
ANALYSIS AND
DEFINITION PROCESS
DOUBLE MATERIALITY

2025

CONTEXT OF DOUBLE MATERIALITY

The double materiality analysis allows us to evaluate the impact of environmental, social and corporate governance factors on the financial performance of the organization (financial materiality), as well as the effects of our operations on the environment and society (materiality of impact) to define those priority issues for the business strategy and our stakeholders.

We align this process with national and international requirements related to ESG disclosure, such as:

- Circular 031 of the Financial Superintendence of Colombia.
- Global Reporting Initiative – GRI.
- Sustainability Accounting Standards Board – SASB.
- Task Force on Climate-related Financial Disclosures – TCFD.
- IFRS S1 - Sustainability-related disclosures.
- IFRS S2 – Climate-related disclosures.



DOUBLE MATERIALITY PROCESS

This is a comprehensive process that **we review annually and update every two years** to ensure its validity and alignment with our strategy; It includes dialogue with our key stakeholders, both internal and external, and the assessment of the impacts, risks and opportunities that drive long-term value creation.

This analysis **guides our strategic decisions** and ensures that our sustainability initiatives are aligned with global standards and meet the expectations of our stakeholders.



1. Identification of best practices and benchmarking:

We analyze the internal and external context of the organization, considering Grupo Aval's subsidiaries and industry peers at a national and international level, and the frameworks, requirements of regulatory entities and main challenges of the sector.

2. Stakeholder involvement:

We invite our stakeholders, internal and external, to evaluate the material matters previously identified according to the relevance of the impacts, risks and opportunities they represent for Grupo Aval.

3. Double materiality analysis:

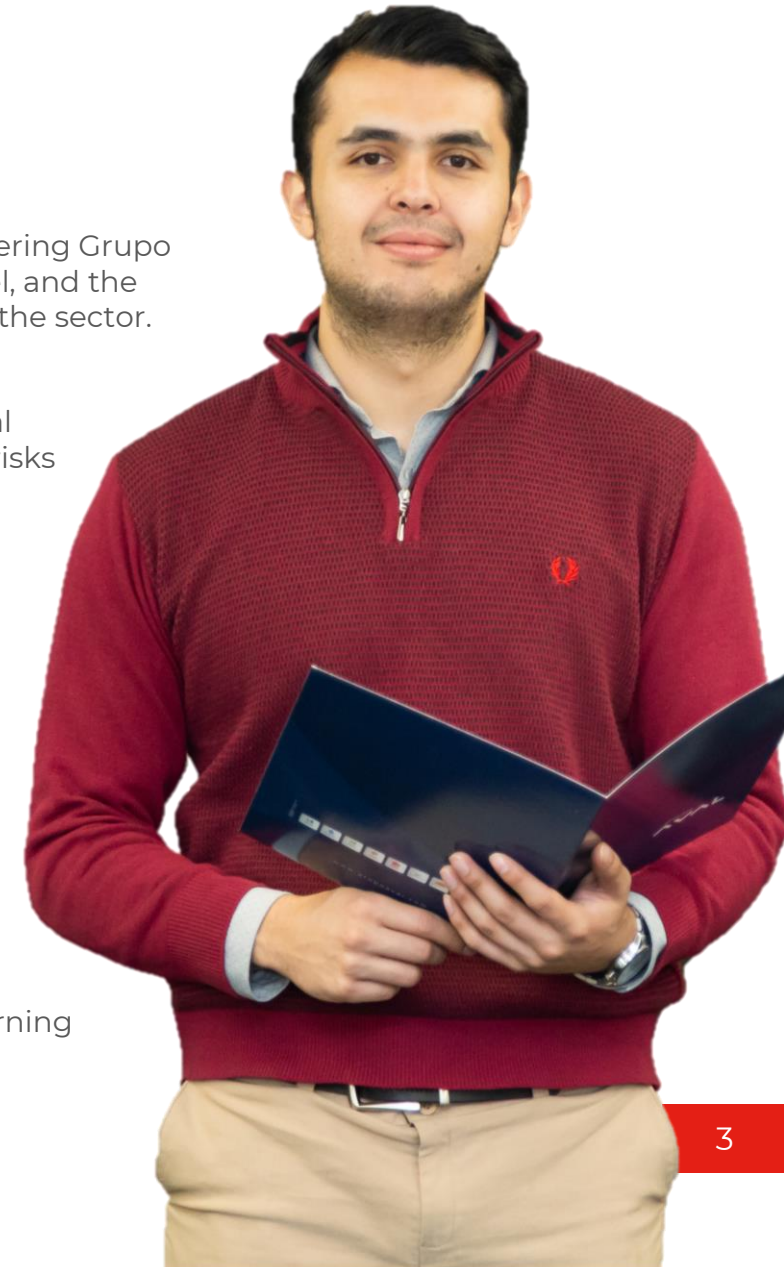
We integrate the vision of financial materiality, referring to how ESG issues affect Grupo Aval's financial performance, and impact materiality, understanding how the company's activities affect the environment, society and the economy. We build the matrix with the prioritized issues.

