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(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
INDEPENDENT AUDITORS' REPORT

To the Shareholders
Grupo Aval Acciones y Valores S.A.:

Opinion

I have audited the consolidated financial statements of Grupo Aval Acciones y Valores S.A. and Subsidiaries (the Group), which comprise the consolidated statement of financial position as of December 31, 2025, the consolidated statements of income and of comprehensive income, changes in equity, and cash flows for the year then ended, and notes that include material accounting policies and other explanatory information.

In my opinion, the consolidated financial statements referred to, and annexed to this report, present fairly, in all material respects, the Group's consolidated financial position as of December 31, 2025, its consolidated operating income, and its consolidated cash flows for the year then ended in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (IFRS Standards), applied uniformly with the previous year.

Basis for opinion

I conducted the audit in accordance with the International Standards on Auditing accepted in Colombia (ISAs). My responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of the report. I am independent of the Group, in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), included in the Information Assurance Standards accepted in Colombia, together with the ethical requirements that are relevant to the audit of the consolidated financial statements in Colombia. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code mentioned. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming my opinion thereon, I do not provide a separate opinion on these matters.

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<u>Impairment Assessment of the Loan Portfolio under IFRS 9 (See Notes 4.1.5 and 11 to the consolidated financial statements)</u>	
Key audit matter	How it was addressed in the audit
<p>As indicated in Notes 4.1.5 and 11 to the consolidated financial statements, the impairment of the Group's loan portfolio amounted to \$8,429,970 million Colombian pesos as of December 31, 2025.</p> <p>The Group measures the impairment of its loan portfolio in an amount equal to the Expected Credit Losses (ECL) for the life of each loan, except for those loans that have not experienced a significant increase in credit risk since their initial recognition; for which, the Group calculates a twelve-month ECL. The provision for impairment of the loan portfolio reflects a probability-weighted result that considers multiple economic scenarios based on forecasts of future economic conditions and is determined based on the Group's assessment of the Probability of Default (PD), the Loss Given Default (LGD) and Exposure at Default (EAD) associated with each loan. In accordance with IFRS 9 requirements and following market practices, the Group uses complex models that incorporate data and assumptions requiring significant judgment to estimate the impairment loss of the loan portfolio.</p> <p>I identified the assessment of loan portfolio's impairment as a key audit matter, because there is a high degree of estimation inherent in determining the expected loss of the loan portfolio impairment as a result of the judgment required for the prospective assumptions and models involved.</p> <p>The assessment of the impairment of the loan portfolio required significant auditor attention, the involvement of a judgement, and the involvement of professionals with knowledge and experience in the industry.</p>	<p>My main audit procedures for assessing the impairment of the loan portfolio included:</p> <ul style="list-style-type: none"> - Evaluation of the design, implementation, and effectiveness of certain internal controls related to the Group's process for determining the impairment of the loan portfolio. <p>This included controls related to (i) the validation of the models that determine the probability of loss, severity, and exposure at the time of default, (ii) the Group's monitoring of the provision in general for impairment losses of the credit portfolio; and (iii) controls over the input data to the models that determine the impairment of the loans, as well as the related calculations.</p> <ul style="list-style-type: none"> - Evaluation of the key models and inputs used to determine the parameters of the Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD); evaluation of macroeconomic projections and the probability weighting of scenarios; and recalculation of impairment for a sample of collectively assessed credits and for a sample of individually significantly assessed credits.

Fair value assessment of financial assets related to concession contracts (See notes 2.20; 5 and 16 to the consolidated financial statements)	
Key audit matter	How it was addressed in the audit
<p>As indicated in Notes 2.20; 5 and 16 to the consolidated financial statements, the Group and its Subsidiaries have designated some of the financial assets related to concession agreements to be measured at fair value through profit or loss after initial recognition. As of December 31, 2025, the Group and its Subsidiaries have financial assets arising from concession agreements of \$2,635,437 million Colombian pesos which are measured at fair value and classified at level 3 of the fair value hierarchy.</p> <p>I identified the fair value assessment of related financial assets as a key audit matter because it involves significant audit effort and judgment, including the participation of valuation professionals with specific skills and industry knowledge.</p> <p>For financial assets related to concession agreements subsequently measured at fair value through profit or loss, the auditor's judgment was required to evaluate the models developed by the Group and its Subsidiaries to estimate their fair value, as well as the significant unobservable inputs and assumptions of these models. The significant unobservable inputs and assumptions of the models include the weighted average cost of capital.</p>	<p>My audit procedures for evaluating the fair value of related financial assets included, among others:</p> <ul style="list-style-type: none"> - Evaluation of the design, implementation, and effectiveness of certain internal controls established by the Group and its Subsidiaries to determine the fair value of financial assets arising from concession agreements. These controls included those related to: (i) the review of inputs and assumptions used; and (ii) the review and approval of the fair value of the assets. - Involvement of valuation professionals with specific skills and industry knowledge who assisted me in: (i) assessing whether the internally developed models are consistent with valuation practices generally used for that purpose and with IFRS; (ii) comparing the WACC discount rate with a given range using macroeconomic assumptions verified by the market; and (iii) assessing future inflation rates by comparing them with available market data.

Other matters

The consolidated financial statements as of and for the year ended December 31, 2024 are presented exclusively for comparison purposes, they were audited by me and in my report dated March 3, 2025, I expressed an unqualified opinion on them.

Responsibility of the Group's Management and those charged with corporate governance in connection with the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Accounting and Financial Reporting Standards accepted in Colombia. This responsibility includes designing, implementing, and maintaining such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. It also includes selecting and implementing the appropriate accounting policies, as well as establishing fair accounting estimates under the circumstances.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with corporate governance are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit in connection with the consolidated financial statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements, taken as a whole, are free from material misstatement whether due to fraud or error, and to issue an auditors' report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the users' economic decisions, which are taken based on these consolidated financial statements.

As part of an audit in accordance with the ISAs, I exercise my professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I must draw attention in the auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, I must modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group's consolidated financial statements. I am responsible for the direction, supervision, and performance of the Group's audit. I remain solely responsible for the audit opinion.

I communicate to those charged with the Group's governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I might identify during the audit.

I also provide those charged with corporate governance with a statement that I have complied with relevant ethical requirements of independence and communicate to them of all relationships and other matters that may reasonably be considered to influence my independence and, where applicable, safeguards applied.

From the matters communicated to those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter must not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Original signed in Spanish)
Diana Alexandra Roza Muñoz
Statutory Auditor of Grupo Aval Acciones y Valores S.A.
Registration No. 120741 – T
Member of KPMG S.A.S.

March 3, 2026

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Consolidated Statements of Financial Position
As of December 31, 2025 and 2024
(Amounts expressed in millions of Colombian pesos)

	Notes	2025 ⁽¹⁾	2024
Assets			
Cash and cash equivalents	6, 7	Ps. 19,354,710	Ps. 16,998,859
Trading assets	6, 8	29,097,591	20,163,214
Investment securities	6, 9	39,252,615	39,162,618
Hedging derivative assets	6, 10	236,558	54,019
Loans			
	4.1, 6, 11		
Commercial		108,308,984	115,414,643
Interbank and overnight funds		1,777,516	705,055
Commercial, interbank and overnight funds		110,086,500	116,119,698
Consumer		60,456,213	61,976,325
Mortgages		22,111,710	22,035,727
Microcredit		1,520	4,375
		192,655,943	200,136,125
Loss allowance	4.1.5	(8,429,970)	(10,006,639)
Total loans, net		184,225,973	190,129,486
Other accounts receivable, net	6, 12	24,458,906	27,958,402
Non-current assets held for sale	13	18,256,613	105,214
Investments in associates and joint ventures	14	1,314,429	1,430,596
Tangible assets			
	15		
Property, plant and equipment for own-use and given in operating lease, net		7,007,876	4,680,543
Right-of-use assets		1,482,036	1,351,624
Investment properties		882,979	972,935
Biological assets		235,409	238,339
		9,608,300	7,243,441
Intangibles			
Concession arrangement rights	16	13,495,108	14,314,560
Goodwill	17	2,057,116	2,223,608
Other intangible assets	18	2,954,167	2,758,318
		18,506,391	19,296,486
Income tax assets			
	19		
Current		2,871,411	3,149,902
Deferred		1,366,820	1,628,201
		4,238,231	4,778,103
Other assets		386,360	538,945
Total assets		Ps. 348,936,677	Ps. 327,859,383

(1) As of December, 2025 the assets corresponding to Multi Financial Group (MFG) were reclassified as non-current assets held for sale, see note 13.A.

The accompanying notes are an integral part of these Consolidated Financial Statements.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Consolidated Statements of Financial Position, continued
As of December 31, 2025 and 2024
(Amounts expressed in millions of Colombian pesos)

	<u>Notes</u>	<u>2025 ⁽¹⁾</u>	<u>2024</u>
Liabilities and equity			
Liabilities			
Trading liabilities	6, 8	Ps. 1,951,439	Ps. 1,011,934
Hedging derivative liabilities	6, 10	34,842	21,658
Customer deposits	20		
Checking accounts		23,598,235	24,579,536
Savings accounts		88,238,541	79,614,904
Time deposits		95,105,917	96,329,827
Other deposits		462,545	347,910
		<u>207,405,238</u>	<u>200,872,177</u>
Financial obligations	21		
Interbank borrowings and overnight funds		22,655,425	18,509,769
Borrowings from banks and others		24,559,175	28,098,159
Bonds issued		21,456,986	26,215,847
		<u>68,671,586</u>	<u>72,823,775</u>
Provisions	22		
Legal related		155,378	192,526
Non legal related		834,219	910,145
		<u>989,597</u>	<u>1,102,671</u>
Income tax liabilities	19		
Current		203,908	247,502
Deferred		5,958,848	5,616,464
		<u>6,162,756</u>	<u>5,863,966</u>
Employee benefits	23	987,752	1,003,303
Liabilities directly associated with non-current assets classified as held for sale	13.A.	16,459,367	—
Other liabilities	24	11,531,259	11,996,981
Total liabilities		<u>314,193,836</u>	<u>294,696,465</u>
Equity			
Owners of the parent	25		
Subscribed and paid-in capital		23,744	23,744
Additional paid-in capital		9,502,957	9,508,062
Retained earnings		9,241,357	8,163,434
Other comprehensive income		(322,153)	(243,983)
Equity attributable to owners of the parent		<u>18,445,905</u>	<u>17,451,257</u>
Non-controlling interests	26	16,296,936	15,711,661
Total equity		<u>34,742,841</u>	<u>33,162,918</u>
Total liabilities and equity		<u>Ps. 348,936,677</u>	<u>Ps. 327,859,383</u>

(1) As of December, 2025 the liabilities corresponding to Multi Financial Group (MFG) were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.

The accompanying notes are an integral part of these Consolidated Financial Statements.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Consolidated Statements of Income
For the years ended December 31, 2025 and 2024
(Amounts expressed in millions of Colombian pesos)

Continuing operations	Notes	2025	2024 ⁽¹⁾
Interest income calculated using the effective interest method			
Loan portfolio		Ps. 22,463,395	Ps. 23,740,386
Cash and cash equivalents and other accounts receivable		505,965	626,827
Investments in debt securities		2,709,159	2,604,689
Total interest income	6.2	25,678,519	26,971,902
Interest expense			
Deposits		(13,089,554)	(14,613,237)
Financial obligations		(4,958,313)	(5,431,254)
Total interest expense	6.3	(18,047,867)	(20,044,491)
Net interest income		7,630,652	6,927,411
Impairment recoveries on financial assets, net			
Loans and other accounts receivable		(4,268,227)	(4,615,595)
Other financial assets		(6,928)	(4,988)
Recovery of charged-off financial assets		736,255	574,260
Net impairment loss on financial assets		(3,538,900)	(4,046,323)
Net interest income, after impairment losses		4,091,752	2,881,088
Income from commissions and fees			
Income from commissions and fees		4,784,225	4,477,604
Expenses from commissions and fees		(1,124,180)	(1,001,625)
Net income from commissions and fees	28.1	3,660,045	3,475,979
Income from sales of goods and services			
Income from sales of goods and services		10,396,794	11,048,600
Costs and expenses of sales goods and services		(8,309,074)	(8,571,245)
Gross profit from sales of goods and services	28.2	2,087,720	2,477,355
Net trading income	29	1,402,013	1,401,734
Net income from other financial instruments mandatorily at fair value through profit or loss	16	623,163	350,919
Other income	30	1,656,432	646,177
Other expenses	30	(8,899,891)	(8,125,461)
Net income before tax expense		4,621,234	3,107,791
Income tax expense	19	(1,432,708)	(941,978)
Net income from continuing operations		Ps. 3,188,526	Ps. 2,165,813
Net income from discontinued operations, net of tax	13.B.	26,646	25,664
Net income for the year		Ps. 3,215,172	Ps. 2,191,477
Net income attributable to owners of the parent			
Net income for the period from continuing operations		1,703,506	997,398
Net income for the period from discontinued operations	13.B.	18,366	17,689
Owners of the parent	25	Ps. 1,721,872	Ps. 1,015,087
Net income attributable to non-controlling interests			
Net income for the period from continuing operations		1,485,020	1,168,415
Net income for the period from discontinued operations	13.B.	8,280	7,975
Non-controlling interests	26	Ps. 1,493,300	Ps. 1,176,390
Net income for the year		Ps. 3,215,172	Ps. 2,191,477
Net income per share basic and diluted (in Colombian pesos) see note 25		72.52	42.75

(1) The information was modified based on Multi Financial Group (MFG) discontinued operation, see note 13.B.

The accompanying notes are an integral part of these Consolidated Financial Statements.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Consolidated Statements of Other Comprehensive Income
For the years ended December 31, 2025 and 2024
(Amounts expressed in millions of Colombian pesos)

	Notes	2025	2024 ⁽¹⁾
Net income of the period		Ps. 3,215,172	Ps. 2,191,477
Other comprehensive income			
Items that will be reclassified to profit or loss			
Net (loss) gain on hedges of investments in foreign operations:			
Hedged items	10.1	(630,465)	514,713
Hedging non-derivative instrument	10.1	613,587	(500,007)
Cash flow hedges	10.2	177,002	55,081
Foreign currency translation differences from unhedged foreign operations	25.6	(372,722)	247,019
Unrealized (losses) on securities at FVOCI	25.6	(301,599)	(163,387)
Investments in associates	14	(56,424)	15,329
Income tax	19.6	(169,147)	238,675
Discontinued operation	13.B.	171,542	50,695
Total items that may be reclassified to profit or loss		Ps. (568,226)	Ps. 458,118
Items that will not be reclassified to profit or loss			
Transfer from owner-occupied property to investment property	25.6	(1,095)	16,741
Unrealized gains on equity securities at FVOCI	25.6	260,051	301,497
Actuarial gains (losses) from defined benefit pension plans	25.6	13,271	(12,346)
Income tax	19.6	61	(13,832)
Discontinued operation	13.B.	(597)	(4,045)
Total items that will not be reclassified to profit or loss		Ps. 271,691	Ps. 288,015
Total other comprehensive income during the period net of taxes	25.6	Ps. (296,535)	Ps. 746,133
Total comprehensive income		Ps. 2,918,637	Ps. 2,937,610
Total comprehensive income for the year attributable to owners of the parents			
Comprehensive income for the period from continuing operations		1,508,023	1,265,621
Comprehensive income for the period from discontinued operations	13.B.	135,679	49,702
		Ps. 1,643,702	Ps. 1,315,323
Total comprehensive income for the year attributable to non-controlling interests			
Comprehensive income for the period from continuing operations		1,213,023	1,599,675
Comprehensive income for the period from discontinued operations	13.B.	61,912	22,612
		Ps. 1,274,935	Ps. 1,622,287
Total comprehensive income for the year		Ps. 2,918,637	Ps. 2,937,610

(1) The information was modified based on Multi Financial Group (MFG) discontinued operation, see note 13.B.

The accompanying notes are an integral part of these Consolidated Financial Statements.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Consolidated Statements of Changes in Equity
For the years ended December 31, 2025 and 2024
(Amounts expressed in millions of Colombian pesos)

	Subscribed and paid-in capital	Additional paid – in capital	Appropriated retained earnings	Other comprehensive income (OCI)	Equity attributable to owners of the parent	Non- controlling interest (NCI)	Total equity
Balance at January 1, 2024	Ps. 23,744	Ps. 9,571,374	Ps. 7,731,773	Ps. (544,219)	Ps. 16,782,672	Ps. 14,737,744	Ps. 31,520,416
Dividends declared in cash ⁽¹⁾	—	—	(569,843)	—	(569,843)	(618,579)	(1,188,422)
Effect of realization OCI	—	—	(9,573)	—	(9,573)	(4,405)	(13,978)
Movement in OCI	—	—	—	300,236	300,236	445,897	746,133
Equity transactions ⁽²⁾	—	(63,312)	—	—	(63,312)	(13,511)	(76,823)
Withholding tax over dividends	—	—	(4,010)	—	(4,010)	(11,875)	(15,885)
Net income of the period	—	—	1,015,087	—	1,015,087	1,176,390	2,191,477
Balance at December 31, 2024	Ps. 23,744	Ps. 9,508,062	Ps. 8,163,434	Ps. (243,983)	Ps. 17,451,257	Ps. 15,711,661	Ps. 33,162,918
Dividends declared in cash ⁽¹⁾	—	—	(655,320)	—	(655,320)	(689,168)	(1,344,488)
Effect in retained earnings ⁽³⁾	—	—	15,848	—	15,848	27,672	43,520
Movement in OCI	—	—	—	(78,170)	(78,170)	(218,365)	(296,535)
Equity transactions ⁽²⁾	—	(5,105)	—	—	(5,105)	(17,857)	(22,962)
Withholding tax over dividends	—	—	(4,477)	—	(4,477)	(10,307)	(14,784)
Net income of the period	—	—	1,721,872	—	1,721,872	1,493,300	3,215,172
Balance at December 31, 2025	Ps. 23,744	Ps. 9,502,957	Ps. 9,241,357	Ps. (322,153)	Ps. 18,445,905	Ps. 16,296,936	Ps. 34,742,841

⁽¹⁾ See note 25.2 “Declared Dividends”.

⁽²⁾ See note 25.4 “Equity transactions”

⁽³⁾ See note 25.5 “Effect in retained earnings”

The accompanying notes are an integral part of these Consolidated Financial Statements.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2025 and 2024
(Amounts expressed in millions of Colombian pesos)

	<u>Notes</u>	<u>2025</u>	<u>2024</u> ⁽¹⁾
Cash flows from operating activities:			
Net income before income tax of continuing operations		Ps. 4,621,234	Ps. 3,107,791
Reconciliation of net income before taxes and net cash provided by operating activities			
Depreciation of tangible assets and right-of-use assets	28, 30	597,897	561,845
Amortization of intangible assets	28, 30	767,850	674,335
Impairment losses on loans and other accounts receivable	4.1.5	4,324,724	4,686,752
Net interest income		(7,630,652)	(6,927,411)
Accrued dividends	30	(126,700)	(141,867)
Net gains on sales of non-current assets held for sale		(9,945)	(18,107)
Gain on sale of property plant and equipment for own-use and operating lease		(131,863)	(75,275)
Loss on sale of investment property		28,392	14,398
Gain on sale biological assets		(5,152)	(9,377)
Valuations and interest from concession agreements		(2,807,293)	(2,850,244)
Foreign exchange (gains) losses	30	(825,669)	452,635
Profit of equity accounted on investments in associates and joint ventures	30	(350,935)	(378,396)
Net (gains) or losses on fair value adjustments:			
Derivatives	29	257,762	(415,640)
Non-current assets held for sale		1,622	4,662
Investment properties	15	(68,306)	(36,705)
Biological assets	15	(3,396)	(7,589)
Changes in operating assets and liabilities			
Trading assets		(6,792,442)	(5,570,819)
Accounts receivable		(892,411)	(792,468)
Derivatives		(550,854)	238,494
Other assets		(6,697)	(137,978)
Other liabilities and provisions		2,732,480	1,096,914
Employee benefits		(12,865)	51,048
Loans		(17,695,997)	(13,161,784)
Customer deposits		24,820,228	14,344,651
Interbank borrowings and overnight funds		4,927,947	2,766,952
Borrowings from banks and others		931,791	(1,019,921)
Interest received		23,419,517	26,797,798
Interest paid		(17,720,295)	(20,488,941)
Interest paid on leases		(237,774)	(236,451)
Income tax paid		(2,163,430)	(1,998,655)
Discontinued operation	13.B.	(2,013,798)	251,642
Net cash provided in operating activities		Ps. 7,384,970	Ps. 782,289

(1) The information was modified based on Multi Financial Group (MFG) discontinued operation, see note 13.B.

The accompanying notes are an integral part of these Consolidated Financial Statements.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Consolidated Statements of Cash Flows
For the years ended December 31, 2025 and 2024, continued
(Amounts expressed in millions of Colombian pesos)

	<u>Notes</u>	<u>2025</u>	<u>2024 ⁽¹⁾</u>
Cash flows from investing activities:			
Acquisition of property, plant and equipment for own use and operating lease	15	Ps. (602,321)	Ps. (623,876)
Acquisition of investment property	15	(8,263)	(793)
Additions of cost of biological assets	15	(27,222)	(26,572)
Capitalization and payments in concession contracts		158,772	305,686
Additions of others intangibles assets		(660,286)	(652,681)
Acquisition of investments at FVOCI		(17,451,317)	(14,655,069)
Proceeds from sale of investments at FVOCI		13,675,934	11,643,956
Proceeds from sale of own-use property and equipment and operating lease		152,445	76,963
Proceeds from sale of investment properties		207,927	66,358
Proceeds from sale of biological assets		38,700	35,871
Proceeds from sale of non-current assets held for sale		75,178	37,856
Purchases of financial assets at amortized cost		(7,015,566)	(7,801,052)
Redemptions of financial assets at amortized cost		8,685,569	8,217,845
Dividends received from investments		444,386	439,017
Acquisition of investments in associates	14	—	(2,486)
Capitalized leasing cost		(282)	(335)
Discontinued operation	13.B.	895,588	(202,561)
Net cash used provided in investing activities		Ps. (1,430,758)	Ps. (3,141,873)
Cash flows from financing activities			
Dividends paid to shareholders	21.3	(625,826)	(728,181)
Dividends paid to non-controlling interest	21.3	(662,266)	(667,330)
Issuance of debt securities	21.3	528,863	2,224,164
Payment of outstanding debt securities	21.3	(1,513,644)	(1,725,323)
Payment of obligations under financial lease	21.3	(429,493)	(409,118)
Equity transaction	21.3	(6)	(55,000)
Discontinued operation	13.B.	37,780	(2,223)
Net cash used in financing activities		Ps. (2,664,592)	Ps. (1,363,011)
Effect of foreign currency changes on cash and cash equivalents		(1,334,867)	2,123,593
Cash and cash equivalents from non-current assets classified as held for sale	13.B.	401,098	—
Increase (decrease) in cash and cash equivalents from continuing operations		2,355,851	(1,599,002)
Cash and cash equivalents at beginning of the period	7	Ps. 16,998,859	Ps. 18,597,861
Cash and cash equivalents at end of the period	7	Ps. 19,354,710	Ps. 16,998,859

(1) The information was modified based on Multi Financial Group (MFG) discontinued operation, see note 13.B.

The accompanying notes are an integral part of these Consolidated Financial Statements.

NOTE 1 – REPORTING ENTITY

Grupo Aval Acciones y Valores S.A. (hereinafter the “Company”, “The Group” or “Grupo Aval”) was established under Colombian law in January 7, 1994, with its main offices and business address registered in Bogotá, D.C., Colombia. The corporate purpose of Grupo Aval is the purchase and sale of securities issued by financial and commercial entities. Grupo Aval is the majority shareholder of Banco de Bogotá S.A., Banco de Occidente S.A., Banco Popular S.A. and Banco Comercial AV Villas S.A., entities whose main purpose is to perform all transactions, operations and services inherent to the banking business, pursuant to applicable laws and regulations. Furthermore, through its direct and indirect investments in Corporación Financiera Colombiana S.A. (“Corficolombiana”), in Sociedad Administradora de Fondos de Pensiones, Cesantías y del Componente Complementario de Ahorro Individual “CCAI” Porvenir S.A. (“Porvenir”), in Aval Fiduciaria S.A., in Aval Casa de Bolsa S.A. – Sociedad Comisionista de Bolsa and in Aval Banca de Inversión S.A.S. Grupo Aval also engages in investment banking activities, investments in the non-financial sector and manages pensions and severance funds in Colombia.

In performing its activities and pursuant to the corporate bylaws, Grupo Aval may (i) promote the creation of all types of companies relating to its corporate purpose; (ii) represent individuals and companies involved in similar or complementary activities; (iii) grant or receive loans with or without interest; (iv) submit its properties as collateral; (v) issue, endorse, acquire, protest, cancel, or pay bills of exchange, checks, promissory notes or any other type of financial instruments, accept or submit them as payment; (vi) acquire, sell, tax, lease or manage any kind of assets; (vii) subscribe or acquire any kind of investments and sell or otherwise dispose of them; (viii) acquire and sell shares in companies that pursue similar or complementary corporate interests ; (ix) render services in areas relating to its activities, experience and knowledge; and (x) carry out or participate, in acts and contracts relating to the aforementioned activities, enabling the exercise of rights and compliance of the obligations of The Group.

The duration of Grupo Aval set forth under the bylaws is until May 24, 2044, but the Company may be dissolved before such term expires, or it may be extended.

When preparing its Consolidated Financial Statements, Grupo Aval Acciones y Valores S.A., directly consolidates the following entities:

Banco de Bogotá S.A.

Banco de Bogotá S.A., in which Grupo Aval holds 68.93% of the voting rights and 68.93% of the ownership interest as of December 31, 2025; was established as a bank on November 15, 1870. It was authorized to operate under the terms of the renewal resolution No. 3140 dated September 24, 1993 issued by the Superintendency of Finance. The commercial purpose of Banco de Bogotá is to participate and perform all operations and contracts legally authorized to commercial banking, subject to the limitations and requirements set forth under Colombian laws and regulations.

The following table presents details of Banco de Bogotá’s most significant subsidiaries which are indirectly consolidated by Grupo Aval as of December 31, 2025:

<u>Subsidiary</u>	<u>Core business</u>	<u>Location</u>	<u>Total voting rights held by Grupo Aval</u>	<u>Total ownership interest held by Grupo Aval</u>
Main local direct subsidiaries				
Fiduciaria Bogotá S.A.	Management of trust funds.	Bogotá, Colombia	94.99%	65.47%
Almaviva S.A. y Subsidiarias	Logistics services.	Bogotá, Colombia	95.81%	66.04%
Megalínea S.A.	Technical and administrative services	Bogotá, Colombia	94.90%	65.41%
Main international direct subsidiaries				
Banco de Bogotá Panamá S.A.	Commercial banking services.	Panamá, Republic of Panamá	100%	68.93%
Multi Financial Holding	Holding company of Multi Financial Group Inc. (MFG) ⁽¹⁾	Panamá, Republic of Panamá	100%	68.93%

⁽¹⁾ Discontinued operation of Multi Financial Group (MFG), see Note 13.B

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Banco de Occidente S.A.

Banco de Occidente S.A., in which Grupo Aval holds 72.27% of the voting rights and 72.27% of the ownership interest as of December 31, 2025; was established as a banking entity on April 30, 1965. It was authorized to operate under the terms of the renewal resolution No. 3140 dated September 24, 1993 issued by the Superintendency of Finance. The commercial purpose of Banco de Occidente is to participate and perform all operations and contracts legally authorized to commercial banks, subject to the limitations and requirements set forth under Colombian laws and regulations.

The following table presents the details of Banco de Occidente's most significant subsidiaries, which are indirectly consolidated by Grupo Aval, as of December 31, 2025:

Subsidiary	Core business	Location	Total voting rights held by Grupo Aval	Total ownership interest held by Grupo Aval
Fiduciaria de Occidente S.A.	Management of trust funds.	Bogotá, Colombia	99.99%	70.86%
Banco de Occidente (Panamá), S.A.	Commercial banking services.	Panamá, Republic of Panamá	95.00%	68.66%
Occidental Bank Barbados Ltd.	Commercial banking services.	Barbados	100%	72.27%

Banco Popular S.A.

Banco Popular S.A., in which Grupo Aval holds 93.74% of the voting rights and 93.87% of the ownership interest as of December 31, 2025; was established as a banking entity on July 5, 1950. It was authorized to operate under the terms of the renewal resolution No. 3140 dated September 24, 1993 issued by the Superintendency of Finance. Its commercial purpose is to participate in and perform all operations and contracts legally authorized to commercial banks, subject to the limitations and requirements set forth under Colombian laws and regulations.

On November 22, 2023, Grupo Aval, Banco de Bogotá S.A., Banco de Occidente S.A. and Banco Popular S.A., entered into a shareholders' agreement pursuant to which Banco Popular S.A. will act as the controlling entity of Corporación Financiera Colombiana S.A. ("Corficolombiana") according to the terms of articles 260 and 261 of the Colombian Code of Commerce, as well as the requirements established in IFRS 10. The execution of the aforementioned agreement does not entail any change in the share ownership of Corficolombiana currently held by the parties to the agreement, nor any modification of the beneficial owner of Corficolombiana.

The following table presents the details of Banco Popular's most significant subsidiaries which are indirectly consolidated by Grupo Aval, as of December 31, 2025:

Subsidiary	Core business	Location	Total voting rights held by Grupo Aval	Total ownership interest held by Grupo Aval
Alpopular S.A.	Deposit, conservation, custody and transportation of products at national and international levels.	Bogotá, Colombia	71.10%	66.74%
Fiduciaria Popular S.A.	Management of trust funds.	Bogotá, Colombia	94.85%	89.03%
Corporación Financiera Colombiana – Corficolombiana S.A. (1)	Active management of a stock pipeline through controlled and uncontrolled investments in strategic sectors including infrastructure, energy and gas, agribusiness and hotels.	Bogotá, Colombia	55.73%	40.53%

(1) Corficolombiana S.A., (in which Grupo Aval and its subsidiaries own 55.73% of the aggregate voting rights and Grupo Aval has 40.53% of the ownership interest as of December 31, 2025).

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Corficolombiana is a merchant bank authorized to operate by the Superintendency of Finance by the resolution of October 18, 1961. The Corporation's core business is the active management of an equity portfolio through controlling and non-controlling investments in key strategic sectors that include infrastructure, energy and gas, agribusiness and hotels.

The following table presents the details of Corficolombiana's most significant subsidiaries which are indirectly consolidated by Grupo Aval, as of December 31, 2025:

Subsidiary	Core business	Location	Total voting rights held by Grupo Aval	Total ownership interest held by Grupo Aval
Promigas S.A. E.S.P.	Transportation and distribution of natural gas.	Barranquilla, Colombia	50.88%	20.62%
Proyectos y Desarrollos Viales del Pacífico S.A.S.	Infrastructure projects.	Bogotá, Colombia	100%	40.53%
Estudios, Proyectos e Inversiones de los Andes S.A.S. y Subsidiarias	Infrastructure projects.	Bogotá, Colombia	100%	40.52%
Hoteles Estelar S.A. y Subsidiarias	Hotel services	Cali, Colombia	89.81%	36.40%
Colombiana de Licitaciones y Concesiones S.A.S.	Infrastructure projects.	Bogotá, Colombia	100%	40.53%
Estudios y Proyectos del Sol S.A.S.	Infrastructure projects.	Bogotá, Colombia	100%	40.53%
Concesionaria Vial Del Oriente S.A.S.	Infrastructure projects.	Bogotá, Colombia	100%	40.53%
Concesionaria Vial Del Pacifico S.A.S.	Infrastructure projects.	Sabaneta, Antioquia	100%	40.53%
CFC Gas Holding S.A.S.	Investment Company	Bogotá, Colombia	100%	40.53%

Banco Comercial AV Villas S.A.

Banco Comercial AV Villas S.A., in which Grupo Aval holds 80.39% of the voting rights and 79.87% of the ownership interest as of December 31, 2025; was incorporated as a banking entity on October 24, 1972. It was authorized to operate under the terms of the renewal resolution No. 3352 dated August 21, 1992 issued by the Superintendency of Finance. The commercial purpose of Banco AV Villas is to participate and perform all operations and contracts legally authorized to commercial banks, subject to the limitations and requirements imposed by Colombian laws and regulations.

Sociedad Administradora de Fondos de Pensiones, Cesantías y del CCAI Porvenir S.A.

Porvenir S.A., in which Grupo Aval and its Subsidiaries own 100% of the aggregate voting rights and Grupo Aval has an economic interest of 75.76% as of December 31, 2025, was established by Public Deed No. 5307 of Notary 23 of Bogotá on October 23 of 1991, it has an operating permit granted by the Superintendency of Finance through Resolution number 3970 of October 30, 1991; Porvenir is an administrator of pension and severance funds authorized by law.

The following table presents the details of Porvenir's subsidiary which is indirectly consolidated by Grupo Aval, as of December 31, 2025:

Subsidiary	Core business	Location	Total voting rights held by Grupo Aval	Total ownership interest held by Grupo Aval
Aportes en Línea S.A.	Technical and administrative services.	Bogotá, Colombia	100%	75.18%

Grupo Aval Limited

Grupo Aval Limited is a 100% owned subsidiary of Grupo Aval in Cayman Islands. It was established on December 29, 2011. Grupo Aval Limited is a limited liability company registered with the Assistant of the Registrar of Companies of Cayman Islands under registry number MC-265169, with its Main Office located in Ugland House, South Church Street, George Town, Grand Cayman KY1-1104. It was constituted as a special purpose vehicle for issuing foreign debt. Likewise, this company may, as part of its corporate purpose, develop any business activity within the framework of the law.

Aval Fiduciaria S.A.

Aval Fiduciaria S.A. (the Fiduciary), in which Grupo Aval holds 100% of the voting rights and 98.47% of the ownership interest as of December 31, 2025; is a private corporation subject to the control and supervision by the Superintendency of Finance. The exclusive purpose of Aval Fiduciaria is to carry out all fiduciary businesses regulated by law involving all types of movable and immovable property, whether tangible or intangible. Its principal place of business is in the city of Cali, and it operates through agencies in Bogota, Medellín, Barranquilla, and Bucaramanga.

Aval Casa de Bolsa S.A. – Sociedad Comisionista de Bolsa

Aval Casa de Bolsa S.A. – Sociedad Comisionista de Bolsa, in which Grupo Aval holds 98.80% of the voting rights and 87.84% of the ownership interest as of December 31, 2025; is a private entity whose corporate purpose is to carry out commission-based transactions for the purchase and sale of securities registered in the Colombian Stock Exchange and the National Registry of Shares and Issuers (RNVE), the administration of collective investment funds, the administration of securities, the performance of operations on its own account, securities brokerage and the provision of advisory services regarding the capital markets, among others.

Aval Banca de Inversión S.A.S.

Aval Banca de Inversión S.A.S, in which Grupo Aval holds 100% of the voting rights and 82.16% of the ownership interest as of December 31, 2025; is a private entity whose corporate purpose is the structuring of financial transactions, providing client support in obtaining funding, advising on mergers and acquisitions, and providing financial consulting services.

Legal and regulatory restrictions

Grupo Aval and its Colombian Subsidiaries are subject to the following restrictions to transfer profits or perform transactions, in accordance with the legal requirements in Colombia:

- Before distributing any dividends to their shareholders, the companies should assign 10% of their profits to a legal reserve until the reserve equals 50% of paid-in capital.
- The subsidiaries of Grupo Aval that operate in the financial sector in Colombia may not grant loans to a counterpart that exceed 10% of their regulatory capital if the loan is unsecured or 25% if it is granted with an acceptable security or third-party guarantee, as per Superintendency of Finance rules. There is an exception to this rule that extends the maximum limit of up to 25% (without guarantee) when it refers to loans to fourth generation toll roads “4G” infrastructure projects.
- Pursuant to article 2.1.2.1.8 of Decree 2555 of 2010, banks in Colombia have a lending limit of 30% of their regulatory capital with respect to loans granted to financial entities.

Foreign subsidiaries of Grupo Aval do not have any restriction to transfer dividends to the parent company. Lending operations in general have restrictions similar to those of banks in Colombia, as described above.

Grupo Aval and its Subsidiaries do not have significant restrictions on their ability to access or use their assets and settle their liabilities other than those resulting from the supervisory frameworks within which subsidiaries of the financial sector operate. The supervisory frameworks require subsidiaries of the financial sector to keep certain levels of regulatory capital (see note 4.4) and liquid assets (see note 4.3), limit their exposure to other parts of Grupo Aval and its Subsidiaries and comply with other ratios.

NOTE 2 – BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

The annual consolidated financial statements of Grupo Aval Acciones y Valores S.A. and Subsidiaries has been prepared in accordance with the Accounting and Financial Information Standards accepted in Colombia (NCIF) established in Law 1314 of 2009, regulated by the single regulatory decree 2420 of 2015 and the other amending decrees issued by the National Government.

In accordance with Colombian legislation, the Company must prepare separate and consolidated financial statements and present them to the Shareholders' Assembly for approval. The basis for the distribution of dividends and other appropriations is the separate financial statement (see note 25.2)

The Board of Directors of Grupo Aval, in a meeting held March 03, 2026, approved the presentation of the Consolidated Financial Statements as of December 31, 2025 and the accompanying notes, for consideration by the General Assembly of Shareholders of the Company.

The following are the main accounting policies applied in preparing the Consolidated Financial Statements of Grupo Aval as of December 31, 2025 and 2024.

2.1 Basis of preparation of Consolidated Financial Statements

a) Presentation of Consolidated Financial Statements

The Consolidated Financial Statements are prepared as follows:

- The Consolidated Statement of Financial position presents the company's assets and liabilities based on liquidity since it provides reliable and more relevant information than separate current and non-current classifications.
- The Consolidated Statements of Income and Other Comprehensive Income are presented separately. The Consolidated Statement of Income is presented according to the function of expenses, as this method provides reliable and more relevant information.
- The Consolidated Statement of Cash Flows is presented using the indirect method. Accordingly, net cash flows from operating activities are determined by reconciling net income before tax expense, with the effects of non-cash items, net changes in assets and liabilities from operating activities, and for any other effects that are not classified as investing or financing activities. Revenues and expenses due to interest received and paid are part of operating activities.

b) Consolidated Financial Statements

Grupo Aval prepares its Consolidated Financial Statements incorporating its controlled entities. Grupo Aval controls an investee if and only if it complies with the following elements:

- Power over the investee entitling Grupo Aval to direct any relevant activities that significantly affect the investee's performance.
- Exposure, or rights to variable returns from its involvement with the investee.
- Ability to affect those returns through its power over the investee.

Grupo Aval carries out an annual assessment of all its contractual relationships in order to identify new controlled entities or entities where control has been lost. For the year 2025 and 2024, no new entities were identified which had to be consolidated.

The financial statements for Grupo Aval's subsidiaries are included in the consolidated financial statements since the date on which Grupo Aval acquires control or following control until the date on which control is lost.

During the consolidation process, Grupo Aval combines the assets, liabilities and profits or losses of those entities under control, previously aligning the accounting policies in all the subsidiaries and translating its financial statements to Colombian Pesos. This process includes eliminating intra-group balances and transactions and any unrealized and realized income and expense except for foreign currency translation gains or losses and those taxes which are not subject to elimination arising from intra-group transactions. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Non-controlling interests are presented under total equity in the Consolidated Statement of Financial Position of Grupo Aval separately from equity attributable to owners of the parent company.

For consolidation purposes, the Consolidated Statements of Financial Position and Income of entities with a functional currency different from Grupo Aval are translated to Colombian pesos as follows:

- Assets and liabilities are translated at the closing exchange rate at the reporting date;
- Income, expense and cash flows are translated at the corresponding month's average exchange rate since they approximate the exchange rates of each specific transaction;
- All resulting exchange differences are recognized in other comprehensive income ("OCI") and accumulated in the foreign currency translation reserve, except to the extent that the translation difference is allocated to non-controlling interests.

When Grupo Aval ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

c) Investments in associates

Associates are companies in which Grupo Aval has significant influence but not control and are accounted for under the equity method. They are presented in the Consolidated Statement of Financial Position as "Investments in associates and joint ventures" (see Note 2.1.(d) "Joint arrangements"). Grupo Aval exercises significant influence over another entity if it owns, directly or indirectly, 20% or more of the voting power of the investee, unless it is clearly evidenced that such influence does not exist. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Grupo Aval's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

Dividends received from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

In the case that Grupo Aval's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, Grupo Aval does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between Grupo Aval and its associates are eliminated to the extent of Grupo Aval's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by Grupo Aval.

The carrying amount of associates are tested for impairment.

d) Joint arrangements

A joint arrangement is one in which two or more parties have joint control of the arrangement. Joint arrangements are divided into joint operations or joint ventures, the classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement, under joint operations the parties having joint control of the agreement have rights to the assets and obligations to the liabilities relating to the agreement. Under joint ventures, the parties having joint control, are entitled to the net assets of the agreement.

