



CORPORATE SUSTAINABILITY POLICY

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1. PROCESS

Marketing & ESG

2. GENERAL

Grupo Aval Acciones y Valores S.A. (Grupo Aval), recognizes sustainability as a principle and is committed to continue adopting the best responsible business practices that contribute to sustainable development in the markets where it operates. This policy seeks to promote sustainable progress for the collective well-being and establishes clear guidelines for the management of Grupo Aval's subordinate entities in sustainability matters, following the main national and international standards.

3. OBJECTIVE

To integrate sustainability in all business areas of Grupo Aval and its subordinate entities, promoting the generation of shared value and contributing to the construction of a fairer and more sustainable society. We seek a balance between economic growth, social well-being and environmental preservation.

4. SCOPE

The Corporate Sustainability Policy establishes the general guidelines for Grupo Aval and its subordinate entities to implement, through their governance bodies, the guidelines described in this document to contribute to sustainable growth, based on good environmental, social and corporate governance (ESG) practices.

5. GLOSSARY

- **ESG:** Environmental, Social and Corporate Governance Matters or Criteria.
- **Climate Change:** weather modification with respect to climate history on a global or regional scale.
- **Entities/ Affiliates/ Subordinates:** companies that are part of the business group and whose actions directly impact the business in terms of reputation and financial materiality.
- **Stakeholder:** individual, entity or organization that may be directly or indirectly impacted by the business activities and that, in turn, has direct or indirect influence on the company.
- **Holding Company, Grupo Aval or the Company:** refers to Grupo Aval Acciones y Valores S.A.
- **Sustainable Development Goals (SDGs):** these are a universal call to action in favor of people, the planet, prosperity and universal peace. In 2015, the United Nations General Assembly unanimously approved the 2030 Agenda for Sustainable Development, which has 17 Sustainable Development Goals (SDGs) and 169 concrete targets to be achieved by 2030¹.

¹ United Nations: Retrieved from: <https://www.un.org/sustainabledevelopment/es/development-agenda/>

- **Natural Resources:** elements provided by nature spontaneously, without human intervention. There are renewable and non-renewable natural resources, which are used by human beings to satisfy their needs for their vital and economic development².
- **Sustainability:** according to the UN, it refers to meeting the needs of the present without compromising the ability of future generations to meet their own needs.

6. REGULATIONS

Sustainability at Grupo Aval is based on current and applicable regulations, as well as on different references, guidelines, principles and national and international standards, which allow guaranteeing a correct management of ESG issues at the different business levels.

7. GENERAL GUIDELINES

7.1 SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Grupo Aval's sustainability strategy is aligned with the United Nations Agenda 2030 and its Sustainable Development Goals, where different actions are generated to contribute to the global goals. Grupo Aval's entities, according to their reality, business projection, context and sustainability strategies, tend to prioritize the SDGs to which they contribute.

7.2 RELATIONSHIP WITH STAKEHOLDERS

Grupo Aval and its subordinates are committed to identify and manage their stakeholders, maintaining an open, constructive, transparent and close communication, considering their expectations and needs related to the Group's activities. The holding company maintains a two-way and close relationship with its stakeholders: Board of Directors, entities, shareholders and investors, collaborators, communities, opinion leaders, national and local governments, regulatory entities and suppliers.

7.3 COMMITMENTS

Grupo Aval's sustainability strategy is aligned with the strategic business pillars, which are oriented to the creation of sustainable value and the general well-being of society, through its entities by means of the following commitments:

- **Strive for sustainable economic development** that contributes to the growth of the country and generates value for investors and shareholders, through the generation of employment, the incorporation in the market of products and services under an ESG approach, investments with sustainability criteria, among others.
- **Generate social impact** through actions that provide wellbeing to communities with programs focused on: fostering financial inclusion and education, promoting diversity, equity and inclusion, improving people's quality of life, generating alliances with strategic actors to respond to social needs and other initiatives that contribute to the sustainable development of the country.
- **Generate environmental impact** with initiatives for the preservation and conservation of ecosystems of high value for the country and through the promotion and responsible