4. Strategic alignment:

We align the prioritized issues with Grupo Aval's strategic planning and establish corporate objectives that consider the national and international sustainability agenda.

5. Review:

We present material matters to the Board of Directors, our highest governing body, for approval. The results of this assessment are integrated into the comprehensive enterprise risk management process.



STAKEHOLDER MANAGEMENT



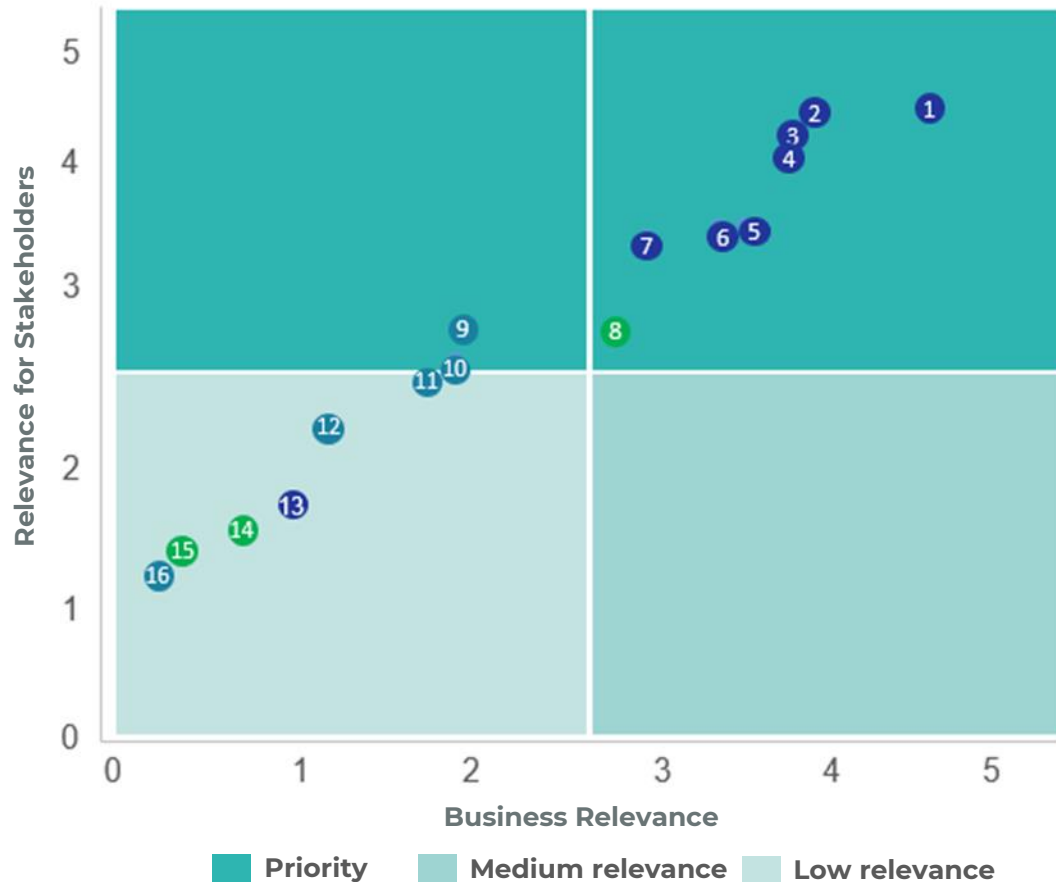
At Grupo Aval we recognize that **constant and transparent dialogue** with our stakeholders is essential for the sustainable development of the organization.