Grupo Aval recognizes joint operations in the Consolidated Financial Statements based on their proportional and contractual participation in each of the assets, liabilities and profit or loss of the contract or entity wherein the agreement is held. Grupo Aval recognizes joint ventures through the equity method, in the same manner as investments in associates.

2.2 Functional and presentation currency

Considering that the majority of the Group's business activities as well as the generation and use of cash is in Colombian pesos, the Colombian peso is the currency that most accurately represents the economic environment of Grupo Aval's operations, both for the Consolidated Financial Statements and for the parent company. Foreign entities have functional currencies different from the Colombian peso, which are translated to Colombian pesos for presentation purposes. The main functional currency of these foreign entities is the US dollar.

2.3 Transactions in foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the prevailing exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies in terms of historical costs are measured using the exchange rate at the transaction date. Financial instruments measured at fair value are converted using the exchange rate at the date the fair value was determined. Profits or losses resulting from the translation process are recognized in profit or loss, except for financial instruments designated as hedging instruments.

As of December 31, 2025 and 2024, the representative market rates reported by the official price provider (for the U.S. dollar which is the most representative foreign currency for Grupo Aval's transactions) were Ps. 3,757.08 and Ps 4,409.15 per U.S. \$1, respectively.

2.4 Operating segments

An operating segment is a component of an entity which:

- a) Engages in business activities from which it can earn revenue and incur expenses (including revenue and expenses from transactions with other components of the same entity);
- b) Operating profit or losses are regularly reviewed by the chief operating decision maker, who decides on the resources allocation to the segment and assesses its performance; and
- c) For which separate financial information is available.

Segment results that are reported to the CODM (Chief Operating Decision Maker) include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Management regularly evaluates the performance for each segment; Grupo Aval discloses information separately for each identified operating segment, meeting any of the following quantitative thresholds:

- a) The segment's reported revenue from the ordinary activities, including revenue from external customers as well as revenue from intersegment transfers, is equal or greater than 10% of the revenue of combined ordinary activities, internal and external, of all operating segments.
- b) The amount of the segment's reported net income is, in absolute terms, equal or greater than 10% of the amount greater of:
(i) the combined reported net income of all the segments not reporting a loss; and (ii) the reported combined loss of all segments of the operations with incurred losses.
- c) The segment's assets are equal to or greater than 10% of the combined assets of all segments of the operation.

The information regarding other activities of the business of operating segments that do not have to be reported is combined and disclosed within the category of "Others".

2.5 Financial assets and financial liabilities

i. Recognition and initial measurement

Grupo Aval initially recognizes loans and advances, deposits, debt securities issued and subordinated liabilities on the date on which they are originated. All other financial instruments (including regular-purchases and sales of financial assets) are recognized on the trade date, which is the date in which Grupo Aval becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. Additionally, for instruments measured at amortized cost or FVOCI, transaction costs are added if directly attributable to its acquisition or issuance.

ii. Classification

Financial assets

On initial recognition, a financial asset is classified as: amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model in which the objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial asset; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, Grupo Aval may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income OCI. This election is made on an investment-by-investment basis.

All other financial assets are classified and measured at FVTPL.

Business model assessment

Grupo Aval makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The established policies and objectives for the portfolio and their actual application. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets;
- How the performance of the portfolio is evaluated and reported to Grupo Aval's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and its expectations about future sale activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how Grupo Aval's stated objective for managing the financial assets is achieved and how cash flows are realized.

Financial assets that are held for trading, for which performance is evaluated on a fair value basis are measured at FVTPL because their objective is neither to collect contractual cash flows nor to collect contractual cash flows and sell the financial assets.

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, “principal” is defined as the fair value of the financial asset on initial recognition. “Interest” is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest (SPPI), Grupo Aval considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. Upon assessment Group Aval considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage covenants;
- Prepayment and extension terms;
- Terms that limit Grupo Aval’s claim to cash flows from specified assets; and
- Features that modify consideration of the time value of money.

Interest rates on certain commercial and consumer loans originated by Grupo Aval are pegged to standard variable rates, generally used in each country where Grupo Aval operates and includes a spread. In Colombia, the standard variable rates are based on the DTF (rate interest calculated as the average for time deposits) or the interbank rate (in Spanish Interés Bancario de Referencia), or IBR rates, both of which are calculated weekly by the Central Bank based on information collected from the Colombian financial system, plus a spread. In the case of loans in foreign currency issued in Colombian entities and in other countries Grupo Aval uses SORF interest rates (Secured Overnight Funding Rate) plus a spread.

In these cases, Grupo Aval assesses whether the discretionary feature is consistent with the SPPI criteria by considering a number of factors, including whether:

- Borrowers are able to prepay the loans without significant penalties;
- Market competition ensures that interest rates are consistent between banks; and
- Any regulatory or customer protection framework is in place that requires banks to treat customers fairly.

A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

In addition, a prepayment feature is considered consistent with this criterion if a financial asset is acquired or originated at a premium or discount to its contractual nominal amount, and the amount prepaid substantially represents the contractual nominal amount plus accrued (but unpaid) interest (which may also include reasonable compensation for early termination), and the fair value of the prepayment feature is not significant at initial recognition.

Financial liabilities

Grupo Aval classifies its financial liabilities, other than derivatives, financial guarantees and loan commitments, as measured at amortized cost.

iii. Reclassifications

Financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after Grupo Aval’s entities changes their business model for managing financial assets.

iv. Derecognition

Financial assets

Grupo Aval derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire (see also (v)), or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

At derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

Any cumulative gain/loss recognized in OCI in respect of equity investment securities designated as at FVOCI is not recognized in profit or loss on derecognition of such securities, as explained in (2.10). Any interest in transferred financial assets that qualify for derecognition that is created or retained by Grupo Aval is recognized as a separate asset or liability.

Grupo Aval enters into transactions whereby it transfers assets recognized on its Consolidated Statement of Financial Position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognized. Examples of such transactions are securities lending and sale-and-repurchase transactions.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and repurchase transactions, given that Grupo Aval retains all or substantially all of the risks and rewards of ownership of such assets.

In transactions in which it neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, Grupo Aval continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

Financial liabilities

Grupo Aval derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

v. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then Grupo Aval assesses whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, the contractual rights to cash flows from the original financial asset are deemed to have expired. In that case, the original financial asset is derecognized (see (iv)) and a new financial asset is recognized at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- Fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset
- Other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial distress, the objective of the modification is usually to maximize recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If Grupo Aval plans to modify a financial asset in a way that would result in foregoing of cash flows, it considers whether a portion of the asset should be written off before the modification takes place (see below for write-off policy). This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortized cost or FVOCI does not result in derecognition of the financial asset, then Grupo Aval recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognizes the resulting adjustment as a recovery or impairment in the Consolidated Statement of Income. For variable-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred, and fees received as part of the modification are incorporated into the gross carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

Financial liabilities

Grupo Aval derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the Consolidated Statement of Income.

If the modification of a financial liability measured at amortized cost does not result in derecognition of the financial liability, then Grupo Aval first recalculates the gross carrying amount of the financial liability using the original effective interest rate of the liability and recognizes the resulting adjustment as interest expense in the Consolidated Statement of Income. For variable-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred, and fees received as part of the modification are incorporated into the gross carrying amount of the modified financial liability and are amortized over the remaining term of the modified financial liability.

vi. Offsetting of financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is recognized in the Consolidated Statement of Financial Position, when there is a legally enforceable right to offset recognized amounts and management intends to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as Grupo Aval's trading activity.

vii. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which Grupo Aval has access at that date.

Grupo Aval measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, Grupo Aval uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If Grupo Aval determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are deemed to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in the Consolidated Statement of Income on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk, managed by Grupo Aval on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments – e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure – are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is no less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

Grupo Aval recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. See Note 5.

viii. Repurchase agreements and reverse repurchase agreements

Purchases of financial instruments under a non-optional resale agreement are measured at fair value and recognized as financial assets in the Consolidated Statement of Financial Position under interbank and overnight funds.

The excess of the purchase prices over the resale prices is recognized as interest income over the contractual term.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Sales of financial instruments under a non-optional repurchase agreement are measured at fair value and recognized as liabilities in the Consolidated Statement of Financial Position under Central Bank Deposits - Repurchase Agreements, Deposits from Credit Institutions - Repurchase Agreements, or Customer Deposits - Repurchase Agreements

The excess of the sales prices over the repurchase prices is recognized as interest expense over the contractual term.

Retained interests (i.e. the assets that collateralize the repurchase agreements) are primarily classified as fair value through OCI and measured at fair value.

ix. Impairment of financial assets

Grupo Aval recognizes loss allowances for Expected Credit Losses (“ECL”) on the following financial instruments that are not measured at FVTPL:

- Debt investment instruments;
- Loans and receivables;
- Financial guarantee contracts issued;
- Loan commitments issued, and
- Other accounts receivable

No credit impairment loss is recognized on equity investments.

Grupo Aval measures loss allowances at an amount equal to lifetime ECL (Stage 2 and stage 3), except the following cases, for which they are measured as 12-month ECL (Stage 1):

- Debt investment securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments (other than loans and lease receivables) on which credit risk has not increased significantly – (“SICR”) since their initial recognition.

Grupo Aval considers a debt security to have low credit risk when its credit rating is equivalent to the global definition of ‘investment grade.’

12-month ECL is the portion of ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date.

Measurement of ECL

Measurement of ECL is described in Note 4(4.1.5 Amounts arising from Expected Credit Loss (ECL)).

Modified Financial Assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial distress of the borrower, an assessment is made of whether the financial asset should be derecognized (see (iv)) and ECL are measured as follows:

- If the restructuring is not expected to result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset (see Note 4(4.1.1)).
- If the restructuring is expected to result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, Grupo Aval assesses whether financial assets carried at amortized cost and at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The restructuring of a loan or advance by Grupo Aval on terms that Grupo Aval' entities would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has decreased significantly and there are no other indicators of impairment. In addition, a loan different to a mortgage that is overdue for 90 days or more is considered impaired.

In making an assessment of whether an investment in sovereign debt is credit-impaired, Grupo Aval considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness; and
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

x. Presentation of allowance for ECL in the Consolidated Statement of Financial Position

Loss allowances for ECL are presented in the Consolidated Statement of Financial Position and the impact is showed in the Consolidated Statement of Income line "Impairment (losses) recoveries on financial assets" as follows:

- Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally presented as provisions;
- Where a financial instrument includes both a drawn and an undrawn component, and Grupo Aval cannot identify the ECL on the loan commitment component separately from those on the drawn component: Grupo Aval presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognized in the Consolidated Statement of Financial Position because the carrying amount of these assets is their fair value. However, the ECL is disclosed and is recognized as part of the net change recognized in the fair value reserve under other comprehensive income.

xi. Write-offs

Loans and debt securities are written off (either partially or in full) when there is no prospect of recovery. This is generally the case when Grupo Aval determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to be written-off.

Recoveries of amounts previously written off are included in "recovery of charged off financial assets" in the Consolidated Statement of Income.

Financial assets that are written off could still be subject to enforcement activities in order to comply with Grupo Aval's procedures for recovery of amounts due. The contractual amount outstanding on the financial assets that were written off during the reporting period are disclosed in note 4.1.5 Amounts arising from ECL; Loss Allowance reconciliation tables.

2.6 Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits, and other short-term investments with original maturities of three months or less from the date of their acquisition that are subject to an insignificant risk of changes in their fair value and are used by Grupo Aval in the management of its short-term commitments.

2.7 Trading assets and liabilities

'Trading assets and liabilities' are those assets and liabilities that Grupo Aval mainly acquires or incurs for the purpose of selling or repurchasing in the near term or holds as part of a portfolio that is managed comprehensively for short-term profit or position taking. Trading assets and liabilities are initially recognized and subsequently measured at fair value in the Consolidated Statement of Financial Position, with transaction costs recognized in Consolidated Statement of Income. All changes in fair value are recognized as part of net trading income (loss) in Consolidated Statement of Income.

2.8 Derivatives

a) Derivatives and hedge accounting

A derivative is a financial instrument for which value changes respond to changes in one or more variables denominated as "underlying" (e.g. a specific interest rate, the price of a financial instrument, a listed commodity, a foreign currency exchange rate, etc.). A derivative requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Grupo Aval and its subsidiaries trades in financial markets, forward contracts, future contracts, swaps and options that fulfil the definition of a derivative.

Financial assets and liabilities arising from transactions with derivatives are generally not offset in the Consolidated Statement of Financial Position. However, when there is a legal and exercisable right to offset the recognized values and Grupo Aval intends to settle them on a net basis or to realize the assets and settle the liability simultaneously, derivatives are presented as net values in the Consolidated Statement of Financial Position.

Derivative transactions are initially recognized at fair value. Subsequent changes in the fair value are recognized in profit or loss, unless the derivative instrument is designated as a hedging instrument and, in this case, the accounting criteria will depend on the nature of the hedged item, as described below.

At the beginning of the hedging transaction, Grupo Aval formally documents the existing relationship between the hedging instrument and the hedged item, including the risk management objective and strategy in undertaking the hedging relationship. It also documents its assessment, both initially as well as on a recurring basis, of whether the hedging relationship is highly effective in offsetting the changes in fair value or cash flows of the hedged items.

The applicable policy for hedging and embedded derivatives is described below:

- (i) For fair value hedge of assets or liabilities and firm commitments, changes in the fair value of the derivative instrument are recognized in profit or loss, as well as any other change in the fair value of the asset, liability or firm commitment attributable to the hedge risk,
- (ii) For cash flow hedge of a particular risk associated with a recognized asset or liability or a projected highly probable transaction, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income.

The gain or loss relating to the portion that is not effective for hedging or that does not relate to the hedged risk is immediately recognized in profit or loss.

The values accumulated in other comprehensive income are transferred to profit or loss in the same period in which the hedged item is recognized in profit or loss; and

- (iii) Hedging of net investments in a foreign operation is recognized similarly to cash flow hedging: the effective portion of changes in fair value of the hedging instrument is recognized in other comprehensive income, and the ineffective portion of the changes in fair value of the derivative is recognized in profit or loss. The hedging instrument's gains or losses accumulated in equity will be recognized in profit or loss when the net investment in foreign operations is sold or partially disposed of.

b) Embedded derivatives

Derivatives may be embedded in another contractual arrangement (a host contract). Grupo Aval accounts for an embedded derivative separately from the host contract when:

- The host contract is not a financial asset in the scope of IFRS 9;
- The host contract is not itself carried at FVTPL;
- The terms of the embedded derivative would meet the definition of a derivative if they were contained in a separate contract; and
- The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.

Separated embedded derivatives are measured at fair value, with all changes in fair value recognized in profit or loss unless they form part of a qualifying cash flow or net investment hedging relationship. Separated embedded derivatives are presented in the Consolidated Statement of Financial Position together with the host contract.

2.9 Loans

The 'Loans' line in the Consolidated Statement of Financial Position includes:

- Loans measured at amortized cost (see 2.5(ii)); they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortized cost using the effective interest method;
- Financial lease receivables measured at amortized cost (see 2.5(ii)).

When Grupo Aval purchases a financial asset and simultaneously enters into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date (reverse repo or stock borrowing), the arrangement is accounted for as a loan, and the underlying asset is not recognized in Grupo Aval's Consolidated Financial Statements.

The effective interest rate method is a method of calculating the amortized cost of a financial asset and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that discounts future cash payments or receipts (without consideration of future credit losses, over the expected life of the financial instrument) to the net carrying amount of the financial asset at initial recognition. In the process of calculating the effective interest rate, Grupo Aval estimates the cash flows considering the contractual terms including prepayment expectations of the financial instrument for portfolios with high prepayment levels, except for future credit losses and considering the initial fair value plus transaction costs and premiums granted, minus commissions and discounts received which form integral part of the effective rate.

2.10 Investment securities

The 'investment securities' line in the Consolidated Statement of Financial Position includes:

- Debt investment securities measured at amortized cost (see 2.5(ii)); These are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortized cost using the effective interest method;
- Debt and equity investment securities mandatorily measured at FVTPL (see 2.5(ii)); These are at fair value with changes recognized immediately in profit or loss;
- Debt securities measured at FVOCI; and
- Equity investment securities designated as at FVOCI.

For debt investment securities measured at FVOCI, gains and losses are recognized in OCI, except for the following, which are recognized in profit or loss in the same manner as for financial assets measured at amortized cost:

- Interest revenue using the effective interest method;
- ECL impairments and reversals of impairments; and
- Foreign exchange gains and losses.

When a debt security measured at FVOCI is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity and recognized as profit or loss in the Consolidated Statement of Income under "Other income" under line "net gain (loss) on sale of debt securities".

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Grupo Aval elects to present changes in the fair value of certain investments in equity instruments that are not held for trading in OCI. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognized in profit or loss. Cumulative gains and losses recognized in OCI are transferred to retained earnings upon disposal of an investment. Dividends are recognized in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognized in OCI.

After initial recognition, net gains and losses resulting from changes in fair value for financial assets classified and measured at fair value, are presented either (i) in the Consolidated Statement of Income in the account “net trading income - trading investment securities” for financial assets at FVTPL or (ii) in OCI for financial instruments at FVOCI, in accordance with note 2.5 ii) above.

In turn, after their initial recognition, financial assets classified at amortized cost are adjusted to reflect interest accrued at the effective interest rate method, less payments received from borrowers.

See detail of effective interest rate method in note 2.9 Loans.

Income from dividends from financial assets in equity instruments at FVOCI is recognized in income in the account of “other income dividends” when the right to receive payment is established, regardless of the decision that has been made to record the variations in fair value in results or OCI.

2.11 Financial liabilities

A financial liability is any contractual liability in which Grupo Aval commits to deliver cash or other financial asset to another entity or person, or to exchange financial assets or financial liabilities under potentially unfavorable conditions for Grupo Aval, or a contract which will be terminated or could be settled using equity instruments owned by the entity. Financial liabilities are initially recognized based on their fair value, which is usually equal to the transaction value adjusted by directly attributable costs. Subsequently, such financial liabilities are measured at their amortized cost according to the effective interest rate method determined at initial recognition and recognized in profit or loss.

Financial liabilities are only derecognized from the Consolidated Statement of Financial Position when the obligations are extinguished, that is, when the obligations are discharged, cancelled, or expire.

2.12 Financial guarantees

Financial guarantees are those contracts requiring that the issuer carries out specific payments to reimburse the creditor for losses incurred when a specific debtor defaults in its payment obligation, in accordance with the original or modified conditions, of a debt instrument; regardless of its legal form.

Financial guarantees issued or commitments to provide a loan at a below-market interest rate are initially measured at fair value. Subsequently, they are measured: As at the highest value between the amount initially recognized net of the loss allowance determined in accordance with IFRS 9 (see 2.5 (vii)) and the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of IFRS 15.

Credit risk impairment losses established over financial guarantee contracts under IFRS 9, are recognized as liabilities under “Provisions – other provisions” and recognized in profit or loss under “other expenses”, (see note 2.5 (x)) “Presentation of allowance for ECL in the Consolidated Statement of Financial Position”.

2.13 Non-current assets held for sale and discontinued operations

Foreclosed assets and non-current assets held for sale, which Grupo Aval intends to sell in a period of less than one year, are recognized as “non-current assets held for sale”. These assets are measured at the lower of their carrying value at the time of transfer and fair value, less estimated disposal costs.

A discontinued operation is a component of the entity that has been disposed or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Consolidated Statement of Income.

2.14 Property, plant and equipment for own use

Property, plant and equipment include the assets, owned or under financial leases held by Grupo Aval for current or future use for more than one period.

They are recognized in the Consolidated Statement of Financial Position at their acquisition or construction cost, less the corresponding accumulated depreciation and, if applicable, the estimated impairment losses resulting from comparing the carrying amount of each asset with its recoverable value.

Depreciation is calculated by applying the straight-line method over the acquisition cost of the assets (except for the bearer plants, which are depreciated based on production units), less any residual value; land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset.

Asset	Useful Life
Own use buildings	According to appraisals
Equipment, furniture and accessories	From 3 to 25 years
Machinery and equipment (*)	From 5 to 25 years
Computer equipment	From 2 to 12 years
Vehicles	From 5 to 10 years
Bearer plants	From 25 to 35 years

(*) Except for the gas pipelines, these are depreciated according to appraisals (70 years).

Conservation and maintenance expense is recognized when incurred as “Administrative Expense”.

At each reporting date, the Group analyzes whether there are signs, that an asset may be impaired for such purposes, develops what is established in policy 2.21 "Impairment of non-financial assets".

Biological assets that meet the concept of bearer plant are accounted for as property, plant and equipment.

A bearer plant is a live plant that meets the following requirements:

- a) It is used for the manufacturing or supply of agricultural products;
- b) It is expected to produce for more than one period; and
- c) It has a remote probability of being sold as an agricultural product, except for irregular sales related to thinning and trimming.

Bearer plants under the set-up and growing phase are subject to a biological transformation which is reflected through cost accumulation until they reach their maturity level. In the case of the African oil palm, maturity is reached in the second year, while maturity for rubber plants is reached in the seventh year. After reaching their maturity, bearer plants are considered developed and the future economic benefits arise from the sale of the fruit produced during the useful life of the plant.

Bearer plants are measured at their cost less accumulated depreciation and any impairment losses. The useful life is equal to the plants' production periods. The useful life of the rubber plant is thirty-five years while the useful life of the African oil palm is twenty-five years. The depreciation method used is the estimated production units as it most accurately reflects the usage of the assets. If the bearer plant is sold for timber at the end of the useful life the value received is considered the residual value of the asset.

2.15 Investment properties

Land and buildings, considered in whole or in part, that are held to earn rental income or for capital appreciation, rather than for own use or sale in the ordinary course of business. Investment properties are recognized initially at cost, including all costs associated with the transaction, and subsequently measured at fair value, with changes in fair value recognized in profit or loss.

2.16 Leases

Lessee accounting

At inception of a contract, Grupo Aval assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

Grupo Aval recognizes a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Grupo Aval determines its incremental borrowing rate by analyzing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset; or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Grupo Aval presents right-of-use assets in 'Tangible assets' and lease liabilities in 'Borrowings from banks and others' in the Consolidated Statement of Financial Position.

Short-term leases and leases of low-value assets

Grupo Aval has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets (five thousand dollars or less) and short-term leases (maximum term 12 months or less). The Grupo Aval recognizes the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

Lessor accounting

When Grupo Aval acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset. Lease contracts classified as financial leases are included in the Consolidated Statement of Financial position as "Loans" and are recognized in the same way as other loans, as explained in note 2.9.

2.17 Biological assets

Biological assets are measured at fair value less disposal cost, both at the time of initial recognition and at the end of reporting period, except for biological assets for which fair value cannot be measured reliably; in which case they are measured at cost less accumulated depreciation and impairment loss. Gains and losses arising from the initial and subsequent fair value measurement of the agricultural products are included in the Consolidated Statement of Income. Costs incurred in the agricultural production process are also recognized directly in the Consolidated Statement of Income.

The fair value of biological assets is determined using valuations performed by experienced internal professionals, using discounted cash flow models. The expected cash flows of the crop's total life are determined by using the market price of the agricultural product currently in effect and the estimated productive life of plants, net of maintenance and harvest costs and of any other costs required for

plant maintenance during the production period. The productive life of plants is estimated considering the age, location and type of product. The fair value of the biological assets is dependent on current market prices for each product.

2.18 Business combinations and goodwill

Business combinations are accounted for using the “acquisition method”, when control is transferred to the controlling entity. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired.

Goodwill is measured as the excess of the aggregate of consideration transferred, over the amount of any interest previously acquired and the net of identifiable assets acquired and liabilities assumed at acquisition date. Goodwill acquired in a business combination is assigned to each of the groups of cash-generating units from which benefit are expected as a result of the acquisition. Goodwill is not subsequently amortized; however, it is subject to an annual impairment assessment in relation to the cash-generating unit to which it has been assigned and, from which benefits are expected deriving from the synergies of business combinations. A loss due to impairment recognized on Goodwill cannot be reversed in subsequent periods.

2.19 Other intangible assets

Other intangible assets mainly comprise software and licenses, which are initially measured at the cost of acquisition or cost of development. Costs incurred during the research phase are expensed as incurred.

Development expenses which are directly attributable to design and performance tests of software and identifiable, unique and controlled by Grupo Aval are recognized as intangible assets, if following conditions are met:

- Technically, it is possible to complete the intangible asset production, so it can be available for use;
- Management intends to complete the corresponding intangible asset for use;
- Management has the capacity of using the intangible asset;
- It is probable that future economic benefits that are attributable to the asset will flow to the entity;
- There is availability of adequate technical or financial resources or other type, for completion and usage of the intangible asset; and
- Costs attributable to the intangible asset during its development phase can be estimated and measured in a reliable manner.

Costs that are directly attributable and capitalized as part of intangible assets include personnel expense directly related to developing such intangibles and overhead expenses that can be capitalized.

Expenses that do not satisfy these criteria are recognized as incurred expenses. Disbursements over intangible assets are initially recognized as expenses of the period and they are not subsequently recognized as intangible assets.

After initial recognition, an intangible asset shall be carried at its cost less any accumulated amortization and any accumulated impairment losses. The annual amortization rates estimate for each type of assets are:

Intangible Asset	Useful Life
Software and computer applications	From 1 to 20 years
Licenses	From 1 to 15 years
Trademarks	Indefinite
Customer-related assets	From 1 to 10 years
Intellectual property rights	From 1 to 20 years
Models, formulas, designs and prototypes	10 years
Easements	From 20 to 50 years

At the end of each period, the Group will test whether an intangible asset with an indefinite useful life has experienced an impairment loss by comparing its recoverable amount with its carrying amount on an annual basis and not only when there are indications of impairment. Likewise, that the useful life of an intangible asset that is not being amortized will be reviewed every period to determine if there are facts and circumstances that allow continuing to maintain an indefinite useful life for that asset. Any impairment loss or subsequent reversal is recognized in the Consolidated Statement of Income; such impairment is determined by the excess of the book value over the recoverable value.

2.20 Concession arrangements rights

Concession contracts, are those in virtue of which certain subsidiaries of Grupo Aval make a commitment with the Governments in the countries in where they operate for the construction or maintenance of infrastructure, for a period of time during which, said entities receive the revenue derived from the contract, either through direct payments from the Government, through tolls or other types of fees charged to the end users of the project, which, are recognized as financial assets or intangible assets.

A financial asset is recognized when pursuant to the contractual conditions, there is an entitlement to an unconditional contractual right of receiving cash or other financial assets from the grantor or from the Government, due to construction services or when the Government guarantees minimum income from tolls or fees charged to the users of the concession work during the term of the concession agreement.

An intangible asset is recognized if in the concession contract does not include an unconditional right for the concessionaire to receive cash and, on the contrary, its revenue depends on the right it has for the use of the infrastructure under concession. In some cases, contracts can contain both financial and intangible assets.

Concession arrangements are recognized as follows:

- (a) During the construction stage, all estimated income for construction services as well as the costs associated to the construction are recognized in the Consolidated Statement of Income based on the stage of completion of the work performed. In the event that there is an expected loss, this is recognized as an expense immediately.
- (b) If all or part of the concession arrangement is classified as a financial asset, it is recognized in accordance with the accounting policy for financial assets as set out in note 2.5.
- (c) If all or part of the concession contract is classified as an intangible asset, the revenues are accumulated as intangible assets during the construction phase of the project, assets and are amortized over the term of the arrangement in a manner that reflects the pattern in which the concession asset's economic benefits are consumed by the entity, from the moment the asset enters into service.

2.21 Impairment of non-financial assets

At each reporting date, Grupo Aval reviews the carrying amounts of its non-financial assets (other than investment properties and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Goodwill is tested annually for impairment. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or Cash Generating Units "CGU". Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The "recoverable amount" of an asset or CGU is the greater of its value in use and its fair value less costs to sell. "Value in use" is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating units "CGU".

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss of goodwill cannot be reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.22 Employee Benefits

Grupo Aval's entities provide the following benefits to employees in exchange of services rendered to the Group:

a) Short-term employee benefits

Pursuant to Colombian and other countries labor rules, such benefits are comprised of salaries, premiums, vacations, severance payments and payroll tax contributions to the local Government designated agencies which are paid within 12 months following the end of the reporting period. Such benefits are accumulated on an accrual basis and recognized in profit or loss.

b) Post-employment benefits (defined benefit plans)

Grupo Aval pays to its employees certain benefits when they retire or upon completion of their employment period, other than indemnities. These benefits include retirement pensions which are directly assumed by Grupo Aval's entities, pending severance payments to employees belonging to the labor regime prior to Law 50 1990 in Colombia, and certain extra-legal benefits or benefits agreed in collective bargaining agreements.

Post-employment benefits liabilities are determined based on the present value of estimated future payments, calculated based on actuarial assessments using the projected unit of credit method, and applying actuarial assumptions about mortality rate, increase of salaries and personnel turnover, and interest rates determined with reference to bond market returns of local Government' bonds or high-quality business liabilities in effect at the reporting date. Under the projected unit of credit method, future benefits to be paid to employees are assigned to each accounting period in which the employee renders the service. Therefore, the corresponding expense due to these benefits recognized in profit or loss of Grupo Aval includes the present service cost assigned in the actuarial calculation plus the financial cost of calculated liabilities. Changes in liabilities due to changes in actuarial assumptions are recognized in Other Comprehensive Income.

Changes in actuarial liabilities due to changes in employment benefits granted to employees that have a retroactive effect are recognized as an expense in the earlier of the following dates:

- When a modification of the granted employment benefits takes place, or
- When provisions for restructuring costs are recognized by a subsidiary.

c) Other long-term employee benefits

Long term benefits are different from employee short-term benefits, post-employment benefits and termination benefits. In accordance with the collective bargaining agreements and regulations of each company of Grupo Aval, such benefits are mainly related to seniority bonuses.

Long-term liabilities for employee benefits are determined in the same manner as post-employment benefits described in item (b) above; the only difference is that the changes in the actuarial liability due to changes in the actuarial assumptions are recognized in the Consolidated Statement of Income.

d) Termination benefits

These benefits are payments which must be made by Grupo Aval's entities derived from their taking the unilateral decision of terminating and employee's labor contract or from and employee's decision to accept benefits offered by an entity in exchange for terminating the employment contract, such payments correspond to severances for dismissal or redundancy and other benefits that entities unilaterally decide to grant to their employees under such circumstances.

Termination benefits are recognized as a liability and in profit or loss at the earlier of the following dates:

- When Grupo Aval's entities formally inform to the employee about its decision of dismissal; or
- When provisions for restructuring costs are recognized by a subsidiary.

2.23 Income taxes

Income tax expense includes both current and deferred tax. Tax expense is recognized in the Consolidated Statement of Income except for items recognized in Other Comprehensive Income or directly in equity.

Current income tax expense is calculated based on the tax laws in force (enacted or substantively enacted) in each of the countries in which we operate as of the reporting date of the Consolidated Financial Statements is subject to the income tax. Management of each

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

subsidiary of Grupo Aval periodically assesses tax return positions with respect to situations where the applicable tax regulation is subject to interpretation and establishes provisions, when appropriate, on the basis of amounts expected to be paid to tax authorities.

Deferred taxes are recognized with respect to temporary differences arising between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred taxes are not recognized for: (i) temporary differences on the initial recognition of goodwill; (ii) temporary differences on the initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither the accounting nor the taxable profit or loss and (iii) temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred taxes are measured using the tax rates that are expected to be applied to the temporary differences upon reversal, using enacted tax rates or substantively enacted at the reporting date.

Deferred taxes assets are only recognized to the extent it is probable that future taxable income is expected to be available to offset temporary differences.

Deferred tax liabilities arise from taxable temporary differences, except for the deferred tax liabilities on investments in subsidiaries, when the opportunity of reversal of temporary differences is controlled by Grupo Aval and it is not expected to be reversed in the near future. Generally, Grupo Aval has the ability to control the temporary differences of investments in associates.

Current taxes are offset only when the entity has a legally enforceable right to offset and the entity intends to either settle on a net basis or to realize the asset and settle the liability simultaneously. Deferred taxes are offset when the entity has a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities are related to income taxes levied by the same tax authority over the same taxable entity or over different entities but these entities have an intention to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously, for each period in which these differences reverse.

In determining the amount of current and deferred taxes, Grupo Aval considers the impact of uncertain tax exposures on current tax liabilities, including whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes Grupo Aval to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities would impact tax expense in the period in which such a determination is made.

2.24 Capitalization of borrowing costs

Borrowing costs which are directly attributable to the acquisition, construction or production of a qualifying asset which requires a substantial period of time to get ready for its intended use are part of the cost of the asset. Other borrowing costs are recognized as expenses.

Grupo Aval begins capitalizing borrowing costs as part of the cost of a qualifying asset on the commencement date. This is the date when the entity first meets all of the following conditions:

- (a) it incurs expenditures for the asset;
- (b) it incurs borrowing costs; and
- (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale.

2.25 Provisions

Provisions for environmental dismantling and recovery, restructuring costs and legal claims are recognized when Grupo Aval has a present legal or assumed obligation as a result of past events, and it is probable that an outflow of economic benefits will be required to settle the obligation. Restructuring provisions include penalties due to cancelation of leases.

Provisions are measured at the present value of outflows expected to be necessary to settle the obligation, using a discount rate before taxes, reflecting the assessments of the time value of money of the current market as well as the specific risks of the obligation. The subsequent increase of the provision due to the unwinding of the discount rate is recognized as “financial expense”.

2.26 Non-voting rights of preferred shares

Preferred shares represent partial ownership and do not provide shareholders with any of the voting rights of common shares. Grupo Aval has classified as an equity instrument all the non-voting preferred shares. See note 25 equity attributable to owners of the parent.

2.27 Revenues

Net interest income

(i) Effective interest rate

Interest income and expense are recognized in the Consolidated Statement of Income using the effective interest method. The “effective interest rate” is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortized cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, Grupo Aval estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

(ii) Amortized cost and gross carrying amount

The ‘amortized cost’ of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The ‘gross carrying amount’ of a financial asset is the amortized cost of a financial asset before adjusting for any expected credit loss allowance.

(iii) Calculation of interest income and expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability to calculate the interest income and expenses.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

For information on when financial assets are credit-impaired, see note 2(2.5) (ix).

(iv) Presentation

Interest income and expense presented in the Consolidated Statement of Income include interest calculated on an effective interest basis:

- Interest on financial assets and financial liabilities measured at amortized cost calculated on an effective interest basis, see note 2.27 (i);
- Interest on debt instruments measured at FVOCI calculated on an effective interest basis see note 2.27 (i);

Interest income and expense on all trading assets and liabilities are considered to be incidental to Grupo Aval’s trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income.

Interest income and expense on other financial assets and financial liabilities mandatory at FVTPL are presented in “Net trading income” and financial assets in concessions arrangements rights at FVTPL under “Net income from other financial instruments mandatorily at fair value through profit or loss”.

Net trading income

‘Net trading income’ comprises net gains or losses related to held for trading assets and liabilities, and includes all realized and unrealized fair value changes, interest, dividends and foreign exchange differences.

Revenue from contracts with customers (other than interest income).

Contract assets

A contract asset is Grupo Aval’s right to consideration in exchange for goods or services that Grupo Aval has transferred to a customer when that right is conditional on something other than the passage of time (for example, invoicing or delivery of other elements of the contracts).

Contract costs eligible for capitalization as incremental costs of obtaining a contract are recognized as a contract asset. Contract costs are capitalized when are incurred if Grupo Aval expects to recover those costs. Contract costs are amortized on a systematic basis consistent with the transfer of the services to the customer and the related revenues are recognized. Contract costs capitalized are impaired if the customer retires or if the asset’s carrying amount exceeds projected discounted cash flows relating to the contract.

Contract liabilities

Contract liabilities comprise Grupo Aval’s obligation to transfer goods or services to a customer for which Grupo Aval has received consideration from the end customer or the amount is due. Additionally, it includes deferred income relating to goods or services that will be delivered in the future, which are charged to a customer in advance but not yet due.

Steps for revenue recognition

Grupo Aval recognizes revenue from contracts with customers based on a five-step model as set out in IFRS 15:

- Step 1. Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met. Contracts can be written, oral or implied by an entity’s customary business practices.
- Step 2. Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- Step 3. Determine the transaction price: The transaction price is the amount of consideration to which Grupo Aval expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, Grupo Aval allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which Grupo Aval expects to be entitled in exchange for satisfying each performance obligation.
- Step 5. Recognize revenue when (or as) Grupo Aval satisfies a performance obligation.

Grupo Aval satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- a) Grupo Aval’s performance does not create an asset with an alternate use to Grupo Aval, and Grupo Aval has as an enforceable right to payment for the performance completed to date.
- b) Grupo Aval’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- c) The customer simultaneously receives and consumes the benefits provided as Grupo Aval’s performs its obligation.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

When Grupo Aval satisfies a performance obligation by delivering the promised goods or services it creates a contract asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability.

Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Grupo Aval recognizes revenue when it transfers control over a good or service to a customer. Revenue is presented net of value added tax (VAT), rebates and discounts and after eliminating intra-group sales.

Grupo Aval assesses its revenue arrangements to determine if it is acting as principal or agent.

Revenue is recognized to the extent it is probable that the economic benefits will flow to Grupo Aval and the revenue and costs, if applicable, can be measured reliably.

The following is a description of principal activities from which Grupo Aval generates revenue from contracts with customers:

(i) Banking (Financial Services)

Grupo Aval often enter into contracts that cover a number of different services. Such contracts might contain components within, and components outside, the scope of IFRS 15. Therefore, Grupo Aval only applies the IFRS 15 guidance where it has contracts that are all or partly outside the scope of IFRS 9.

The main revenue streams earned by the banks from contracts with customers are the following:

- *Commissions:*

Banks receive bancassurance commissions for introducing new clients to third party insurers, where the bank does not underwrite the insurance policy itself. These commissions are usually paid periodically (for example, monthly) to banks based on the volume of new policies (and/or renewal of existing policies) originating from clients introduced by the bank. The transaction price might include an element of consideration that is variable or contingent on the outcome of future events, such as policy cancellations, which is estimated and included in the transaction price based on the most likely amount only when it is highly probable that the resolution of the uncertainty will not result in a significant reversal of revenue.

Performance obligations are fulfilled over time, taking into account that customers (insurers) receive benefits as time progresses. Where the commission calculation is made on a monthly basis or in a shorter period, the total amount of the commission is recognized in the results when its determination is made. If the settlement of commissions is defined in periods longer than a monthly basis, the expected income to recognize revenues is estimated as time progresses.

Loan commitment fees are within the scope of IFRS 15 when it is unlikely that a specific lending arrangement will be entered into and the loan commitment is not measured at FVTPL. Loan syndication fees received by a bank that arranges a loan and retains no part of the loan package for itself (or retains a part at the same Effective Interest Rate “EIR” for comparable risk as other participants) are within the scope of IFRS 15.

Income from performance obligations to provide such services, which are met at a point in time, are recognized when the particular event defined in the contracts occurs (e.g., approval of the syndicated loan). The obligations met over time are recognized during the period of the commitment; If income is received in advance, it is deferred over the period of the commitment. If income is received upon expiration, it is estimated periodically.

- *Credit cards: Interchange fees, Annual-quarterly-monthly fees, Loyalty programs*

There are contracts that create enforceable rights and obligations between the Bank and the cardholders or merchants under which the bank will provide services, sometimes in exchange for annual and other fees. The following are some of the services that might exist in a contract with a cardholder:

- Issuance of loyalty points (which are options to acquire goods/services for free or at a discount in the future), usually based on the monetary volume of card transactions;
- Payment processing service;
- Insurance where the bank is not the insurer;
- Fraud protection; and

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

- Processing of certain transactions, such as purchases in a foreign currency and Advances.

The transaction price is allocated to each performance obligation based on the relative stand-alone selling prices of the goods or services being provided to the customer. The allocation of the transaction price to each of the separate performance obligations will not necessarily be required where there is more than one performance obligation and the performance obligations all satisfied at the same time or evenly over the period.

Performance obligations are fulfilled over time, taking into account that customers receive benefits as time goes on. Given that the entity's efforts or resources are expended evenly throughout the performance period, income is recognized on a linear basis during the period defined under the credit card conditions. The costs of plastic or security elements are capitalized as contract signing costs.

In connection with Grupo Aval the credit and debit card processing fee, customers receive benefits every time they make purchases. In this context, income is recognized periodically (daily or monthly) on the basis of the amounts traded. Income that would be deferred by the valuation of the points granted for customer loyalty programs to the cardholders will be extracted from the total amount of commissions recorded periodically. See section (vi) Customer loyalty program below.

