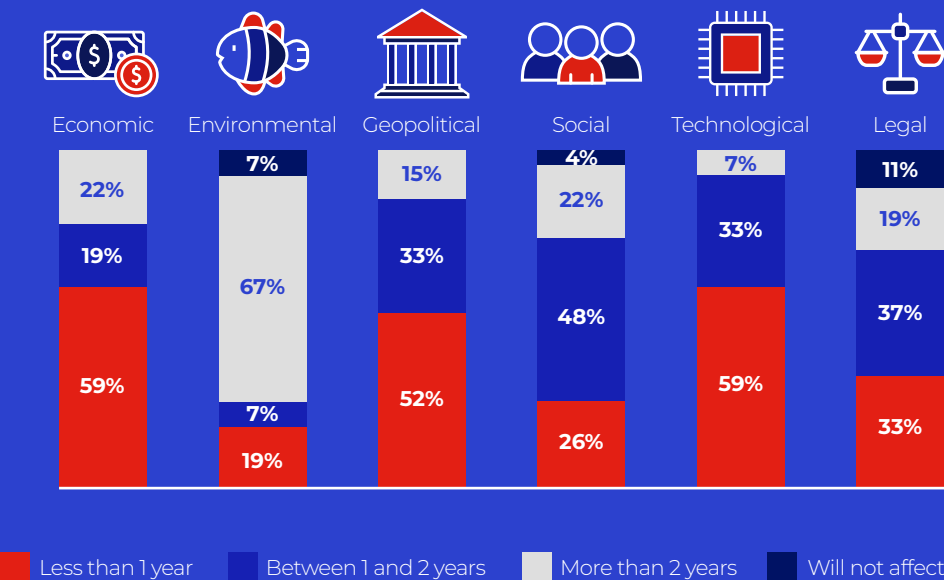
The methodology considers an analysis of the factors (PESTAL): Political, Economic, Social, Technological, Environmental, and Legal, which can combine in some risks. To complement this analysis, we conducted a survey led by the risk areas of the entities.

As a result of the survey, the following outcomes were obtained:

Emerging Risks Classified by categories (PESTAL)



Impact horizon by category (PESTEL)



After evaluating the identified risks, it was established that the emerging risks that could impact the business lines in the short term are:

## 1 GEOECONOMIC CONFRONTATION (ECONOMIC)

In an increasingly polarized world, where leaders adopt more extreme and less conciliatory positions, international tensions are on the rise. Ideological differences between economies lead to conflicts such as U.S.-Mexico migration issues, the U.S.-China trade dispute, and free-market policies promoted by the U.S. and the European Union. While not always military in nature, these tensions often play out through trade, with powerful nations using economic tools to pursue their goals.

This scenario significantly impacts economies like Colombia's, which heavily depend on foreign trade. The country could be directly affected by tariff measures or unfavorable revisions to trade agreements, or indirectly by aligning with strategic blocs. Colombia's vulnerability lies in its reliance on raw material exports and manufactured goods imports, making it sensitive to tariff changes and rising costs.

Although Colombia may not be a central player in these disputes, its foreign policy plays a crucial role in anticipating and mitigating potential impacts. The country's ability to adapt its diplomatic and economic strategies will be essential to reduce risks and navigate the challenges of global tensions.

The economic uncertainty stemming from these conflicts may impact Grupo Aval and its banking entities by increasing credit risk and straining financial results, due to pressure on the country's financial stability. This scenario demands a proactive approach to geopolitical risk management within the corporate strategy.

Some actions we have taken to mitigate the effects include:



**CONSTANT MONITORING**  
of the economic and social situation and its impact on Grupo Aval and its entities.



**TRACKING**  
the liquidity positions of investments



**PARTICIPATION IN THE ASSET AND LIABILITY**  
Committee of each bank, where they review market evolution and their active and passive positions.



**CONTROL AND VERIFICATION**  
of client limits for both assets and liabilities of each entity.



**STRESS SCENARIO ANALYSIS**  
of credit, market, and liquidity risks.


## 2 CYBER ESPIONAGE AND CYBER CONFLICTS (TECHNOLOGICAL)

In a digital environment flooded with false information and growing difficulty in verifying it, the financial industry faces new risks. Misinformation exposes clients to fraud, worsened by technologies that can analyze and replicate digital behavior to impersonate individuals in financial transactions.


Protecting personal information becomes critical as cyberattacks increase. Financial institutions must assess the potential impact of cyber conflicts, as these could threaten operational stability and data security.

These threats may seriously impact the reputation and financial standing of Grupo Aval, its entities, and other companies in the financial sector, due to potential claims from customers affected by failures in the protection of their personal information.


Some actions we have taken to mitigate the effects include:



**BRAND MONITORING**  
on social networks.



**SECURITY TESTS**  
on the entities' portals and applications from different scenarios.



**INCREASED MONITORING OF ALERT**  
signals that could lead to potential cybersecurity incidents.



**FINANCIAL EDUCATION**  
campaigns for the proper use of channels.



**IMPLEMENTATION**  
of an external transactional fraud risk management system.