We identify and analyze our main audiences, promote communication through channels and mechanisms of participation and develop actions **that strengthen the link and allow us to respond to their needs effectively.**

Our **main stakeholders** are:

- **Board of Directors:** The highest management body, in charge of approving the policies, strategies, monitoring, and evaluation of the work proposed by the Holding's senior management and our subordinate entities.
- **Subsidiaries:** Entities over which Grupo Aval exercises direct or indirect control.
- **Shareholders and Investors:** Shareholders and bondholders of the company.
- **Collaborators:** Human team that makes it possible for organizational objectives to be met and those who manage projects in our subordinate entities.
- **Media and opinion leaders:** Mass and digital media, and people who publish information about us and our subsidiaries and who are important for brand and reputation management.
- **Government and regulatory entities:** Organizations that issue regulatory requirements and carry out constant and permanent monitoring of the financial and non-financial information of the Holding Company and our subordinates.
- **Suppliers:** People and companies that provide us with supplies and services.
- **Community:** People and communities that we impact directly or indirectly with the activities, decisions and programs we carry out.
- **Other:** Those identified and prioritized by the subsidiaries.

DOUBLE MATERIALITY MATRIX



Business and Corporate Governance

- 1. Economical and Profitable Performance
- 2. Information Security and Cybersecurity
- 3. Innovation and Digital Transformation
- 4. Comprehensive Risk Management
- 5. Responsible Investment
- 6. Sustainable Finance
- 7. Corporate Governance, Ethics and Compliance
- 13. Sustainable Supply Chain

Social

- 9. Generation of Social Value
- 10. Diversity, Equity, and Inclusion
- 11. Financial inclusion and education
- 12. Human Talent Management
- 16. Human Rights

Environmental

- 8. Climate Change Management
- 14. Biodiversity
- 15. Operational Efficiency

280 representatives of our Stakeholders were surveyed.

External Assurance:

The methodological process of double materiality analysis **was ensured by an external third party** in accordance with the guidelines of the International Standard for Assurance Engagements **ISAE 3000** (revised), assurance engagements other than auditing or reviewing historical financial information issued by the International Auditing and Assurance Standards Board (IAASB).

DEFINITION OF MATERIAL MATTERS

1. Climate change management: Design actions to adapt to climate change, reduce our carbon footprint and create products or services that help an economy with a lower environmental impact.

2. Corporate governance, ethics and compliance: Ensure transparent, ethical and responsible business management to generate trust in all stakeholders.

3. Human talent management: Attract, develop and retain qualified talent to ensure the success of the business.

4. Profitable economic performance: Maintain a solid business, with long-term growth and financial stability.

5. Comprehensive risk management: Identify, measure and mitigate risks, including traditional financial risks and those related to environmental, social and corporate governance factors.

6. Information security and cybersecurity: Protect information and guarantee cybersecurity to ensure operational continuity and stakeholder trust.

7. Innovation and digital transformation: Promote digital transformation through innovative and high-impact solutions that respond to current and future challenges.

8. Sustainable finance: Promote the design of financial products and services that support sustainable development in Grupo Aval entities, such as environmental and social bonds or sustainable loans.

9. Business inclusion: Promote equity, diversity and an inclusive work environment free of discrimination.

10. Operational eco-efficiency: Use natural resources efficiently to minimize environmental impact and reduce costs in operations.

11. Human rights: Respect human rights in all business activities and prevent any type of violation.

12. Financial inclusion and education: Facilitate access to financial products and services, providing society with tools to make informed decisions.

13. Sustainable supply chain: Integrate environmental, social and ethical practices and apply criteria in the stages of supplier selection and management.

14. Responsible investment: Establish a framework for financing and investment with environmental, social and corporate governance criteria, for the generation of value over time.

15. Generation of social value: Develop initiatives that contribute to collective well-being by contributing to the reduction of inequalities, especially in the most vulnerable populations.

16. Biodiversity: Promote the financing of projects and the development of initiatives to protect and conserve biodiversity.