- *Savings and checking accounts: Account and transaction fees*

Savings and checking accounts contracts usually allow customers access to a variety of services, including wire transfer processing, ATM use for cash withdrawals, issuance of debit cards, and account statements; they might also include other benefits. Fees are charged on a periodic basis and give the customer access to banking services and additional benefits. Performance obligations are fulfilled over time, taking into account that customers receive benefits as time progresses. As a result, banks recognize fees from providing services in the accounting period in which the services are rendered.

- *Investment banking: Underwriting fees and Advisory fees*

Advisory contracts with customers are not standardized. These contracts might differ between customers, and they often include variable consideration, including contingent fees, that are only payable upon meeting agreed milestones.

Income from performance obligations to provide such services, which are met at a point in time, are recognized when the particular event defined in the contracts occurs. The obligations met over time are recognized considering method of milestones achieved (when only one milestone that considers the delivery of results, income is recognized at a single moment when the final delivery is made).

(ii) Asset management

Revenues of asset portfolios management correspond to fees which arise from the rendering of management and advisory services and usually are measured based on performance and profit of asset portfolios of asset portfolios, which are recognized based on amounts calculated under the formulas established by the contracts when such amount is no longer subject to adjustments resulting from future events.

If the fee expected is variable, the variable consideration included in the transaction price is limited to the amount for which it is highly probable that a significant reversal of the amount of cumulative revenue recognized will not occur when the uncertainty is resolved. In the estimation, Grupo Aval considers both the likelihood and the magnitude of the revenue reversal. Factors that could increase the likelihood or the magnitude of a revenue reversal include, but are not limited to, (i) the amount of consideration is highly susceptible to factors outside the entity's influence, (ii) the uncertainty about the amount of consideration is not expected to be resolved for a long period of time, and (iii) the contract has a large number and broad range of possible consideration amounts.

Fees are often based on net assets under management or returns generated by the underlying investments held by the funds subject to certain thresholds.

The contractual measurement period for performance fees of fund managers is often a month, quarter or year, and in some rare cases longer. In some cases, the fees will be constrained until the contractual measurement period is completed. The Group assess if there is a portion (a minimum amount) of the variable consideration that should be recognized prior to the end of the contractual measurement period. The full amount of the fee will likely be recognized as of the end of the contractual measurement period when the asset manager becomes certain of the amount. In certain cases, the full amount of the fee will be recognized upon redemption when is no longer subject to reversal.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

(iii) Construction and operation services (Concessions)

In concession arrangements, Grupo Aval determines that its performance obligations (construction, operation and maintenance) are satisfied over time and measures progress toward completion to determine the timing of revenue recognition using a method that depicts the transfer of the goods or services to the customer.

Grupo Aval considers the nature of the product or services provided and the terms of the contract, such as termination rights, the rights to demand or retain payments, and the legal title to work in process in determining the best input or output method for measuring progress toward satisfaction of the performance obligation.

Grupo Aval applies a single method to measure progress for each performance obligation within a contract. The method can be either an input method (cost incurred, labor hours) or output method (units produced, milestones reached).

Estimations of revenues, costs or progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(iv) Power and utilities

Contracts between a customer and a public utility company establish the rates and terms of service for the purchase, delivery, and sale of electricity or gas. Grupo Aval determines that its obligation is represented in a single performance obligation which is to sell electricity or gas, and it is satisfied over time (over the term of the agreement) through a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer.

Some contracts include multiple deliverables, such as the installation of fixtures or repairs, which are accounted as separate performance obligations. The transaction price is allocated to each performance obligation based on the stand-alone selling prices (regulated rates). If contracts include the installation of fixtures, the associated revenue is recognized at the point in time when goods are installed, the ownership has been transferred and the customer has accepted the property.

(v) Logistic activities

Grupo Aval's transport and logistics companies offer multiple products or services to their customers as part of a single agreement. Separate performance obligations are identified in an agreement based on the terms of the contract and Grupo Aval's usual business practices.

Revenue recognition criteria generally applies separately to each performance obligation. In certain circumstances, it may be necessary to separate a transaction into identifiable components to reflect the content of the transaction. It may be necessary to group two or more transactions when they are linked in such a way that the commercial effect cannot be understood without reference to the series of transactions as a whole.

The transaction price is assigned to performance obligations separately in a contract based on the relative independent selling price of each separate performance obligation.

(vi) Customer loyalty program

Financial entities and hotels of Grupo Aval manage loyalty programs in which the customers accumulate points for their purchases, entitling them to redeem such points for prizes in accordance with the policies and the prize plan in force as of the redemption date. Reward points are recognized as an identifiable component separate from income for the service rendered, at their fair value. Income from loyalty programs is deferred and recognized in the Consolidated Statement of Income until the entity has fulfilled its obligations to supply the products under the terms of the program or when it is no longer probable that the points under the program will be redeemed.

Grupo Aval acts as the principal in a customer loyalty program if it obtains control of the goods or services of another party in advance of transferring control of those goods or services to a customer. Grupo Aval is an agent if its performance obligation is to arrange for another party to provide the goods or services.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

(vii) Hotel services

Revenue is derived from the following sources:

- i) Management fees: earned from hotels managed by Grupo Aval, usually under long-term contracts with the hotel owner. Management fees include a base fee, generally a percentage of hotel revenue, which is recognized when earned in accordance with the terms of the contract and an incentive fee, generally based on the hotel's profitability or cash flows and recognized when the related performance criteria are met under the terms of the contract.
- ii) Owned and leased: primarily derived from hotel operations, including the guests accommodation and sales of food and beverage from owned and leased hotels operated under Grupo Aval brand names.

Revenue is recognized at the point when the goods are sold or services are rendered.

(viii) Agriculture products

Grupo Aval grows and sells agricultural products through companies owned by Corficolombiana. Sales are recognized when control of the products has been transferred, meaning when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or Grupo Aval has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognized based on the price specified in the contract, net of discounts. Accumulated experience is used to estimate and provide for the discounts, using the most likely amount, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ix) Financing components.

Grupo Aval adjusts transaction prices for the time value of money for contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

2.28 Earnings per share

Earnings per share is calculated as net income for the period attributable to Grupo Aval's shareholders divided by the weighted average number of common and preferred shares outstanding during the period. Diluted earnings per share are determined in the same way, for the basis of net income, but the weighted average number of shares outstanding is adjusted to account for the potential dilutive effect of stock options. Grupo Aval does not have financial instruments with potential dilutive effects. As a consequence, only basic earnings per share are disclosed in these financial statements.

2.29 New and amended IFRS

Decree 1271 of October 2024 introduces the most recent amendment to Colombia's Single Regulatory Decree on accounting matters (Decree 2420 of 2015), adding to the financial reporting technical framework the technical annex containing International Financial Reporting Standard (IFRS) 17 Insurance Contracts. The decree establishes a transition regime for IFRS 17 applicable to Group 1 entities as from January 1, 2027, and instructs the Superintendency of Finance of Colombia to issue the corresponding guidance necessary for compliance with the Standard. Likewise, it repeals International Financial Reporting Standard IFRS 4 effective January 1, 2027, as included in the consolidated and updated Technical Annex 1-2019 of the financial reporting standards.

<u>New or Amended Standard</u>	<u>Title of the Standard</u>	<u>Effective for Annual Periods Beginning on or After</u>
<u>Forthcoming requirements.</u>		
Insurance Contracts	IAS 17	January 1, 2027

Grupo Aval has conducted a preliminary assessment of the impacts arising from the adoption of the new or amended standards described above and has concluded that no significant impact is expected on Grupo Aval's financial statements for current or future reporting periods.

NOTE 3 – JUDGMENTS AND CRITICAL ACCOUNTING ESTIMATES IN APPLYING ACCOUNTING POLICIES

Grupo Aval's management makes estimates and assumptions that affect the amounts recognized in the consolidated financial statements and the carrying value of the assets and liabilities within the fiscal year. The judgments and estimates are continuously evaluated and are based on the experience of management and other factors, including the occurrence of future events that are believed to be reasonable under the current circumstances. Management also makes certain judgments besides those which involve estimates during the process of applying accounting policies. The judgments that have the most significant effects on the amounts recognized in the Consolidated Financial Statements and the estimates that may cause an important adjustment to the book value of assets and liabilities in the following year include the following:

A. Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes.

- Note 2 (2.1) – determination of control over investees.
- Note 2 (2.5) (ii) – classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.
- Note 4 (4.1.5) – establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL and selection and approval of models used to measure ECL.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended is included in the following notes.

- Note 4 (4.1.5) – impairment of financial instruments: assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL.
- Note 4 (4.1.5) – impairment of financial instruments: key assumptions used in estimating recoverable cash flows.
- Note 5 – determination of the fair value of financial instruments with significant unobservable inputs.
- Note 16 – measurement and revenue recognition of concession arrangements.
- Note 17 – impairment testing for CGUs containing goodwill: key assumptions underlying recoverable amounts.
- Note 19 – recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used.
- Notes 22 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 23 – measurement of defined benefit obligations: key actuarial assumptions.

NOTE 4 – RISK MANAGEMENT

Grupo Aval and its subsidiaries in the financial sector, Banco de Bogotá, Banco de Occidente, Banco AV Villas, Banco Popular, Corficolombiana, Porvenir, Aval Fiduciaria and Aval Casa de Bolsa manage risk pursuant to the applicable regulations in each country where they operate and according to Grupo Aval's policies.

The risk framework requires that strong risk management practices are integrated in the key processes across Grupo Aval with a goal of ensuring risks are appropriately considered, evaluated and responded to in a timely manner. Grupo Aval employs a risk management process that aims to identify, measure, monitor and control, as part of the daily activities, all the risks that Grupo Aval is exposed to.

Three lines model: in addition to the roles of Executive Officers in managing risk, management has ownership and accountability across the three lines of defense: (1) First Line: Business Units, (2) Second Line: mainly concentrated in the Independent Risk Management units and (3) Third line: Corporate Audit.

- *Business Units*: Include the business lines as well as the Technology and Operations areas which are responsible for appropriate assessment and effective management of all risks associated with their processes.
- *Independent Risk Management Units*: Risk management areas include risk management and compliance departments. There are other control functions that are not part of these areas but are also key in risk mitigation of non-financial risks, including legal, human resources certain activities within the financial and administrative processes.
- *Corporate Audit*: Corporate audit maintains its independence from the first and second lines by reporting directly to the Audit Committee or the Board. Corporate Audit provides independent assessment and validation through testing of key processes and controls across Grupo Aval.

The following sections outline the key financial risks that are inherent to the business activities of the subsidiaries:

Financial risks

- Credit risk**: the risk of financial loss if a debtor fails to meet their contractual obligations.
- Market risk**: the risk of loss arising from potential adverse movements in the value of the subsidiaries in the financial sector assets and liabilities or future results, arising as a result of changes in market variables such as interest rates, foreign exchange rates, equity prices, commodity prices, implied volatilities or credit spreads; this includes the structural interest rate and foreign exchange risks.
- Interest rate risk**: it is the current or potential risk to equity and profits that arise from adverse movements in interest rates, which affect the positions of the banking book.
- Liquidity risk**: the risk of being unable to meet contractual and contingent obligations or that the subsidiaries in the financial sector do not have the appropriate amount, composition and tenor of funding and liquidity to support the financial assets and liabilities requirements (funding liquidity risk). Also includes the capability to manage its investment portfolio in terms of liquidity, duration and currency (market liquidity risk).

Additionally, the risk areas are responsible for supporting capital management by determining risk levels of the calculation of capital adequacy requirements, impact assessment of the risk materialization on compliance with capital levels and determining the levels of risk appetite.

Objective and general guidelines of financial risk management

Grupo Aval's and its subsidiaries of the financial sector objective is to maximize returns for its investors through strong risk management. The guiding principles of risk management at Grupo Aval are as follows:

- Make risk management a part of every institutional process.
- Collective decision making for the approval of commercial lending of significant amounts.
- Extensive and in-depth industry and market knowledge, as a result of sound leadership and experienced, stable and seasoned senior management.
- Clear risk management policies based on a top-down approach with respect to:
 - Compliance with know-your-customer policies.
 - Commercial loans credit structure based on clear identification of sources of repayment as well as cash flow generation capacity of the borrower.
- Use of similar credit analysis tools for analysis across subsidiaries of financial sector.
- Diversification of the commercial loan portfolio with respect to industries and economic groups.
- Specialization in consumer product niches.
- Extensive use of continuously updated scoring models and up-to-date credit ratings to ensure quality growth of loans with high credit quality.
- Conservative policies in terms of:
 - Trading portfolio composition with bias towards lower volatility instruments.
 - Proprietary trading position.
 - Variable compensation for the trading staff.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

- j) Control the position-level exposures based on market risk sensitivities (such as VaR, DV01, Delta, Rho and Vega) and credit risk exposures by counterparties.
- k) Concentration and diversification limits which are based on market liquidity and volatility, operational capacity, valuation and credit quality of counterparties.
- l) Control and follow up on the funding and liquidity risk with independent oversight. This includes setting limits related to high quality liquid assets and maturity concentration of financial liabilities among others.
- m) Ensuring compliance with regulatory limits and reviewing how the current and projected strategy can affect those limits.
- n) Use of our market experience in the identification and implementation of best practices for risk management.

Main premises for risk management

Grupo Aval's risk culture is based on the principles indicated in the section above, which are transmitted to all subsidiaries of the financial sector and business units. The strategy related to risk management is supported by the following guidelines:

- a) In the financial sector subsidiaries of Grupo Aval, the risk function is independent of the business units. The segregation of functions between the business areas and the risk areas in charge of risk measurement analysis, control and reporting, provide enough independence and autonomy for proper risk control.
- b) The decision-making process at the subsidiaries of the financial sector requires that transactions of significant amounts are sent to decision centers such as risk committees. The frequency of meetings of these committees ensures a high degree of agility regarding proposal resolution, and continuous participation of senior management in management of various risks.
- c) Grupo Aval has corporate policies for the risks to which it is exposed. The business and risk units of Grupo Aval and its subsidiaries of the financial sector hold orientation meetings based on approaches to risk that are consistent with Grupo Aval's risk culture.
- d) Grupo Aval has implemented a risk system that is updated on a regular basis to address new conditions in the markets and the risks to which Grupo Aval is exposed.
- e) There are adequate information systems to monitor risk exposure, ensure compliance with the approved policies and implement appropriate corrective actions as and when necessary.
- f) Key risks are analyzed on a regular basis, not only when risks materialize or problems occur during the normal course of business but in a continuous process of risk management.
- g) Grupo Aval and its subsidiaries of the financial sector have training courses on risk culture for all hierarchy levels in the organization.
- h) A risk culture has been integrated throughout the organization, consisting of a series of attitudes, values, skills and guidelines to action.

Financial Risk Review

4.1 Credit Risk

4.1.1 Consolidated Credit Risk Exposure

Grupo Aval's subsidiaries are exposed to credit risk, consisting of the risk of financial loss as a result of a failure of a debtor to meet their contractual obligations in financial transactions on a timely and complete manner. Exposure to credit risk for Grupo Aval and its subsidiaries is a result of credit activities and transactions with counterparties.

The maximum exposure to credit risk of Grupo Aval, at a consolidated level is reflected in the carrying value of financial assets in the Consolidated Statement of Financial position of Grupo Aval as of December 31, 2025, and 2024 as follows:

Assets	December 31, 2025 ⁽¹⁾	December 31, 2024
Cash and cash equivalents ⁽²⁾	Ps. 15,685,267	Ps. 13,256,505
Trading investments in debt securities	17,582,844	11,937,414
Investments in debt securities mandatorily at FVTPL	—	1,425
Investments in debt securities at FVOCI ⁽³⁾	28,455,957	27,050,198
Investments in debt securities at amortized cost	9,205,457	10,708,367
Derivatives instruments ⁽⁴⁾	2,217,021	969,294
Hedging derivatives ⁽⁴⁾	236,558	54,019
Loans		
Commercial	108,308,984	115,414,643
Consumer	60,456,213	61,976,325
Mortgage	22,111,710	22,035,727
Microcredit	1,520	4,375
Interbank and overnight funds	1,777,516	705,055
Other accounts receivable FVTPL ⁽⁵⁾	2,635,437	4,181,835
Other accounts receivable at amortized cost	22,216,161	24,138,538
Total financial assets with credit risk	Ps. 290,890,645	Ps. 292,433,720
Financial instruments with credit risk outside of the statement of financial position at its nominal value		
Financial guarantees and letters of credit	2,199,093	3,082,949
Credit commitments	29,419,499	25,593,472
Total exposure to credit risk outside of the statement of financial position ⁽⁶⁾	Ps. 31,618,592	Ps. 28,676,421
Total maximum exposure to credit risk	Ps. 322,509,237	Ps. 321,110,141

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A. With the exception of Derivatives instruments and Hedging derivatives.

⁽²⁾ Not including funds in the entity's custody (cash, tellers, vaults), because there is no credit risk regarding Grupo Aval entities. See Note 4.1.3 h.

⁽³⁾ See details in note 4.1.3.

⁽⁴⁾ See details in note 4.1.3 g.

⁽⁵⁾ See Note 12.1 "Financial assets in concession arrangements".

⁽⁶⁾ See details in note 4.1.9.

With regard to guarantees and commitments to extend credit amounts, the maximum credit risk exposure is the amount of a commitment. Credit risk is mitigated by guarantees and collaterals as described in note 4.1.4 Mitigation of Credit Risk, Collateral and Other Credit Risk Enhancements.

Each of Grupo Aval's financial subsidiaries assume the credit risk for both the credit activities, which includes commercial, consumer, mortgage and microcredit credit lending, and treasury activities including interbank loans, investment portfolio management, derivatives and foreign currency trading activities among others. Despite being independent businesses, the nature of insolvency risk of a borrower or counterparty is similar and therefore the criteria in which they are evaluated is similar.

4.1.1.A. Loan portfolio disclosure

Loans are recorded at amortized cost in the Consolidated Statement of Financial Position, and are classified as commercial, consumer, residential mortgage, microcredit, interbank and overnight funds. The following table presents the portfolio balances, provision balances and net value portfolio by line of business:

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2025

Portfolio segment	Loan Portfolio		Loss allowance		Total loan Portfolio, net
Commercial	Ps.	108,308,984	Ps.	4,261,931	Ps. 104,047,053
Interbank and overnight funds		1,777,516		148	1,777,368
Commercial, interbank and overnight funds	Ps.	110,086,500	Ps.	4,262,079	Ps. 105,824,421
Consumer		60,456,213		3,664,776	56,791,437
Mortgage		22,111,710		502,155	21,609,555
Microcredit		1,520		960	560
Total portfolio ⁽¹⁾	Ps.	192,655,943	Ps.	8,429,970	Ps. 184,225,973

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

December 31, 2024

Portfolio segment	Loan Portfolio		Loss allowance		Total loan Portfolio, net
Commercial	Ps.	115,414,643	Ps.	5,362,893	Ps. 110,051,750
Interbank and overnight funds		705,055		795	704,260
Commercial, interbank and overnight funds	Ps.	116,119,698	Ps.	5,363,688	Ps. 110,756,010
Consumer		61,976,325		4,166,018	57,810,307
Mortgage		22,035,727		473,315	21,562,412
Microcredit		4,375		3,618	757
Total portfolio	Ps.	200,136,125	Ps.	10,006,639	Ps. 190,129,486

4.1.1.B Loan portfolio given as collateral

As of December 31, 2025 and 2024, there were no portfolio operations delivered as collateral in resource auction operations with Banco República.

4.1.2 Loan and Counterparty Approval Process for subsidiaries in the financial sector

The principles and rules for credit management and credit risk for each financial subsidiary are contained in the corresponding manuals, both for commercial banking activities and treasury activities. Evaluation criteria to measure credit risk follows the principal instructions set forth by the Treasury and Credit Risk Committees.

The maximum authority regarding lending is the Board of Directors for each bank, which approves the general policy and has the capacity to approve large size transactions. In the normal banking operation, authorizations for approval of loans and lines of credit depend on the amounts, credit quality, tenor and security collateral or guarantees offered by the client. The Board of Directors of each subsidiary has delegated part of its lending authorities to different committees and executives who process the credit requests and are responsible for the analysis and credit review.

Additionally, for the approval of credits, certain considerations are considered including but not limited to the probability of default, the recovery percentage of guarantees received, current customer exposure and tenor & concentration by economic sector.

Regarding treasury operations, the Boards of Directors approve lines of credit for counterparties. Risk control is essentially carried out through three mechanisms: periodic approval of lines of credit, evaluation of the conditions of the issuers at least annually and a report on concentrations for each client or economic group.

Although each financial subsidiary is responsible for its credit decisions and risk management, Grupo Aval as the holding entity, oversees the implementation of appropriate risk management controls at the financial subsidiaries through the Corporate Risk Unit. The holding's risk management staff meets on a periodically basis to discuss Grupo Aval subsidiaries' loan portfolio, developments in industry, risks and opportunities. Additionally, Grupo Aval through the Credit Projects Unit reviews credit exposures approved by the Group's financial entities, in accordance with guidelines established based on financial indicators, group exposure limits, economic sectors and other relevant criteria. This process was designed to effectively leverage the combined equity of its Banks and support the proper identification and management of potential risk issues.

Each subsidiary of the financial sector has a Credit Risk Management System, which is managed by the risk vice-presidency or its equivalent, and includes, among others, the design, implementation and evaluation of policies and risk mechanisms defined by the

Risk Committee and the Board of Directors of each entity. The operation of the Credit Risk Management System has resulted in the integration of risk measurement tools into the credit approval process in each of the financial subsidiaries.

Each subsidiary of the financial sector in Colombia primarily uses two models for evaluating credit risk for the approval of commercial loans. The first is the financial ratings model, which consists of statistical models based on the client's financial information, which are used in the approval process and for portfolio management and monitoring. The second model is based on the client's financial ratings and their historical payment behavior with the bank, used in the customer credit risk grade.

For retail loans (including mortgage loans and auto loans) models are based on product line characteristic, sociodemographic variables and the historical payment behavior of the clients with the bank and the financial sector, among others.

As a result of the changes caused by the national and international economic and political situation, periodically review and analyze whether it is necessary to adjust origination strategies, along with approved debt limits in accordance with individual risk analysis, especially for customers identified in high-risk sectors, segments, credit lines and among others.

4.1.3 Credit quality analysis

The Credit-risk Monitoring Process and Credit rating of the loan portfolio

The monitoring process and credit risk review of each financial subsidiary is carried out in several steps including portfolio analysis by vintages, risk level rating, permanent high-risk clients' review, restructuring processes of operations and the receipt of foreclosed assets as payment.

Periodically the financial subsidiaries classify each client in one of these risk categories: Category Normal, Acceptable, Appreciable, Significant and Non - recoverability, based on the statistical models that each subsidiary has.

In addition, each bank evaluates the commercial portfolio by economic sectors, where macro-sectors are evaluated with the purpose of monitoring the concentration per economic sector and the risk level of each one.

At least once a year, each financial subsidiary carries out an individual analysis of credit risk based on updated financial information of the client, payment record, collateral security/guarantees received, credit bureau reports and other qualitative information available; based on the information, clients are classified by risk level as mentioned above.

Each risk category is explained as follows:

Category	PD*	Risk	Description
1	0%- 7.5%	Normal	Appropriately serviced. The debtor's financial statements or their projected cash flows, as well as all other credit information available to us, reflect adequate paying capacity
2	7.5% - 15%	Acceptable above normal	Adequately serviced and protected, but there are weaknesses which may potentially affect, on a temporary or permanent basis, the debtor's paying capacity or their projected cash flows to the extent that, if not timely corrected, would affect the collection of the credits as contracted
3	15% - 22.5%		
4	22.5% - 30%	Appreciable	Have debtors with insufficient paying capacity or relate to projects with insufficient cash flow, which may compromise the normal collection of the obligations
5	30% - 45%		
6	45% - 60%	Significant	Have the same deficiencies as loans in category 4-5, but to a larger extent; consequently, the probability of collection is highly doubtful
7	60% - 90%		
8	> 90%	Non-recoverability	Deemed uncollectible.

(*) Probability of default – "PD" is the probability that the counterpart defaults in their payment obligations of capital and/or interest.

For mortgage loans and microcredits, the previous classification by risk levels is carried out monthly considering the number of days past due.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

In addition, the credit risk exposure is managed through a periodic analysis of the borrowers (or potential borrowers) to determine the repayment capacity of capital and interest. The credit risk exposure is also mitigated partly by obtaining collateral security, corporate and personal guarantees.

The following table sets out information about the credit quality of financial assets measured at amortized cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively. Based on the foregoing classifications, each financial subsidiary establishes and executes collection strategies directed at maximizing the collection of the loan portfolio.

As of December 31, 2025, and 2024, the following is a summary of the most representative credit portfolio by probability of default. Explanation of the terms: Stage 1, Stage 2 and Stage 3 are included in Note 2 (2.5) (ix) and explained in detail in Note 4.1.5 (Measurement of Expected Credit Loss).

Total Portfolio

PD Range	December 31, 2025 ⁽¹⁾			
	Total Exposure			
	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 165,440,008	Ps. 3,450,456	Ps. 45,850	Ps. 168,936,314
7.5% - 15%	6,670,078	828,542	4,860	7,503,480
15% - 22.5%	640,933	580,074	12,169	1,233,176
22.5% - 30%	122,067	258,569	432	381,068
30% - 45%	184,363	1,746,377	71,536	2,002,276
45% - 60%	55,985	611,877	55	667,917
60% - 90%	5,616	1,127,578	13,724	1,146,918
> 90%	545	57,902	10,726,347	10,784,794
TOTAL	Ps. 173,119,595	Ps. 8,661,375	Ps. 10,874,973	Ps. 192,655,943

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

PD Range	December 31, 2024			
	Total Exposure			
	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 165,325,376	Ps. 2,733,552	Ps. 74,867	Ps. 168,133,795
7.5% - 15%	10,731,075	1,379,780	614	12,111,469
15% - 22.5%	535,897	447,250	97	983,244
22.5% - 30%	344,972	556,641	246	901,859
30% - 45%	185,460	1,570,202	1,795	1,757,457
45% - 60%	62,448	948,971	148	1,011,567
60% - 90%	9,205	1,818,316	105,882	1,933,403
> 90%	2,098	63,862	13,237,371	13,303,331
TOTAL	Ps. 177,196,531	Ps. 9,518,574	Ps. 13,421,020	Ps. 200,136,125

Commercial

PD Range	December 31, 2025 ⁽¹⁾			
	Total Exposure			
	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 94,590,767	Ps. 2,072,599	Ps. 45,625	Ps. 96,708,991
7.5% - 15%	1,820,441	381,875	4,790	2,207,106
15% - 22.5%	94,162	38,927	12,158	145,247
22.5% - 30%	33,513	77,083	315	110,911
30% - 45%	44,839	1,111,043	71,456	1,227,338
45% - 60%	26,155	163,632	—	189,787
60% - 90%	2,380	70,348	7,486	80,214
> 90%	4	1,751	7,637,635	7,639,390
TOTAL	Ps. 96,612,261	Ps. 3,917,258	Ps. 7,779,465	Ps. 108,308,984

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024				
Total Exposure				
PD Range	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 95,690,974	Ps. 1,061,196	Ps. 74,525	Ps. 96,826,695
7.5% - 15%	5,926,757	789,697	603	6,717,057
15% - 22.5%	91,248	147,840	8	239,096
22.5% - 30%	113,165	213,759	225	327,149
30% - 45%	69,485	950,652	1,711	1,021,848
45% - 60%	33,092	223,917	38	257,047
60% - 90%	2,895	76,708	97,492	177,095
> 90%	289	481	9,847,886	9,848,656
TOTAL	Ps. 101,927,905	Ps. 3,464,250	Ps. 10,022,488	Ps. 115,414,643

Consumer

December 31, 2025 ⁽¹⁾				
Total Exposure				
PD Range	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 48,569,942	Ps. 1,240,167	Ps. 225	Ps. 49,810,334
7.5% - 15%	4,848,792	343,976	63	5,192,831
15% - 22.5%	546,704	455,732	8	1,002,444
22.5% - 30%	88,554	166,718	115	255,387
30% - 45%	139,524	271,471	75	411,070
45% - 60%	29,830	377,910	53	407,793
60% - 90%	3,236	961,948	6,228	971,412
> 90%	541	55,852	2,348,549	2,404,942
TOTAL	Ps. 54,227,123	Ps. 3,873,774	Ps. 2,355,316	Ps. 60,456,213

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

December 31, 2024				
Total Exposure				
PD Range	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 49,327,615	Ps. 1,473,359	Ps. 339	Ps. 50,801,313
7.5% - 15%	4,600,920	439,437	11	5,040,368
15% - 22.5%	377,855	148,417	89	526,361
22.5% - 30%	230,075	231,107	21	461,203
30% - 45%	115,355	342,328	84	457,767
45% - 60%	29,356	511,606	110	541,072
60% - 90%	6,280	1,478,181	8,389	1,492,850
> 90%	1,809	62,817	2,590,765	2,655,391
TOTAL	Ps. 54,689,265	Ps. 4,687,252	Ps. 2,599,808	Ps. 61,976,325

Mortgage

December 31, 2025 ⁽¹⁾				
Total Exposure				
PD Range	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 20,501,276	Ps. 137,690	Ps. —	Ps. 20,638,966
7.5% - 15%	809	102,691	7	103,507
15% - 22.5%	67	85,415	3	85,485
22.5% - 30%	—	14,768	2	14,770
30% - 45%	—	363,857	5	363,862
45% - 60%	—	70,335	2	70,337
60% - 90%	—	95,282	10	95,292
> 90%	—	299	739,192	739,491
TOTAL	Ps. 20,502,152	Ps. 870,337	Ps. 739,221	Ps. 22,111,710

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024				
Total Exposure				
PD Range	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 19,602,506	Ps. 198,997	Ps. 3	Ps. 19,801,506
7.5% - 15%	201,894	150,646	—	352,540
15% - 22.5%	66,794	150,993	—	217,787
22.5% - 30%	1,718	111,771	—	113,489
30% - 45%	617	277,207	—	277,824
45% - 60%	—	213,437	—	213,437
60% - 90%	—	263,418	1	263,419
> 90%	—	564	795,161	795,725
TOTAL	Ps. 19,873,529	Ps. 1,367,033	Ps. 795,165	Ps. 22,035,727

Interbank and overnight funds

December 31, 2025 ⁽¹⁾				
Total Exposure				
PD Range	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 1,777,516	Ps. —	Ps. —	Ps. 1,777,516
7.5% - 15%	—	—	—	—
15% - 22.5%	—	—	—	—
22.5% - 30%	—	—	—	—
30% - 45%	—	—	—	—
45% - 60%	—	—	—	—
60% - 90%	—	—	—	—
> 90%	—	—	—	—
TOTAL	Ps. 1,777,516	Ps. —	Ps. —	Ps. 1,777,516

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A

December 31, 2024				
Total Exposure				
PD Range	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 703,863	Ps. —	Ps. —	Ps. 703,863
7.5% - 15%	1,192	—	—	1,192
15% - 22.5%	—	—	—	—
22.5% - 30%	—	—	—	—
30% - 45%	—	—	—	—
45% - 60%	—	—	—	—
60% - 90%	—	—	—	—
> 90%	—	—	—	—
TOTAL	Ps. 705,055	Ps. —	Ps. —	Ps. 705,055

Loan commitments and financial guarantee contracts

December 31, 2025 ⁽¹⁾				
Total Exposure				
PD Range	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 29,737,149	Ps. 79,137	Ps. 1,020	Ps. 29,817,306
7.5% - 15%	626,507	564,672	199	1,191,378
15% - 22.5%	49,011	135,096	121	184,228
22.5% - 30%	17,503	13,908	65	31,476
30% - 45%	5,137	136,229	160	141,526
45% - 60%	1,066	56,557	195	57,818
60% - 90%	235	1,943	675	2,853
> 90%	14	431	191,562	192,007
TOTAL	Ps. 30,436,622	Ps. 987,973	Ps. 193,997	Ps. 31,618,592

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024

PD Range	Total Exposure			
	Stage 1	Stage 2	Stage 3	Total
0%- 7.5%	Ps. 25,001,252	Ps. 65,537	Ps. 666	Ps. 25,067,455
7.5% - 15%	460,057	437,341	46	897,444
15% - 22.5%	79,091	2,207,502	39	2,286,632
22.5% - 30%	22,053	6,514	29	28,596
30% - 45%	12,330	133,364	179	145,873
45% - 60%	539	74,023	52	74,614
60% - 90%	244	2,867	334	3,445
> 90%	5	2,370	169,987	172,362
TOTAL	Ps. 25,575,571	Ps. 2,929,518	Ps. 171,332	Ps. 28,676,421

Credit quality of financial assets (excluding loan portfolio)

The following is the breakdown of the different financial assets excluding loan portfolio, by credit risk level and type of issuer based on the rating issued by the independent credit ratings agency. A financial asset is considered investment grade if its credit rating is BBB- or higher by Standard & Poor's or Fitch Ratings scale, Baa3 or higher by Moody's scale, F3 or higher by Fitch Ratings Colombia S.A or BRC3 or higher by BRC of Colombia. Otherwise, the financial asset is considered speculative.

a) Trading investment in debt securities

	December 31, 2025 ⁽¹⁾	December 31, 2024
Investment grade		
Sovereign ⁽²⁾⁽⁴⁾	Ps. 492,675	Ps. 10,699,113
Other public entities ⁽³⁾	107,722	12,450
Corporate	3,781	3,996
Financial entities	126,993	161,465
Total investment grade	Ps. 731,171	Ps. 10,877,024
Speculative grade		
Sovereign ⁽²⁾⁽⁴⁾	Ps. 15,817,843	Ps. 17,824
Other public entities ⁽³⁾	105,357	171,310
Corporate	22,896	30,527
Financial entities	905,577	840,729
Total Speculative grade	Ps. 16,851,673	Ps. 1,060,390
	Ps. 17,582,844	Ps. 11,937,414

⁽¹⁾ As of December the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

⁽²⁾ A sovereign credit rating considers the risk of Treasury issuer or similar agency (government debt portfolio).

⁽³⁾ Corresponds to operations with government entities, including public administration in general (including regional and local governments).

⁽⁴⁾ During 2025, S&P Global Ratings downgraded the Government of Colombia's rating from BBB- to BB+, which meant that the risk level shifted from investment grade to speculative.

b) Investments in debt securities mandatorily at FVTPL

	December 31, 2025	December 31, 2024
Speculative grade		
Corporate ⁽¹⁾	Ps. —	Ps. 1,425
Total Speculative grade	Ps. —	Ps. 1,425

⁽¹⁾ Corresponds to the BOCEA issued by Titularizadora Colombiana, in which Banco AvVillas held a position. At maturity, on December 16, 2025, the entity exercised its right to convert the instrument into shares

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

c) Investments in debt securities at FVOCI

	December 31, 2025 ⁽¹⁾							
	Stage 1		Stage 2		Stage 3		Total	
Investment grade								
Sovereign ⁽²⁾⁽⁴⁾	Ps.	1,306,564	Ps.	—	Ps.	—	Ps.	1,306,564
Other public entities ⁽³⁾		91,016		—		—		91,016
Corporate		38,230		—		—		38,230
Financial entities		915,762		—		—		915,762
Multilaterals		51,853		—		—		51,853
Total investment grade	Ps.	2,403,425	Ps.	—	Ps.	—	Ps.	2,403,425
Speculative grade								
Sovereign ⁽²⁾⁽⁴⁾	Ps.	24,622,925	Ps.	—	Ps.	—	Ps.	24,622,925
Other public entities ⁽³⁾		415,235		—		—		415,235
Corporate		159,981		—		—		159,981
Financial entities		774,550		—		—		774,550
Multilaterals		8,712		—		—		8,712
Total speculative grade	Ps.	25,981,403	Ps.	—	Ps.	—	Ps.	25,981,403
Without Grade or Not available								
Financial Entities	Ps.	63,234	Ps.	—	Ps.	—	Ps.	63,234
Sovereign ⁽²⁾		7,895		—		—		7,895
Total Without Grade or Not available	Ps.	71,129	Ps.	—	Ps.	—	Ps.	71,129
	Ps.	28,455,957	Ps.	—	Ps.	—	Ps.	28,455,957

⁽¹⁾ As of December the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

⁽²⁾ Sovereign credit rating is considered as the risk of the Treasury issuer or a similar agency (government debt portfolio).

⁽³⁾ Corresponds to operations with government entities; including public administrations in general (includes regional and local governments).

⁽⁴⁾ During 2025, S&P Global Ratings downgraded the Government of Colombia's rating from BBB- to BB+, which meant that the risk level shifted from investment grade to speculative.

	December 31, 2024							
	Stage 1		Stage 2		Stage 3		Total	
Investment grade								
Sovereign ⁽¹⁾	Ps.	19,577,886	Ps.	—	Ps.	—	Ps.	19,577,886
Other public entities ⁽²⁾		33,584		—		—		33,584
Central banks		204,855		—		—		204,855
Corporate		66,347		—		—		66,347
Financial entities		1,447,702		—		—		1,447,702
Multilaterals		333,279		—		—		333,279
Total investment grade	Ps.	21,663,653	Ps.	—	Ps.	—	Ps.	21,663,653
Speculative grade								
Sovereign ⁽¹⁾	Ps.	3,192,832	Ps.	—	Ps.	—	Ps.	3,192,832
Other public entities ⁽²⁾		429,161		—		—		429,161
Corporate		367,087		—		—		367,087
Financial entities		1,134,852		—		—		1,134,852
Multilaterals		4,274		—		—		4,274
Total speculative grade	Ps.	5,128,206	Ps.	—	Ps.	—	Ps.	5,128,206
Without Grade or Not available								
Corporate	Ps.	214,110	Ps.	—	Ps.	—		214,110
Financial entities		44,229		—		—		44,229
Total Without Grade or Not available	Ps.	258,339	Ps.	—	Ps.	—	Ps.	258,339
	Ps.	27,050,198	Ps.	—	Ps.	—	Ps.	27,050,198

⁽¹⁾ Sovereign credit rating is considered as the risk of the Treasury issuer or a similar agency (government debt portfolio).

⁽²⁾ Corresponds to operations with government entities; including public administrations in general (includes regional and local governments).

d) Investments in debt securities at amortized cost

	December 31, 2025 ⁽¹⁾							
	Stage 1		Stage 2		Stage 3		Total	
Investment grade								
Sovereign ⁽²⁾	Ps.	30,540	Ps.	—	Ps.	—	Ps.	30,540
Financial entities		1,963,450		—		—		1,963,450
Total investment grade	Ps.	1,993,990	Ps.	—	Ps.	—	Ps.	1,993,990
Speculative grade								

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	December 31, 2025 ⁽¹⁾			
	Stage 1	Stage 2	Stage 3	Total
Other public entities ⁽³⁾	Ps. 5,351,209	Ps. —	Ps. —	Ps. 5,351,209
Sovereign ⁽²⁾	1,860,258	—	—	1,860,258
Total speculative grade	Ps. 7,211,467	Ps. —	Ps. —	Ps. 7,211,467
	Ps. 9,205,457	Ps. —	Ps. —	Ps. 9,205,457

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

⁽²⁾ Sovereign credit rating is considered as the risk of the Treasury issuer or a similar agency (government debt portfolio).

⁽³⁾ Corresponds to operations with government entities; including public administrations in general (includes regional and local governments).

	December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Investment grade				
Sovereign ⁽¹⁾	Ps. 2,584,348	Ps. —	Ps. —	Ps. 2,584,348
Financial entities	2,321,902	—	—	2,321,902
Total investment grade	Ps. 4,906,250	Ps. —	Ps. —	Ps. 4,906,250
Speculative grade				
Other public entities ⁽²⁾	Ps. 5,563,208	Ps. —	Ps. —	Ps. 5,563,208
Corporate	64,709	—	—	64,709
Financial entities	6,647	—	—	6,647
Total speculative grade	Ps. 5,634,564	Ps. —	Ps. —	Ps. 5,634,564
Without Grade or Not available				
Corporate	Ps. 76,915	Ps. 68,638	Ps. —	Ps. 145,553
Financial Entities	22,000	—	—	22,000
Total Without Grade or Not available	Ps. 98,915	Ps. 68,638	Ps. —	Ps. 167,553
	Ps. 10,639,729	Ps. 68,638	Ps. —	Ps. 10,708,367

⁽¹⁾ Sovereign credit rating is considered as the risk of the Treasury issuer or a similar agency (government debt portfolio).