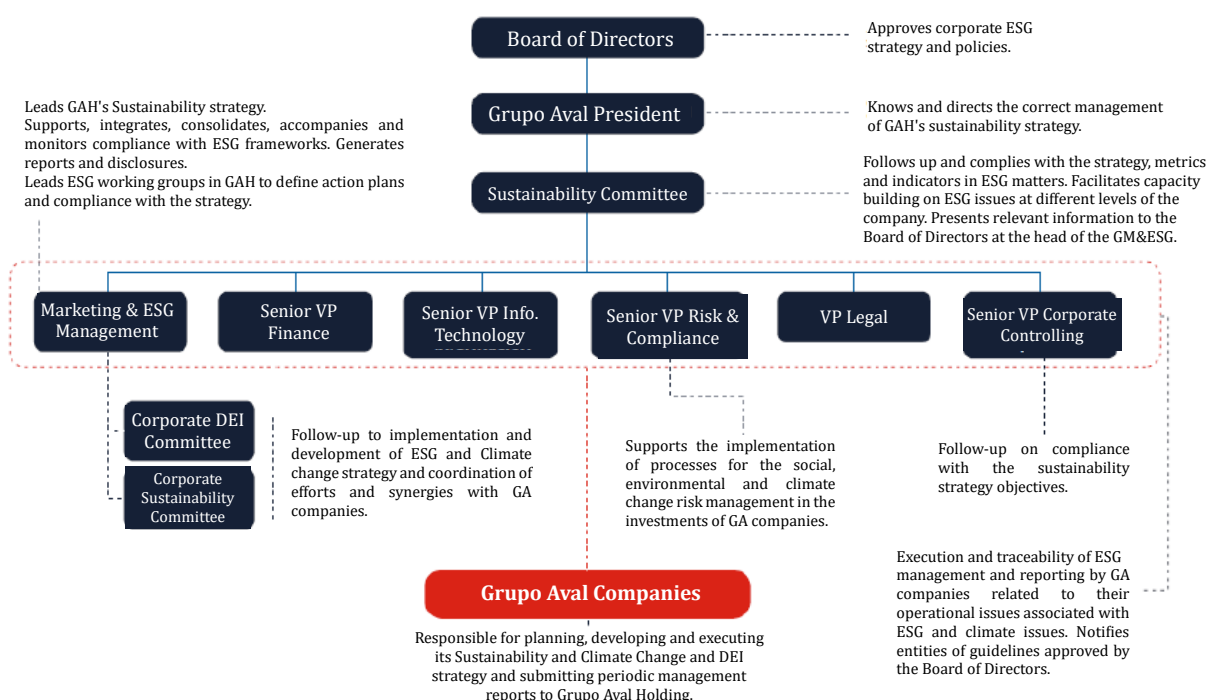
² Green ecology. Retrieved from: <https://www.ecologiaverde.com/recursos-naturales-de-colombia-3235.html#:~:text=The%20natural%20resources%20are%20those%20whose%20vital%20and%20economic%20development.>

use of natural resources in operations, to reduce water and energy consumption, and waste generation.

- **Develop adaptation and mitigation strategies to climate change** in search of carbon neutrality of Grupo Aval and its entities, as well as the reduction of the carbon footprint.
- **Meet the needs and expectations of stakeholders** through a permanent relationship with a transparent, periodic, close and participative communication, which allows us to increase trust and mitigate impacts that may affect the business.
- **Become a benchmark for good governance practices**, acting under the highest international standards to ensure transparency, accountability and ethics in all operations.
- **Promote an inclusive work environment** that celebrates diversity and promotes equal opportunities for all people.
- **Foster a collaborative culture** of continuous learning and personal and professional development that promotes responsible behavior under a sustainability approach by Grupo Aval's employees and subordinate entities.

7.4 SUSTAINABILITY GOVERNANCE

Sustainability management is fundamental for the correct development of the business. The governance structure involves the Board of Directors, the Presidency, the Sustainability Committee and strategic areas of the holding company, establishing roles and responsibilities at different levels.



Board of Directors

The Board of Directors is the highest level of management with respect to ESG matters and will be responsible for approving the sustainability strategy and corporate policies related to social and environmental issues, including climate change issues. To ensure proper management of these matters, a member will be elected to represent the Board of Directors due to his or her knowledge and experience in ESG matters, to attend the instances that are required.

For monitoring and decision making, the Board of Directors shall rely on the Sustainability Committee. The Board shall be informed of the actions of Grupo Aval entities in the development of sustainability strategies. The Board shall have periodic training on ESG issues, including those related to climate change.

Presidency of Grupo Aval

- Lead and direct the correct execution of Grupo Aval's sustainability strategy, defining the vision and establishing long-term strategic objectives that integrate environmental, social and corporate governance (ESG) considerations.
- Present ESG issues to the Board of Directors, so that they are taken into account in strategic decisions.
- Promote the implementation of concrete policies and practices that promote sustainability at all levels of the business.

Sustainability Committee

- Support and oversee compliance with the metrics and indicators established for material issues, including the management and monitoring of environmental, social and corporate governance risks and opportunities.
- Validate compliance with the implementation of the sustainability strategy and facilitate capacity building on these issues at different levels of the company.

The Marketing & ESG Management or whoever takes its place periodically convenes strategy follow-up sessions and submits relevant information to the Board of Directors every six months as a result of the management of Grupo Aval's sustainability strategy. It generates an annual space for training and/or annual awareness-raising before the Board of Directors on topics associated with ESG and climate change issues.

Vice-Presidencies of Grupo Aval

- Execute actions within Grupo Aval and keep traceability of the management and information of Grupo Aval entities related to material issues associated with its management.
- Notify the entities of the guidelines approved by the Board of Directors and follow up on compliance with each of them.

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Marketing & ESG Management or whoever acts as such.

- Implement Grupo Aval's sustainability strategy, providing support and accompaniment to the different areas.
- Ensure compliance with ESG frameworks, as well as the generation of reports and disclosures for internal and external use.
- Lead the ESG working groups in Grupo Aval to define action plans and compliance with the strategy.
- Follow up on each of Grupo Aval's entities in the implementation and development of the ESG and climate change strategy, through the Sustainability and Diversity, Equity and Inclusion Committees.

Corporate Senior Vice-Presidency of Risks and Compliance

- Support the implementation of processes for the development and management of ESG risk matrices, including those derived from climate change, in Grupo Aval entities.
- Generate reports and information for related decision making, as required.

Grupo Aval's Subordinate Entities

- Plan, develop and execute their sustainability strategy, aligned with Grupo Aval's strategies and report periodically to the Group on their management. For purposes of its application, each of Grupo Aval's entities must adopt its own policy in terms consistent with those set forth herein.

7.5 ENTRY INTO FORCE OF THIS POLICY

This Policy shall become effective from its approval by the Board of Directors of Grupo Aval.

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