IDENTIFYING IMPACTS, RISKS AND OPPORTUNITIES

Material Theme	Potential risks	Positive or negative impacts	Opportunities
Information Security and Cybersecurity	<ul style="list-style-type: none"> Leaks of sensitive information and data. Vulnerability in the technological infrastructure. Disruption of operations due to cyberattacks. 	<ul style="list-style-type: none"> + Data protection and stakeholder trust. + Operational continuity and disruption mitigation. + Strengthening of corporate reputation. - Vulnerabilities to sophisticated attacks. 	<ul style="list-style-type: none"> Implementation of advanced technologies. Continuous training for stakeholders. Security certifications and standards.
Innovation and Digital Transformation	<ul style="list-style-type: none"> Loss of customers to more agile competitors. Security vulnerabilities arising from emerging technologies. 	<ul style="list-style-type: none"> + Access to new markets and customer segments. + Increased competitiveness and differentiation. 	<ul style="list-style-type: none"> Digital inclusion. Development of new products and services.
Comprehensive Risk Management	<ul style="list-style-type: none"> Underestimation of ESG risks. Failure to comply with risk policies. Lack of preparation for systemic or disruptive events. 	<ul style="list-style-type: none"> + Identification and effective mitigation of risks, including ESG risks. + Increased investor and customer confidence. + Increased organizational resilience in the face of crises or unexpected events. 	<ul style="list-style-type: none"> Incorporate advanced risk analysis tools with an ESG approach. Develop integrated systems that unify risks. Strengthening of the organizational culture oriented to proactive risk management.
Responsible Investment	<ul style="list-style-type: none"> Exposure to companies with low ESG performance in portfolios. Lack of reliable information to evaluate ESG criteria. Lobbying for greater transparency and accountability. 	<ul style="list-style-type: none"> + Active contribution to social development. + Improvement of corporate reputation. - Difficulties in accurately measuring and reporting ESG impact 	<ul style="list-style-type: none"> Develop clear ESG investment selection criteria. Reporting ESG impact under internationally recognized standards and frameworks.

IDENTIFYING IMPACTS, RISKS AND OPPORTUNITIES

Material Theme	Potential risks	Positive or negative impacts	Opportunities
Sustainable Finance	<ul style="list-style-type: none"> • Low demand for sustainable products. • Risk of greenwashing. • Outdated in the face of sustainable finance regulatory frameworks. • Inadequate integration of ESG criteria in credit analysis. 	<ul style="list-style-type: none"> + Promotion of projects with environmental and social benefits. + Innovation in sustainable financial products. - Reputational impact and possible regulatory non-compliance due to greenwashing practices. 	<ul style="list-style-type: none"> • Access to specialized financing and green funds. • Strengthen credit analysis and business strategy processes through sustainable finance criteria. • Creation of sustainable financial products.
Corporate Governance, Ethics and Compliance	<ul style="list-style-type: none"> • Cases of corruption or bad practices that affect the business and reputation. • Non-compliance with regulations. • Conflicts of interest not properly managed. 	<ul style="list-style-type: none"> + Strengthening of the internal ethical culture. - Reputational damage due to non-compliance and cases of corruption. 	<ul style="list-style-type: none"> • Strengthen internal control mechanisms.
Generation of Social Value	<ul style="list-style-type: none"> • Perception of limited impact on communities. • Poor measurement of the social return on investment. • Disconnection between social actions and business strategy. 	<ul style="list-style-type: none"> + Improvement in the quality of life of vulnerable communities. + Strengthening relationships with stakeholders. - Perception of welfare or superficial actions. 	<ul style="list-style-type: none"> • Design cross-cutting social programs • Create synergies to enhance impact. • Incorporate social impact indicators and continuous monitoring.
Diversity, Equity, and Inclusion	<ul style="list-style-type: none"> • Employment discrimination or unconscious biases. • Disconnection between corporate discourse and real practices. • Legal risk due to non-inclusive labor practices. 	<ul style="list-style-type: none"> + More innovative, collaborative and empathetic work environments. + Greater attraction and retention of human talent. - Affection of the organizational climate and reputation. - Internal cultural resistance to structural changes 	<ul style="list-style-type: none"> • To make internal diagnoses about unconscious biases. • Set measurable DEI goals. • Strengthen DEI training programs.
Climate Change Management	<ul style="list-style-type: none"> • Financial exposure to sectors vulnerable to climate regulations. • Physical impacts of climate change on assets or infrastructure. • Legal failure to disclose information related to climate change. 	<ul style="list-style-type: none"> + Reduction of the company's own carbon footprint and the investment portfolio. + Regulatory compliance and anticipation of regulations. - Technical complexity in the measurement, disclosure and traceability of climate risk. 	<ul style="list-style-type: none"> • Implementation of actions within the framework of the climate strategy. • Progressive decarbonization of the investment and financing portfolio. • Implementation of international reports (TCFD and TNFD).