⁽²⁾ Corresponds to operations with government entities; including public administrations in general (includes regional and local governments).

e) Other accounts receivable at FVTPL

	December 31, 2025	December 31, 2024
Investment grade		
Sovereign ⁽¹⁾⁽²⁾⁽⁴⁾	Ps. —	Ps. 4,181,835
Total investment grade	Ps. —	Ps. 4,181,835
Speculative grade		
Sovereign ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	Ps. 2,635,437	Ps. —
Total speculative grade	Ps. 2,635,437	Ps. —
	Ps. 2,635,437	Ps. 4,181,835

⁽¹⁾ Sovereign credit rating is considered as the risk of the Treasury issuer or a similar agency (government debt portfolio).

⁽²⁾ Sovereign corresponds to the financial assets in concession arrangements rights at fair value.

⁽³⁾ During 2025, S&P Global Ratings downgraded the Government of Colombia's rating from BBB- to BB+, which meant that the risk level shifted from investment grade to speculative.

⁽⁴⁾ See Note 12.1 "Financial assets in concession arrangements".

f) Other account receivable at amortized cost

	December 31, 2025				
	Stage 1	Stage 2	Stage 3	Simplified Approach	Total
Other receivables using general approach					
Other accounts receivable and contract assets for government and corporate customers	Ps. 15,180,937	Ps. —	Ps. —	Ps. —	Ps. 15,180,937
Other accounts receivable related to gas, energy services, contributions and others	1,343,088	144,086	173,848	—	1,661,022
Other receivables using simplified approach					
Other accounts receivable from individual customers ⁽¹⁾	—	—	—	5,374,202	5,374,202
Total other receivables	Ps. 16,524,025	Ps. 144,086	Ps. 173,848	Ps. 5,374,202	Ps. 22,216,161

⁽¹⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	December 31, 2024				
	Stage 1	Stage 2	Stage 3	Simplified Approach	Total
Other receivables using general approach					
Other accounts receivable and contract assets for government and corporate customers	Ps. 15,962,982	Ps. —	Ps. 1,298	Ps. —	Ps. 15,964,280
Other accounts receivable related to gas, energy services, contributions and others	1,497,946	130,745	144,634	—	1,773,325
Other receivables using simplified approach					
Other accounts receivable from individual customers	—	—	—	6,400,933	6,400,933
Total other receivables	Ps. 17,460,928	Ps. 130,745	Ps. 145,932	Ps. 6,400,933	Ps. 24,138,538

Evaluated using general approach

The following table provides information about the exposure to credit risk for other accounts receivable and contract assets for corporate customers as of December 31, 2025 and 2024. The credit quality of these financial assets follows the methodology of the probability of default of debt securities and other liquid financial assets (See note 4.1.5).

	December 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Speculative grade				
Sovereign ⁽¹⁾⁽²⁾	Ps. 15,180,937	Ps. —	Ps. —	Ps. 15,180,937
Total speculative grade	Ps. 15,180,937	Ps. —	Ps. —	Ps. 15,180,937

⁽¹⁾ Sovereign credit rating is considered as the risk of the Treasury issuer or a similar agency (government debt portfolio).

⁽²⁾ During 2025, S&P Global Ratings downgraded the Government of Colombia's rating from BBB- to BB+, which meant that the risk level shifted from investment grade to speculative.

	December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Investment grade				
Sovereign ⁽¹⁾	Ps. 15,962,982	Ps. —	Ps. —	Ps. 15,962,982
Corporate	—	—	1,298	1,298
Total investment grade	Ps. 15,962,982	Ps. —	Ps. 1,298	Ps. 15,964,280

⁽¹⁾ Sovereign credit rating is considered as the risk of the Treasury issuer or a similar agency (government debt portfolio).

The following table provides information about the exposure to credit risk by segment for accounts receivable related to gas and energy services, the methodology used to estimate the ECLs is the same used for Loan and Receivable (See note 4.1.5).

	December 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Segmentation				
Contributions	Ps. 322,655	Ps. —	Ps. —	Ps. 322,655
Gas	796,782	129,623	111,538	1,037,943
Energy	118,477	14,463	62,310	195,250
Other accounts receivable	105,174	—	—	105,174
Total segmentation	Ps. 1,343,088	Ps. 144,086	Ps. 173,848	Ps. 1,661,022

	December 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Segmentation				
Contributions	Ps. 308,014	Ps. —	Ps. —	Ps. 308,014
Gas	843,852	119,622	90,587	1,054,061
Energy	110,794	11,123	54,047	175,964
Other accounts receivable	235,286	—	—	235,286
Total segmentation	Ps. 1,497,946	Ps. 130,745	Ps. 144,634	Ps. 1,773,325

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Evaluated using simplified approach

Grupo Aval uses a probability matrix to measure the ECL for other receivables from individual customers, which have small balances.

The weighted-average loss rate is calculated using a “rolling rate” method based on the probability that a receivable will progress through successive stages of default until write off. The rolling rate is calculated for exposures in different segments and separately in accordance with the following common features of credit risk.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets from individual customers as of December 31, 2025 and 2024.

December 31, 2025 ⁽¹⁾	Weighted- (average loss rate)	Gross carrying amount	Loss allowance	Credit- impaired
0–30 days past due	0.88 %	Ps. 3,808,294	Ps. 33,380	Ps. —
31–60 days past due	0.82 %	113,701	927	—
61–90 days past due	0.22 %	456,361	1,022	—
More than 90 days past due	18.67 %	995,846	185,930	995,846
		Ps. 5,374,202	Ps. 221,259	Ps. 995,846

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

December 31, 2024	Weighted- (average loss rate)	Gross carrying amount	Loss allowance	Credit- impaired
0–30 days past due	0.54 %	Ps. 5,021,674	Ps. 26,971	Ps. —
31–60 days past due	1.11 %	128,404	1,428	—
61–90 days past due	0.94 %	179,719	1,682	—
More than 90 days past due	13.88 %	1,071,136	148,658	1,071,136
		Ps. 6,400,933	Ps. 178,739	Ps. 1,071,136

The loss rates are based on the experience of real credit loss during a year and the balance of accounts receivable at the cut-off date for previously defined homogeneous segments. It takes into consideration elements such as: segmentation by type of receivable account, date of analysis, definition of loss, among others. Based on the characteristics of the short-term receivable accounts, these portfolios result from operations where there are no non-linear impacts, therefore, the application of macroeconomic scenarios is not considered.

g) Derivative instruments

The details of credit rating determined by independent credit rating agents of counterparties in trading derivatives and hedge derivatives in active position are as follows:

Credit worthiness	December 31, 2025		December 31, 2024	
Investment grade	Ps.	1,550,274	Ps.	622,273
Speculative		265		774
Without grade or not available		903,040		400,266
Total	Ps.	2,453,579	Ps.	1,023,313

The following table shows an analysis of counterparty credit exposures that arise from derivative transactions. Transactions derived from Grupo Aval are generally fully guaranteed with cash:

Trading derivatives

	Total		Central counterparties	
	Notional amount	Fair value	Notional amount	Fair value
2025				
Derivative assets	Ps. 91,807,958	Ps. 2,217,021	Ps. 2,770,287	Ps. 25,614
Derivative liabilities	73,825,664	1,951,439	3,682,966	36,037
2024				
Derivative assets	Ps. 104,988,291	Ps. 969,294	Ps. 14,317,598	Ps. 10,246
Derivative liabilities	64,053,439	1,011,934	10,715,432	6,646

Hedging derivatives

	<u>Total</u>		<u>Central counterparties</u>	
	<u>Notional amount</u>	<u>Fair value</u>	<u>Notional amount</u>	<u>Fair value</u>
2025				
Derivative assets	Ps. 6,262,723	Ps. 236,558	—	Ps. —
Derivative liabilities	6,581,577	34,842	—	—
2024				
Derivative assets	Ps. 7,330,349	Ps. 54,019	—	Ps. —
Derivative liabilities	2,355,232	21,658	—	—

Derivative transactions of Grupo Aval are collateralized by cash of Ps. (378,080) as of December 31, 2025, and of Ps. (246,003) as of December 31, 2024, see note 4.1.10 “Offset of financial assets and liabilities”.

h) Cash and cash equivalents

Grupo Aval held cash and cash equivalents of Ps. 19,354,710 as of December 31, 2025 (2024: Ps. 16,998,859). The cash and cash equivalents are held in central banks and financial institution counterparties. The following table shows an analysis of counterparty credit exposures:

	<u>December 31, 2025</u>		<u>December 31, 2024</u>	
Investment grade	Ps.	10,978,851	Ps.	13,256,226
Central bank		—		4,166,796
Financial entities ⁽³⁾		10,978,851		9,089,430
Speculative grade		4,705,916		—
Central bank ⁽²⁾		4,705,916		—
Without grade or not available		500		279
Checks in Clearing		500		279
Cash and cash equivalent with third parties	Ps.	15,685,267	Ps.	13,256,505
Cash held by entity ⁽¹⁾	Ps.	3,669,443	Ps.	3,742,354
Total	Ps.	19,354,710	Ps.	16,998,859

⁽¹⁾ Cash held by each Grupo Aval’s bank in custody in vaults, ATMs and cash.

⁽²⁾ During 2025, S&P Global Ratings downgraded the Government of Colombia’s rating from BBB- to BB+, which meant that the risk level shifted from investment grade to speculative.

⁽³⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

4.1.4 Mitigation of Credit Risk and Collateral

The exposure to credit risk for each of Grupo Aval’s financial subsidiaries is reduced by collateral and other credit enhancements. The existence of collateral security or guarantees can be a requirement but not a determining factor in approval of a credit. Credit risk policies of Grupo Aval require an evaluation of the debtor’s payment capacity based on the debtor’s ability to generate the resources needed for the timely and complete payment of their obligations.

Credit risk management includes the following activities:

- Analysis of credit risk: For commercial lending, tools are used for the individual evaluation of credits based on payment capacity supported on cash generation, credit rating models with inputs from historical and projected financial condition, and on the payment history of the debtor with the financial sector. For interbank and overnight funds, the Camel Model is used to analyze financial institutions according to six factors represented by capital adequacy, assets quality, management, earnings, liquidity, and sensitivity. For consumer lending (including mortgages and auto financing), scoring models are based on characteristics of each credit line and in terms of clients, sociodemographic variables and payment behavior with both then bank and the financial sector.
- Evaluation of collateral security / guarantees with appropriate debt coverage in accordance with the credit policies of each financial subsidiary. Collateral security includes mortgages on real estate, pledge on assets, cash deposits and investments.
- Evaluation of the liquidity of the collateral security / guarantees received.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The methods used for the evaluation of collateral security / guarantees are aligned with the market practices and include the use of independent real estate appraisers or the market value of securities. All collateral security / guarantees must be legally evaluated and drafted following the parameters of applicable legal regulations.

Mortgage lending

The following tables classify credit exposures for mortgage loans and advances to retail customers by ranges of loan-to-value (LTV) ratio. LTV is calculated as the ratio of the gross amount of the loan – or the amount of the loan commitments – to the value of the collateral. The value of the collateral for mortgage loans is based on the collateral value at origination updated based on changes in house price indices.

	<u>December 31, 2025 ⁽¹⁾</u>		<u>December 31, 2024</u>	
LTV ratio				
Less than 50%	Ps.	10,559,114	Ps.	9,427,666
51 – 70%		8,779,050		7,820,690
71 – 90%		2,382,447		3,964,073
91 – 100%		206,889		556,783
More than 100%		184,210		266,515
Total	Ps.	22,111,710	Ps.	22,035,727

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

Credit-impaired mortgage loans

For credit-impaired loans the value of collateral is based on the most recent appraisals.

	<u>December 31, 2025 ⁽¹⁾</u>		<u>December 31, 2024</u>	
LTV ratio				
Less than 50%	Ps.	240,489	Ps.	205,345
51 – 70%		360,955		320,667
More than 70%		137,777		269,153
Total	Ps.	739,221	Ps.	795,165

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

As of December 31, 2025, and 2024, the following chart shows the detail of the credit portfolio per type of guarantees received:

<u>December 31, 2025 ⁽¹⁾</u>	<u>Commercial</u>	<u>Consumer</u>	<u>Mortgages</u>	<u>Microcredit</u>	<u>Interbank and overnight funds</u>	<u>Total</u>
Unsecured credits	Ps. 61,243,730	Ps. 55,974,691	Ps. 1,786	Ps. 1,114	Ps. 1,757,987	Ps. 118,979,308
Loans secured by other banks	87,323	51	—	—	—	87,374
Collateralized credits:						
Mortgages	1,946,394	156,255	19,587,117	32	—	21,689,798
Other real estate	8,088,980	81,630	110	374	—	8,171,094
Investments in equity instruments	554,447	—	—	—	—	554,447
Deposits in cash or cash equivalents	203,654	590	—	—	—	204,244
Leased machineries and vehicles	9,906,607	12,663	2,516,519	—	—	12,435,789
Fiduciary agreements, standby letters and guarantee funds	10,773,682	20,279	6,178	—	—	10,800,139
Pledged income	4,178,321	—	—	—	—	4,178,321
Pledges	3,414,726	4,181,387	—	—	—	7,596,113
Other assets	7,911,120	28,667	—	—	19,529	7,959,316
Total gross loan portfolio	Ps. 108,308,984	Ps. 60,456,213	Ps. 22,111,710	Ps. 1,520	Ps. 1,777,516	Ps. 192,655,943

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

<u>December 31, 2024</u>	<u>Commercial</u>	<u>Consumer</u>	<u>Mortgages</u>	<u>Microcredit</u>	<u>Interbank and overnight funds</u>	<u>Total</u>
Unsecured credits	Ps. 66,304,089	Ps. 55,712,783	Ps. 804	Ps. 3,601	Ps. 477,144	Ps. 122,498,421

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024	Commercial	Consumer	Mortgages	Microcredit	Interbank and overnight funds	Total
Loans secured by other banks	95,043	247	—	—	—	95,290
Collateralized credits:						
Mortgages	1,558,240	136,137	19,694,826	42	—	21,389,245
Other real estate	13,157,554	255,098	862	481	—	13,413,995
Investments in equity instruments	358,719	—	—	—	—	358,719
Deposits in cash or cash equivalents	1,117,748	202,268	—	—	—	1,320,016
Leased machineries and vehicles	8,923,078	18,212	2,320,866	—	—	11,262,156
Fiduciary agreements, standby letters and guarantee funds	10,201,495	20,411	18,366	245	—	10,240,517
Pledged income	3,681,176	—	—	—	—	3,681,176
Pledges	3,345,798	5,554,335	3	—	—	8,900,136
Other assets	6,671,703	76,834	—	6	227,911	6,976,454
Total gross loan portfolio	Ps. 115,414,643	Ps. 61,976,325	Ps. 22,035,727	Ps. 4,375	Ps. 705,055	Ps. 200,136,125

As of December 31, 2025, and 2024, the following chart sets out the carrying amount and the value of identifiable collateral (mainly commercial property) for commercial loans held by Grupo Aval at a consolidated level:

	December 31, 2025 ⁽¹⁾		December 31, 2024	
	Carrying Amount	Collateral	Carrying Amount	Collateral
Stages 1 and 2	Ps. 31,416,687	Ps. 23,001,651	Ps. 34,004,844	Ps. 25,569,949
Stage 3	2,506,258	2,172,552	3,404,067	2,840,416
	Ps. 33,922,945	Ps. 25,174,203	Ps. 37,408,911	Ps. 28,410,365

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

4.1.5 Amounts arising from Expected Credit Loss (ECL)

Definition of Default

Grupo Aval considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to Grupo Aval in full. Without prejudice, Grupo Aval takes actions such as realizing collateral (if any is held); or
- The borrower is more than 90 days past due on any material credit obligation other than mortgages to Grupo Aval. Overdrafts are considered past due once the customer has breached the allowed tenor or been advised of the reduction of the limit;
- For mortgages, when the borrower is more than 180 days past due;
- The borrower is in a state of restructuring, bankruptcy proceedings or business reorganization.
- In the case of fixed income financial securities, the following concepts among others apply:
 - External rating of the issuer or instrument in rating D under Standard & Poor's and Fitch Ratings scale or rating C under Moody's scale,
 - Contractual payments are not made on the due date.
 - There is a very high probability of suspension of payments.
 - The issuer likely to go bankrupt or file for bankruptcy or similar action.
 - The financial asset no longer has an active market given its financial difficulties.

In assessing whether a borrower is in default, Grupo Aval considers indicators as follows:

- Qualitative: e.g. breaches of non-financial covenants;
- Quantitative: e.g. breaches of financial covenants, overdue status and non-payment of another obligation of the same issuer to Grupo Aval; and
- Based on internally historical or developed data and obtained from external sources.

Inputs used in the assessment of whether a financial instrument is in default may vary over time to reflect changes in circumstances.

Inputs, assumptions and techniques used to estimate expected credit loss allowance

Credit risk models measure the exposure for individual counterparties, based on the following parameters: probability of default (PD), loss given default (LGD) and exposure at default (EAD). For a specific credit facility (loans, debt securities, other liquid financial

assets, other accounts receivable, loan commitments and financial guarantee contracts) the product of these three parameters results in the expected credit loss. See accounting policy in Note 2 (2.5 ix).

Measurement of ECL

The measurement of expected credit losses is a calculation that involves an important number of interrelated inputs and assumptions, such as the financial asset's probability of default, loss given default and exposure at default, which are modelled based on macroeconomic variables. Furthermore, the determination of the ECL requires the application of expert credit judgment to assess the current situation.

As mentioned above, the key inputs for the measurement of ECLs are usually the following variables:

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

The estimation of these parameters depends on the credit facility. Loans and receivables methodology uses information derived from internally developed statistical models, comprising both quantitative and qualitative factors, and other historical data. On the other hand, debt securities methodology incorporates relevant external market information or international credit ratings.

PD is the probability that a counterparty defaults in its payment obligations of capital and/or interest. Credit risk grades are the primary input in the determination of the term structure of PD for exposures. Grupo Aval collects performance and default information about its credit risk exposures analyzed by jurisdiction or region, by type of product and borrower, and by credit risk grade. For some portfolios, information purchased from external credit bureaus may also be used.

Grupo Aval employs statistical models to analyze the data collected and generates estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

LGD is an estimate of the loss arising at default, which is computed as a percentage of exposure that the entity ultimately expects to lose in the event of a default in a financial instrument.

Grupo Aval estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models considers the collateral structure, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. For loans secured/ guaranteed by real estate, loan-to-value (LTV) ratios will be a key parameter in determining LGD. Estimates are calibrated for different economic scenarios and, for real estate lending, to reflect possible changes in property prices.

The EAD represents the expected exposure in the event of default. Grupo Aval derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortization and prepayments. The EAD of a financial asset is the gross carrying amount at default. For lending commitments and financial guarantees, the EAD considers the amount drawn, as well as potential future amounts that may be drawn or repaid under the contract, which are estimated based on historical observations and forward-looking forecasts.

Subject to using the Lifetime PD for financial assets for which credit risk has significantly increased, Grupo Aval measures ECLs considering the risk of default over the maximum contractual period (including any borrower's extension options) over which there is exposure to credit risk, even if for risk management purposes, Grupo Aval considers a longer period. The maximum contractual period extends to the date at which Grupo Aval has the right to require repayment of an advance or terminate a loan commitment or guarantee.

For retail overdrafts, credit cards, and certain corporate revolving facilities that include both a loan and an undrawn commitment component, Grupo Aval measures ECLs over a period longer than the maximum contractual period if Grupo Aval's contractual ability to demand repayment and cancel the undrawn commitment does not limit Grupo Aval's exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. Grupo Aval can cancel them with immediate effect, but the contractual right is not enforced in the normal day-to-day management, but rather when Grupo Aval becomes aware of an increase in credit risk of a particular facility. This period is estimated considering the credit risk management actions that Grupo Aval expects to mitigate ECLs. These include a reduction in the limits and the cancellation of the credit.

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped based on shared risk characteristics that include:

- Instrument type;
- Credit risk ratings;
- Collateral type;
- Date of initial recognition;
- Remaining term to maturity; and
- Industry;

The groups are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous.

In addition, for significant impaired loans, allowance estimates are made through individual evaluation based on quantitative criteria, such as the methods contemplated in IFRS 9 of discounted cash flow and fair value of the guarantee, and qualitative criteria that involve knowledge of the customer's current situation, the environment in which it carries out its activities, legal or bankruptcy proceedings and expert judgment, among other aspects.

Credit Risk Model: Loans and receivables

I. Transitions between stages

Significant Increase in Credit Risk

When determining whether the credit risk (i.e. risk of default) of a financial instrument has increased significantly since initial recognition, Grupo Aval considers reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis based on Grupo Aval's historical experience, expert credit assessment and forward-looking information.

The following criteria are used to determine if a significant increase in credit risk has occurred:

- Comparison of the remaining lifetime probability of default (PD) at the reporting date with the lifetime PD at initial recognition of the exposure.
- Quantitative aspects such as credits with 30 days past due.
- Qualitative criteria from analysts is also considered based on expert and supportable information.

The criteria for determining whether credit risk has increased significantly will vary by portfolio and will include a backstop based on delinquency.

Grupo Aval will monitor the effectiveness of the criteria used in identifying significant increases in credit risk through regular reviews to confirm that:

- The criteria are useful in identifying significant increases in credit risk before an exposure is in default;
- The criteria align with the point in time when an asset becomes over 30 days past due;
- The average time between the identification of a significant increase in credit risk and default appears reasonable;
- Exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and
- There is unwarranted volatility in loss allowance from transfers between 12-month ECL and lifetime ECL measurements.

II. PD – Probability of Default

Term structure of PD

Credit risk grades are the primary input in the determination of the term structure of PD for exposures. Grupo Aval collects performance and default information about its credit risk exposures by type of product and borrower, and by credit risk grade. For some portfolios, information purchased from external credit bureaus may also be used.

Grupo Aval employs statistical models to analyze the data collected and generates estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

This analysis includes the identification and calibration of the relation between changes in default rates and changes in key macro-economic factors, as well as an in-depth analysis of the impact of certain other factors (e.g. cancellations) on the risk of default. For exposures to specific industries and/or regions, the analysis may extend to relevant commodity and/ or real estate prices.

For stage 1 the PD estimates the probability that the credit will default in the next 12 months, while the PD in stage 2 is the result of the probabilities for the remaining life of the credit. The probability in Stage 3 is defined as 100%.

Grupo Aval's approach to incorporating forward-looking information into this assessment is discussed below.

Forward-Looking Information

Grupo Aval incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since initial recognition and its measurement of ECLs. Grupo Aval formulates a 'base case' view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on forecasts provided by economic experts and considering a forecast of multiple variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome.

The B scenario (base case) represents a most-likely outcome. It is aligned with information used by Grupo Aval for other purposes, such as budgeting. The other scenarios represent more optimistic (C) and more pessimistic (A) outcomes with their respective probability of occurrence.

Grupo Aval has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and risks and credit losses.

Changes in economic conditions will be monitored by Grupo Aval's Entities and subsidiaries to be incorporated into the macroeconomic parameters used to prepare stress scenarios and financial projections. Forward looking information was adjusted, recognizing macroeconomic impacts based on the available information about past events, current conditions and forecasts of economic conditions.

The following table presents one-year projections for Colombia made in December 2024, compared to the official data for December 2025:

	<u>2025</u>	<u>Expected for 2025 in 2024</u>		
	Real Scenario	Scenario A	Scenario B	Scenario C
Inflation	5.10%	3.90%	3.90%	3.67%
DTF Interest rate	8.95%	4.97%	6.03%	5.82%
GDP Growth	2.60%	0.55%	2.68%	3.75%
Unemployment rate	8.00%	11.46%	10.46%	9.99%

The economic scenarios used as of December 31, 2025, and 2024 (one-year projections) include the following expected scenarios of key indicators (among others) for Colombia:

	<u>One year projection in 2025</u>			<u>One year projection in 2024</u>		
	Scenario A	Scenario B	Scenario C	Scenario A	Scenario B	Scenario C
Inflation	4.43%	4.62%	4.63%	3.90%	3.90%	3.67%
DTF Interest rate	8.17%	9.26%	8.51%	4.97%	6.03%	5.82%
GDP Growth	1.46%	2.75%	3.23%	0.55%	2.68%	3.75%
Unemployment rate	9.83%	8.72%	7.83%	11.46%	10.46%	9.99%

The following additional variable was relevant to the models used by our banks in 2024:

	<u>One year projection in 2025</u>			<u>One year projection in 2024</u>		
	Scenario A	Scenario B	Scenario C	Scenario A	Scenario B	Scenario C
Interest rate	8.50%	9.25%	8.50%	5.25%	6.25%	6.25%

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following table presents one-year projections for Panama made in December 2024, compared to the official data for December 2025, for nominal interest rate variation with the data for November 2025:

	2025	Expected for 2025 in 2024		
	Real Scenario	Scenario A	Scenario B	Scenario C
Inflation	(0.21%)	2.33%	2.15%	1.51%
Nominal interest rate variation	0.23%	0.14%	0.10%	(0.02%)
IMAE ⁽¹⁾	4.03%	2.79%	3.03%	3.42%

The economic scenarios used as of December 31, 2025, and 2024 (one-year projections) include the following expected scenarios of key indicators (among others) for Panama:

	One year projection in 2025 ⁽²⁾			One year projection in 2024		
	Scenario A	Scenario B	Scenario C	Scenario A	Scenario B	Scenario C
Inflation	2.51%	1.57%	1.21%	2.33%	2.15%	1.51%
Nominal interest rate variation	0.49%	(0.30%)	(0.42%)	0.14%	0.10%	(0.02%)
IMAE ⁽¹⁾	3.69%	4.12%	4.46%	2.79%	3.03%	3.42%

⁽¹⁾ Monthly Indicator of Economic Activity (IMAE).

⁽²⁾ The Panama key indicators refer to Multi Financial Group. See note 13.B., "Discontinued operation related to Multi Financial Group".

The scenario probability weightings applied as of December 31, 2025, and 2024 in measuring ECL are as follows:

Colombia

	2025			2024		
	Scenario A	Scenario B	Scenario C	Scenario A	Scenario B	Scenario C
Scenario probability weighting	27%	56%	17%	27%	56%	17%

Panama

	2025			2024		
	Scenario A	Scenario B	Scenario C	Scenario A	Scenario B	Scenario C
Scenario probability weighting ⁽¹⁾	10%	60%	30%	15%	75%	10%

⁽¹⁾ The Panama key indicators refer to Multi Financial Group. See note 13.B., "Discontinued operation related to Multi Financial Group".

The table below shows the loss allowance on loans assuming each forward-looking scenario (e.g. scenario A, B and C) were weighted 100% instead of applying scenario probability weights across the three scenarios.

	December 31, 2025 ⁽¹⁾			December 31, 2024		
	Scenario A	Scenario B	Scenario C	Scenario A	Scenario B	Scenario C
Gross Exposure						
Commercial	Ps. 108,308,984	Ps. 108,308,984	Ps. 108,308,984	Ps. 115,414,643	Ps. 115,414,643	Ps. 115,414,643
Consumer	60,456,213	60,456,213	60,456,213	61,976,325	61,976,325	61,976,325
Mortgages	22,111,710	22,111,710	22,111,710	22,035,727	22,035,727	22,035,727
Microcredit	1,520	1,520	1,520	4,375	4,375	4,375
Interbank and overnight funds	1,777,516	1,777,516	1,777,516	705,055	705,055	705,055
Total gross exposure	Ps. 192,655,943	Ps. 192,655,943	Ps. 192,655,943	Ps. 200,136,125	Ps. 200,136,125	Ps. 200,136,125
Loss Allowance for each scenario						
Commercial	Ps. 4,218,378	Ps. 4,241,331	Ps. 4,286,802	Ps. 5,309,528	Ps. 5,336,949	Ps. 5,430,691
Consumer	3,619,488	3,651,503	3,720,068	4,118,656	4,168,736	4,239,720
Mortgages	499,989	500,866	506,196	468,275	471,634	480,073
Microcredit	958	959	961	3,611	3,610	3,613
Interbank and overnight funds	8,030	8,293	8,854	2,505	2,619	3,029

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Total Loss Allowance Ps. 8,346,843 Ps. 8,402,952 Ps. 8,522,881 Ps. 9,902,575 Ps. 9,983,548 Ps. 10,157,126

The table below shows the loan portfolio in Stage 2 for each scenario.

Proportion of Assets in Stage 2

Commercial	3.9 %	4.1 %	4.2 %	3.2 %	3.2 %	3.8 %
Consumer	6.4 %	6.3 %	6.3 %	7.6 %	8.2 %	8.7 %
Mortgages	3.8 %	3.8 %	3.8 %	6.0 %	8.4 %	8.4 %
Microcredit	0.5 %	0.5 %	0.5 %	0.9 %	0.9 %	0.9 %
Interbank and overnight funds	— %	— %	— %	— %	— %	— %

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A

Credit Risk Rating

Grupo Aval allocates each exposure to a credit risk grade based on a variety of data intended to be predictive of the probability of default and applying experienced credit judgment. Grupo Aval uses these grades with the purpose identifying significant increases in credit risk. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. These factors may vary depending on the nature of the exposure and the type of borrower.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves using of the following data.

Commercial	Consumer	Mortgage	Microcredit
-Information from the audited financial statements obtained during periodic reviews.	-Information collected internally about the behavior of customers.	-Information collected internally about the behavior of customers.	-Information collected internally about the behavior of customers.
-Data from credit reference agencies.	- Data from credit reference agencies.	- Data from credit reference agencies.	- Data from credit reference agencies.
-Information collected internally about the behavior of customers.	-Information of the different sectors.		
-Information from the different economics sectors.			

III. LGD – Loss Given Default

LGD is a measure of the likely loss in the event of a default. To estimate LGD, Grupo Aval uses information of the collateral security / guarantee which covers each individual credit, when available. In any case, Grupo Aval uses historical and forward-looking information (the same information described above in II. PD – Probability of Default - Forward-Looking Information) to estimate the expected potential recovery in case of a default. The LGD is estimated in groups by type of credit, collateral security / guarantee or maturity.

IV. EAD – Exposure at Default

EAD represents the expected exposure from a counterparty at the time of a possible default. For stage 2 Grupo Aval incorporates in the analysis of the exposure at default the probability of payments and increase in exposure during the lifetime of the credit.

These probabilities are estimated using the historical information collected by the financial subsidiaries and are grouped by type of product. The probabilities are constantly reviewed in order to accurately estimate them and calibrate them.

Credit Risk Model: Debt securities and other liquid financial assets

This model estimates the impairment of credit risk in debt securities. In general, at the moment of inception, all financial assets originate ECLs for the next 12 months. If credit risk increases significantly and there is enough objective evidence of increase of probability of default, then the reserve is adjusted for the remaining life of the financial asset.

I. Transition between stages

A financial asset is classified as a low credit risk asset if the issuer is related to an investment grade credit rating.

Financial assets different than low credit risk must be evaluated individually. The first step in the methodology consist in evaluating a *significant increase in credit risk* by comparing the current status against the status at initial recognition of the security.

External elements related to a significant increase in credit risk are detailed below:

- Negative changes in external credit ratings.
- Changes in external market variables such as credit spreads, prices of issuer's (CDS) and other prices of debt instruments and equities.
- Changes in business, economic, financial, regulatory or technological environment which can affect the payment capacity of the issuer.
- Changes in operational results that can compromise the payment capacity of the issuer.

If the financial asset loses its low credit risk condition or if changes in external environment results in a review of the condition, then this probably shows a significant increase in credit risk. Consequently, the financial asset will be analyzed to determine if there is a significant increase of credit risk (stage 2) or if the asset should be classified as stage 3.

Objective evidence of impairment is the second step in making changes between stages. It is concluded that there is objective evidence of impairment if one the following situations is met:

- The external credit rating of the issuance, issuer or counterparty is reduced to D on the Standard & Poor's and Fitch Ratings scale or up to C on the Moody's scale.
- Contractual payments are not made on the established dates, terms or grace periods.
- There is a certainty of suspension of payments.
- There is a probability that the issuer or counterparty will go into a bankruptcy process.
- Due to financial difficulties there is no market for financial assets.

II. PD – Probability of default

PD depends of the external credit rating of the issuance, issuer or counterparty. Credit rating information is published by international credit rating corporations, such as Standard & Poor's, Moody's and Fitch Ratings, or national credit rating corporations, such as Fitch Ratings Colombia S.A. or BRC. In any case, international ratings have priority over national ratings.

Credit ratings from S&P have priority over the other rating corporations. If the issuance, issuer or counterparty is not rated by S&P, credit ratings from Moody's or Fitch Ratings can be used but they must be translated to the S&P rating scale. The order of priority in credit rating corporations is as follows: S&P in first place, Moody's in second place and Fitch Ratings in the third one. The reason for choosing this hierarchy is to avoid discretion at the time of assigning a rating. National credit ratings can be used only if international credit ratings are not available, and the translation condition to the S&P rating scale must be followed as well.

For financial assets classified as stage 1, PD correspond to the probability of default for the next 12 months established in accordance to "Cumulative Default Rates by Rating Modifiers" for both sovereign and corporate issuers, expressed at an annual basis. If the remaining life of the assets is less than 12 months, the resulting PD will correspond to the weighted 12 months-PD with the remaining life of the financial asset.

For financial assets classified as stage 2, lifetime PD must be used and computed using the "Cumulative Default Rates by Rating Modifiers" for both sovereign and corporate issuers, expressed at an annual basis and according to the term of each flow.

For financial assets classified as stage 3, lifetime PD will equal 100% for any issuance, issuer or counterparty.

The PD value tables are made available and published annually by S&P Global Ratings in the reports “2024 Annual Global Sovereign Default and Rating Transition Study” and “2024 Annual Global Corporate Default and Rating Transition Study”, as of December 31, 2025, as well as in the reports “2023 Annual Global Sovereign Default and Rating Transition Study” and “2023 Annual Global Corporate Default and Rating Transition Study” as of December 31, 2024.

Forward-Looking Information

Grupo Aval incorporates forward-looking information into its assessment of whether the credit risk of an instrument has increased significantly since initial recognition and its measurement of ECL. This information will directly affect the PD and the stage classification.

When rating the sovereign and corporate issuers, credit ratings agencies incorporate prospective information, as well as forecasting of macroeconomic variables and the influence of these factors over the business conditions. Grupo Aval’s methodology includes external credit ratings which, under the previous argument, have already considered prospective information.

Furthermore, credit ratings are also subject to rating outlooks which can modify the current credit ratings. Details are provided below. Rating outlooks are published by credit rating corporations and reflect the perspective of the potential long-term credit rating over the next 6 to 24 months.

- If the Rating Outlook is categorized as “STABLE”, no adjustments in credit ratings are needed.
- If the Rating Outlook is “POSITIVE”, PD will be adjusted as the average between the current PD and the applicable PD in the case credit rating improves one notch. However, this would only take place if the resulting PD is lower than the current PD.
- If the Rating Outlook is “NEGATIVE”, PD will be adjusted as the average between the current PD and the applicable PD in the case credit rating deteriorates one notch. However, this would only take place if the resulting PD is higher than the current PD.

III. LGD – Loss given default

LGD is a measure of the potential loss if a default scenario occurs. To establish the LGD, Grupo Aval’s methodology uses information published by Moody’s credit rating corporation. LGD is based on relevant external default data, such as the historical recovery rates, which is defined as the complement of LGD calculation.

Moody’s computes Recovery Rates as the ratio between market prices after 30 days of the default or the debt swap price at the closing date, and the market price of the issuance at the beginning of the default. In the case of unavailable market prices, recovery rates will be the resulting ratio between present value of expected cash flows of the new instruments received with the debt swap and the present value of the initial instruments.

Grupo Aval’s methodology assigns weights for recovery rates for Sovereigns Debt and Corporates Debt. Sovereign Debt recovery rates remained at 53% in 2025, also Corporate Debt recovery rates increased moderately from 46.9% in 2024 to 47% in 2025.

Additional information is available and published annually by Moody’s in the reports “Sovereign Default and Recovery Rates, 1983–2024” and “Annual Default Study: Corporate Default Rate to Fall Below Its Long-Term Average in 2025” as of December 31, 2025, and in the reports “Annual Default Study: Corporate Default Rate to Moderate in 2024 but Remain Near Its Long-Term Average” and “Sovereign Default and Recovery Rates, 1983–2023” as of December 31, 2024.

IV. EAD – Exposure at default

EAD represents the amount owed from a counterparty at the time of a possible default and only for securities classified at amortized cost or FVOCI. See accounting policy in Note 2 (2.5 ix).

For stage 1 and stage 3 financial assets, EAD will correspond to the full valuation of the assets at amortized cost.

For stage 2 financial assets, EAD will consider the financial asset amortized scheme assuming no default in the previous years.

In the case that financial assets present a guarantees or security collateral, these could reduce total EAD. This is a typical case of collateralized interbank loans.

Credit Risk Model: Other accounts receivable

Grupo Aval uses two approaches to estimate ECL of financial assets classified as other accounts receivables.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The first one is the simplified approach where Grupo Aval uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small amounts.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics like type of product purchased.

Loss rates are based on the experience of real credit loss during a year and the balance of accounts receivable at the cut-off date for previously defined homogeneous segments. It takes into consideration elements such as: segmentation by type of receivable account, date of analysis, definition of loss, among others. Based on the characteristics of the short-term receivable accounts, these portfolios result from operations where there are no non-linear impacts, therefore, the application of macroeconomic scenarios is not considered.

The second one is the general approach, it considers the methodologies explained above for loans and debt securities. For non-financial companies in the oil and gas sector, the loans methodology is considered, while the debt securities methodology is considered for government and other government related entities.

Loss allowance

The table below shows the loss allowance balances as of December 31, 2025, and 2024:

	December 31, 2025 ⁽¹⁾				
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired		
Loan portfolio					
Loan commercial portfolio	Ps. 683,890	Ps. 220,828	Ps. 3,357,213	Ps. —	Ps. 4,261,931
Loan consumer portfolio	1,104,503	703,634	1,856,639	—	3,664,776
Loan mortgage portfolio	78,738	64,868	358,549	—	502,155
Loan microcredit portfolio	15	—	945	—	960
Loan interbank and overnight funds portfolio	148	—	—	—	148
Total loan portfolio	Ps. 1,867,294	Ps. 989,330	Ps. 5,573,346	Ps. —	Ps. 8,429,970
Investments in debt securities at amortized cost	8,278	—	—	—	8,278
Other accounts receivable	31,161	25,223	102,494	233,814	392,692
Total loss allowance financial assets at amortized cost	Ps. 1,906,733	Ps. 1,014,553	Ps. 5,675,840	Ps. 233,814	Ps. 8,830,940
Investments in debt securities at FVOCI	Ps. 26,558	Ps. 44	Ps. —	Ps. —	Ps. 26,602
Loan commitments and financial guarantee contracts	69,308	6,906	1,611	—	77,825
Total loss allowance	Ps. 2,002,599	Ps. 1,021,503	Ps. 5,677,451	Ps. 233,814	Ps. 8,935,367

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A

	December 31, 2024				
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired		
Loan portfolio					
Loan commercial portfolio	Ps. 724,075	Ps. 217,588	Ps. 4,421,230	Ps. —	Ps. 5,362,893
Loan consumer portfolio	1,105,918	927,310	2,132,790	—	4,166,018
Loan mortgage portfolio	60,088	71,839	341,388	—	473,315
Loan microcredit portfolio	59	14	3,545	—	3,618
Loan interbank and overnight funds portfolio	794	1	—	—	795
Total loan portfolio	Ps. 1,890,934	Ps. 1,216,752	Ps. 6,898,953	Ps. —	Ps. 10,006,639
Investments in debt securities at amortized cost	14,329	4,346	—	—	18,675
Other accounts receivable	31,226	22,196	117,508	191,041	361,971
Total loss allowance financial assets at amortized cost	Ps. 1,936,489	Ps. 1,243,294	Ps. 7,016,461	Ps. 191,041	Ps. 10,387,285

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Investments in debt securities at FVOCI	Ps.	18,310	Ps.	—	Ps.	—	Ps.	—	Ps.	18,310
Loan commitments and financial guarantee contracts		62,509		7,671		2,234		—		72,414
Total loss allowance	Ps.	2,017,308	Ps.	1,250,965	Ps.	7,018,695	Ps.	191,041	Ps.	10,478,009

The following table presents the impairment losses per portfolio for the years ended December 31, 2025, and 2024.

		As of December 31, 2025		As of December 31, 2024 ⁽¹⁾
Commercial	Ps.	953,167	Ps.	690,828
Consumer		3,034,991		3,780,124
Mortgage		175,898		133,885
Microcredit		(89)		(10,902)
Interbank and overnight funds		(647)		773
Total loan portfolio	Ps.	4,163,320	Ps.	4,594,708
Other receivables ⁽²⁾		161,404		92,044
Net portfolio provision impact on income statement	Ps.	4,324,724	Ps.	4,686,752

⁽¹⁾ The information was modified based on MFG's discontinuous operation; see note 13.B.

⁽²⁾ Includes net of loss allowance presented as part of "Costs and expenses of sales goods and services" as of December 2025 Ps. (56,497) as of December 2024 Ps. (71,157).

The table below shows for loans stage 3 individually assessed for ECL the gross amount and loss allowance balances as of December 31, 2025, and 2024.

		December 31, 2025 ⁽¹⁾		
		Gross Amount Registered	Collateral Guarantees	Allowance Recognized
Without recognized provision				
Commercial	Ps.	68	Ps.	—
Subtotal	Ps.	68	Ps.	—
With recognized provision				
Commercial	Ps.	6,090,515	Ps.	300,598
Consumer		13,117		1,841
Mortgage		11,435		—
Subtotal	Ps.	6,115,067	Ps.	302,439
Totals				
Commercial	Ps.	6,090,583	Ps.	300,598
Consumer		13,117		1,841
Mortgage		11,435		—
Total	Ps.	6,115,135	Ps.	302,439

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

		December 31, 2024		
		Gross Amount Registered	Collateral Guarantees	Allowance Recognized
Without recognized provision				
Commercial	Ps.	262,667	Ps.	262,373
Subtotal	Ps.	262,667	Ps.	262,373
With recognized provision				
Commercial	Ps.	7,775,982	Ps.	1,348,148
Consumer		6,512		4,332
Mortgage		19,828		1,970
Subtotal	Ps.	7,802,322	Ps.	1,354,450
Totals				
Commercial	Ps.	8,038,649	Ps.	1,610,521
Consumer		6,512		4,332
Mortgage		19,828		1,970
Total	Ps.	8,064,989	Ps.	1,616,823

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The difference between the value of the loan and the guarantees disclosed in the table above corresponds to unsecured loans valued under the discounted cash flow method. When using this method, it is implied that it is possible for the customer to make future payments.

The loss allowance recognized in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) in credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and lifetime ECL.
- Additional allowances for new financial instruments recognized during the period, as well as releases for financial instruments de-recognized in the period;
- Impact of the measurement of ECL due to changes made to models and assumptions;
- Decrease within ECL due to the passage of time, as ECL is measured on a present value basis;
- Foreign exchange retranslations for asset denominated in foreign currencies and other movements; and
- Financial assets derecognized during the period and write-offs of allowances related to assets than were written off during the period.

The following tables show the reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Total Loan portfolio

	Stage 1 12-month ECL		Stage 2 Lifetime ECL not credit- impaired		Stage 3 Lifetime ECL credit- impaired		Total	
	Ps.		Ps.		Ps.		Ps.	
Loss allowance as of January 1, 2024		1,811,608		1,284,791		6,939,316		10,035,715
Transfers:								
Transfer from stage 1 to stage 2		(332,518)		332,518		—		—
Transfer from stage 1 to stage 3		(422,672)		—		422,672		—
Transfer from stage 2 to stage 3		—		(1,229,034)		1,229,034		—
Transfer from stage 3 to stage 2		—		174,006		(174,006)		—
Transfer from stage 2 to stage 1		339,075		(339,075)		—		—
Transfer from stage 3 to stage 1		112,495		—		(112,495)		—
Net remeasurement of loss allowance ⁽⁵⁾		408,965		1,324,473		2,884,586		4,618,024
New financial assets originated or purchased		553,975		171,018		560,083		1,285,076
Financial assets that have been derecognized		(494,729)		(122,114)		(691,549)		(1,308,392)
Sales of portfolio ⁽⁶⁾		(3,063)		(793)		(130,799)		(134,655)
Unwind of discount ⁽³⁾		1		77		816,010		816,088
FX and other movements		9,650		7,608		25,775		43,033
Discontinued operations ⁽¹⁾		(23,538)		25,642		136,410		138,514
Write-offs		(68,315)		(412,365)		(5,006,084)		(5,486,764)
Loss allowance as of December 31, 2024	Ps.	1,890,934	Ps.	1,216,752	Ps.	6,898,953	Ps.	10,006,639
Transfers:								
Transfer from stage 1 to stage 2		(275,855)		275,855		—		—
Transfer from stage 1 to stage 3		(316,862)		—		316,862		—
Transfer from stage 2 to stage 3		—		(1,026,370)		1,026,370		—
Transfer from stage 3 to stage 2		—		130,594		(130,594)		—
Transfer from stage 2 to stage 1		282,164		(282,164)		—		—
Transfer from stage 3 to stage 1		126,870		—		(126,870)		—
Net remeasurement of loss allowance ⁽⁴⁾		13,558		992,532		2,655,809		3,661,899
New financial assets originated or purchased		886,998		184,597		561,200		1,632,795
Financial assets that have been derecognized		(547,374)		(121,062)		(462,938)		(1,131,374)
Sales of portfolio ⁽⁶⁾		(10)		(357)		(301,939)		(302,306)
Unwind of discount ⁽³⁾		—		—		388,182		388,182
FX and other movements		(11,629)		(11,924)		(26,521)		(50,074)
Discontinued operations ⁽¹⁾		(23,788)		60,721		122,298		159,231
Reclassification MFG operation ⁽²⁾		(70,728)		(64,506)		(126,777)		(262,011)
Write-offs		(86,984)		(365,338)		(5,220,689)		(5,673,011)
Loss allowance as of December 31, 2025	Ps.	1,867,294	Ps.	989,330	Ps.	5,573,346	Ps.	8,429,970

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

- (1) See note 13.B., “Discontinued operation related to Multi Financial Group”.
- (2) Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.
- (3) The unwind of discount on Stage 3 financial assets is reported within "interest income" so that interest income is recognized on the amortized cost (after deducting the ECL allowance)
- (4) This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2025 versus parameters as of 2024 and the loan portfolio as of 2025.

December 31, 2025				
Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total	
Ps. 171,714	Ps. 110,005	Ps. 8,053	Ps.	289,772

- (5) This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2024 versus parameters as of December 31, 2023 and the loan portfolio as of December 31, 2024.

December 31, 2024				
Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total	
Ps. (221,533)	Ps. (1,913)	Ps. 42,208	Ps.	(181,238)

- (6) Sale of loan portfolio corresponds mainly to sale of microcredit portfolio, and impaired portfolio and/ or with an increase in credit risk.

The following table further explains changes in the gross carrying amount of the loan portfolio to help explain their significance to the changes in the allowance for the same portfolio as discussed above:

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Total portfolio as of January 1, 2024	Ps. 164,524,561	Ps. 9,114,047	Ps. 12,565,162	Ps. 186,203,770
Transfers:				
Transfer from stage 1 to stage 2	(9,506,321)	9,506,321	—	—
Transfer from stage 1 to stage 3	(2,324,339)	—	2,324,339	—
Transfer from stage 2 to stage 3	—	(3,841,435)	3,841,435	—
Transfer from stage 2 to stage 1	4,633,197	(4,633,197)	—	—
Transfer from stage 3 to stage 2	—	717,343	(717,343)	—
Transfer from stage 3 to stage 1	488,967	—	(488,967)	—
New financial assets originated or purchased	114,075,744	2,713,752	6,287,303	123,076,799
Financial assets that have been paid	(98,949,746)	(3,690,211)	(6,354,777)	(108,994,734)
Net remeasurement of amortized cost and other receivables	476,767	(811,893)	229,242	(105,884)
Sale of loan portfolio-loss allowance ⁽⁴⁾	(3,063)	(793)	(130,799)	(134,655)
Sale of loan portfolio-cash ⁽⁴⁾	(218,936)	(12,540)	(51,151)	(282,627)
Gain or loss on sale portfolio ⁽⁴⁾	(20)	(558)	664	86
FX and other movements ⁽³⁾	4,287,130	210,057	248,171	4,745,358
Discontinued operations ⁽¹⁾	(219,095)	660,046	673,825	1,114,776
Write-offs	(68,315)	(412,365)	(5,006,084)	(5,486,764)
Total portfolio as of December 31, 2024	Ps. 177,196,531	Ps. 9,518,574	Ps. 13,421,020	Ps. 200,136,125
Transfers:				
Transfer from stage 1 to stage 2	(9,972,848)	9,972,848	—	—
Transfer from stage 1 to stage 3	(1,904,212)	—	1,904,212	—
Transfer from stage 2 to stage 3	—	(3,460,367)	3,460,367	—
Transfer from stage 2 to stage 1	4,099,867	(4,099,867)	—	—
Transfer from stage 3 to stage 2	—	598,857	(598,857)	—
Transfer from stage 3 to stage 1	472,961	—	(472,961)	—
New financial assets originated or purchased	133,064,325	11,519,514	5,209,376	149,793,215
Financial assets that have been paid	(112,932,038)	(12,751,684)	(6,173,815)	(131,857,537)
Net remeasurement of amortized cost and other receivables	(973,288)	(463,725)	992,302	(444,711)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Sale of loan portfolio-loss allowance ⁽⁴⁾	(10)	(357)	(301,939)	(302,306)
Sale of loan portfolio-cash ⁽⁴⁾	(2)	(33)	(124,977)	(125,012)
Gain or loss on sale portfolio ⁽⁴⁾	(1)	(41)	12,181	12,139
FX and other movements ⁽³⁾	(4,700,309)	(248,985)	(228,152)	(5,177,446)
Discontinued operations ⁽¹⁾	922,799	112,276	75,139	1,110,214
Reclassification MFG operation ⁽²⁾	(12,067,196)	(1,670,297)	(1,078,234)	(14,815,727)
Write-offs	(86,984)	(365,338)	(5,220,689)	(5,673,011)
Total portfolio as of December 31, 2025	Ps. 173,119,595	Ps. 8,661,375	Ps. 10,874,973	Ps. 192,655,943

⁽¹⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽³⁾ Corresponds to the variation in the TRM between January and December: Ps. (652.07) per U.S. dollar in 2025, Ps. 587.1 in 2024.

⁽⁴⁾ Sale of loan portfolio corresponds mainly to sale of microcredit portfolio, and impaired portfolio and/ or with an increase in credit risk.

The total loan portfolio is composed of commercial loans, consumer loans, mortgage loans, microcredit loans and interbank and overnight funds loan. The following tables show the movement in provisions and gross amounts of these portfolios separately:

Commercial loan portfolio

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Loss allowance as of January 1, 2024	Ps. 612,441	Ps. 218,824	Ps. 4,463,335	Ps. 5,294,600
Transfers:				
Transfer from stage 1 to stage 2	(55,649)	55,649	—	—
Transfer from stage 1 to stage 3	(18,703)	—	18,703	—
Transfer from stage 2 to stage 3	—	(141,584)	141,584	—
Transfer from stage 3 to stage 2	—	42,213	(42,213)	—
Transfer from stage 2 to stage 1	69,270	(69,270)	—	—
Transfer from stage 3 to stage 1	25,801	—	(25,801)	—
Net remeasurement of loss allowance ⁽⁵⁾	89,091	102,262	712,382	903,735
New financial assets originated or purchased	276,958	39,096	116,280	432,334
Financial assets that have been derecognized	(266,644)	(37,026)	(341,571)	(645,241)
Sales of portfolio	—	—	(94,960)	(94,960)
Unwind of discount ⁽³⁾	1	51	593,517	593,569
FX and other movements	5,749	3,974	21,427	31,150
Discontinued operations ⁽¹⁾	(9,701)	7,179	70,058	67,536
Write-offs	(4,539)	(3,780)	(1,211,511)	(1,219,830)
Loss allowance as of December 31, 2024	Ps. 724,075	Ps. 217,588	Ps. 4,421,230	Ps. 5,362,893
Transfers:				
Transfer from stage 1 to stage 2	(55,003)	55,003	—	—
Transfer from stage 1 to stage 3	(15,271)	—	15,271	—
Transfer from stage 2 to stage 3	—	(143,316)	143,316	—
Transfer from stage 3 to stage 2	—	29,470	(29,470)	—
Transfer from stage 2 to stage 1	54,778	(54,778)	—	—
Transfer from stage 3 to stage 1	18,925	—	(18,925)	—
Net remeasurement of loss allowance ⁽⁴⁾	(89,531)	110,018	776,530	797,017
New financial assets originated or purchased	397,081	58,317	296,127	751,525
Financial assets that have been derecognized	(293,004)	(41,751)	(260,620)	(595,375)
Sales of portfolio	(3)	(3)	(186,840)	(186,846)
Unwind of discount ⁽³⁾	—	—	261,596	261,596
FX and other movements	(6,900)	(5,869)	(22,105)	(34,874)
Discontinued operations ⁽¹⁾	(7,562)	36,640	19,124	48,202
Reclassification MFG operation ⁽²⁾	(34,399)	(35,413)	(90,776)	(160,588)
Write-offs	(9,296)	(5,078)	(1,967,245)	(1,981,619)
Loss allowance as of December 31, 2025	Ps. 683,890	Ps. 220,828	Ps. 3,357,213	Ps. 4,261,931

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

- (1) See note 13.B., "Discontinued operation related to Multi Financial Group".
- (2) Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.
- (3) The unwind of discount on Stage 3 financial assets is reported within "interest income" so that interest income is recognized on the amortized cost (after deducting the ECL allowance)
- (4) This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2025 versus parameters as of 2024 and the loan portfolio as of 2025.

December 31, 2025

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. 138,799	Ps. 48,659	Ps. 7,689	Ps. 195,147

- (5) This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2024 versus parameters as of December 31, 2023 and the loan portfolio as of December 31, 2024.

December 31, 2024

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. (72,973)	Ps. (25,391)	Ps. 4,822	Ps. (93,542)

The following table further explains changes in the gross carrying amount of the commercial portfolio to help explain their significance to the changes in the allowance for the same portfolio as discussed above:

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Total portfolio as of January 1, 2024	Ps. 94,328,300	Ps. 3,530,534	Ps. 9,188,983	Ps. 107,047,817
Transfers:				
Transfer from stage 1 to stage 2	(3,045,688)	3,045,688	—	—
Transfer from stage 1 to stage 3	(1,417,659)	—	1,417,659	—
Transfer from stage 2 to stage 3	—	(1,317,836)	1,317,836	—
Transfer from stage 2 to stage 1	1,717,607	(1,717,607)	—	—
Transfer from stage 3 to stage 2	—	327,186	(327,186)	—
Transfer from stage 3 to stage 1	193,628	—	(193,628)	—
New financial assets originated or purchased	78,072,651	1,151,665	2,338,796	81,563,112
Financial assets that have been paid	(71,077,046)	(1,565,432)	(3,236,784)	(75,879,262)
Net remeasurement of amortized cost and other receivables	(385,444)	(828,388)	(84,314)	(1,298,146)
Sale of loan portfolio-loss allowance	—	—	(94,960)	(94,960)
Sale of loan portfolio-cash	—	—	(22,804)	(22,804)
Gain or loss on sale portfolio	—	—	5,633	5,633
FX and other movements	3,309,663	136,089	237,033	3,682,785
Discontinued operations ⁽¹⁾	236,432	706,131	687,735	1,630,298
Write-offs	(4,539)	(3,780)	(1,211,511)	(1,219,830)
Total portfolio as of December 31, 2024	Ps. 101,927,905	Ps. 3,464,250	Ps. 10,022,488	Ps. 115,414,643
Transfers:				
Transfer from stage 1 to stage 2	(3,898,207)	3,898,207	—	—
Transfer from stage 1 to stage 3	(1,069,896)	—	1,069,896	—
Transfer from stage 2 to stage 3	—	(1,161,965)	1,161,965	—
Transfer from stage 2 to stage 1	1,220,996	(1,220,996)	—	—
Transfer from stage 3 to stage 2	—	278,400	(278,400)	—
Transfer from stage 3 to stage 1	184,074	—	(184,074)	—
New financial assets originated or purchased	85,047,055	10,307,334	2,317,075	97,671,464
Financial assets that have been paid	(77,680,078)	(10,557,970)	(2,988,923)	(91,226,971)
Net remeasurement of amortized cost and other receivables	(51,136)	(194,087)	(57,597)	(302,820)
Sale of loan portfolio-loss allowance	(3)	(3)	(186,840)	(186,846)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Sale of loan portfolio-cash	(1)	(1)	(114,772)	(114,774)
Gain or loss on sale portfolio	—	—	24,901	24,901
FX and other movements	(3,487,842)	(128,876)	(217,402)	(3,834,120)
Discontinued operations ⁽¹⁾	468,912	49,220	57,533	575,665
Reclassification MFG operation ⁽²⁾	(6,040,222)	(811,177)	(879,140)	(7,730,539)
Write-offs	(9,296)	(5,078)	(1,967,245)	(1,981,619)
Total portfolio as of December 31, 2025	Ps. 96,612,261	Ps. 3,917,258	Ps. 7,779,465	Ps. 108,308,984

⁽¹⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

Consumer loan portfolio

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Loss allowance as of January 1, 2024	Ps. 1,141,997	Ps. 993,268	Ps. 2,172,181	Ps. 4,307,446
Transfers:				
Transfer from stage 1 to stage 2	(265,008)	265,008	—	—
Transfer from stage 1 to stage 3	(378,612)	—	378,612	—
Transfer from stage 2 to stage 3	—	(1,030,039)	1,030,039	—
Transfer from stage 3 to stage 2	—	117,468	(117,468)	—
Transfer from stage 2 to stage 1	238,008	(238,008)	—	—
Transfer from stage 3 to stage 1	77,112	—	(77,112)	—
Net remeasurement of loss allowance ⁽⁵⁾	293,405	1,147,503	2,113,393	3,554,301
New financial assets originated or purchased	264,533	130,124	439,828	834,485
Financial assets that have been derecognized	(216,409)	(78,281)	(313,972)	(608,662)
Sales of portfolio	(21)	(602)	(9,441)	(10,064)
Unwind of discount ⁽³⁾	—	26	199,790	199,816
FX and other movements	3,660	2,364	3,018	9,042
Discontinued operations ⁽¹⁾	(10,791)	14,058	56,074	59,341
Write-offs	(41,956)	(395,579)	(3,742,152)	(4,179,687)
Loss allowance as of December 31, 2024	Ps. 1,105,918	Ps. 927,310	Ps. 2,132,790	Ps. 4,166,018
Transfers:				
Transfer from stage 1 to stage 2	(209,643)	209,643	—	—
Transfer from stage 1 to stage 3	(300,847)	—	300,847	—
Transfer from stage 2 to stage 3	—	(843,865)	843,865	—
Transfer from stage 3 to stage 2	—	86,684	(86,684)	—
Transfer from stage 2 to stage 1	193,461	(193,461)	—	—
Transfer from stage 3 to stage 1	97,074	—	(97,074)	—
Net remeasurement of loss allowance ⁽⁴⁾	88,526	816,337	1,785,608	2,690,471
New financial assets originated or purchased	465,115	123,255	260,679	849,049
Financial assets that have been derecognized	(244,305)	(76,434)	(183,790)	(504,529)
Sales of portfolio	(7)	(354)	(115,099)	(115,460)
Unwind of discount ⁽³⁾	—	—	107,651	107,651
FX and other movements	(4,743)	(4,356)	(2,776)	(11,875)
Discontinued operations ⁽¹⁾	(8,535)	24,002	92,845	108,312
Reclassification MFG operation ⁽²⁾	(34,017)	(22,132)	(26,921)	(83,070)
Write-offs	(43,494)	(342,995)	(3,155,302)	(3,541,791)
Loss allowance as of December 31, 2025	Ps. 1,104,503	Ps. 703,634	Ps. 1,856,639	Ps. 3,664,776

⁽¹⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽³⁾ The unwind of discount on Stage 3 financial assets is reported within "interest income" so that interest income is recognized on the amortized cost (after deducting the ECL allowance).

⁽⁴⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2025 versus parameters as of 2024 and the loan portfolio as of 2025.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2025

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. 28,546	Ps. 52,023	Ps. (39)	Ps. 80,530

⁽⁵⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2024 versus parameters as of December 31, 2023 and the loan portfolio as of December 31, 2024.

December 31, 2024

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. (147,090)	Ps. 20,156	Ps. 37,244	Ps. (89,690)

The following table further explains changes in the gross carrying amount of the consumer portfolio to help explain their significance to the changes in the allowance for the same portfolio as discussed above:

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Total portfolio as of January 1, 2024	Ps. 52,856,109	Ps. 4,408,775	Ps. 2,734,727	Ps. 59,999,611
Transfers:				
Transfer from stage 1 to stage 2	(4,910,035)	4,910,035	—	—
Transfer from stage 1 to stage 3	(855,865)	—	855,865	—
Transfer from stage 2 to stage 3	—	(2,127,198)	2,127,198	—
Transfer from stage 2 to stage 1	1,875,510	(1,875,510)	—	—
Transfer from stage 3 to stage 2	—	291,914	(291,914)	—
Transfer from stage 3 to stage 1	204,521	—	(204,521)	—
New financial assets originated or purchased	29,868,948	1,482,560	3,834,567	35,186,075
Financial assets that have been paid	(25,133,605)	(1,989,366)	(2,953,030)	(30,076,001)
Net remeasurement of amortized cost and other receivables	601,994	(26,806)	260,780	835,968
Sale of loan portfolio-loss allowance	(21)	(602)	(9,441)	(10,064)
Sale of loan portfolio-cash	(5)	(143)	(1,510)	(1,658)
Gain or loss on sale portfolio	(20)	(558)	(4,969)	(5,547)
FX and other movements	523,841	25,899	479	550,219
Discontinued operations ⁽¹⁾	(300,151)	(16,169)	(6,271)	(322,591)
Write-offs	(41,956)	(395,579)	(3,742,152)	(4,179,687)
Total portfolio as of December 31, 2024	Ps. 54,689,265	Ps. 4,687,252	Ps. 2,599,808	Ps. 61,976,325
Transfers:				
Transfer from stage 1 to stage 2	(4,500,953)	4,500,953	—	—
Transfer from stage 1 to stage 3	(777,987)	—	777,987	—
Transfer from stage 2 to stage 3	—	(1,909,116)	1,909,116	—
Transfer from stage 2 to stage 1	1,737,149	(1,737,149)	—	—
Transfer from stage 3 to stage 2	—	216,466	(216,466)	—
Transfer from stage 3 to stage 1	189,616	—	(189,616)	—
New financial assets originated or purchased	38,775,713	1,038,560	2,732,577	42,546,850
Financial assets that have been paid	(31,372,070)	(2,079,908)	(2,991,735)	(36,443,713)
Net remeasurement of amortized cost and other receivables	(678,545)	(128,026)	1,063,142	256,571
Sale of loan portfolio-loss allowance	(7)	(354)	(115,099)	(115,460)
Sale of loan portfolio-cash	(1)	(32)	(10,205)	(10,238)
Gain or loss on sale portfolio	(1)	(41)	(12,720)	(12,762)
FX and other movements	(670,881)	(35,340)	1,410	(704,811)
Discontinued operations ⁽¹⁾	306,917	26,258	8,186	341,361
Reclassification MFG operation ⁽²⁾	(3,427,598)	(362,754)	(45,767)	(3,836,119)
Write-offs	(43,494)	(342,995)	(3,155,302)	(3,541,791)
Total portfolio as of December 31, 2025	Ps. 54,227,123	Ps. 3,873,774	Ps. 2,355,316	Ps. 60,456,213

⁽¹⁾ See note 13.B., “Discontinued operation related to Multi Financial Group”.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

Mortgage loan portfolio

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Loss allowance as of January 1, 2024	Ps. 45,080	Ps. 66,333	Ps. 268,574	Ps. 379,987
Transfers:				
Transfer from stage 1 to stage 2	(9,481)	9,481	—	—
Transfer from stage 1 to stage 3	(414)	—	414	—
Transfer from stage 2 to stage 3	—	(48,596)	48,596	—
Transfer from stage 3 to stage 2	—	13,789	(13,789)	—
Transfer from stage 2 to stage 1	30,885	(30,885)	—	—
Transfer from stage 3 to stage 1	9,525	—	(9,525)	—
Net remeasurement of loss allowance ⁽⁵⁾	5,282	68,567	62,110	135,959
New financial assets originated or purchased	9,758	1,729	3,956	15,443
Financial assets that have been derecognized	(5,924)	(1,684)	(9,909)	(17,517)
Unwind of discount ⁽³⁾	—	—	21,019	21,019
FX and other movements	241	1,270	1,330	2,841
Discontinued operations ⁽¹⁾	(3,046)	4,405	10,278	11,637
Write-offs	(21,818)	(12,570)	(41,666)	(76,054)
Loss allowance as of December 31, 2024	Ps. 60,088	Ps. 71,839	Ps. 341,388	Ps. 473,315
Transfers:				
Transfer from stage 1 to stage 2	(11,209)	11,209	—	—
Transfer from stage 1 to stage 3	(741)	—	741	—
Transfer from stage 2 to stage 3	—	(39,189)	39,189	—
Transfer from stage 3 to stage 2	—	14,440	(14,440)	—
Transfer from stage 2 to stage 1	33,923	(33,923)	—	—
Transfer from stage 3 to stage 1	10,871	—	(10,871)	—
Net remeasurement of loss allowance ⁽⁴⁾	14,574	66,186	93,698	174,458
New financial assets originated or purchased	21,999	3,025	4,394	29,418
Financial assets that have been derecognized	(6,589)	(2,873)	(18,516)	(27,978)
Unwind of discount ⁽³⁾	—	—	18,859	18,859
FX and other movements	14	(1,699)	(1,640)	(3,325)
Discontinued operations ⁽¹⁾	(7,691)	79	10,329	2,717
Reclassification MFG operation ⁽²⁾	(2,312)	(6,961)	(9,080)	(18,353)
Write-offs	(34,189)	(17,265)	(95,502)	(146,956)
Loss allowance as of December 31, 2025	Ps. 78,738	Ps. 64,868	Ps. 358,549	Ps. 502,155

⁽¹⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽³⁾ The unwind of discount on Stage 3 financial assets is reported within "interest income" so that interest income is recognized on the amortized cost (after deducting the ECL allowance).

⁽⁴⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2025 versus parameters as of 2024 and the loan portfolio as of 2025.

December 31, 2025				
	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps.	4,349	9,330	403	14,082

⁽⁵⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2024 versus parameters as of December 31, 2023 and the loan portfolio as of December 31, 2024.

December 31, 2024				
	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps.	(1,468)	3,316	142	1,990

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following table further explains changes in the gross carrying amount of the mortgage portfolio to help explain their significance to the changes in the allowance for the same portfolio as discussed above:

	Stage 1 12-month ECL		Stage 2 Lifetime ECL not credit- impaired		Stage 3 Lifetime ECL credit- impaired		Total	
	Ps.		Ps.		Ps.		Ps.	
Total portfolio as of January 1, 2024	Ps.	16,720,997	Ps.	1,160,785	Ps.	604,424	Ps.	18,486,206
Transfers:								
Transfer from stage 1 to stage 2		(1,532,164)		1,532,164		—		—
Transfer from stage 1 to stage 3		(45,518)		—		45,518		—
Transfer from stage 2 to stage 3		—		(381,561)		381,561		—
Transfer from stage 2 to stage 1		1,036,878		(1,036,878)		—		—
Transfer from stage 3 to stage 2		—		96,914		(96,914)		—
Transfer from stage 3 to stage 1		90,665		—		(90,665)		—
New financial assets originated or purchased		5,389,137		63,254		55,457		5,507,848
Financial assets that have been paid		(2,280,712)		(116,394)		(127,047)		(2,524,153)
Net remeasurement of amortized cost and other receivables		254,106		43,166		61,477		358,749
FX and other movements		417,334		48,069		10,659		476,062
Discontinued operations ⁽¹⁾		(155,376)		(29,916)		(7,639)		(192,931)
Write-offs		(21,818)		(12,570)		(41,666)		(76,054)
Total portfolio as of December 31, 2024	Ps.	19,873,529	Ps.	1,367,033	Ps.	795,165	Ps.	22,035,727
Transfers:								
Transfer from stage 1 to stage 2		(1,573,688)		1,573,688		—		—
Transfer from stage 1 to stage 3		(56,288)		—		56,288		—
Transfer from stage 2 to stage 3		—		(389,286)		389,286		—
Transfer from stage 2 to stage 1		1,141,698		(1,141,698)		—		—
Transfer from stage 3 to stage 2		—		103,954		(103,954)		—
Transfer from stage 3 to stage 1		99,271		—		(99,271)		—
New financial assets originated or purchased		6,990,303		173,598		157,440		7,321,341
Financial assets that have been paid		(2,938,553)		(113,749)		(185,270)		(3,237,572)
Net remeasurement of amortized cost and other receivables		(240,808)		(141,601)		(18,894)		(401,303)
FX and other movements		(447,513)		(84,769)		(12,160)		(544,442)
Discontinued operations ⁽¹⁾		148,874		36,798		9,420		195,092
Reclassification MFG operation ⁽²⁾		(2,460,484)		(496,366)		(153,327)		(3,110,177)
Write-offs		(34,189)		(17,265)		(95,502)		(146,956)
Total portfolio as of December 31, 2025	Ps.	20,502,152	Ps.	870,337	Ps.	739,221	Ps.	22,111,710

⁽¹⁾ See note 13.B., “Discontinued operation related to Multi Financial Group”.

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

Microcredit loan portfolio

	Stage 1 12-month ECL		Stage 2 Lifetime ECL not credit- impaired		Stage 3 Lifetime ECL credit- impaired		Total	
	Ps.		Ps.		Ps.		Ps.	
Loss allowance as of January 1, 2024	Ps.	12,068	Ps.	6,366	Ps.	35,226	Ps.	53,660
Transfers:								
Transfer from stage 1 to stage 2		(2,380)		2,380		—		—
Transfer from stage 1 to stage 3		(24,943)		—		24,943		—
Transfer from stage 2 to stage 3		—		(8,815)		8,815		—
Transfer from stage 3 to stage 2		—		536		(536)		—
Transfer from stage 2 to stage 1		912		(912)		—		—
Transfer from stage 3 to stage 1		57		—		(57)		—
Net remeasurement of loss allowance ⁽³⁾		20,456		6,140		(3,299)		23,297
New financial assets originated or purchased		2,627		69		19		2,715
Financial assets that have been derecognized		(5,694)		(5,123)		(26,097)		(36,914)
Sales of portfolio		(3,042)		(191)		(26,398)		(29,631)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Unwind of discount ⁽¹⁾	—	—	1,684	1,684
Write-offs	(2)	(436)	(10,755)	(11,193)
Loss allowance as of December 31, 2024	Ps. 59	Ps. 14	Ps. 3,545	Ps. 3,618
Transfers:				
Transfer from stage 1 to stage 3	(3)	—	3	—
Transfer from stage 2 to stage 1	2	(2)	—	—
Net remeasurement of loss allowance ⁽²⁾	(13)	(8)	(27)	(48)
Financial assets that have been derecognized	(25)	(4)	(12)	(41)
Unwind of discount ⁽¹⁾	—	—	76	76
Write-offs	(5)	—	(2,640)	(2,645)
Loss allowance as of December 31, 2025	Ps. 15	Ps. —	Ps. 945	Ps. 960

⁽¹⁾ The unwind of discount on Stage 3 financial assets is reported within "interest income" so that interest income is recognized on the amortized cost (after deducting the ECL allowance)

⁽²⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2025 versus parameters as of December 31, 2024 and the loan portfolio as of December 31, 2025.

December 31, 2025

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. (1)	Ps. (7)	Ps. —	Ps. (8)

⁽³⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2024 versus parameters as of December 31, 2023 and the loan portfolio as of December 31, 2024.

December 31, 2024

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. (8)	Ps. 6	Ps. —	Ps. (2)

The following table further explains changes in the gross carrying amount of the microcredit portfolio to help explain their significance to the changes in the allowance for the same portfolio as discussed above:

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Total portfolio as of January 1, 2024	Ps. 226,548	Ps. 13,953	Ps. 37,028	Ps. 277,529
Transfers:				
Transfer from stage 1 to stage 2	(18,434)	18,434	—	—
Transfer from stage 1 to stage 3	(5,297)	—	5,297	—
Transfer from stage 2 to stage 3	—	(14,840)	14,840	—
Transfer from stage 2 to stage 1	3,202	(3,202)	—	—
Transfer from stage 3 to stage 2	—	1,329	(1,329)	—
Transfer from stage 3 to stage 1	153	—	(153)	—
New financial assets originated or purchased	329,590	16,273	58,483	404,346
Financial assets that have been paid	(317,251)	(19,019)	(37,916)	(374,186)
Net remeasurement of amortized cost and other receivables	4,241	135	(8,701)	(4,325)
Sale of loan portfolio-loss allowance	(3,042)	(191)	(26,398)	(29,631)
Sale of loan portfolio-cash	(218,931)	(12,397)	(26,837)	(258,165)
Write-offs	(2)	(436)	(10,755)	(11,193)
Total portfolio as of December 31, 2024	Ps. 777	Ps. 39	Ps. 3,559	Ps. 4,375
Transfers:				

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Transfer from stage 1 to stage 3	(41)	—	41	—
Transfer from stage 2 to stage 1	24	(24)	—	—
Transfer from stage 3 to stage 2	—	37	(37)	—
New financial assets originated or purchased	155	22	2,284	2,461
Financial assets that have been paid	(380)	(57)	(7,887)	(8,324)
Net remeasurement of amortized cost and other receivables	13	(11)	5,651	5,653
Write-offs	(5)	—	(2,640)	(2,645)
Total portfolio as of December 31, 2025	Ps. 543	Ps. 6	Ps. 971	Ps. 1,520

Interbank and overnight funds

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Loss allowance as of January 1, 2024	Ps. 22	Ps. —	Ps. —	Ps. 22
Net remeasurement of loss allowance ⁽²⁾	731	1	—	732
New financial assets originated or purchased	99	—	—	99
Financial assets that have been derecognized	(58)	—	—	(58)
Loss allowance as of December 31, 2024	Ps. 794	Ps. 1	Ps. —	Ps. 795
Net remeasurement of loss allowance ⁽¹⁾	2	(1)	—	1
New financial assets originated or purchased	2,803	—	—	2,803
Financial assets that have been derecognized	(3,451)	—	—	(3,451)
Loss allowance as of December 31, 2025	Ps. 148	Ps. —	Ps. —	Ps. 148

⁽¹⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2025 versus parameters as of December 31, 2024 and the loan portfolio as of December 31, 2025.

December 31, 2025				
Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total	
Ps. 21	Ps. —	Ps. —	Ps.	21

⁽²⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2024 versus parameters as of December 31, 2023 and the loan portfolio as of December 31, 2024.

December 31, 2024				
Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total	
Ps. 6	Ps. —	Ps. —	Ps.	6

The following table further explains changes in the gross carrying amount of the interbank and overnight funds portfolio to help explain their significance to the changes in the allowance for the same portfolio as discussed above:

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Total portfolio as of January 1, 2024	Ps. 392,607	Ps. —	Ps. —	Ps. 392,607
New financial assets originated or purchased	415,418	—	—	415,418

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Financial assets that have been paid	(141,132)	—	—	(141,132)
Net remeasurement of amortized cost and other receivables	1,870	—	—	1,870
FX and other movements	36,292	—	—	36,292
Total portfolio as of December 31, 2024	Ps. 705,055	Ps. —	Ps. —	Ps. 705,055
New financial assets originated or purchased	2,251,099	—	—	2,251,099
Financial assets that have been paid	(940,957)	—	—	(940,957)
Net remeasurement of amortized cost and other receivables	(2,812)	—	—	(2,812)
FX and other movements	(94,073)	—	—	(94,073)
Discontinued operations ⁽¹⁾	(1,904)	—	—	(1,904)
Reclassification MFG operation ⁽²⁾	(138,892)	—	—	(138,892)
Total portfolio as of December 31, 2025	Ps. 1,777,516	Ps. —	Ps. —	Ps. 1,777,516

⁽¹⁾ See note 13.B., “Discontinued operation related to Multi Financial Group”.

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

The following table further explains changes in the movements in the allowance for the of investments in debt securities at FVOCI portfolio:

Investments in debt securities at FVOCI

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Loss allowance balance as of January 1, 2024	Ps. 12,972	Ps. —	Ps. —	Ps. 12,972
Net remeasurement of loss allowance ⁽³⁾	452	—	—	452
New financial assets originated or purchased	9,029	—	—	9,029
Financial assets that have been derecognized	(4,895)	—	—	(4,895)
FX and other movements	752	—	—	752
Loss allowance balance as of December 31, 2024	Ps. 18,310	Ps. —	Ps. —	Ps. 18,310
Net remeasurement of loss allowance ⁽³⁾	5,751	48	—	5,799
New financial assets originated or purchased	13,400	—	—	13,400
Financial assets that have been derecognized	(8,050)	—	—	(8,050)
Discontinued operations ⁽¹⁾	(1,373)	—	—	(1,373)
Reclassification MFG operation ⁽²⁾	(1,354)	—	—	(1,354)
FX and other movements	(126)	(4)	—	(130)
Loss allowance balance as of December 31, 2025	Ps. 26,558	Ps. 44	Ps. —	Ps. 26,602

⁽¹⁾ See note 13.B., “Discontinued operation related to Multi Financial Group”.

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽³⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2025 versus parameters as of December 31, 2024 and the investments portfolio as of December 31, 2025.

December 31, 2025				
Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total	
Ps. 1,554	Ps. 56	Ps. —	Ps. 1,610	

⁽⁴⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2024 versus parameters as of December 31, 2023 and the investments portfolio as of December 31, 2024.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. (90)	Ps. —	Ps. —	Ps. (90)

The following table further explains changes in the movements in the allowance for investments in debt securities at amortized cost portfolio:

Investments in debt securities at amortized cost

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Loss allowance balance as of January 1, 2024	Ps. 12,613	Ps. 4,269	Ps. —	Ps. 16,882
Net remeasurement of loss allowance ⁽³⁾	(1,774)	(562)	—	(2,336)
New financial assets originated or purchased	3,279	—	—	3,279
Financial assets that have been derecognized	(1,366)	—	—	(1,366)
FX and other movements	1,577	639	—	2,216
Loss allowance balance as of December 31, 2024	Ps. 14,329	Ps. 4,346	Ps. —	Ps. 18,675
Transfer from stage 2 to stage 1	4,346	(4,346)	—	—
Net remeasurement of loss allowance ⁽³⁾	(6,960)	—	—	(6,960)
New financial assets originated or purchased	4,268	—	—	4,268
Financial assets that have been derecognized	(1,531)	—	—	(1,531)
Discontinued operations ⁽¹⁾	(3,722)	—	—	(3,722)
Reclassification operation MFG ⁽²⁾	(901)	—	—	(901)
FX and other movements	(1,551)	—	—	(1,551)
Loss allowance balance as of December 31, 2025	Ps. 8,278	Ps. —	Ps. —	Ps. 8,278

⁽¹⁾ See note 13.B., “Discontinued operation related to Multi Financial Group”.

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽³⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2025 versus parameters as of December 31, 2024 and the investments portfolio as of December 31, 2025.

December 31, 2025

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. 262	Ps. —	Ps. —	Ps. 262

⁽²⁾ This amount includes impact of the measurement of ECL due to changes made in PDs/LGDs/EADs and changes made to model assumptions and methodologies from the opening to the closing balance. The following table shows the impact by stage estimated using all parameters as of December 31, 2024 versus parameters as of December 31, 2023 and the investments portfolio as of December 31, 2024.