MANAGEMENT OF MATERIAL MATTERS












Material Theme	Related SDGs	Policy and commitment	Action
Information Security and Cybersecurity		<ul style="list-style-type: none"> Corporate Information Security and Cybersecurity Policy. Personal Data Processing Policy. Information Security Model. Strategic Committee on Technology and Innovation. 	<ul style="list-style-type: none"> Strengthening of the control and response environment against cyberattacks based on standards such as: COBIT, NIST Security Framework, CIS, ISO 27000, ITIL, among others, complying 100% with SOX regulations.
Innovation and Digital Transformation	 	<ul style="list-style-type: none"> Strategic Committee on Technology and Innovation. 	<ul style="list-style-type: none"> Migration of applications to the cloud and evolution of the digital portfolio. Launch of Tag Aval¹. Strategic alliance with Microsoft².
Comprehensive Risk Management		<ul style="list-style-type: none"> Policy for the Comprehensive Risk Management of the Conglomerate. Manual System for Operational Risk Management 	<ul style="list-style-type: none"> Integration of ESG risks into the comprehensive enterprise risk system. Training of employees in terms of risks.
Responsible Investment		<ul style="list-style-type: none"> ESG Corporate Policy. Responsible Investment Policies (of Grupo Aval entities). 	<ul style="list-style-type: none"> Development of the social investment strategy. Principles for Responsible Investment (PRI)³.

¹ Tag Aval is an alphanumeric key created by Grupo Aval to facilitate immediate, free, and secure transfers between users, even if they belong to different financial institutions. It works as a unique and customizable alias that replaces the need to share sensitive data such as account numbers or phone numbers.

² An alliance that seeks to promote the incorporation of artificial intelligence-based solutions on four fundamental strategic pillars: sustainable growth, operational efficiency, process optimization, and prudent risk management, with the vision of generating long-term business value.

³The Principles for Responsible Investment (PRI) are a set of voluntary investment principles that offer a series of possible measures for incorporating environmental, social, and corporate governance (ESG) factors into investment practices.

MANAGEMENT OF MATERIAL MATTERS

Material Theme	Related SDGs	Policy and commitment	Action
Sustainable Finance	  	<ul style="list-style-type: none"> Sustainable Finance Statement. ESG Corporate Policy. 	<ul style="list-style-type: none"> Taxonomy of Guarantee Banks for the sustainable portfolio. Accession to the United Nations Environment Programme Finance Initiative (UNEP FI). Principles for Responsible Banking (PRB)¹. Issuance of sustainable bonds.
Corporate Governance, Ethics and Compliance		<ul style="list-style-type: none"> Code of Ethics and Conduct. Corporate Policy on the Risk of Money Laundering, Terrorist Financing and the Proliferation of Weapons of Mass Destruction Internal Operating Regulations of the Board of Directors Code of Good Governance. Corporate Anti-Corruption Policy. 	<ul style="list-style-type: none"> Development of the Guidelines of Boards of Directors. Meeting of Boards of Directors. Improvement in the results in the Best Corporate Practices – Country Code survey.
Generation of Social Value	  	<ul style="list-style-type: none"> ESG Corporate Policy. 	<ul style="list-style-type: none"> Misión La Guajira Project². Development of corporate volunteering. Development of financial inclusion and education programs.
Diversity, Equity, and Inclusion	  	<ul style="list-style-type: none"> Corporate Human Rights Policy. Corporate Diversity and Inclusion Policy. Labor Coexistence Policy. 	<ul style="list-style-type: none"> Friendly Biz Certification³. Membership in the Chamber of Diversity.
Climate Change Management		<ul style="list-style-type: none"> ESG Corporate Policy. 	<ul style="list-style-type: none"> Development of Grupo Aval's Climate Strategy.

¹ The Principles for Responsible Banking (PRB) are a voluntary framework created by UNEP FI to guide the banking industry in aligning its strategies and operations with environmental and social sustainability. The aim is for banks to identify and take advantage of business opportunities arising from a more sustainable economy, while managing the associated risks, contributing to the UN Sustainable Development Goals (SDGs) and the Paris Agreement.

² The Misión La Guajira project is a public-private partnership between the Presidency of the Republic of Colombia, Grupo Aval, and Promigas, with the support of Prisa Media and La W. Its main objective is to bring development to the Wayúu communities in the municipalities of Manaure and Uribia through comprehensive and sustainable solutions that address vital needs for access to drinking water, sustainable energy, and food security.

³ Friendly Biz is an international certification that endorses companies and organizations as spaces free of discrimination and that promote diversity, equity, and inclusion for diverse populations.

IMPACT EVALUATION

IMPACT OF MATERIAL ISSUES FOR GRUPO AVAL'S VALUE CREATION

The effective management of this risk and the fulfillment of cybersecurity goals are part of the Balanced Scorecard (BSC) and are directly linked to the variable compensation of executives, ensuring alignment between corporate strategy, risk management and the results obtained.

Learn more in our 2024 Management and Sustainability Report (page 99 of the pdf).



Category: ● Business & Corporate Governance Material topic: 2. Information Security and Cybersecurity/ Impact Type: Risk	
Business Case	Grupo Aval Strategies
<p>In the current context, information security and cybersecurity are one of the most critical risks for the sustainability of our operation. As our banks are the most materialistic within the Group, this risk is significantly increased, as any incident could compromise the integrity, confidentiality and availability of financial and personal information of millions of customers, directly affecting market confidence, operational stability and regulatory compliance.</p> <p>A serious cybersecurity event could lead to considerable financial losses from sanctions, fraud, or service interruptions, as well as reputational and legal impacts that are difficult to reverse. In Colombia, Law 1581 or Data Protection Law was created to guarantee the security and protection of personal data that are stored in the different databases of entities of a public or private nature and that carry out some type of processing on the data. Failure to comply with the Data Protection Law exposes economic and operational sanctions, however, exposure to reputational issues that can be harmful to companies is also considered:</p> <ul style="list-style-type: none"> • Economic penalties of up to 2,000 SMMLV. • Suspension of treatment-related activities for up to six (6) months. • Temporary closure of operations related to data processing. • Definitive closure of operations related to the processing of sensitive data. 	<p>Our strategic axes for mitigating information security and cybersecurity risks are based on:</p> <p>Proactively identify and manage risks, supported by clear policies, robust access controls, and up-to-date technologies to protect critical infrastructure.</p> <p>Promote an organizational culture through continuous training of internal teams and suppliers, along with constant monitoring of systems for timely detection of incidents.</p> <p>We have a response and recovery plan for any eventuality, as well as a focus on continuous improvement and regulatory compliance that guarantee the resilience and protection of information in a constantly evolving digital environment.</p> <p>Our goals associated with Information Security and Cybersecurity Management are:</p> <p>Annual goals:</p> <ul style="list-style-type: none"> • 0 critical incidents reported. • Train 100% of staff in information security policies and practices. • Measure security posture. <p>Biannual Goals:</p> <ul style="list-style-type: none"> • Maturity assessment cycle.

IMPACT OF MATERIAL ISSUES FOR GRUPO AVAL'S VALUE CREATION

The effective management of this opportunity and the fulfillment of the Climate Change Management goals are part of the Balanced Scorecard (BSC) and are directly linked to the variable compensation of executives, ensuring alignment between corporate strategy, climate risk management and the results obtained in terms of sustainability and business resilience.

Learn more in our 2024 Management and Sustainability Report (pages 80 to 85 of the pdf).



Category: ● Environmental Material Topic 3: 8. Climate Change Management / Impact Type: Opportunity	
Business Case	Grupo Aval Strategies
<p>Climate change management represents a strategic opportunity for Grupo Aval to anticipate physical and transition risks, meet the expectations of regulators, investors and customers, and strengthen business resilience.</p> <p>By integrating climate considerations into the corporate strategy and comprehensive risk system, the group can:</p> <ul style="list-style-type: none"> • Reduce financial impacts from extreme weather events. • Identify business opportunities in sustainable products and services (green financing, energy efficiency credits, investments in renewable energies). • Attract capital from responsible investors who prioritize ESG criteria and disclosure aligned with TCFD/TNFD. • To improve the reputation and positioning as a leader in sustainability in the financial sector. • Mitigate legal and reputational risks associated with non-compliance with reporting standards and regulatory expectations (such as green taxonomies). <p>Climate action is not only a responsibility, but a driver of innovation and differentiation that drives sustainable growth and competitiveness in the long term</p>	<p>We identified the following strategies as opportunities to strengthen climate management and generate business value:</p> <p>Climate Governance and Risk Management: Integrate physical and transition risks into the comprehensive risk system, aligned with TCFD and TNFD.</p> <p>Decarbonization of operations and portfolio: Establish emission reduction targets (scope 1, 2 and financed), and implement energy efficiency and transition plans to renewable energy.</p> <p>Innovation in green products and services: Develop sustainable financing lines, green bonds and solutions that encourage the low-carbon economy.</p> <p>Supplier and value chain management: Encourage low-carbon practices in the supply chain and strategic alliances for offset projects.</p> <p>Climate awareness and culture: Strengthen internal capacities through training programs and campaigns that promote informed decision-making in the face of climate risk.</p> <p>Reporting and transparency: Publish clear information, aligned with international standards (TCFD, ISSB) for investors and stakeholders.</p>
<p>Annual goals:</p> <ul style="list-style-type: none"> • Publish the inventory of scope 1, 2 and 3 (financed) GHG emissions, ensuring coverage and data quality. • Integrate climate scenarios into investment and credit risk assessment. • Develop at least one annual climate education and awareness initiative for employees. <p>Biannual Goals:</p> <ul style="list-style-type: none"> • Establish emission reduction goals aligned with international standards (e.g., SBTi) for operations and portfolio. 	