December 31, 2024

Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit-impaired	Stage 3 Lifetime ECL credit-impaired	Total
Ps. (404)	Ps. —	Ps. —	Ps. (404)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Other accounts receivable

General approach

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Loss allowance as of January 1, 2024	Ps. 25,965	Ps. 19,188	Ps. 141,129	Ps. 186,282
Net remeasurement of loss allowance	4,932	2,779	58,789	66,500
FX and other movements	860	229	3,212	4,301
Write-offs	(531)	—	(85,622)	(86,153)
Loss allowance as of December 31, 2024	Ps. 31,226	Ps. 22,196	Ps. 117,508	Ps. 170,930
Net remeasurement of loss allowance	2,442	3,633	46,158	52,233
FX and other movements	(1,305)	(606)	(2,624)	(4,535)
Write-offs	(1,202)	—	(58,548)	(59,750)
Loss allowance as of December 31, 2025	Ps. 31,161	Ps. 25,223	Ps. 102,494	Ps. 158,878

Simplified approach

	Loss allowance
Loss allowance as of January 1, 2024	Ps. 199,382
Discontinued operations ⁽¹⁾	1,025
Provision charged to profit or loss	55,271
Recovery for partial payments from the clients	(29,727)
Write-offs	(35,436)
Exchange gains (losses) in foreign currency	526
Loss allowance as of December 31, 2024	Ps. 191,041
Reclassification MFG operation ⁽²⁾	(4,225)
Discontinued operations ⁽¹⁾	(456)
Provision charged to profit or loss	121,395
Recovery for partial payments from the clients	(12,224)
Write-offs	(61,006)
Exchange gains (losses) in foreign currency	(711)
Loss allowance as of December 31, 2025	Ps. 233,814

⁽¹⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

Loan commitments and financial guarantee contracts

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Loss allowance as of January 1, 2024	Ps. 61,637	Ps. 7,682	Ps. 949	Ps. 70,268
Transfers:				
Transfer from stage 1 to stage 2	(1,233)	1,233	—	—
Transfer from stage 1 to stage 3	(503)	—	503	—
Transfer from stage 2 to stage 3	—	(167)	167	—
Transfer from stage 3 to stage 2	—	1	(1)	—
Transfer from stage 2 to stage 1	2,998	(2,998)	—	—
Transfer from stage 3 to stage 1	20	—	(20)	—
Net remeasurement of loss allowance	(17,928)	(14)	544	(17,398)
New loan commitments and financial guarantees issued	18,204	1,934	92	20,230
FX and other movements	220	—	—	220
Discontinued operations ⁽¹⁾	(906)	—	—	(906)
Loss allowance as of December 31, 2024	Ps. 62,509	Ps. 7,671	Ps. 2,234	Ps. 72,414
Transfers:				
Transfer from stage 1 to stage 2	(1,094)	1,094	—	—
Transfer from stage 1 to stage 3	(226)	—	226	—
Transfer from stage 2 to stage 3	—	(219)	219	—

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit- impaired	Stage 3 Lifetime ECL credit- impaired	Total
Transfer from stage 3 to stage 2	—	5	(5)	—
Transfer from stage 2 to stage 1	1,954	(1,954)	—	—
Transfer from stage 3 to stage 1	56	—	(56)	—
Net remeasurement of loss allowance	(17,120)	(1,671)	(1,070)	(19,861)
New loan commitments and financial guarantees issued	23,891	1,981	123	25,995
FX and other movements	(111)	(1)	(6)	(118)
Discontinued operations ⁽¹⁾	209	4	(46)	167
Reclassification MFG operation ⁽²⁾	(760)	(4)	(8)	(772)
Loss allowance as of December 31, 2025	Ps. 69,308	Ps. 6,906	Ps. 1,611	Ps. 77,825

⁽¹⁾ See note 13.B., “Discontinued operation related Multi Financial Group”.

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

4.1.6 Concentrations of credit risk

Loan portfolio

Policies to prevent excessive credit-risk concentration

In order to prevent excessive concentrations of credit risk at an individual, economic group, country or economic sectors level, each financial subsidiary of Grupo Aval maintains updated exposure thresholds to limit concentration. The exposure limit by a financial subsidiary of Grupo Aval to an individual client or economic group depends on the risk profile of the client (or economic group), the nature of the risk of the debtor and the experience of each financial subsidiary in a specific market or sector.

Concentration risk control is key to the risk management process. Grupo Aval’s financial subsidiaries monitor the degree of credit risk concentration by sector and individual or group customer.

In order to avoid credit risk concentration at Grupo Aval level, management relies on the financial subsidiaries Credit Risk Unit or its equivalent, which consolidates, and monitors the credit risk exposures of all financial subsidiaries, to determine the maximum levels of concentration.

Pursuant to Colombian regulations, in 2024 financial subsidiaries in Colombia cannot grant unsecured loans to borrowers, which on a combined basis exceed 10% of the financial subsidiary’s regulatory capital (patrimonio técnico) calculated according to the definitions of the Ministry of Finance. Loans maybe more than 10% of the regulatory capital (patrimonio técnico) of the financial subsidiary when they are secured by acceptable collateral and/or certain guarantees. In 2025, a new regulation will come into force, modifying the regime relating to large exposures and legal credit limits, so banks in Colombia generally cannot have exposures with a counterparty or connected group of counterparties that exceed 25% of the bank's regulatory capital Tier 1 (patrimonio básico ordinario + patrimonio básico adicional) calculated in accordance with the definitions of the Ministry of Finance.

Concentration by sector

Below is the credit portfolio distribution of Grupo Aval by economic sector as of December 31, 2025, and 2024:

Sector	December 31, 2025 ⁽¹⁾		December 31, 2024	
	Ps.	%	Ps.	%
Consumer services	87,550,262	45.4 %	89,687,446	44.8 %
Commercial services	41,868,516	21.7 %	43,792,710	21.9 %
Construction	14,015,379	7.3 %	15,046,109	7.5 %
Public services	10,088,667	5.2 %	9,218,309	4.6 %
Government	7,392,815	3.8 %	5,471,013	2.7 %
Transportation and communications	6,579,198	3.4 %	6,499,070	3.2 %
Food, beverage and tobacco	6,294,320	3.3 %	7,577,678	3.8 %
Other industrial and manufacturing products	5,316,713	2.8 %	6,857,011	3.4 %
Chemical production	4,890,011	2.5 %	5,539,036	2.8 %
Agricultural	3,266,907	1.7 %	4,538,856	2.3 %
Mining products and oil	2,415,758	1.3 %	2,754,170	1.4 %
Trade and tourism	1,495,870	0.8 %	1,724,337	0.9 %

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Sector	December 31, 2025 ⁽¹⁾	%	December 31, 2024	%
Other	1,481,527	0.8 %	1,430,380	0.7 %
Total of each economic sector	Ps. 192,655,943	100.0 %	Ps. 200,136,125	100.0 %

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

Concentration by country

The detail of credit risk at the level of Grupo Aval in the different geographic areas determined according to the domicile of the debtor, without taking into consideration loan loss provisions as of December 31, 2025, and 2024 is as follows:

December 31, 2025	Commercial	Consumer	Mortgages	Microcredit	Interbank and overnight funds	Total
Colombia	Ps. 98,000,384	Ps. 60,447,939	Ps. 22,111,710	Ps. 1,520	Ps. 1,075,072	Ps. 181,636,625
United States	6,393,092	8,153	—	—	—	6,401,245
Panamá ⁽¹⁾	773,506	93	—	—	702,444	1,476,043
Guatemala	310,287	—	—	—	—	310,287
Costa Rica	176,154	—	—	—	—	176,154
El Salvador	123,951	—	—	—	—	123,951
Honduras	64,863	—	—	—	—	64,863
Other countries	2,466,747	28	—	—	—	2,466,775
Total gross loan portfolio	Ps. 108,308,984	Ps. 60,456,213	Ps. 22,111,710	Ps. 1,520	Ps. 1,777,516	Ps. 192,655,943

⁽¹⁾ The decrease corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

December 31, 2024	Commercial	Consumer	Mortgages	Microcredit	Interbank and overnight funds	Total
Colombia	Ps. 95,610,708	Ps. 57,719,813	Ps. 18,494,856	Ps. 4,375	Ps. 395,382	Ps. 172,225,134
Panamá	9,455,147	4,248,452	3,540,871	—	214,187	17,458,657
United States	6,685,567	7,984	—	—	93,474	6,787,025
Guatemala	432,151	—	—	—	—	432,151
Costa Rica	125,689	—	—	—	2,012	127,701
Honduras	392,236	—	—	—	—	392,236
El Salvador	13,919	—	—	—	—	13,919
Nicaragua	412	—	—	—	—	412
Other countries	2,698,814	76	—	—	—	2,698,890
Total gross loan portfolio	Ps. 115,414,643	Ps. 61,976,325	Ps. 22,035,727	Ps. 4,375	Ps. 705,055	Ps. 200,136,125

Concentration by currency

The classification of loan portfolio by type of currency is as follows:

December 31, 2025	Colombian Pesos	Foreign currency ⁽¹⁾	Total
Commercial	Ps. 91,723,007	Ps. 16,585,977	Ps. 108,308,984
Consumer	60,344,158	112,055	60,456,213
Residential mortgage	22,111,659	51	22,111,710
Microcredit	1,520	—	1,520
Interbank and overnight funds	817,691	959,825	1,777,516
Total gross loan portfolio	Ps. 174,998,035	Ps. 17,657,908	Ps. 192,655,943

⁽¹⁾ The decrease corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

December 31, 2024	Colombian Pesos	Foreign currency	Total
Commercial	Ps. 86,935,650	Ps. 28,478,993	Ps. 115,414,643
Consumer	57,615,997	4,360,328	61,976,325
Residential mortgage	18,494,740	3,540,987	22,035,727
Microcredit	4,375	—	4,375
Interbank and overnight funds	272,307	432,748	705,055
Total gross loan portfolio	Ps. 163,323,069	Ps. 36,813,056	Ps. 200,136,125

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

As of December 31, 2025, the loan portfolio in foreign currency represents 9.2% of the total portfolio, equivalent to US\$ 4,699 million. As of December 31, 2024, the loan portfolio in foreign currency represents 18.4%, equivalent to US\$ 8,349 million.

Investment debt securities

Grupo Aval entities monitor concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk from investment securities is shown below.

Concentration by sector

Trading debt securities (see note 8.1)

The balance of financial assets in investments in trading debt securities includes the following as of December 31, 2025, and 2024:

	<u>December 31, 2025⁽¹⁾</u>	<u>December 31, 2024</u>
In Colombian Pesos		
Securities issued or secured by Colombian Government	Ps. 15,704,043	Ps. 10,623,734
Securities issued or secured by other Colombian Government entities	205,855	183,760
Securities issued or secured by other financial entities	691,834	864,036
Securities issued or secured by non-financial sector entities	1,939	7,749
Others	12,508	15,768
Total In Colombian Pesos	Ps. 16,616,179	Ps. 11,695,047
In foreign currency		
Securities issued or secured by Colombian Government	Ps. 113,801	Ps. 17,824
Securities issued or secured by other Colombian Government entities	7,224	—
Securities issued or secured by foreign Governments	492,675	75,379
Securities issued or secured by other financial entities	340,735	138,158
Securities issued or secured by non-financial sector entities	—	1,064
Others	12,230	9,942
Total In foreign currency	Ps. 966,665	Ps. 242,367
Total trading debt securities	Ps. 17,582,844	Ps. 11,937,414

⁽¹⁾ The assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

Investments in debt securities mandatorily at FVTPL (see note 9.1)

The balance of financial assets in investments in debt securities mandatorily at FVTPL includes the following as of December 31, 2025, and 2024:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
In Colombian Pesos		
Others ⁽¹⁾	Ps. —	Ps. 1,425
Total debt securities mandatorily at FVTPL	Ps. —	Ps. 1,425

⁽¹⁾Corresponds to the BOCEA issued by Titularizadora Colombiana, in which Banco AV Villas held a position. At maturity, on December 16, 2025, the entity exercised its right to convert the instrument into shares.

Investments in debt securities at FVOCI

The balance of financial assets in investments in debt securities at FVOCI includes the following as of December 31, 2025, and 2024:

	<u>December 31, 2025⁽¹⁾</u>	<u>December 31, 2024</u>
In Colombian Pesos		
Securities issued or secured by Colombian Government	Ps. 22,233,814	Ps. 15,207,640
Securities issued or secured by other Colombian Government entities	257,482	173,682
Securities issued or secured by other financial entities	658,535	813,342

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	December 31, 2025 ⁽¹⁾	December 31, 2024
Securities issued or secured by non-financial sector entities	3,003	3,968
Others	87,176	202,264
Total In Colombian Pesos	Ps. 23,240,010	Ps. 16,400,896
In foreign currency		
Securities issued or secured by Colombian Government	Ps. 2,368,885	Ps. 3,060,268
Securities issued or secured by other Colombian Government entities	248,770	289,063
Securities issued or secured by foreign Governments ⁽¹⁾	1,334,686	4,502,810
Securities issued or secured by central banks ⁽¹⁾	—	204,855
Securities issued or secured by other financial entities	1,095,010	1,813,441
Securities issued or secured by non-financial sector entities ⁽¹⁾	19,615	245,692
Others	148,981	533,173
Total In foreign currency	Ps. 5,215,947	Ps. 10,649,302
Total debt securities at FVOCI	Ps. 28,455,957	Ps. 27,050,198

⁽¹⁾ As of December the decrease corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

Investments in debt securities at amortized cost

The balance of financial assets in investments in debt securities at amortized cost includes the following as of December 31, 2025, and 2024:

	December 31, 2025	December 31, 2024
In Colombian Pesos		
Securities issued or secured by Colombian Government	Ps. 1,860,258	Ps. 2,553,693
Securities issued or secured by other Colombian Government entities	5,351,209	5,563,208
Others	—	32,759
Total In Colombian Pesos	Ps. 7,211,467	Ps. 8,149,660
In foreign currency		
Securities issued or secured by foreign Governments	Ps. 30,540	Ps. 30,655
Securities issued or secured by other financial entities	1,963,450	2,350,549
Securities issued or secured by non-financial sector entities ⁽¹⁾	—	145,553
Others ⁽¹⁾	—	31,950
Total In foreign currency	Ps. 1,993,990	Ps. 2,558,707
Total investments in debt securities at amortized cost	Ps. 9,205,457	Ps. 10,708,367

⁽¹⁾ This corresponds to the reclassification to non-current assets held for sale related to the Multi Financial Group operation as of December 31, 2025; see Note 13.A.

Concentration of investments in debt securities by location

	December 31, 2025	December 31, 2024
Colombia	Ps. 50,054,384	Ps. 39,769,376
Panama ⁽¹⁾	3,385,573	6,114,059
United States Of America ⁽¹⁾	567,849	1,543,389
Brazil	188,017	128,970
Mexico	343,116	583,979
Costa Rica ⁽¹⁾	—	110,714
Chile	372,114	524,430
Peru	231,408	443,698
Paraguay ⁽¹⁾	—	102,473
Japan	25,795	22,957
Germany	15,437	15,806
Total by country	Ps. 55,183,693	Ps. 49,359,851
Bladex (Foreign Trade Bank of Latin America)	—	216,218
Andean Development Corporation (Corporación Andina de Fomento)	51,853	117,061
Inter-American Corporation for the Financing of Infrastructure	8,712	4,274
Multilateral	Ps. 60,565	Ps. 337,553
Total investments in debt securities	Ps. 55,244,258	Ps. 49,697,404

⁽¹⁾ This corresponds to the reclassification to non-current assets held for sale related to the Multi Financial Group operation as of December 31, 2025, see Note 13.A.

Concentration by Sovereign Debt

As a general rule, Grupo Aval considers sovereign risk to be the risk assumed in deposits with Central Banks (including the mandatory deposits), investments in debt issues of a Colombian Government. In addition, the risk arising from transactions with public sector entities that have the following features: their funds are obtained only from fiscal income, they are legally recognized as entities directly included in the government sector, and their activities are of a non-commercial nature.

Sovereign risk exposure arises mainly from Grupo Aval's banking subsidiaries obligations to maintain certain mandatory deposits in Central Banks and from the fixed-income portfolios held as part of the on-balance-sheet structural interest rate risk management strategy and in the trading books of the treasury department. Most of these exposures are denominated in pesos and are financed through peso denominated repurchase agreements or customer deposits.

As of December 31, 2025, and 2024, the investment portfolio of financial assets in debt instruments is comprised mainly of securities issued or secured by entities of the Republic of Colombia, which represent 79.90% and 72.58%, respectively of the total portfolio.

Below is the detail of Grupo Aval's sovereign debt portfolio issued by Central Governments per country:

	December 31, 2025		December 31, 2024	
		%		%
Investment grade ⁽¹⁾				
Colombia ⁽⁵⁾	Ps. —	— %	Ps. 28,361,534	78.64 %
Panama	973,505	2.21 %	2,724,276	7.55 %
Chile	182,837	0.41 %	238,765	0.66 %
Peru	32,414	0.07 %	37,023	0.10 %
Germany	15,436	0.03 %	15,806	0.04 %
Mexico	107,177	0.24 %	17,987	0.05 %
United States of America	518,409	1.17 %	1,465,956	4.06 %
Total Investment grade	Ps. 1,829,778	4.15 %	Ps. 32,861,347	91.10 %
Speculative ⁽²⁾				
Brazil	28,122	0 %	30,266	0.08 %
Colombia ⁽⁵⁾	42,280,800	96 %	3,101,625	8.60 %
Costa Rica	—	— %	78,765	0.22 %
Total Speculative	Ps. 42,308,922	95.85 %	Ps. 3,210,656	8.90 %
	Ps. 44,138,700	100.00 %	Ps. 36,072,003	100.00 %

Below is the detail of Grupo Aval's debt portfolio issued by Central Banks:

	December 31, 2025		December 31, 2024	
		%		%
Investment Grade ⁽¹⁾				
Panama ⁽⁴⁾⁽³⁾	Ps. —	— %	Ps. 204,855	100.00 %
Total Investment grade	Ps. —	— %	Ps. 204,855	100.00 %
Total sovereign risk	Ps. 44,138,700	100.00 %	Ps. 36,276,858	100.00 %

⁽¹⁾ Investment grade includes Fitch Ratings Colombia S.A. risk ratings from F1+ to F3, BRC de Colombia ratings from BRC 1+ to BRC 3, and Standard & Poor's ratings from AAA to BBB-.

⁽²⁾ Speculative grade includes Fitch Ratings Colombia S.A. risk ratings from B to E, BRC de Colombia ratings from BRC 4 to BRC 6, and Standard & Poor's ratings from BB+ to D.

⁽³⁾ The decrease corresponds to the reclassification to non-current assets held for sale related to the Multi Financial Group operation as of December 31, 2025; see Note 13.A.

⁽⁴⁾ These investments correspond to Banco Nacional de Panamá, which is the official bank and performs central bank functions; however, it does not have the authority to issue currency or establish reserve requirements.

⁽⁵⁾ During 2025, S&P Global Ratings downgraded the Government of Colombia's rating from BBB- to BB+, which resulted in its risk level moving from investment grade to speculative.

4.1.7 Modified Financial Assets - troubled debt restructuring business process.

Each financial subsidiary of Grupo Aval periodically carries out, at the request of the client, restructurings of obligations. Such restructurings generally consist of extensions of tenors, decrease of interest rates, partial write-off of indebtedness or payment with assets of the debtor or guarantor.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Our banking subsidiaries follow highly rigorous definitions and policies in this management process, so that it is performed in accordance with the best practices and in strict compliance with regulatory requirements. In connection to this, Grupo Aval's banking subsidiaries have a detailed policy with regard to the aforementioned transactions.

The objective of granting such restructurings is to provide the client with a viable alternative to meet its obligations to the bank and to adapt to changing conditions.

When a loan is restructured due to a debtor's financial difficulties, the debt is flagged within the records of each bank as a restructured credit in accordance with the regulations of the Superintendency of Finance. The restructuring process has a negative impact on the debtor's rating, which can only be improved when the client has complied during a prudent period with the terms of the restructurings, its financial condition has improved or when sufficient additional guarantees have been obtained.

Restructured loans are included for impairment evaluation and determination of provisions. However, the marking of a credit as restructured does not necessarily imply its rating is impaired, because in some cases new guarantees are obtained supporting the obligation.

The following is the balance of restructured loans as of December 31, 2025, and 2024:

Restructured loans	December 31, 2025	December 31, 2024
Local currency	Ps. 5,089,268	Ps. 5,495,475
Foreign currency ⁽¹⁾	33,430	1,955,612
Total restructured	Ps. 5,122,698	Ps. 7,451,087

⁽¹⁾ The decrease corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

4.1.8 Foreclosed assets business process

When persuasive collection processes or credit restructurings are not effective, a legal proceeding is carried out or an agreement is reached with the client for the receipt of assets as payment. Each subsidiary of the financial sector has clearly established policies for receiving assets and has a separate department specialized in the management of these cases and in charge of their eventual sale or liquidation.

During the years ended December 31, 2025, and 2024, the following is the total of foreclosed assets received and sold during such periods:

	December 31, 2025	December 31, 2024
Foreclosed assets received	Ps. 189,624	Ps. 116,299
Foreclosed assets sold	130,716	43,731

4.1.9 Loan commitments and financial guarantee contracts

As part of our operations, Grupo Aval's financial subsidiaries grants guarantees and letters of credit to its customers where in Grupo Aval financial subsidiaries are irrevocably committed to make payments to third parties when customers do not comply with their obligations with such third parties. These products have the same policies for approval of disbursements of loans regarding client's credit risk and guarantees required according to the circumstances of each client.

The commitments for credit extension represent unused portions of authorizations to grant loans, use of credit cards, overdraft limits and letters of credit. With respect to credit risk over commitments to extend credit lines, Grupo Aval is potentially exposed to credit risk in an amount equal to the total amount of unused commitments, if the unused amount were to be withdrawn in whole. However, the amount of the loss is less than the total amount of commitments unused, since most commitments to extend credits are contingent on the customer maintaining specific credit risk standards.

Pending unused credit lines and guarantees do not necessarily represent future cash-out flows, because such facilities may expire and not be used whole or in part.

Following is the detail of the guarantees, letters of credit and credit commitments on non-used credit lines as of December 31, 2025, and 2024.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Loan commitments and financial guarantee contracts

	December 31, 2025 ⁽¹⁾		December 31, 2024	
	Notional amount		Notional amount	
Unused credit card limits	Ps.	14,847,091	Ps.	12,933,383
Approved credits not disbursed		6,792,792		5,432,167
Credit arrangements		5,108,039		4,583,513
Guarantees		2,199,093		3,082,949
Unused limits of overdrafts		2,271,247		2,261,456
Unused letters of credit		400,330		382,953
Total	Ps.	31,618,592	Ps.	28,676,421

The following is the detail of the credit commitments by type of currency:

	December 31, 2025		December 31, 2024	
Colombian Pesos	Ps.	30,392,045	Ps.	25,916,587
U.S. dollars ⁽¹⁾		1,206,958		2,741,438
Euro		14,873		14,517
Other		4,716		3,879
Total	Ps.	31,618,592	Ps.	28,676,421

⁽¹⁾ The decrease corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

4.1.10 Offset of financial assets and financial liabilities

The disclosures set out in the following tables include financial assets and liabilities that:

- Are offset in the Group's statement of financial position; or
- Are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments, irrespective of whether they are offset in the statement of financial position.

The 'similar agreements' include derivative clearing agreements; global master repurchase agreements and global master securities lending agreements. Similar financial instruments include derivatives, sale-and-repurchase agreements, reverse sale-and-repurchase agreements, and securities borrowing and lending agreements. Financial instruments such as loans and deposits are not disclosed in the following tables unless they are offset in the statement of financial position.

The ISDA (International Swaps and Derivatives Association) and similar master netting arrangements do not meet the criteria for offsetting in the statement of financial position. This is because they create for the parties to the agreement a right of set-off of recognized amounts that is enforceable only following an event of default, insolvency or bankruptcy of Grupo Aval or of the counterparties or following other predetermined events. In addition, Grupo Aval and its counterparties do not intend to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Grupo Aval receives and gives collateral in the form of cash and marketable securities in respect of the following transactions:

- Derivatives; and
- Sale-and-repurchase, and reverse sale-and-repurchase agreements.

This collateral is subject to standard industry terms including, when appropriate, an ISDA credit support annex. This means that securities received/given as collateral can be pledged or sold during the term of the transaction but have to be returned on maturity of the transaction. The terms also give each party the right to terminate the related transactions on the counterparty's failure to post collateral.

The gross amounts of financial assets and liabilities and their net amounts disclosed in the below tables have been measured in the statement of financial position on the following bases:

- Derivative assets and liabilities – fair value;
- Assets and liabilities resulting from sale-and-repurchase agreements, reverse sale-and repurchase agreements and securities lending and borrowing – amortized cost.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following is the detail of the financial instruments subject to offset contractually required as of December 31, 2025, and 2024:

December 31, 2025

	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Assets Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet		Net Exposure
				Financial Instruments	Cash collateral Received	
Offsetting assets						
Derivatives	Ps. 2,453,579	Ps. —	Ps. 2,453,579	Ps. (2,039,389)	Ps. (75,563)	Ps. 338,627
Repurchase agreements	2,233,729	—	2,233,729	(98,164)	—	2,135,565
Total	Ps. 4,687,308	Ps. —	Ps. 4,687,308	Ps. (2,137,553)	Ps. (75,563)	Ps. 2,474,192

	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Liabilities Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet		Net Exposure
				Financial Instruments	Cash collateral Delivered	
Offsetting liabilities						
Derivatives	Ps. 1,986,281	Ps. —	Ps. 1,986,281	Ps. (335,732)	Ps. (269,536)	Ps. 1,381,013
Repurchase agreements	21,784,346	—	21,784,346	(22,357,129)	(184,107)	(756,890)
Total	Ps. 23,770,627	Ps. —	Ps. 23,770,627	Ps. (22,692,861)	Ps. (453,643)	Ps. 624,123

December 31, 2024

	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Assets Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet		Net Exposure
				Financial Instruments	Cash collateral Received	
Offsetting assets						
Derivatives	Ps. 1,023,313	Ps. —	Ps. 1,023,313	Ps. (1,951,440)	Ps. (162,729)	Ps. (1,090,856)
Repurchase agreements	1,940,488	—	1,940,488	(667)	—	1,939,821
Total	Ps. 2,963,801	Ps. —	Ps. 2,963,801	Ps. (1,952,107)	Ps. (162,729)	Ps. 848,965

	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Liabilities Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet		Net Exposure
				Financial Instruments	Cash collateral Delivered	
Offsetting liabilities						
Derivatives	Ps. 1,033,592	Ps. —	Ps. 1,033,592	Ps. (208,181)	Ps. (71,745)	Ps. 753,666
Repurchase agreements	17,686,789	—	17,686,789	(20,719,224)	(336,987)	(3,369,422)
Total	Ps. 18,720,381	Ps. —	Ps. 18,720,381	Ps. (20,927,405)	Ps. (408,732)	Ps. (2,615,756)

4.2 Market Risk

Market risk refers to the risk that a change in the level of one or more market prices, rates, indices, volatilities, correlations or other market factors, such as liquidity, will result in losses in a position or in the portfolio.

Grupo Aval's financial subsidiaries (namely Banco de Bogotá, Banco de Occidente, Banco Popular, Banco AV Villas, the trust companies of the financial subsidiaries, Corficolombiana y Porvenir) actively participate in money markets, foreign exchange markets and capital markets, for both of their books (for balance sheet risk management and trading book) and to provide financial services to their customers. This is done subject to established policies and risk limits. In that regard, they hold financial asset portfolios within the allowed limits and risk levels.

Market risk arises from the positions of Grupo Aval's financial subsidiaries in debt securities investment portfolios, derivatives and equity instruments. These risks are created by changes in factors such as interest rates, inflation, foreign currency exchange rates, share prices, credit margins of instruments and their volatility, as well as the liquidity in the markets where Grupo Aval operates.

Our business units and trading desks are responsible for ensuring that market risk exposures are well-managed and prudent. The risk management groups and our business unit management ensure that these risks are measured and closely monitored. A variety of limits and controls are designed to manage price and liquidity risk. Market risk is monitored through various mechanisms such as: statistically

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

analysis (using Value-at-Risk models and related analytical measures), risk factor sensitivity analysis, and routine stress testing, conducted in collaboration with the business units by the Market Risk Unit. The material risks identified by these processes are summarized in reports produced by the Market Risk Unit that are circulated to, and discussed with senior management.

4.2.1 Trading Book Risk

Grupo Aval's financial subsidiaries trade financial instruments for various reasons, mainly:

- To offer products tailored to specific customer needs. Some of these products are designed to hedge the financial risks of customers.
- To take advantage of arbitrage opportunities among different yield curves, assets and markets, obtaining returns with an adequate use of capital.
- To hedge asset and liability risk positions on proprietary positions, to act on behalf of customers or to take advantage of arbitrage opportunities mainly in foreign exchange and interest rates in both local and foreign markets.

In carrying out these operations, Grupo Aval's financial subsidiaries take risks, within predetermined limits. These risks are mitigated with the use of derivative products and other financial instruments within limits that are permanently monitored by risk.

The following is a breakdown of Grupo Aval's financial assets and liabilities exposed to trading risk held at December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
Financial assets at fair value		
Debt financial assets		
Trading investments in debt securities	Ps. 17,582,844	Ps. 11,937,414
Investments in debt securities mandatorily at FVTPL	—	1,425
Investments in debt securities at FVOCI	28,455,957	27,050,198
Total debt securities	Ps. 46,038,801	Ps. 38,989,037
Derivative assets instruments	Ps. 2,217,021	Ps. 969,294
Hedging derivatives assets	236,558	54,019
Total derivative	Ps. 2,453,579	Ps. 1,023,313
Total financial assets	Ps. 48,492,380	Ps. 40,012,350
Liabilities		
Derivative liabilities instruments	Ps. 1,951,439	Ps. 1,011,934
Hedging derivatives liabilities	34,842	21,658
Total financial liabilities	Ps. 1,986,281	Ps. 1,033,592
Net position	Ps. 46,506,099	Ps. 38,978,758

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A. With the exception of Derivative assets instruments and Hedging derivatives assets.

4.2.2 Description of Objectives, Policies and Processes to Manage Trading Risk

Our financial subsidiaries participate in money markets, foreign exchange markets and capital markets to meet their needs and those of their customers, subject to established policies and risk levels. In this respect, they manage different portfolios of financial assets within the limits and risk levels allowed.

The risks assumed by Grupo Aval's financial subsidiaries in transactions related to the trading or treasury book are consistent with the overall trading strategy, considering the market depth for each instrument, its impact on risk-weighted assets and regulatory capital, the profit budget established for each business unit, and the balance sheet structure.

Trading strategies are established on the basis of approved limits, in an effort to balance the risk / return relationship. Moreover, there is a structure of limits consistent with Grupo Aval's general philosophy and is based on capital levels, earnings performance and risk appetite.

The Integral Risk Management System (SIAR in Spanish) allows Grupo Aval's financial subsidiaries to identify, measure, control and monitor the market risk they are exposed to in carrying out their operations.

There are several scenarios in which Grupo Aval's financial subsidiaries are exposed to trading risks.

- **Interest Rate Risk**

Grupo Aval's financial subsidiaries are exposed to interest rate risk as a result of its market-making activities and proprietary trading in interest rate sensitive financial instruments (e.g., risk arising from changes in the level or implied volatility of interest rates, the timing of mortgage prepayments, the shape of the yield curve and credit spreads for credit sensitive instruments). Additionally, as part of the interest rate risk management, asset and liability management committees have been established to monitor the execution of these strategies.

- **Foreign Exchange Risk**

Grupo Aval's financial subsidiary's portfolios are exposed to foreign exchange rate and implied volatility risk as a result of market making negotiation in foreign currencies and from maintaining foreign exchange positions.

- **Equity Price Risk and Mutual Fund Risk**

Grupo Aval's financial subsidiaries are exposed to equity price risk in specific investments and are exposed to mutual fund risk.

4.2.2.1 Risk Management

Grupo Aval financial subsidiaries manage their trading positions by employing a variety of risk mitigation strategies. These strategies include diversification of risk exposures and hedging through the purchase or sale of positions in related securities and financial instruments, including a variety of derivative products (e.g., futures, forwards, swaps and options). The financial subsidiaries manage their market risk associated with its trading activities on a decentralized basis. Our corporate risk unit supervises the level of risk taken in order to ensure that its global exposure limits are observed.

Senior management and the Boards of Directors of our banks and their financial subsidiaries play an active role in managing and controlling market risk. They do so by analyzing established reports and through committees that comprehensively monitor - both technically and fundamentally - the different variables that influence domestic and foreign markets. This process is intended to support strategic trading and portfolio decisions.

Analyzing and monitoring the market risks that Grupo Aval's financial subsidiaries take in their operations is essential for decision making and to assess potential effects on their financial position. An ongoing analysis of macroeconomic conditions is necessary in order to achieve an ideal combination of market risk, return and liquidity.

The risks assumed in financial operations are reflected in a limit structure that includes different types of instruments, specific trading strategies, the market depth in which Grupo Aval's financial subsidiaries operate, the impact on risk-weighted assets and regulatory capital, as well as the balance sheet structure. These limits are monitored daily and reported regularly to the Board of Directors of Grupo Aval's financial subsidiaries.

In order to minimize interest rate and exchange rate risks in specific positions and transactions, Grupo Aval's financial subsidiaries manage hedging strategies by taking positions in derivative instruments such as non-deliverable forwards (NDF) related to securities, money market transactions and foreign exchange forwards.

4.2.2.2 Methods Used to Measure Market Risk

The Market Risk areas independently review the Company's trading portfolios on a regular basis from a market risk perspective utilizing Value at Risk (VaR) internal and regulatory models, and other quantitative and qualitative risk measures and analyses. Each trading business and the market risk areas also use, as appropriate, measures such as sensitivity to changes in interest rates, prices, and implied volatilities to monitor and report market risk exposures. Stress testing, which measures the impact on the value of existing portfolios of specified changes in market factors for certain products, is performed periodically and reviewed by our risk and trading areas. Reports summarizing material risk exposures are produced by the market risk areas and are provided to senior management for their review and challenge.

The Boards of Directors and the Risk Committees of Grupo Aval's financial subsidiaries approve a framework of limits based on the value-at-risk related to the annual budget.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Regulatory VaR (regulatory calculation)

The Regulatory VaR calculation is primarily used for the Superintendency of Finance's solvency ratio calculations. Each bank has standard models for capital purposes; however, they also maintain internal models in order to manage their day-to-day risk and profit decisions.

The Superintendency of Finance methodology is based on the Basel II model. This model applies only to the financial subsidiaries' investment portfolio and excludes investments not classified as trading. Total market risk is calculated on a daily basis by aggregating the VaR for each risk exposure category on a ten-day horizon, based on risk factors calculated under extreme market stress scenarios. VaR at month-end is part of the capital adequacy ratio calculation (as set forth in Decree 2555 of 2010). The Superintendency of Finance's rules require the financial subsidiaries to calculate VaR for the following risk factors: interest rate risk, foreign exchange rate risk, equity price risk and fund risk. Correlations between risk factors are not considered. The fluctuations in the portfolio's VaR depend on sensitivity factors determined by the Superintendency of Finance, modified duration and changes in balances outstanding. The ten-day horizon is defined as the average time in which an entity could sell a trading position in the market.

The VaR calculation includes all the portfolios of the entities and their financial subsidiaries and is estimated under the methodology defined by the Superintendency of Finance of Colombia.

These VaR calculation models are used to determine the occurrence of potential losses among the different business units. The methods also allow comparisons of activities in different markets and identification of the riskiest positions in treasury activities. These tools are also used to determine limits on traders' positions and to promptly review positions and trading strategies in response to changes in market conditions. VaR models have inherent limitations, partially because they rely on historical data, which may not be an indicative of future market conditions. VaR models could overestimate or underestimate the value at risk if market conditions vary significantly and they do not calculate the greatest possible loss. That's why each company uses additional measurement tools in order to compensate for the VaR limitations. Expected Shortfall analysis, stress test and back tests are part of the risk measurement tools in the financial subsidiaries. The methods used to measure VaR are assessed regularly and back tested to check their efficiency.

Grupo Aval's financial subsidiaries have tools to carry out portfolio stress and/or sensitivity tests, using extreme scenario simulations. Additionally, there are limits according to the "risk type" associated with each of the instruments comprising the different portfolios. These limits are related to sensitivity or impact on the value of the portfolio as a result of fluctuations of specific risk factors such as: interest rate (Rho), exchange rate (Delta) and volatility (Vega).

Grupo Aval's financial subsidiaries have counterparty and trading limits for each trader in the trading platforms for the markets where they operate. Trading limits are controlled daily by the back and middle offices of each entity. Trading limits for individual traders are assigned based upon the individual's level in the organization, market and trading experience and product and portfolio management knowledge.

There is also a process to monitor the prices of fixed-income securities traded in foreign markets published by investment price providers for those jurisdictions.

In addition, fixed income securities are subject to a qualitative liquidity analysis to determine the market depth for those instruments.

Finally, the daily transaction monitoring process includes controlling different aspects of trading, such as terms of negotiation, non-conventional or off-market transactions, and related party transactions.

According to the standard model, the market value-at-risk (VaR) for Grupo Aval's financial subsidiaries consolidated at their level of December 31, 2025 and 2024 was as follows:

Entity	At December 31, 2025		December 31, 2024	
	Value at Risk	Basis points of regulatory capital	Value at Risk	Basis points of regulatory capital
Banco Bogotá S.A.	Ps. 311,408	50 Ps.	318,203	52
Banco de Occidente S.A.	152,515	43	381,972	113
Banco AV Villas S.A.	15,658	16	22,567	26
Banco Popular S.A. ⁽¹⁾	304,481	173	291,145	152
Corficolombiana S.A. ⁽¹⁾	294,820	674	320,096	674
Porvenir S.A.	4,352	53	3,832	57

⁽¹⁾ The market value at risk information corresponds to Banco Popular's consolidated information. Corficolombiana's information is presented separately, due to its materiality.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following tables show the VaR calculation relating to each of the risk factors described above and based on the Superintendency of Finance Methodology (Regulatory VaR) for the years ended December 31, 2025 and 2024, for a ten-day horizon for each of our Colombian banking subsidiaries. The minimum, maximum and average levels are determined based on end-of-quarter calculations, using consolidated results from the last four quarters..

Banco de Bogotá S.A

**Maximum, Minimum and Average VaR Values
At December 31, 2025**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	53,274	Ps.	122,866	Ps.	156,064	Ps.	53,274
Exchange rate		146,593		194,097		255,463		255,463
Shares		1,240		1,799		2,083		1,240
Mutual funds		423		913		1,431		1,431

**Maximum, Minimum and Average VaR Values
At December 31, 2024**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	160,445	Ps.	427,563	Ps.	552,647	Ps.	160,445
Exchange rate		91,087		141,196		166,334		155,113
Shares		1,947		10,929		37,644		2,077
Mutual funds		411		1,549		2,788		568

The market risk-weighted assets of Banco de Bogotá, as of December 31, 2025, accounted for 3.13% of the total risk-weighted assets. As of December 31, 2024, market risk-weighted assets represented 3.25% of the total risk-weighted assets.

Banco de Occidente S.A

**Maximum, Minimum and Average VaR Values
At December 31, 2025**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	148,047	Ps.	189,910	Ps.	238,845	Ps.	148,047
Exchange rate		837		7,838		16,567		3,273
Shares		—		—		—		—
Mutual funds		1,195		1,344		1,441		1,195

**Maximum, Minimum and Average VaR Values
At December 31, 2024**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	264,941	Ps.	322,068	Ps.	379,009	Ps.	379,009
Exchange rate		1,078		3,402		9,151		1,971
Shares		—		—		—		—
Mutual funds		934		991		1,031		992

The market risk-weighted assets of Banco de Occidente, as of December 31, 2025, accounted for 3.3% of the total risk-weighted assets. As of December 31, 2024, market risk-weighted assets represented 8.2% of the total risk-weighted assets.

Banco Comercial AV Villas S.A

**Maximum, Minimum and Average VaR Values
At December 31, 2025**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	12,001	Ps.	15,501	Ps.	21,498	Ps.	15,601
Exchange rate		2		38		157		49
Shares		—		—		—		—
Mutual funds		7		110		281		7

**Maximum, Minimum and Average VaR Values
At December 31, 2024**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	22,193	Ps.	29,979	Ps.	43,936	Ps.	22,193
Exchange rate		4		84		472		148
Shares		—		—		—		—
Mutual funds		121		251		447		225

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The market risk-weighted assets of Banco AV Villas, as of December 31, 2025, accounted for 1.3% of the total risk-weighted assets. As of December 31, 2024, market risk-weighted assets represented 2.1% of the total risk-weighted assets.

Banco Popular S.A

**Maximum, Minimum and Average VaR Values
At December 31, 2025⁽¹⁾**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	220,418	Ps.	253,696	Ps.	296,841	Ps.	251,328
Exchange rate		32,932		44,440		58,254		32,932
Shares		175		12,995		26,680		175
Mutual funds		18,364		19,547		20,286		20,045

⁽¹⁾ The market value at risk information corresponds to Banco Popular's consolidated information. Corficolombiana's information is presented separately, due to its materiality.

**Maximum, Minimum and Average VaR Values
At December 31, 2024⁽¹⁾**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	205,759	Ps.	328,266	Ps.	410,228	Ps.	205,759
Exchange rate		19,869		39,424		59,084		51,982
Shares		6,884		11,331		15,090		15,090
Mutual funds		18,201		19,668		23,969		18,314

⁽¹⁾ The market value at risk information corresponds to Banco Popular's consolidated information. Corficolombiana's information is presented separately, due to its materiality.

The market risk-weighted assets of Banco Popular, as of December 31, 2025, accounted for 7.55% of the total risk-weighted assets. As of December 31, 2024, market risk-weighted assets represented 5.61% of the total risk-weighted assets.

Corficolombiana S.A

**Maximum, Minimum and Average VaR Values
At December 31, 2025⁽¹⁾**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	204,636	Ps.	240,097	Ps.	280,691	Ps.	261,509
Exchange rate		32,284		43,485		56,181		32,284
Shares		—		21,975		26,505		—
Mutual funds		1,021		1,139		1,341		1,027

⁽¹⁾ The market value at risk information at December 31, 2025 corresponds to Corficolombiana's separate information.

**Maximum, Minimum and Average VaR Values
At December 31, 2024⁽¹⁾**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	220,886	Ps.	271,679	Ps.	341,730	Ps.	252,417
Exchange rate		19,172		38,723		55,653		51,653
Shares		6,731		11,457		14,918		14,918
Mutual funds		983		1,200		1,424		1,108

⁽¹⁾ The market value at risk information at December 31, 2024 corresponds to Corficolombiana's separate information.

The market risk-weighted assets of Corficolombiana, as of December 31, 2025, accounted for 12.3% of the total risk-weighted assets. As of December 31, 2024, market risk-weighted assets represented 13.31% of the total risk-weighted assets..

As Corficolombiana does not have a relevant number of loans or other significant risk weighted assets, the ratio of the market risk weighted assets to total risk weighted assets is higher than in the banks.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Porvenir S.A

As a pension fund, Porvenir has a value-at-risk measurement methodology that differs from credit establishments and is established by the Superintendency of Finance. The following tables show the VaR calculation relating to each of the risk factors described above and based on that Methodology (Regulatory VaR) for the years ended December 31, 2025, and 2024, for a ten-day horizon.

**Maximum, Minimum and Average VaR Values
At December 31, 2025**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	5,892	Ps.	7,093	Ps.	8,508	Ps.	8,508
Exchange rate		10		342		1,143		64
Shares		1,948		2,740		4,488		2,627
Mutual funds		591		1,293		2,183		2,183

**Maximum, Minimum and Average VaR Values
December 31, 2024**

		Minimum		Average		Maximum		Period end
Interest rate	Ps.	7,623	Ps.	14,368	Ps.	16,520	Ps.	7,623
Exchange rate		7		233		419		275
Shares		1,624		2,090		2,654		1,790
Mutual funds		782		2,365		6,478		1,074

The market risk-weighted assets of Porvenir, as of December 31, 2025, accounted for 2.13% of the total risk-weighted assets. As of December 31, 2024, market risk-weighted assets represented 2.1% of the total risk-weighted assets.

Investment Price Risk in Equity Instruments

Equity Investments

The variations in equity price risk measured according to the regulatory VaR methodology consider investments in equity securities included in the treasury book, including investments in shares issued abroad and listed in Colombia, and exclude, in the case of credit institutions, investments that have been deducted from the Entity's core capital. In 2024, Corficolombiana held investments subject to regulatory VaR. As of December 31, 2025, however, none of the subsidiaries maintain investments that meet these characteristics.

4.2.3 Structural foreign exchange risk

Grupo Aval's financial subsidiaries have agencies and subsidiaries offshore and have assets and liabilities in foreign currencies and are thus exposed to changes in the exchange rates, primarily the United States Dollar. Foreign exchange risk is present when there are assets and liabilities denominated in foreign currency, when investments are made in foreign subsidiaries and branches and when we extend loans or take funds in foreign currency. Foreign exchange risk is also present in foreign currency off- balance sheet transactions.

Subsidiaries of the financial sector in Colombia are authorized by the country's central bank (Banco de la República) to trade currencies and maintain balances in foreign currency in accounts abroad. Colombian law allows banks to maintain a net daily asset or liability position in foreign currency, determined as the difference in foreign currency denominated rights and foreign currency denominated obligations, including both on and off-balance sheet positions. On an entity individual basis, the average of this difference over three business days cannot exceed twenty percent (20%) of the entity's regulatory capital. On a consolidated basis, the average of this difference over three business days (positive or negative) cannot exceed forty percent (40%) of the consolidated entity's regulatory capital.

The maximum and minimum total foreign currency position and the spot foreign currency position are determined according to the regulatory capital of each entity. The regulatory capital used (individual or consolidated) is that of the last business day two months prior. The exchange rate used in the calculation is the average of the exchange rate established by the Superintendency of Finance for the previous month or the last calculation on a consolidated basis.

A substantial amount of Grupo Aval's foreign currency assets and liabilities are in U.S. dollars. Details of the assets and liabilities in foreign currency held by Grupo Aval as of December 31, 2025 and 2024 are shown below:

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2025

Account	U.S. dollars (Millions)	Other currencies converted to U.S. dollars (Millions)	Total in Colombian pesos (Millions)
Financial assets ⁽¹⁾			
Cash and cash equivalents	2,075	108 Ps.	8,054,803
Trading investments in debt securities	257	—	965,570
Investments in debt securities at FVOCI	1,384	4	5,215,235
Investments in debt securities at amortized cost	8	—	30,057
Loan portfolio financial assets at amortized cost	4,695	5	17,657,908
Derivative financial assets held for trading	296	1	1,114,961
Derivative financial assets held for hedging	—	—	637
Trade receivable	688	—	2,585,220
Total financial assets	9,403	118 Ps.	35,624,391

Account	U.S. dollars (Millions)	Other currencies converted to U.S. dollars (Millions)	Total in Colombian pesos (Millions)
Financial liabilities ⁽²⁾			
Derivative financial liabilities held for trading	279	1 Ps.	1,053,795
Derivative financial liabilities held for hedging	3	—	9,741
Customer deposits	4,283	5	16,107,271
Financial obligations	7,369	8	27,716,615
Total financial liabilities	11,934	14 Ps.	44,887,422
Net financial asset (liability) position	(2,531)	104 Ps.	(9,263,031)

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A. With the exception of Derivative financial assets held for trading and Derivative financial assets held for hedging.

⁽²⁾ As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A. With the exception of Derivative financial liabilities held for trading and Derivative financial liabilities held for hedging.

December 31, 2024

Account	U.S. dollars (Millions)	Other currencies converted to U.S. dollars (Millions)	Total in Colombian pesos (Millions)
Financial assets			
Cash and cash equivalents	1,338	62 Ps.	5,913,128
Trading investments in debt securities	61	—	267,836
Investments in debt securities at FVOCI	2,412	4	10,649,301
Investments in debt securities at amortized cost	580	—	2,558,707
Loan portfolio financial assets at amortized cost	8,347	2	36,813,056
Derivative financial assets held for trading	207	6	341,310
Derivative financial assets held for hedging	2	—	43,377
Trade receivable	714	—	3,164,035
Total financial assets	13,661	74 Ps.	59,750,750

Account	U.S. dollars (Millions)	Other currencies converted to U.S. dollars (Millions)	Total in Colombian pesos (Millions)
Financial liabilities			
Derivative financial liabilities held for trading	243	4 Ps.	236,242
Derivative financial liabilities held for hedging	1	—	16,408
Customer deposits	7,246	34	32,100,339
Financial obligations	8,258	5	36,432,897
Total financial liabilities	15,748	43 Ps.	68,785,886
Net financial asset (liability) position	(2,087)	31 Ps.	(9,035,136)

Grupo Aval's financial subsidiaries hedge their foreign exchange exposure using derivatives instruments, especially forwards. The net foreign currency position of each subsidiary is monitored on a daily basis.

Grupo Aval has several investments in foreign subsidiaries and branches whose net assets are exposed to foreign exchange risk because of the translation of gains or losses for the purpose of consolidating their financial statements. The exposure arising from net assets in foreign operations is hedged primarily with financial obligations, bonds and foreign exchange derivative instruments.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following table presents sensitivities of profit or loss before taxes and equity (OCI) to reasonably possible changes in exchange rates applied at the end of the reporting period relative to the functional currency of the respective Group entities, with all other variables held constant:

December 31, 2025	Increase		Decrease	
	Ps.100 per U.S.		Ps.100 per U.S.	
	dollar		dollar	
Equity (mainly OCI) ⁽¹⁾	Ps.	1,591	Ps.	(1,591)
Profit and loss before taxes		(71,717)		71,717

December 31, 2024	Increase		Decrease	
	Ps.100 per U.S.		Ps.100 per U.S.	
	dollar		dollar	
Equity (mainly OCI) ⁽¹⁾	Ps.	1,801	Ps.	(1,801)
Profit and loss before taxes		(53,818)		53,818

⁽¹⁾ The sensitivity in equity considers mainly assets and liabilities of entities with functional currencies different from the Group's presentation currency compensated with derivatives and financial liabilities designated to hedge net investments in foreign operations.

The sensitivity in profit or loss was calculated for monetary assets and liabilities denominated in currencies other than the functional currency of the respective entities of the Group, including intercompany balances which are not hedged. The sensitivity takes into account the variations that could occur in the spot exchange rate, excluding from this calculation any changes that may arise in the forward curve. The Group's exposure to currency risk at the end of the reporting period is not representative of the typical exposure during the year.

4.2.4 Interest Rate Risk in the Banking Book

In Colombia, the Superintendency of Finance, in line with the best practices of the Basel Committee on Banking Supervision, issued External Circular 025 on November 17, 2022. This circular introduced guideline applicable to the management of Interest Rate Risk in the Banking Book (IRRBB) and the Credit Risk Spread in the Banking Book (CRSBB) within the financial system. The aforementioned circular establishes that supervised entities must adopt specific strategies, policies, and procedures for the adequate management of IRRBB. Additionally, it introduces two indicators to recognize the level of exposure of entities to balance sheet risks: Economic Value of Equity (EVE) and Net Interest Margin (NIM).

External Circular 025 of 2022, effective as of December 1, 2024, required supervised entities that, as of December 31, maintained a banking book to report balance sheet risk exposure indicators on an individual basis. In addition, the circular established the obligation to report consolidated balance sheet risk exposure indicators for entities with consolidated financial statements that include institutions holding a banking book. This requirement applies for the first time with financial information as of December 31, 2025.

The following section outlines the general considerations of the standard measurement methodology established under the applicable regulations, which must be applied to the assets and liabilities recorded in the Banking Book of Banco de Bogotá, Banco de Occidente, Banco Popular, and Banco AV Villas. Furthermore, in the case of Banco de Bogotá and Banco de Occidente, this methodology must also be applied to the financial assets and liabilities consolidated with subsidiaries that maintain banking books. Corficolombiana, however, was exempted by the supervisory authority from applying this regulation, as it does not maintain an accounting book for measurement purposes.

Financial subsidiaries are exposed to Interest Rate Risk in the Banking Book (IRRBB) when interest rates change, as the present value and timing of future cash flows may be affected. This, in turn, impacts the underlying value of the entity's assets, liabilities, and off-balance sheet items, and consequently, the Economic Value of Equity (EVE). Changes in interest rates also affect the entity's earnings by altering interest-sensitive income and expenses, thereby impacting its Net Interest Margin (NIM).

This risk includes (i) gap risk, which arises from the mismatch (the difference between assets and liabilities on the entity's balance sheet for a given date and time band) in the maturity structure of instruments exposed to interest rate risk; (ii) basis risk, which corresponds to the impact of relative changes in interest rates for financial instruments with similar maturities but whose prices are determined using different interest rate indices; and (iii) option risk, which refers to the probability that the entity will incur losses due to the exercise of options embedded implicitly or explicitly in assets, liabilities, and off-balance sheet items that are contractually and legally exposed, such as loan prepayments.

To manage IRRBB, the banks within Grupo Aval have established in their policies that this risk is only applicable to Banking Book operations that do not consume capital for market risk, including asset, liability, and off-balance sheet operations with such exposure.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The measurement of IRRBB is conducted using two main metrics: the Economic Value of Equity (EVE), which assesses the fluctuation of equity in response to changes in interest rates using a liquidation balance sheet, and the Net Interest Margin (NIM), which calculates the impact on interest income due to movements in interest rates using a constant balance sheet and a 12-month window.

The regulation establishes, for both individual and consolidated information, the application of the outlier test. This test compares the maximum Delta VEP calculated by the entity under interest rate shock scenarios against 15% of the sum of Ordinary Core Capital and Additional Core Capital in effect at the reporting date. As of the reporting date, this reference established in the regulation remains solely a monitoring threshold and, for the time being, does not impose restrictions on the operation of our Banks. For entities that exceed this level in the outlier test, the regulation requires the submission of an adjustment plan that includes one or more of the following measures to mitigate the impact of increased exposure to IRRBB: (i) reduce exposures to IRRBB, (ii) impose restrictions on internal risk parameters, (iii) enhance the risk management framework, (iv) evaluate increasing capital resources, or (v) adopt other measures that allow mitigating the level of exposure to IRRBB.

In accordance with the regulation, Delta EVE corresponds to the maximum difference in the Economic Value of Equity (EVE) observed between the baseline scenario and six scenarios simulating adverse movements in interest rate curves, as follows:

- **Parallel upward shock:** COP 400 bps, UVR 200 bps, USD 200 bps, and other shocks depending on the significant currency.
- **Parallel downward shock:** COP 400 bps, UVR 200 bps, USD 200 bps, and other shocks depending on the significant currency.
- **Steepening shock (short-term rates down and long-term rates up):** COP short-term 500 bps, COP long-term 300 bps, UVR short-term 300 bps, UVR long-term 100 bps, USD short-term 300 bps, USD long-term 150 bps, and other shocks depending on the significant currency.
- **Flattening shock (short-term rates up and long-term rates down):** COP short-term 500 bps, COP long-term 300 bps, UVR short-term 300 bps, UVR long-term 100 bps, USD short-term 300 bps, USD long-term 150 bps, and other shocks depending on the significant currency.
- **Short-term upward shock:** COP short-term 500 bps, UVR short-term 300 bps, USD short-term 300 bps, and other shocks depending on the significant currency.
- **Short-term downward shock:** COP short-term 500 bps, UVR short-term 300 bps, USD short-term 300 bps, and other shocks depending on the significant currency.

Individual results:

Below are the results of the Delta EVE and Delta NIM measurements as of December 31, 2025 and 2024:

	At December 31, 2025		
	Maximum Delta NIM (in Ps)	Maximum Delta EVE (in Ps)	Delta EVE / CET1+AT1 (in percentages)
Banco de Bogotá	(704,381)	(1,598,433)	11.01
Banco de Occidente	(679,009)	(569,720)	12.05
Banco Popular	(351,902)	(362,219)	18.06
Banco AV Villas	(201,089)	(205,374)	16.58

	At December 31, 2024		
	Maximum Delta NIM (in Ps)	Maximum Delta EVE (in Ps)	Delta EVE / CET1+AT1 (in percentages)
Banco de Bogotá	(634,544)	(1,216,132)	8.57
Banco de Occidente	(538,969)	(331,065)	7.17
Banco Popular	(328,276)	(408,513)	21.00
Banco AV Villas	(196,825)	(136,325)	10.87

As of December 31, 2025, Banco de Bogotá and Banco de Occidente maintained their Delta EVE percentages below the threshold established for outlier tests. As of December 31, 2025, Banco Popular and Banco AV Villas exceeded the 15% reference established in the regulation and, in compliance with regulatory requirements, submitted the corresponding adjustment plan to the Superintendency of Finance.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Consolidated results:

Below are the results of the Delta EVE and Delta NIM measurements as of December 31, 2025:

	At December 31, 2025		
	Maximum Delta NIM (in Ps)	Maximum Delta EVE (in Ps)	Delta EVE / CET1+AT1 (in percentages)
Banco de Bogotá	(707,641)	(1,654,667)	10.82
Banco de Occidente	(709,126)	(589,539)	10.72

As of December 31, 2025, Banco de Bogotá and Banco de Occidente maintained their Delta EVE percentages below the threshold established for outlier tests. In the case of Banco Popular and Banco AV Villas, since they do not have subsidiaries with a banking book, they are exempt from reporting consolidated information.

The management of interest rate risk in Grupo Aval's banks is structured with strong governance, led by the Board of Directors, which approves policies and limits, and supported by the Risk Committee and the ALCO Committee, which oversee the risk profile and strategies. The risk area develops methodologies and models to measure, monitor, and evaluate risk, while the treasury analyzes and projects interest rate risk and proposes hedging measures. Internal audit conducts independent evaluations of the risk system.

Grupo Aval's banks identify positions affected by interest rate risk, including assets, liabilities, and derivatives, and analyze their impact. For measurement, they calculate the impact on Net Interest Margin (NIM) and Economic Value of Equity (EVE) under regulatory scenarios and perform sensitivity analyses. Stress tests are conducted based on interest rate movements, and limits and alerts are established to control risk. Monitoring is carried out through periodic reports to the Board of Directors and other committees, ensuring effective risk management.

Results of NIM and EVE Shocks

The following section presents the results of the shocks applied to the EVE and NIM metrics as of December 31, 2025, and December 31, 2024, for individual results. Regarding the consolidated information, the results are presented only as of December 31, 2025:

Individual Results

	At December 31, 2025					
	Parallel up	Parallel down	Steeper	Flattener	Short rate up	Short rate down
	(in Ps)					
Banco de Bogotá	(1,598,433)	640,311	(92,600)	(749,886)	(1,005,023)	244,956
Banco de Occidente	(569,720)	48,155	158,525	(370,972)	(435,506)	112,623
Banco Popular	(362,219)	183,092	96,296	(145,824)	(266,231)	169,429
Banco AV Villas	(205,374)	41,983	9,007	(64,554)	(176,127)	63,367

	At December 31, 2024					
	Parallel up	Parallel down	Steeper	Flattener	Short rate up	Short rate down
	(in Ps)					
Banco de Bogotá	(1,216,132)	311,377	133,630	(657,975)	(692,773)	135,650
Banco de Occidente	(322,975)	(85,678)	155,760	(331,065)	(269,128)	49,635
Banco Popular	(408,513)	126,470	64,031	(199,153)	(255,127)	83,960
Banco AV Villas	(136,325)	23,948	36,585	(74,329)	(95,345)	22,022

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Consolidated Results

Consolidated results is presented only for Banco de Bogotá and Banco de Occidente, as they are the only financial institutions with subsidiaries that have a defined Banking Book, in accordance with regulatory provisions.

At December 31, 2025						
	Parallel up	Parallel down	Steeper	Flattener	Short rate up	Short rate down
(in Ps)						
Banco de Bogotá	(1,654,667)	704,940	(93,334)	(761,522)	(1,037,879)	275,954
Banco de Occidente	(589,539)	94,426	142,460	(352,246)	(432,719)	105,362

In the case of Banco Popular and Banco AV Villas, since they do not have subsidiaries with a banking book, they are exempt from reporting consolidated information.

4.2.5 Interest Rate Risk – Sensitivity of Grupo Aval’s Consolidated Balance Sheet

Non-trading instruments consist primarily of loans and deposits. The net interest margin of our financial subsidiaries may be affected by changes in interest rates. Losses can result from unexpected movements in interest rates. For this reason, our financial subsidiaries monitor the interest rate risk daily and set limits on asset and liability mismatches.

Grupo Aval’s financial subsidiaries monitor their interest rate risk daily and set limits to repricing mismatches between assets and liabilities. They analyze their interest rate exposure in a dynamic way. Scenario modelling considers renewal of existing positions, financing alternatives, and hedges. Considering these scenarios, the financial subsidiaries calculate the profit and loss impact of changes in interest rates.

The following table shows interest rates exposure of non-interest-bearing and interest-bearing for financial assets and liabilities by maturity bucket for our financial subsidiaries at December 31, 2025 and 2024. In this table, fixed rate instruments are classified according to their maturity date and floating rate instruments are classified according to their repricing date:

December 31, 2025

Assets ⁽¹⁾	Less than one month	From one to six months	From six to twelve months	More than a year	Non-interest	Total
Cash and cash equivalents	Ps. 6,947,229	Ps. —	Ps. —	Ps. —	Ps. 12,407,481	Ps. 19,354,710
Trading investments in debt securities	313,342	857,713	917,811	15,493,978	—	17,582,844
Investments in debt securities at FVOCI	422,683	1,947,537	2,422,508	23,663,229	—	28,455,957
Investments in debt securities at amortized cost	941,587	2,523,556	3,776,864	1,963,450	—	9,205,457
Trade receivable at FVTPL	—	—	—	2,635,437	—	2,635,437
Commercial loans	1,275,910	88,802,542	2,343,572	15,886,960	—	108,308,984
Consumer loans	231,208	2,875,339	1,510,240	55,839,426	—	60,456,213
Mortgages loans	278,631	286,563	11,248	21,535,268	—	22,111,710
Microcredit loans	891	24	—	605	—	1,520
Interbank and overnight funds	1,767,275	10,241	—	—	—	1,777,516
Trade receivable	24,683	787	182	1,926,393	20,264,116	22,216,161
Total Assets	Ps. 12,203,439	Ps. 97,304,302	Ps. 10,982,425	Ps. 138,944,746	Ps. 32,671,597	Ps. 292,106,509
—						
Liabilities ⁽²⁾	Less than one month	From one to six months	From six to twelve months	More than a year	Non-interest	Total
Checking accounts	Ps. 6,384,604	Ps. —	Ps. —	Ps. —	Ps. 17,213,631	Ps. 23,598,235
Saving deposits	88,238,541	—	—	—	—	88,238,541
Time deposits	10,784,108	45,291,746	20,894,887	18,135,176	—	95,105,917
Other deposits	14,699	27,924	—	—	419,922	462,545
Interbank and overnight funds	22,444,060	208,589	2,776	—	—	22,655,425
Borrowing from banks and others	2,609,903	6,823,584	6,898,316	8,227,372	—	24,559,175
Long-term debt	—	5,346,412	1,085,204	15,025,370	—	21,456,986
Total Liabilities	Ps. 130,475,915	Ps. 57,698,255	Ps. 28,881,183	Ps. 41,387,918	Ps. 17,633,553	Ps. 276,076,824

⁽¹⁾ As of December, 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

⁽²⁾ As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.

December 31,2024

Assets	Less than one month	From one to six months	From six to twelve months	More than a year	Non- interest	Total
Cash and cash equivalents	Ps. 6,669,978	Ps. —	Ps. —	Ps. —	Ps. 10,328,881	Ps. 16,998,859
Trading investments in debt securities	64,537	143,911	313,373	11,415,593	—	11,937,414
Investments in debt securities mandatorily at FVTPL	—	—	1,425	—	—	1,425
Investments in debt securities at FVOCI	373,026	1,495,003	2,726,862	22,455,307	—	27,050,198
Investments in debt securities at amortized cost	1,120,442	3,339,892	3,707,096	2,540,937	—	10,708,367
Trade receivable at FVTPL	—	—	—	4,181,835	—	4,181,835
Commercial loans	15,313,556	66,132,059	6,400,419	27,568,609	—	115,414,643
Consumer loans	4,821,574	3,357,049	2,743,970	51,053,732	—	61,976,325
Mortgages loans	3,837,007	184,710	123,247	17,890,763	—	22,035,727
Microcredit loans	2,199	457	295	1,424	—	4,375
Interbank and overnight funds	704,516	539	—	—	—	705,055
Trade receivable	14,665	6,589	189	2,230,108	21,886,987	24,138,538
Total Assets	Ps. 32,921,500	Ps. 74,660,209	Ps. 16,016,876	Ps. 139,338,308	Ps. 32,215,868	Ps. 295,152,761
Liabilities	Less than one month	From one to six months	From six to twelve months	More than a year	Non- interest	Total
Checking accounts	Ps. 6,064,076	Ps. —	Ps. —	Ps. —	Ps. 18,515,460	Ps. 24,579,536
Saving deposits	79,614,904	—	—	—	—	79,614,904
Time deposits	6,739,476	50,866,874	23,336,940	15,386,537	—	96,329,827
Other deposits	13,359	108,392	—	—	226,159	347,910
Interbank and overnight funds	17,651,017	527,638	331,114	—	—	18,509,769
Borrowing from banks and others	3,377,387	10,628,700	3,790,469	10,301,603	—	28,098,159
Long-term debt	157,427	4,855,835	286,286	20,916,299	—	26,215,847
Total Liabilities	Ps. 113,617,646	Ps. 66,987,439	Ps. 27,744,809	Ps. 46,604,439	Ps. 18,741,619	Ps. 273,695,952

As part of their interest rate risk management process, our financial subsidiaries analyze the interest rate mismatches between their interest-earning assets and their interest-earning liabilities. This sensitivity analysis, based on hypothetical changes, assumes that the composition of Grupo Aval's statement of financial position remains constant over the period being measured.

Based on the financial statement as of December 31, 2025, a linear accounting sensitivity exercise to interest rate variations is carried out, assuming a constant market situation, without incorporating the existing effects on financial assets and liabilities resulting from discretionary decisions of clients and changes that may occur in macroeconomic fundamentals. Thus, if market interest rates were to increase by 100 basis points, without considering the maturity of the instruments or the repricing periods but only the balance as of the cut-off date, and assuming there is no asymmetric movement in the yield curves, the profit for the year would have been Ps. 83,572, which represents 1.10% of total net interest income as of December 31, 2025, and Ps. 33,715, which represented 0.46% of total net interest income as of December 31, 2024, mainly higher as a result of higher interest income on variable interest assets offset by higher interest expenses on variable interest liabilities and lower fair values of investments at fair value through profit or loss, due to the proportion of assets indexed to variable rates being higher than liabilities indexed to variable rates. Other comprehensive income in equity would have been Ps. 835,812 as of December 31, 2025, and Ps. 868,462 as of December 31, 2024, mainly lower because of a decrease in the fair values of fixed-rate financial assets classified as fair value through OCI.

The following is a breakdown of non-interest-bearing and interest-bearing assets and liabilities by interest rate type and by maturity, as at December 31, 2025 and 2024.

December 31,2025

Assets ⁽¹⁾	Under one year		Over one year		Non- interest	Total
	Variable	Fixed	Variable	Fixed		
Cash and cash equivalents	Ps. 2,843,399	Ps. 4,103,830	Ps. —	Ps. —	Ps. 12,407,481	Ps. 19,354,710
Trading investments in debt securities	169,009	1,919,857	131,985	15,361,993	—	17,582,844
Investments in debt securities at FVOCI	231,040	4,561,688	831,844	22,831,385	—	28,455,957
Investments in debt securities at amortized cost	5,351,209	1,890,797	—	1,963,451	—	9,205,457
Trade receivable at FVTPL	—	—	2,635,437	—	—	2,635,437
Commercial loans	38,255,304	11,022,924	50,293,877	8,736,879	—	108,308,984

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Assets ⁽¹⁾	Under one year		Over one year		Non-interest	Total
	Variable	Fixed	Variable	Fixed		
Consumer loans	683,307	10,523,849	1,648,975	47,600,082	—	60,456,213
Mortgages loans	36,143	1,083,682	512,333	20,479,552	—	22,111,710
Microcredit loans	802	—	114	604	—	1,520
Interbank and overnight funds	—	1,777,516	—	—	—	1,777,516
Trade receivable	25,652	—	401,057	1,525,336	20,264,116	22,216,161
Total Assets	Ps. 47,595,865	Ps. 36,884,143	Ps. 56,455,622	Ps. 118,499,282	Ps. 32,671,597	Ps. 292,106,509

Liabilities ⁽²⁾	Under one year		Over one year		Non-interest	Total
	Variable	Fixed	Variable	Fixed		
Checking accounts	Ps. 392,631	Ps. 5,991,973	Ps. —	Ps. —	Ps. 17,213,631	Ps. 23,598,235
Saving deposits	11,243,338	76,995,203	—	—	—	88,238,541
Time deposits	23,127,676	54,048,625	5,740,557	12,189,059	—	95,105,917
Other deposits	13,082	29,541	—	—	419,922	462,545
Interbank and overnight funds	255,945	22,399,480	—	—	—	22,655,425
Borrowing from banks and others	10,323,838	5,459,051	3,518,694	5,257,592	—	24,559,175
Long-term debt	2,151,022	4,280,592	5,638,943	9,386,429	—	21,456,986
Total Liabilities	Ps. 47,507,532	Ps. 169,204,465	Ps. 14,898,194	Ps. 26,833,080	Ps. 17,633,553	Ps. 276,076,824

⁽¹⁾ As of December, 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

⁽²⁾ As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.

December 31, 2024

Assets	Under one year		Over one year		Non-interest	Total
	Variable	Fixed	Variable	Fixed		
Cash and cash equivalents	Ps. 767,956	Ps. 5,902,022	Ps. —	Ps. —	Ps. 10,328,881	Ps. 16,998,859
Trading investments in debt securities	39,959	481,862	267,185	11,148,408	—	11,937,414
Investments in debt securities mandatorily at FVTPL	—	1,425	—	—	—	1,425
Investments in debt securities at FVOCI	18,733	4,576,159	949,667	21,505,639	—	27,050,198
Investments in debt securities at amortized cost	5,563,208	2,604,222	94,850	2,446,087	—	10,708,367
Trade receivable at FVTPL	—	—	4,181,835	—	—	4,181,835
Commercial loans	47,408,803	12,085,311	46,834,101	9,086,428	—	115,414,643
Consumer loans	828,680	10,058,687	5,666,008	45,422,950	—	61,976,325
Mortgages loans	58,686	931,590	4,022,386	17,023,065	—	22,035,727
Microcredit loans	1,342	2,059	151	823	—	4,375
Interbank and overnight funds	—	705,055	—	—	—	705,055
Trade receivable	15,598	5,845	356,931	1,873,177	21,886,987	24,138,538
Total Assets	Ps. 54,702,965	Ps. 37,354,237	Ps. 62,373,114	Ps. 108,506,577	Ps. 32,215,868	Ps. 295,152,761

Liabilities	Under one year		Over one year		Non-interest	Total
	Variable	Fixed	Variable	Fixed		
Checking accounts	Ps. 642,651	Ps. 5,421,425	Ps. —	Ps. —	Ps. 18,515,460	Ps. 24,579,536
Saving deposits	9,509,067	70,105,837	—	—	—	79,614,904
Time deposits	11,243,745	67,994,677	4,210,357	12,881,048	—	96,329,827
Other deposits	11,728	110,023	—	—	226,159	347,910
Interbank and overnight funds	336,770	18,172,999	—	—	—	18,509,769
Borrowing from banks and others	8,349,490	5,952,723	8,188,874	5,607,072	—	28,098,159
Long-term debt	810,630	905,693	7,368,553	17,130,971	—	26,215,847
Total Liabilities	Ps. 30,904,081	Ps. 168,663,377	Ps. 19,767,784	Ps. 35,619,091	Ps. 18,741,619	Ps. 273,695,952

4.3 Liquidity Risk

Liquidity risk management has always been a basic element of Grupo Aval's business strategy and a fundamental cornerstone, together with capital, on which the strength of its balance sheet rests. Liquidity risk is related to the inability of Grupo Aval's subsidiaries to fulfill their obligations with customers, financial market counterparties, lenders, suppliers, authorities or other stakeholders at any given moment, in any currency and in any location.

Structural liquidity management aims to finance the recurring nature of a company's activities under optimal terms of time and cost, avoiding taking unwanted liquidity risks. At Grupo Aval, the financing and liquidity model is decentralized and based on autonomous subsidiaries that are responsible for covering their own liquidity needs. Therefore, each entity reviews its available resources on a daily basis in order to control its liquidity risk.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The financial subsidiaries of Grupo Aval are responsible for complying with the regulatory liquidity requirements, as well as meeting the obligations arising from their current and future activity. In consequence, they will either take deposits from their customers, or by resorting to the wholesale markets where they operate. Grupo Aval's financial subsidiaries have a strong capacity as well as to raise funds in the wholesale markets.

Financial subsidiaries comply with the requirements for liquidity risk management of the jurisdictions in which they operate. They define policies that govern the functions of identification, measurement, control and monitoring required to manage daily liquidity requirements, comply with minimum liquidity buffers and establish liquidity contingency plans to deal with any unexpected situation.

Financial subsidiaries controlled by Grupo Aval, in Colombia, are required to maintain adequate liquidity positions based on the Superintendency of Finance's liquidity parameters, using a short-term liquidity index (Indicador de Riesgo de Liquidez in Spanish language), or "IRL," that measures liquidity for different time horizons from 1 to 90 days. This index is defined as the difference between adjusted liquid assets and net liquidity requirements.

- Liquid assets include total debt securities adjusted by market liquidity and exchange rate, excluding investment securities at amortized cost different from mandatory investments, Central Bank deposits and available cash.
- Net liquidity requirements are the difference between expected contractual asset and contractual and non-contractual liability cash flows. Cash flows from past due loans are not included in this calculation.

During 2020, as part of its convergence towards Basel III standards, the Superintendency of Finance incorporates the segmentation by type of deposits in the calculation of non-contractual liability cash flows. The methodology segments saving deposits in eight categories, according with their balance and the type of customer, then calculates the run-off rate for each category and finally multiplies both to determine the non-contractual reserve.

Grupo Aval's financial subsidiaries assess the volatility of deposits, debt levels, the asset and liability structure, the liquidity of different asset types, the availability of lines of credit and the effectiveness of asset and liability management. The objective is to have adequate liquidity to manage possible stress scenarios.

The quantification of appropriate money market funding levels is an integral part of the liquidity measurement carried out by each entity. Based on statistical analysis, primary and secondary sources of liquidity are identified in order to ensure funding stability and diversification, and to minimize concentration.

Financial subsidiaries in Colombia must maintain cash on hand and in Central Banks deposits in order to comply with reserve requirements. The calculation of the reserve requirement is based on the daily average of the different types of deposits every two weeks.

On August 30, 2024, the Board of Directors of the Central Bank of Colombia (Banco de la República) issued External Resolution No. 3, which reduces the reserve requirements as follows:

- Reduction of one percentage point in the reserve requirement for liabilities currently subject to an 8% reserve ratio (primarily checking accounts and savings accounts). As a result, the reserve requirement for these liabilities will decrease from 8% to 7%.
- Reduction of one percentage point in the reserve requirement for liabilities currently subject to a 3.5% reserve ratio (primarily time deposits with a term up to 18 months). Consequently, the reserve requirement for these liabilities will decrease from 3.5% to 2.5%.

There are no reserve requirements for our subsidiaries located in Panamá because there is no Central Bank to regulate such requirements.

The following table presents liquid assets as of the cut-off date and their depletion for each of the time horizons established in the regulatory liquidity risk methodology (1 to 7 days, 1 to 30 days and 31 to 90 days), based on separate figures of our financial subsidiaries in Colombia at December 31, 2025 and 2024:

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2025

Bank		Liquid assets available at the end of the year ⁽¹⁾			From 31 to 90 days ⁽²⁾
		From 1 to 7 days ⁽²⁾	From 1 to 30 days ⁽²⁾		
Banco Bogotá S.A.	Ps.	16,766,645	14,103,526	5,290,233	(17,219,591)
Banco de Occidente S.A.		11,509,695	7,654,716	4,681,592	(10,698,827)
Banco AV Villas S.A.		3,058,631	2,656,389	1,314,672	(3,211,668)
Banco Popular S.A.		5,572,720	4,994,515	1,573,415	(6,216,132)
Corficolombiana S.A.		2,567,533	1,608,683	809,740	(472,992)

December 31, 2024

Bank		Liquid assets available at the end of the year ⁽¹⁾			From 31 to 90 days ⁽²⁾
		From 1 to 7 days ⁽²⁾	From 1 to 30 days ⁽²⁾		
Banco Bogotá S.A.	Ps.	13,469,768 Ps.	10,953,748 Ps.	2,928,936 Ps.	(16,891,633)
Banco de Occidente S.A.		9,284,616	6,461,637	2,946,224	(11,199,262)
Banco AV Villas S.A.		2,145,763	1,665,301	687,963	(2,909,334)
Banco Popular S.A.		4,030,595	3,580,936	893,612	(5,667,658)
Corficolombiana S.A.		1,908,014	902,572	560,871	(649,409)

⁽¹⁾ Liquid assets are the sum of assets that are easily convertible into cash. Fixed income investments at amortized cost and financial investments pledged as collateral or subject to any other type of encumbrance, preventive measure or of any nature, that prevent their free assignment or transfer, as well as those that have been transferred under repurchase agreements, simultaneous or temporary transfer of securities are excluded. Liquid assets are measured at fair value (market prices on the evaluation date).

⁽²⁾ This amount is the remaining value of liquid assets in the specified time period, or the IRL, which is calculated as the difference between liquid assets and the liquidity requirement. The liquidity requirement is the difference between contractual cash inflows and contractual and non-contractual cash outflows during the period according to the IRL methodology.

The following tables show the individual IRL Ratio as of December 31, 2025, and 2024 for each of our banks in Colombia and Corficolombiana, expressed in Colombian pesos and as a percentage:

	(in Ps)									
	Banco de Bogotá		Banco de Occidente		Banco Popular		Banco AV Villas		Corficolombiana	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
IRL – 7 days	14,104	10,954	6,122	5,028	4,995	3,581	2,656	1,665	1,609	903
IRL – 30 days	5,290	2,929	3,375	1,814	1,573	894	1,315	688	810	561

	(in percentages)									
	Banco de Bogotá		Banco de Occidente		Banco Popular		Banco AV Villas		Corficolombiana	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
IRL – 7 days	630	535	262	289	964	896	760	447	268	190
IRL – 30 days	146	128	152	131	139	129	175	147	146	142

Supervised entities are required to calculate and report to the SFC on a weekly basis an indicator of short-term liquidity risk. The IRL is calculated in periods of 7 and 30 days and must be at least 100 percent. During 2025, Grupo Aval's Colombian banks met the minimum regulatory requirement.

The liquidity calculations described above assume normal liquidity conditions, according to the contractual flows and historical experience of each of the financial subsidiaries. For extreme liquidity events caused by unusual deposit withdrawals, the financial subsidiaries have contingency plans that include available credit lines with other financial institutions and access to special lines of credit with Colombia's Central Bank, in accordance with current regulations. These lines of credit are granted when required, and are collateralized by Colombian government securities or by a portfolio of high-quality loans, as specified in the Central Bank regulations. Grupo Aval's financial subsidiaries did not access the Central Bank special lines of credit during the years ended at December 31, 2025 and 2024.

The banks in each country are responsible for their liquidity position on a stand-alone basis. They have access to funding mechanisms with their central banks, and to funding through credit lines. Short-term credits are offered by correspondent banks and financing is granted by multilateral organizations.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following is a breakdown shows the contractual undiscounted cash flows of the financial assets and liabilities including contractual interest receivable and payable at December 31, 2025 and 2024.

December 31, 2025

Assets ⁽¹⁾	Less than one month	From one to six months	From six to twelve months	More than a year	Total
Cash and cash equivalents	Ps. 19,354,710	Ps. —	Ps. —	Ps. —	Ps. 19,354,710
Trading investments in debt securities	2,137,023	1,778,618	3,413,469	10,291,572	17,620,682
Investments in debt securities at FVOCI	452,819	1,799,620	2,192,120	28,678,618	33,123,177
Investments in debt securities at amortized cost	1,246,317	2,298,604	4,657,753	1,963,450	10,166,124
Commercial loans	10,257,908	30,969,302	16,646,031	72,688,388	130,561,629
Consumer loans	2,034,248	8,046,766	8,544,496	68,901,971	87,527,481
Mortgages loans	544,230	1,244,414	1,390,669	39,963,613	43,142,926
Microcredit loans	226	529	169	956	1,880
Interbank and overnight funds	1,773,392	4,125	—	—	1,777,517
Trading derivatives	742,356	800,086	267,223	727,255	2,536,920
Hedging derivatives	2,903	27,728	44,577	207,077	282,285
Trade receivable	2,014,113	328,378	19,339	22,489,768	24,851,598
Total Assets	Ps. 40,560,245	Ps. 47,298,170	Ps. 37,175,846	Ps. 245,912,668	Ps. 370,946,929

Liabilities ⁽²⁾	Less than one month	From one to six months	From six to twelve months	More than a year	Total
Checking accounts	Ps. 23,598,235	Ps. —	Ps. —	Ps. —	Ps. 23,598,235
Saving deposits	88,238,541	—	—	—	88,238,541
Time Deposits	12,207,927	44,796,477	23,537,597	21,155,408	101,697,409
Other deposits	432,549	29,996	—	—	462,545
Interbank and overnight funds	22,456,432	208,589	2,833	—	22,667,854
Borrowing from banks and others	1,197,304	6,658,939	7,630,961	13,470,640	28,957,844
Long-term debt	—	4,692,748	1,191,133	18,543,581	24,427,462
Trading derivatives	582,011	835,227	438,932	776,212	2,632,382
Hedging derivatives	34	107,001	21,434	6,246	134,715
Total Liabilities	Ps. 148,713,033	Ps. 57,328,977	Ps. 32,822,890	Ps. 53,952,087	Ps. 292,816,987

Commitments Loans	Less than one month	From one to six months	From six to twelve months	More than a year	Total
Guarantees	Ps. 252,734	Ps. 372,873	Ps. 1,598,026	Ps. 33,874	Ps. 2,257,507
Standby letters of credit	7,416	87,122	294,149	12,200	400,887
Overdraft facility	2,271,247	—	—	—	2,271,247
Standby credit card facility	6,745,525	327,468	857,444	6,916,653	14,847,090
Undrawn approved loans	516,842	309,576	3,177,938	57,481	4,061,837
Total Commitments Loans	Ps. 9,793,764	Ps. 1,097,039	Ps. 5,927,557	Ps. 7,020,208	Ps. 23,838,568

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A. With the exception of Trading derivatives and Hedging derivatives.

⁽²⁾ As of December 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A. With the exception of Trading derivatives and Hedging derivatives.