IMPACT OF MATERIAL ISSUES FOR GRUPO AVAL'S VALUE CREATION

The effective management of this opportunity and the fulfillment of Human Talent Management goals are part of the Balanced Scorecard (BSC) and are directly linked to the variable compensation of executives, ensuring alignment between corporate strategy, risk management and the results obtained.

Learn more in our 2024 Management and Sustainability Report (pages 64 to 67 of the pdf).



Category: ● Social Material Topic 2: 12. Human Talent Management/ Type of impact: Opportunity	
Business Case	Grupo Aval Strategies
<p>Effective human capital management is a strategic opportunity for Grupo Aval, one of Colombia's largest employers, to drive innovation, operational efficiency and sustainable growth. In a globalized market, attracting, developing and retaining the best talent strengthens leadership and ensures the competitiveness of the group. Investing in the development of people increases productivity, improves the quality of service and generates synergies between businesses, positively impacting financial performance. In addition, sound talent management practices reduce turnover and hiring costs, promote diverse and adaptable teams, and mitigate reputational and legal risks, ensuring compliance with labor and ethical standards.</p>	<p>We identified the following strategies as key opportunities to strengthen our human talent management and generate greater value for the business:</p> <p>Attracting high-level talent through employer branding programs, alliances with universities and active presence in job fairs and platforms.</p> <p>Ongoing development and training to strengthen technical, digital and leadership skills, aligned with the transformation of the business.</p> <p>Employee Wellness & Experience with comprehensive programs that promote physical, mental, and financial health.</p> <p>Diversity, Equity, and Inclusion (DEI) to ensure a work environment that values different perspectives and fosters innovation.</p> <p>Cultural transformation oriented towards adaptability, collaborative work and orientation to results.</p>
<p>Annual goals:</p> <ul style="list-style-type: none"> • Maintain safe and healthy working conditions, with 0 critical OSH accidents. • Ensure the deployment of training programs aligned with business priorities. • Execute well-being initiatives that promote the physical, mental and financial balance of employees. <p>Biannual Goals:</p> <ul style="list-style-type: none"> • Measure and improve the engagement index (eNPS) by at least 5 points. • Increase employee participation in training and development programs. • Advance in closing gaps identified in the diagnosis of diversity, equity, and inclusion. 	

IMPACT OF MATERIAL ISSUES ON SOCIETY AND THE ENVIRONMENT

<p>Category: ● Environmental Material Theme: 8. Climate Change Management External impact: Climate transition and physical risks</p>	<p>Cause of impact: Operations Interest group/impact area evaluated: Environment – Society Impact: Positive and negative</p>
<p>Relevance of impact</p>	
<p>Climate change management is a strategic priority for communities, regulators, customers and investors, who demand an increasingly strong commitment to sustainability. In this context, environmental performance has a direct impact on corporate reputation and access to sustainable markets. For this reason, Grupo Aval has defined a Climate Strategy with a vision for the year 2050, aimed at mitigating risks and taking advantage of opportunities to improve the environmental performance of its operations and subsidiaries, to move towards a low-carbon economy.</p>	
<p>Carbon emissions from Grupo Aval's main subsidiaries generate impacts that go beyond the operational scope of the organization, having implications for biodiversity, public health and environmental sustainability. For this reason, as a starting point to measure this impact, Grupo Aval holding measured all of its Greenhouse Gas (GHG) emissions in accordance with the Greenhouse Gas Protocol methodology. In 2024, a total of 8,846.93 tonnes of CO₂e was estimated.</p>	
<p>With this information, and with the technical support of the global consulting firm ERM, Grupo Aval holding calculated an Internal Carbon Price (IDP) equivalent to USD 31.3¹ per ton of CO₂e. This value made it possible to calculate the social and environmental cost associated with its carbon footprint, estimated at approximately COP \$1,083 million. While this calculation does not necessarily imply an actual financial transaction, it does allow for the internal assignment of a monetary value that reflects the environmental, social and economic impact associated with each ton of CO₂ emitted, strengthening climate-focused decision-making.</p>	
<p>As part of its commitment to climate change mitigation and adaptation, Grupo Aval holding offset all the emissions generated in its scope 1, 2 and 3 (not including financed emissions) through the purchase of carbon credits. Similarly, together with its main subsidiaries, it has implemented various actions to reduce its footprint, such as reforestation and restoration of ecosystems, implementation of sustainable mobility solutions, development of eco-efficiency programs in internal operations, and adhesion to national and international initiatives.</p>	
<p>These actions reflect Grupo Aval's commitment to responsible environmental management and to the construction of a financial model aligned with the challenges of climate change.</p>	



¹This analysis, based on national frameworks such as Law 1819 of 2016, Resolution 007 of 2024, the Nationally Determined Contributions (NDCs) and the study carried out by ECLAC on the social cost of carbon for Latin America, highlights that climate change is a global negative externality that requires efficient national and international public policies.



IMPACT OF MATERIAL ISSUES ON SOCIETY AND THE ENVIRONMENT

Category: ● Social
Material Subject: 9. Generation of social value
External impact: Society and Community Relations

Cause of impact: Operations
Interest group/impact area evaluated: Environment – Society
Impact: Positive

Relevance of impact

We believe in the power to transform lives and communities, which is why Grupo Aval and our entities have allocated more than 70 billion pesos to social programs that have benefited more than 106,000 people throughout the country. We support productive and entrepreneurial projects, back more than 90,000 SMEs through our entities' products, and have provided more than 51 trillion pesos in loans to SMEs and for community development. In addition, we promote 11,600 SMEs led by women, strengthening their independence and growth; and we accompany 36,000 people and 450 popular economy businesses with financial education programs, so that they can make safer decisions about their future.

Our social impact extends beyond our operations, reflecting a deep commitment to transforming realities. That is why we promote social projects focused on serving marginalized communities, especially vulnerable populations such as the indigenous communities in the department of La Guajira. These communities face multiple challenges, including a lack of access to safe drinking water, which increases the incidence of gastrointestinal diseases, dehydration, and hygiene-related problems. This crisis also has a significant social impact, as the constant search for safe water consumes time and resources, affecting families' education and quality of life.

In this context, the main objective of the Misión La Guajira project – a public-private partnership between the Presidency of the Republic of Colombia, Grupo Aval and Promigas, with the support of Prisa Media and La W – has as its main objective to promote the development of the Wayúu communities in the municipalities of Manaure and Uribia, through comprehensive and sustainable energy solutions, food security and access to drinking water.

To date, water access solutions have been delivered in 52 communities of Misión La Guajira with 39 wells recovered, 2 wells built and 21 water treatment plants. This means that 1,900 families (approximately 13,000 people) today have some solution for access to water, and of those 1,500 families have water suitable for human consumption thanks to the water treatment plants.

Thanks to the implementation of water access solutions by Misión La Guajira, communities that previously did not have aqueduct service can now access the resource safely and sustainably. It is estimated that these solutions represent an annual savings of close to COP \$4,675 million for the 1,900 beneficiary families¹.

According to data from the National Institute of Health, in 2023, 136 children died in La Guajira from preventable diseases related to water, sanitation and hygiene, such as acute diarrhea, respiratory infections and malnutrition. The water solutions implemented by Misión La Guajira contribute transversally to reducing this mortality rate, by providing access to safe drinking water in communities that previously did not have it. The goal is to impact 81 communities and more than 25 thousand people from 3,600 families in the municipalities of Manaure and Uribia through solutions working and managed by the community by 2030.

¹Based on the average monthly water consumption per family in Colombia (12.7 m³), according to the 2021 Aqueduct and Sewerage Sector Study, and the average cost per cubic meter of drinking water in the country (COP \$16,145), according to the National Planning Department.