December 31, 2024

Assets	Less than one month	From one to six months	From six to twelve months	More than a year	Total
Cash and cash equivalents	Ps. 16,998,859	Ps. —	Ps. —	Ps. —	Ps. 16,998,859
Trading investments in debt securities	300,292	305,488	435,694	8,422,819	9,464,293
Investments in debt securities at FVOCI	401,816	1,811,929	3,252,189	24,381,983	29,847,917
Investments in debt securities at amortized cost	940,289	2,456,711	3,203,905	2,662,693	9,263,598
Commercial loans	14,582,605	31,222,986	18,300,276	71,697,670	135,803,537
Consumer loans	2,374,330	8,120,876	8,394,853	69,138,663	88,028,722
Mortgages loans	372,088	1,150,098	1,292,659	39,222,723	42,037,568
Microcredit loans	1,226	625	265	2,051	4,167
Interbank and overnight funds	703,330	1,799	—	—	705,129
Trading derivatives	376,454	325,466	144,525	170,457	1,016,902
Hedging derivatives	3,054	53,560	21,102	8,476	86,192
Trade receivable	2,864,204	318,938	4,548	25,143,889	28,331,579
Total Assets	Ps. 39,918,547	Ps. 45,768,476	Ps. 35,050,016	Ps. 240,851,424	Ps. 361,588,463

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Liabilities	Less than one month	From one to six months	From six to twelve months	More than a year	Total
Checking accounts	Ps. 24,579,536	Ps. —	Ps. —	Ps. —	Ps. 24,579,536
Saving deposits	79,614,904	—	—	—	79,614,904
Time Deposits	9,186,183	49,090,487	25,405,518	18,863,479	102,545,667
Other deposits	235,111	111,456	—	1,343	347,910
Interbank and overnight funds	17,666,654	538,143	332,010	—	18,536,807
Borrowing from banks and others	1,995,053	10,510,170	4,796,438	13,359,839	30,661,500
Long-term debt	395,469	1,156,876	886,593	26,947,429	29,386,367
Trading derivatives	308,653	380,271	95,804	240,701	1,025,429
Hedging derivatives	1,369	8	3,220	4,180	8,777
Total Liabilities	Ps. 133,982,932	Ps. 61,787,411	Ps. 31,519,583	Ps. 59,416,971	Ps. 286,706,897

Commitments Loans	Less than one month	From one to six months	From six to twelve months	More than a year	Total
Guarantees	Ps. 48,394	Ps. 360,652	Ps. 1,064,744	Ps. 1,629,771	Ps. 3,103,561
Standby letters of credit	26,546	145,194	195,627	16,905	384,272
Overdraft facility	1,861,943	26,281	32,113	341,120	2,261,457
Standby credit card facility	6,192,403	355,995	660,752	5,724,232	12,933,382
Undrawn approved loans	394,475	113,970	2,611,051	201,208	3,320,704
Total Commitments Loans	Ps. 8,523,761	Ps. 1,002,092	Ps. 4,564,287	Ps. 7,913,236	Ps. 22,003,376

4.4 Regulatory capital management

Decree 2555 of 2010 (as modified by Decree 1771 of 2012, Decree 1648 of 2014, Decree 2392 of 2015, Decrees 1477 of 2018 and 1421 of 2019) sets forth capital adequacy requirements for Colombian credit institutions. Technical capital for Colombian credit institutions consists of the sum of total Core Equity Tier I (CET1 or patrimonio básico ordinario), Additional Tier I capital (AT1 or patrimonio básico adicional), and Tier II capital (Tier II or patrimonio adicional). Tier I capital consist of the sum of CET1 (patrimonio básico ordinario) and AT1 (patrimonio básico adicional). Tier I and Tier II, as defined herein, may differ to the manner in which these terms are used in other jurisdictions.

Pursuant to Decrees 1477 of 2018 and 1421 of 2019 Basel III principles were introduced to estimate adequate capital in credit institutions as follows:

- Total solvency ratio is defined as the value of the technical capital (CET1, AT1 and Tier II) calculated under the terms of the Decree 1477 of 2018 and the Decree 1421 of 2019, divided by risk-weighted assets by level of credit, market and operational risk, at a minimum of 9%. Pursuant to Decree 2555 of 2010 (as amended), the Superintendency of Finance must grant prior approval of the eligibility of a debt, equity or hybrid instrument in order to be classified as AT1;
- A minimum CET1 of 4.5%;
- A minimum Tier I of 6%;
- A capital conservation buffer of 1.5% consisting of CET1;
- A systemic risk buffer of 1.0% for systemically important financial institutions (SIFIS) consisting of CET1; and
- In addition, these Decrees established a minimum leverage ratio of 3%.

Banco de Bogotá is considered one of the systemically important financial institutions, according to Carta Circular 68 of November 7, 2025 and Carta Circular 74 of November 28, 2024 issued by the Superintendency of Finance, and therefore had to comply with the systemic buffer (explained above) at December 31, 2025 and 2024. According to Carta Circular 68 of November 7, 2025 and Carta Circular 74 of November 28, 2024 issued by the Superintendency of Finance, Banco de Occidente is considered one of the systemically important financial institutions and was allowed a 2-year transition period to comply with the systemic buffer (must be fully implemented by November 2026).

In addition to compliance with minimum regulatory capital requirements, Grupo Aval's entities aim to maintain capital positions that foster investor, creditor, and market confidence and to sustain future growth of their respective businesses. The capital allocation decision guards that there is balance between a more aggressive structure that can deliver higher returns on equity and a more conservative approach that encourages excess capitalization. Capital allocation decisions also considers each subsidiary's long-term strategic objectives.

As of December 31 2025, and 2024, all of Grupo Aval's individually regulated operations have complied with the minimum regulatory capital requirements.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following tables show the separate and consolidated (where applicable) capitalization information of our main direct and indirect subsidiaries:

Banco de Bogotá S.A.

	<u>Separate basis</u>		<u>Consolidated basis</u>	
	<u>At December 31,</u>		<u>At December 31,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Subscribed and paid-in capital	Ps. 3,553	Ps. 3,553	Ps. 3,553	Ps. 3,553
Reserves and retained earnings	15,488,196	14,980,050	15,896,788	15,426,827
Other comprehensive income	(150,051)	246,238	(21,063)	244,407
Net income for the period	1,259,998	1,128,549	1,270,587	1,090,178
Non-controlling interests	—	—	—	—
Deductions:				
Unconsolidated financial sector investments	—	—	—	—
Goodwill and other intangibles	(1,460,905)	(1,388,211)	(1,506,967)	(1,709,972)
Deferred tax assets	(694,849)	(783,110)	(347,120)	(672,462)
Other	—	—	(1,431)	(1,431)
CET1	Ps. 14,445,943	Ps. 14,187,069	Ps. 15,294,347	Ps. 14,381,099
Hybrid instruments recognized as additional primary capital	—	—	—	—
Other	—	—	—	—
AT1	—	—	—	—
Tier I	Ps. 14,445,943	Ps. 14,187,069	Ps. 15,294,347	Ps. 14,381,099
Subordinated instruments	1,687,813	2,459,094	1,687,813	2,459,094
Plus/minus others	132,000	134,586	0	—
Tier II capital	Ps. 1,819,813	Ps. 2,593,680	Ps. 1,687,813	Ps. 2,459,094
Other deductions from technical capital	—	—	—	3,553
Technical capital	Ps. 16,265,756	Ps. 16,780,749	Ps. 16,982,160	Ps. 16,840,193
Risk-weighted assets	80,428,512	81,152,552	98,501,784	97,961,017
Market risk	185,383	153,522	311,408	318,203
Market risk exposure ⁽¹⁾	2,059,807	1,705,799	3,460,094	3,535,594
Operational risk	683,524	565,377	784,011	664,410
Operational risk exposure ⁽¹⁾	7,594,709	6,281,962	8,711,230	7,382,337
Risk-weighted assets including regulatory market risk and operational risk	Ps. 90,083,028	Ps. 89,140,313	Ps. 110,673,108	Ps. 108,878,948
CET1 solvency ratio	16.04%	15.92%	13.82%	13.21%
AT1 contribution to solvency ratio	0.00%	0.00%	0.00%	0.00%
Tier 1 capital solvency ratio	16.04%	15.92%	13.82%	13.21%
Tier II contribution to solvency ratio	2.02%	2.91%	1.53%	2.26%
Total solvency ratio ⁽²⁾	18.06%	18.83%	15.34%	15.47%
Capital measure	Ps. 14,445,943	Ps. 14,187,069	Ps. 15,294,347	Ps. 14,381,099
Exposure measure	138,326,503	129,644,773	158,485,219	154,516,917
Leverage ratio	10.44%	10.94%	9.65%	9.31%

⁽¹⁾ Regulatory value at risk consists of value at risk multiplied by (100/9) as required by the Superintendency of Finance. Regulatory operational risk consists of operational risk multiplied by (100/9) as required by the Superintendency of Finance.

⁽²⁾ Solvency ratio is calculated as technical capital to risk-weighted assets, including regulatory value at risk and regulatory operational risk.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Banco de Occidente S.A.

	<u>Separate basis</u>		<u>Consolidated basis</u>	
	<u>At December 31,</u>		<u>At December 31,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(in Ps)			
Subscribed and paid-in capital	Ps. 4,677	Ps. 4,677	Ps. 4,677	Ps. 4,677
Reserves and retained earnings	5,242,618	4,996,740	5,477,955	5,253,452
Other comprehensive income	(52,984)	53,594	152,485	209,136
Net income for the period	533,656	494,992	574,590	473,554
Non-controlling interests	—	—	19,155	16,902
Deductions:				
Unconsolidated financial sector investments	—	—	—	—
Goodwill and other intangibles	(761,334)	(693,741)	(726,124)	(651,630)
Deferred tax assets	(235,063)	(233,646)	—	—
Other	(2,747)	(2,743)	(2,747)	(2,743)
CET1	Ps. 4,728,823	Ps. 4,619,873	Ps. 5,499,991	Ps. 5,303,348
Hybrid instruments recognized as additional primary capital	—	—	—	—
Other	—	—	—	—
AT1	—	—	—	—
Tier I	Ps. 4,728,823	Ps. 4,619,873	Ps. 5,499,991	Ps. 5,303,348
Subordinated instruments	1,075,171	1,357,700	1,075,171	1,357,700
Plus/minus others	38,417	30,716	—	—
Tier II capital	Ps. 1,113,588	Ps. 1,388,416	Ps. 1,075,171	Ps. 1,357,700
Other deductions from technical capital	—	—	—	—
Technical capital	Ps. 5,842,411	Ps. 6,008,289	Ps. 6,575,163	Ps. 6,661,048
Risk-weighted assets	41,765,590	40,395,605	45,511,052	44,446,464
Market risk	109,891	339,369	152,513	381,971
Market risk exposure ⁽¹⁾	1,221,006	3,770,764	1,694,594	4,244,121
Operational risk	337,993	282,931	337,127	283,565
Operational risk exposure ⁽¹⁾	3,755,476	3,143,676	3,745,856	3,150,726
Risk-weighted assets including regulatory market risk and operational risk	Ps. 46,742,072	Ps. 47,310,045	Ps. 50,951,502	Ps. 51,841,311
CET1 solvency ratio	10.12%	9.77%	10.79%	10.23%
AT1 contribution to solvency ratio	0.00%	0.00%	0.00%	0.00%
Tier 1 capital solvency ratio	10.12%	9.77%	10.79%	10.23%
Tier II contribution to solvency ratio	2.38%	2.93%	2.11%	2.62%
Total solvency ratio ⁽²⁾	12.50%	12.70%	12.90%	12.85%
Capital measure	Ps. 4,728,823	Ps. 4,619,873	Ps. 5,499,992	Ps. 5,303,348
Exposure measure	81,723,618	75,193,855	87,702,312	81,253,921
Leverage ratio	5.79%	6.14%	6.27%	6.53%

⁽¹⁾ Regulatory value at risk consists of value at risk multiplied by (100/9) as required by the Superintendency of Finance. Regulatory operational risk consists of operational risk multiplied by (100/9) as required by the Superintendency of Finance.

⁽²⁾ Solvency ratio is calculated as technical capital to risk-weighted assets, including regulatory value at risk and regulatory operational risk.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Banco Comercial AV Villas S.A.

	Separate basis	
	At December 31,	
	2025	2024
Subscribed and paid-in capital	Ps. 22,297	Ps. 22,297
Reserves and retained earnings	1,482,139	1,545,974
Other comprehensive income	74,778	123,694
Net income for the period	(52,600)	(116,277)
Non-controlling interests	—	—
Deductions:		
Unconsolidated financial sector investments	—	—
Goodwill and other intangibles	(241,826)	(194,924)
Deferred tax assets	(1,817)	(10,420)
Other	(44,359)	(116,928)
CET1	Ps. 1,238,612	Ps. 1,253,416
Hybrid instruments recognized as additional primary capital	—	—
Other	176	176
AT1	Ps. 176	Ps. 176
Tier I	Ps. 1,238,788	Ps. 1,253,592
Subordinated instruments	200,000	150,000
Plus/minus others	37,373	31,568
Tier II capital	Ps. 237,373	Ps. 181,568
Other deductions from technical capital	—	—
Technical capital	Ps. 1,476,161	Ps. 1,435,160
Risk-weighted assets	11,391,828	10,473,834
Market risk	15,658	22,567
Market risk exposure ⁽¹⁾	173,975	250,741
Operational risk	121,116	102,999
Operational risk exposure ⁽¹⁾	1,345,735	1,144,438
Risk-weighted assets including regulatory market risk and operational risk	Ps. 12,911,538	Ps. 11,869,013
CET1 solvency ratio	9.59%	10.56%
AT1 contribution to solvency ratio	0.00%	0.00%
Tier 1 capital solvency ratio	9.59%	10.56%
Tier II contribution to solvency ratio	1.84%	1.53%
Total solvency ratio ⁽²⁾	11.43%	12.09%
Capital measure	Ps. 1,238,788	Ps. 1,253,592
Exposure measure	22,081,029	19,170,558
Leverage ratio	5.61%	6.54%

⁽¹⁾ Regulatory value at risk consists of value at risk multiplied by (100/9) as required by the Superintendency of Finance. Regulatory operational risk consists of operational risk multiplied by (100/9) as required by the Superintendency of Finance.

⁽²⁾ Solvency ratio is calculated as technical capital to risk-weighted assets, including regulatory value at risk and regulatory operational risk.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Banco Popular S.A.

	<u>Separate basis</u>		<u>Consolidated basis</u>	
	<u>At December 31,</u>		<u>At December 31,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Subscribed and paid-in capital	Ps. 78,861	Ps. 77,253	Ps. 78,861	Ps. 77,253
Reserves and retained earnings	2,310,223	2,496,783	2,272,386	2,546,400
Other comprehensive income	113,637	82,992	303,895	251,899
Net income for the period	15,078	(226,699)	49,174	(314,876)
Non-controlling interests	—	—	7,280,592	6,866,755
Deductions:				
Unconsolidated financial sector investments	—	—	—	—
Goodwill and other intangibles	(416,309)	(390,836)	(477,807)	(460,169)
Deferred tax assets	—	—	—	—
Other	(96,364)	(94,690)	(96,372)	(94,690)
CET1	Ps. 2,005,126	Ps. 1,944,803	Ps. 9,410,730	Ps. 8,872,572
Hybrid instruments recognized as additional primary capital	—	—	—	—
Other	—	—	—	—
AT1	Ps. —	Ps. —	Ps. —	Ps. —
Tier I	Ps. 2,005,126	Ps. 1,944,803	Ps. 9,410,730	Ps. 8,872,572
Subordinated instruments	362,384	319,316	112,384	69,316
Plus/minus others	9,421	15,349	—	—
Tier II capital	Ps. 371,805	Ps. 334,665	Ps. 112,384	Ps. 69,316
Other deductions from technical capital	—	—	(24,232)	(41,551)
Technical capital	Ps. 2,376,931	Ps. 2,279,467	Ps. 9,498,882	Ps. 8,900,337
Risk-weighted assets	16,991,036	17,069,637	37,420,685	37,339,994
Market risk	12,786	16,967	304,381	291,145
Market risk exposure ⁽¹⁾	142,064	188,523	3,382,012	3,234,940
Operational risk	148,169	144,415	358,587	414,441
Operational risk exposure ⁽¹⁾	1,646,317	1,604,616	3,984,300	4,604,901
Risk-weighted assets including regulatory market risk and operational risk	Ps. 18,779,417	Ps. 18,862,775	Ps. 44,786,997	Ps. 45,179,835
CET1 solvency ratio	10.68%	10.31%	21.01%	19.64%
AT1 contribution to solvency ratio	0.00%	0.00%	0.00%	0.00%
Tier 1 capital solvency ratio	10.68%	10.31%	21.01%	19.64%
Tier II contribution to solvency ratio	1.98%	1.77%	0.14%	0.15%
Total solvency ratio ⁽²⁾	12.66%	12.08%	21.10%	19.70%
Capital measure	Ps. 2,005,126	Ps. 1,944,803	Ps. 9,410,730	Ps. 8,872,572
Exposure measure	31,641,203	29,036,941	59,643,311	55,602,943
Leverage ratio	6.34%	6.70%	15.78%	15.96%

⁽¹⁾ Regulatory value at risk consists of value at risk multiplied by (100/9) as required by the Superintendency of Finance. Regulatory operational risk consists of operational risk multiplied by (100/9) as required by the Superintendency of Finance.

⁽²⁾ Solvency ratio is calculated as technical capital to risk-weighted assets, including regulatory value at risk and regulatory operational risk.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Corficolombiana S.A.

Starting November 22, 2023, Corficolombiana is consolidated under Banco Popular as a result of the shareholders' agreement mentioned above. Notwithstanding the above, Corficolombiana has to comply with minimum capital requirements on a separate and consolidated basis.

	Separate basis	
	At December 31,	
	2025	2024
Subscribed and paid-in capital	Ps. 3,464	Ps. 3,464
Reserves and retained earnings	12,318,266	12,016,888
Other comprehensive income	122,538	(12,237)
Net income for the period	514,748	327,654
Non-controlling interests	—	—
Deductions:	—	—
Unconsolidated financial sector investments	—	—
Goodwill and other intangibles	(100,348)	(104,519)
Deferred tax assets	—	—
Other	(1,611)	(1,512)
CET1	Ps. 12,857,057	Ps. 12,229,738
Hybrid instruments recognized as additional primary capital	—	—
Other	192	192
AT1	Ps. 192	Ps. 192
Tier I	Ps. 12,857,249	Ps. 12,229,930
Subordinated instruments	—	—
Plus/minus others	—	—
Tier II capital	Ps. —	Ps. —
Other deductions from technical capital	(24,232)	(41,551)
Technical capital	Ps. 12,833,017	Ps. 12,188,379
Risk-weighted assets	21,097,041	20,630,956
Market risk	294,820	320,096
Market risk exposure ⁽¹⁾	3,275,783	3,556,617
Operational risk	205,781	271,948
Operational risk exposure ⁽¹⁾	2,286,453	3,021,644
Risk-weighted assets including regulatory market risk and operational risk	Ps. 26,659,277	Ps. 27,209,217
CET1 solvency ratio	48.23%	44.95%
AT1 contribution to solvency ratio	0.00%	0.00%
Tier 1 capital solvency ratio	48.23%	44.95%
Tier II contribution to solvency ratio	0.00%	0.00%
Total solvency ratio ⁽²⁾	48.14%	44.80%
Capital measure	Ps. 12,857,250	Ps. 12,229,930
Exposure measure	29,017,318	27,239,441
Leverage ratio	44.31%	44.90%

⁽¹⁾ Regulatory value at risk consists of value at risk multiplied by (100/9) as required by the Superintendency of Finance. Regulatory operational risk consists of operational risk multiplied by (100/9) as required by the Superintendency of Finance.

⁽²⁾ Solvency ratio is calculated as technical capital to risk-weighted assets, including regulatory value at risk and regulatory operational risk.

⁽³⁾ At December 31, 2024 Corficolombiana was not required to comply with consolidated solvency measures as it no longer had investments in financial subsidiaries, following the sale of Fiduciaria Corficolombiana (currently Aval Fiduciaria) and Casa de Bolsa (currently Aval Casa de Bolsa) to Grupo Aval.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Porvenir S.A.

In Colombia, pension and severance fund administrators are subject to specific regulation regarding capital adequacy. On February 3, 2022 the Decree 175, which amended Decree 2555 of 2010, modified technical capital requirements for pension and severance fund administrators, migrating definitions on technical capital and risk-weighted assets closer to the Basel III framework. The Superintendency of Finance published instructions corresponding to the application of this Decree in December 2022. Pension and severance fund managers had a twelve-month transition period starting on January 2023 and were fully compliant with this regulation starting on February 2024.

	<u>Separate basis</u>	
	<u>At December 31,</u>	
	<u>2025</u>	<u>2024</u>
	(in Ps)	
Subscribed and paid-in capital	Ps. 109,211	Ps. 109,211
Reserves and retained earnings	2,870,070	2,543,792
Other comprehensive income	(29,084)	(19,698)
Net income for the period	701,905	652,600
Non-controlling interests	—	—
Deductions:	—	—
Unconsolidated financial sector investments	—	—
Goodwill and other intangibles	(405,131)	(381,208)
Deferred tax assets	(33,661)	(25,646)
Others	(53,826)	(53,826)
Primary capital	Ps. 3,159,484	Ps. 2,825,225
Unrealized gains/losses on securities available for sale ⁽¹⁾	—	—
Secondary capital (Tier II)	Ps. —	Ps. —
Deductions:		
Value of the stabilization reserve	(2,607,155)	(2,269,084)
Technical capital	Ps. 552,328	Ps. 556,140
Risk-weighted assets	693,323	671,894
Market risk	4,352	3,832
Market risk exposure ⁽²⁾	48,361	42,577
Operational risk	137,330	121,454
Operational risk exposure ⁽²⁾	1,525,884	1,349,490
Risk-weighted assets including regulatory market risk and operational risk	Ps. 2,267,568	Ps. 2,063,961
Solvency ratio ⁽³⁾	24.36%	26.95%

⁽¹⁾ Unrealized gains/losses on securities available for sale do not flow through the Statement of Income until such securities are disposed of and the gain or loss is realized.

⁽²⁾ Regulatory value at risk consists of value at risk multiplied by (100/9) as required by the Superintendency of Finance. Regulatory operational risk consists of operational risk multiplied by (100/9) as required by the Superintendency of Finance.

⁽³⁾ Solvency ratio is calculated as technical capital to risk-weighted assets, including regulatory value at risk and regulatory operational risk.

NOTE 5 – ESTIMATION OF FAIR VALUE

The fair value of the financial assets and liabilities traded in active markets (such as financial assets in debt securities, equity securities and derivatives actively listed in stock exchanges or interbank markets) is based on dirty prices supplied by a price vendor. A dirty price includes accrued unpaid interest on the security, from the date of issuance or last payment of interest, up the date at which the security is valued.

An active market is a market where transactions for assets or liabilities are carried out with sufficient frequency and volume in order to provide price information on an ongoing basis. A “dirty” price is one that includes accrued and outstanding interest on the security, from the date of issue or last interest payment to the date of completion of the sale. The fair value of financial assets and liabilities that are not traded in an active market is determined through appraisal techniques determined by the price supplier or by the management of Grupo Aval’s entities. Appraisal techniques used for non-standardized financial instruments such as options, foreign exchange swaps and derivatives of the over-the-counter market, which include the use of interest rate or currency assessment curves built by providers and extrapolated to the specific conditions of the instrument being appraised, discounted cash flow analysis, options pricing models and other valuation techniques commonly used by market participants who rely mostly on market data and the least possible on specific data of entities.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Grupo Aval may use models developed internally for financial instruments with no active markets. These models are usually based on valuation techniques and methods generally standardized in the financial sector. The valuation models are mainly used for appraising financial equity instruments not listed on the stock exchange, debt certificates and other debt instruments for which the markets were or have been inactive during the financial period. Some inputs of these models may not be observable in the market and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and the valuation techniques used may not fully reflect all the factors relevant to the positions of Grupo Aval. Therefore, the appraisals are adjusted, if necessary, to allow for additional factors, including country risk, liquidity risks and counterparty risks.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for assets or liabilities identical to those which the entity can access as of the date of measurement.
- Level 2 inputs are inputs different than quoted prices included in Level 1 that are observable for the asset or liability, whether directly or indirectly in non-active markets.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which fair value measurement is classified in whole is determined based on the input of the lowest level that is most significant for measuring its total fair value. For such purpose, the relevance of an input is assessed in connection with the measurement of the total fair value. Financial instruments that are listed in markets that are not deemed active, but which are valued based in accordance with quoted market prices, quotes from price vendors or alternative price sources supported by observable inputs, are classified in Level 2.

If a fair value measurement uses observable inputs that require significant adjustments based on unobservable inputs, this measurement is classified as Level 3. The assessment of the importance of a particular input to the measurement of fair value in whole requires judgment, taking into account specific factors of the asset or liability.

Determining what is deemed as 'observable' requires a significant judgment by Grupo Aval. Grupo Aval considers as observable data the market data which is already available, distributed or updated by the price suppliers, and it is reliable and verifiable, with no property rights, and provided by independent sources which are actively involved in the reference market.

5.1 Measurements of Fair Value on a Recurring Basis

Measurements of fair value on a recurring basis are those required or allowed in statement of financial position at the end of each accounting period.

The following table presents an analysis, within the hierarchy of fair value, of Grupo Aval's assets and liabilities (by class), measured at fair value as of December 31, 2025 and 2024, on a recurring basis.

December 31, 2025

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets ⁽¹⁾				
Trading investments				
Securities issued or secured by Colombian Government	Ps. 14,958,413	Ps. 859,429	Ps. —	Ps. 15,817,842
Securities issued or secured by other Colombian Government entities	—	213,079	—	213,079
Securities issued or secured by foreign Governments	245,439	247,237	—	492,676
Securities issued or secured by other financial entities	—	862,772	169,798	1,032,570
Securities issued or secured by non-financial sector entities	—	1,939	—	1,939
Others	—	24,738	—	24,738
Total trading investments	Ps. 15,203,852	Ps. 2,209,194	Ps. 169,798	Ps. 17,582,844
Investments in debt securities at fair value through profit or loss				
Others	—	—	—	—
Total investments in debt securities at fair value through profit or loss	Ps. 15,203,852	Ps. 2,209,194	Ps. 169,798	Ps. 17,582,844

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Level 1	Level 2	Level 3	Total
Investments in debt securities at fair value through OCI				
Securities issued or secured by Colombian Government	Ps. 18,992,124	Ps. 5,610,575	Ps. —	Ps. 24,602,699
Securities issued or secured by other Colombian Government entities	46,411	459,840	—	506,251
Securities issued or secured by foreign Governments	72,711	1,261,975	—	1,334,686
Securities issued or secured by other financial entities	—	1,753,545	—	1,753,545
Securities issued or secured by non-financial sector entities	—	22,617	—	22,617
Others	—	236,158	—	236,158
Total investments in debt securities at fair value through OCI	Ps. 19,111,246	Ps. 9,344,710	Ps. —	Ps. 28,455,956
Total investments in debt securities	Ps. 34,315,098	Ps. 11,553,904	Ps. 169,798	Ps. 46,038,800
Equity securities				
Trading equity securities	Ps. 15,284	Ps. 5,177,030	Ps. 4,105,412	Ps. 9,297,726
Investments in equity through OCI	1,458,576	108	140,795	1,599,479
Total equity securities	Ps. 1,473,860	Ps. 5,177,138	Ps. 4,246,207	Ps. 10,897,205
Held for trading derivatives				
Currency forward	Ps. —	Ps. 1,047,383	Ps. —	Ps. 1,047,383
Debt securities forward	—	310,987	—	310,987
Interest rate swap	26,628	754,819	—	781,447
Currency swap	—	25,468	—	25,468
Currency options	—	51,736	—	51,736
Total held for trading derivatives	Ps. 26,628	Ps. 2,190,393	Ps. —	Ps. 2,217,021
Hedging derivatives				
Currency forward	—	637	—	637
Interest rate swap	23,472	212,449	—	235,921
Total hedging derivatives	Ps. 23,472	Ps. 213,086	Ps. —	Ps. 236,558
Other account receivables				
Financial assets in concession contracts ⁽²⁾	—	—	2,635,437	2,635,437
Total other account receivables designated at fair value	Ps. —	Ps. —	Ps. 2,635,437	Ps. 2,635,437
Non- financial assets				
Biological assets	Ps. —	Ps. —	Ps. 235,409	Ps. 235,409
Investment properties	—	703,818	179,161	882,979
Total non- financial assets	Ps. —	Ps. 703,818	Ps. 414,570	Ps. 1,118,388
Total assets at fair value on recurring basis	Ps. 35,839,058	Ps. 19,838,339	Ps. 7,466,012	Ps. 63,143,409
Liabilities				
Trading derivatives				
Currency forward	Ps. —	Ps. 991,647	Ps. —	Ps. 991,647
Debt securities forward	—	38,858	—	38,858
Interest rate swap	35,179	797,291	—	832,470
Currency swap	—	36,441	—	36,441
Currency options	—	52,023	—	52,023
Total trading derivatives	Ps. 35,179	Ps. 1,916,260	Ps. —	Ps. 1,951,439
Hedging derivatives				
Currency forward	Ps. —	Ps. 9,741	Ps. —	Ps. 9,741
Interest rate swap	—	25,101	—	25,101
Total hedging derivatives	Ps. —	Ps. 34,842	Ps. —	Ps. 34,842
Total liabilities at fair value on recurring basis	Ps. 35,179	Ps. 1,951,102	Ps. —	Ps. 1,986,281

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A. With the exception of Investments in equity through OCI, Trading derivatives, Hedging derivatives., and Investment properties.

⁽²⁾ See Note 12.1 “Financial assets in concession arrangements”.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Trading investments				
Securities issued or secured by Colombian Government	Ps. 10,580,049	Ps. 61,509	Ps. —	Ps. 10,641,558
Securities issued or secured by other Colombian Government entities	—	183,760	—	183,760
Securities issued or secured by foreign Governments	26,107	49,272	—	75,379
Securities issued or secured by other financial entities	—	1,002,194	—	1,002,194
Securities issued or secured by non-financial sector entities	—	8,813	—	8,813
Others	—	25,710	—	25,710
Total trading investments	Ps. 10,606,156	Ps. 1,331,258	Ps. —	Ps. 11,937,414
Investments in debt securities at fair value through profit or loss				
Others	—	—	1,425	1,425
Total investments in debt securities at fair value through profit or loss	Ps. 10,606,156	Ps. 1,331,258	Ps. 1,425	Ps. 11,938,839
Investments in debt securities at fair value through OCI				
Securities issued or secured by Colombian Government	Ps. 13,391,650	Ps. 4,876,258	Ps. —	Ps. 18,267,908
Securities issued or secured by other Colombian Government entities	52,253	410,492	—	462,745
Securities issued or secured by foreign Governments	1,195,495	3,307,315	—	4,502,810
Securities issued or secured by central banks	—	204,855	—	204,855
Securities issued or secured by other financial entities	—	2,626,783	—	2,626,783
Securities issued or secured by non-financial sector entities	—	249,660	—	249,660
Others	1,740	733,697	—	735,437
Total investments in debt securities at fair value through OCI	Ps. 14,641,138	Ps. 12,409,060	Ps. —	Ps. 27,050,198
Total investments in debt securities	Ps. 25,247,294	Ps. 13,740,318	Ps. 1,425	Ps. 38,989,037
Equity securities				
Trading equity securities	Ps. 12,711	Ps. 4,049,509	Ps. 3,194,286	Ps. 7,256,506
Investments in equity through OCI	1,302,512	100	118,691	1,421,303
Total equity securities	Ps. 1,315,223	Ps. 4,049,609	Ps. 3,312,977	Ps. 8,677,809
Held for trading derivatives				
Currency forward	Ps. —	Ps. 530,625	Ps. —	Ps. 530,625
Debt securities forward	—	117,053	—	117,053
Interest rate swap	4,515	218,314	—	222,829
Currency swap	—	58,475	—	58,475
Currency options	—	40,312	—	40,312
Total held for trading derivatives	Ps. 4,515	Ps. 964,779	Ps. —	Ps. 969,294
Hedging derivatives				
Currency forward	—	10,642	—	10,642
Interest rate swap	—	43,377	—	43,377
Total hedging derivatives	Ps. —	Ps. 54,019	Ps. —	Ps. 54,019
Other account receivables				
Financial assets in concession contracts	—	—	4,181,835	4,181,835
Total other account receivables designated at fair value	Ps. —	Ps. —	Ps. 4,181,835	Ps. 4,181,835
Non- financial assets				
Biological assets	Ps. —	Ps. —	Ps. 238,339	Ps. 238,339
Investment properties	—	—	972,935	972,935
Total non- financial assets	Ps. —	Ps. —	Ps. 1,211,274	Ps. 1,211,274
Total assets at fair value on recurring basis	Ps. 26,567,032	Ps. 18,808,725	Ps. 8,707,511	Ps. 54,083,268
Liabilities				
Trading derivatives				
Currency forward	Ps. —	Ps. 672,690	Ps. —	Ps. 672,690
Debt securities forward	—	15,978	—	15,978
Interest rate swap	2,469	219,353	—	221,822
Currency swap	—	52,455	—	52,455
Currency options	—	48,989	—	48,989
Total trading derivatives	Ps. 2,469	Ps. 1,009,465	Ps. —	Ps. 1,011,934
Hedging derivatives				
Currency forward	Ps. —	Ps. 5,250	Ps. —	Ps. 5,250
Interest rate swap	—	16,408	—	16,408
Total hedging derivatives	Ps. —	Ps. 21,658	Ps. —	Ps. 21,658
Total liabilities at fair value on recurring basis	Ps. 2,469	Ps. 1,031,123	Ps. —	Ps. 1,033,592

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

5.1.1. Trading assets in debt securities pledged as collateral

The following is a list of held-for-trading financial assets that are being used as collateral in repo operations, pledged as collateral for transactions with financial instruments, or pledged to third parties as collateral to secure financial obligations with other banks.

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Pledged as collateral in money market operations				
Securities issued or secured by Colombian Government	Ps. 7,127,460	Ps. —	Ps. —	Ps. 7,127,460
Securities issued or secured by other financial entities	—	3,076	—	3,076
	<u>Ps. 7,127,460</u>	<u>Ps. 3,076</u>	<u>Ps. —</u>	<u>Ps. 7,130,536</u>
Pledged as collateral to special entities such as CRCC, BR and BVC ⁽¹⁾				
Securities issued or secured by Colombian Government	Ps. 1,570,315	Ps. 1,745	Ps. —	Ps. 1,572,060
	<u>Ps. 1,570,315</u>	<u>Ps. 1,745</u>	<u>Ps. —</u>	<u>Ps. 1,572,060</u>
	<u>Ps. 8,697,775</u>	<u>Ps. 4,821</u>	<u>Ps. —</u>	<u>Ps. 8,702,596</u>

⁽¹⁾ Cámara de Riesgo Central de Contraparte (“CRCC”), Banco de la República (“BR”) and Bolsa de Valores de Colombia (“BVC”)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Pledged as collateral in money market operations				
Securities issued or secured by Colombian Government	Ps. 5,270,000	Ps. —	Ps. —	Ps. 5,270,000
Securities issued or secured by other financial entities	—	2,055	—	2,055
	<u>Ps. 5,270,000</u>	<u>Ps. 2,055</u>	<u>Ps. —</u>	<u>Ps. 5,272,055</u>
Pledged as collateral to special entities such as CRCC, BR and BVC (1)				
Securities issued or secured by Colombian Government	Ps. 1,179,027	Ps. —	Ps. —	Ps. 1,179,027
	<u>Ps. 1,179,027</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. 1,179,027</u>
Pledged as collateral in operations with derivative instruments				
Securities issued or secured by Colombian Government	Ps. 1,193	Ps. —	Ps. —	Ps. 1,193
	<u>Ps. 1,193</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. 1,193</u>
	<u>Ps. 6,450,220</u>	<u>Ps. 2,055</u>	<u>Ps. —</u>	<u>Ps. 6,452,275</u>

⁽¹⁾ Cámara de Riesgo Central de Contraparte (“CRCC”), Banco de la República (“BR”) and Bolsa de Valores de Colombia (“BVC”)

5.1.2 Investment in debt at FVOCI securities pledged as collateral

The following is a list of debt securities at FVOCI that are being used as collateral in repo operations, pledged as collateral for transactions with financial instruments, or pledged to third parties as collateral to secure financial obligations with other banks.

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Pledged as collateral in money market operations				
Securities issued or secured by Colombian Government	Ps. 6,942,359	Ps. 921,396	Ps. —	Ps. 7,863,755
Securities issued or secured by other Colombian Government entities	15,470	6,987	—	22,457
Others	—	122,040	—	122,040
	<u>Ps. 6,957,829</u>	<u>Ps. 1,050,423</u>	<u>Ps. —</u>	<u>Ps. 8,008,252</u>
Pledged as collateral in operations with derivative instruments				
Securities issued or secured by Colombian Government	Ps. —	Ps. 9,331	Ps. —	Ps. 9,331
	<u>Ps. —</u>	<u>Ps. 9,331</u>	<u>Ps. —</u>	<u>Ps. 9,331</u>
Pledged as collateral to special entities such as CRCC, BR and BVC ⁽¹⁾				
Securities issued or secured by Colombian Government	Ps. 2,386,077	Ps. 71,398	Ps. —	Ps. 2,457,475
	<u>Ps. 2,386,077</u>	<u>Ps. 71,398</u>	<u>Ps. —</u>	<u>Ps. 2,457,475</u>
	<u>Ps. 9,343,906</u>	<u>Ps. 1,131,152</u>	<u>Ps. —</u>	<u>Ps. 10,475,058</u>

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

⁽¹⁾ Cámara de Riesgo Central de Contraparte (“CRCC”), Banco de la República (“BR”) and Bolsa de Valores de Colombia (“BVC”)

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Pledged as collateral in money market operations				
Securities issued or secured by Colombian Government	Ps. 7,353,270	Ps. 760,242	Ps. —	Ps. 8,113,512
Securities issued or secured by other Colombian Government entities	17,418	6,842	—	24,260
Securities issued or secured by other financial entities	—	37,767	—	37,767
Securities issued or secured by foreign Governments	862,930	332,741	—	1,195,671
Securities issued or secured by central banks	—	18,670	—	18,670
Others	—	164,308	—	164,308
	Ps. 8,233,618	Ps. 1,320,570	Ps. —	Ps. 9,554,188
Pledged as collateral to special entities such as CRCC, BR and BVC ⁽¹⁾				
Securities issued or secured by Colombian Government	Ps. 423,117	Ps. 213,290	Ps. —	Ps. 636,407
	Ps. 423,117	Ps. 213,290	Ps. —	Ps. 636,407
	Ps. 8,656,735	Ps. 1,533,860	Ps. —	Ps. 10,190,595

⁽¹⁾ Cámara de Riesgo Central de Contraparte (“CRCC”), Banco de la República (“BR”) and Bolsa de Valores de Colombia (“BVC”)

5.2 Items Measured at Fair Value on a Non-Recurring Basis

Grupo Aval is required on a nonrecurring basis to adjust the carrying value of certain assets and liabilities or provide valuation allowances. These assets or liabilities primarily include impaired collateralized loans and non-current assets held for sale. The fair value of these assets which are classified as Level 3 are determined using pricing models, discounted cash flow methodologies, current replacement cost or similar techniques, using internal models or external experts with sufficient experience and knowledge of the real estate market or of assets being appraised. Generally, these appraisals are carried out by references to market data or based on the replacement cost when sufficient market data is not available.

The following table presents Grupo Aval’s assets and liabilities, classified within the fair value hierarchy, which are measured on a nonrecurring basis as of December 31, 2025 and 2024 at fair value less cost of sale:

	Level 1	Level 2	Level 3	Total
December 31, 2025				
Impaired collateralized loans	Ps. —	Ps. —	Ps. 416,065	Ps. 416,065
Assets of disposal group held for sale ⁽¹⁾	—	—	18,199,621	18,199,621
Non- current assets held for sale	—	—	56,992	56,992
	Ps. —	Ps. —	Ps. 18,672,678	Ps. 18,672,678
December 31, 2024				
Impaired collateralized loans	Ps. —	Ps. —	Ps. 1,795,616	Ps. 1,795,616
Non- current assets held for sale	—	—	105,214	105,214
	Ps. —	Ps. —	Ps. 1,900,830	Ps. 1,900,830
December 31, 2025				
Liabilities of disposal group held for sale ⁽¹⁾	Ps. —	Ps. —	Ps. 16,459,367	Ps. 16,459,367
	Ps. —	Ps. —	Ps. 16,459,367	Ps. 16,459,367

⁽¹⁾ See note 13.A., "Assets and liabilities classified as held for sale of Multi Financial Group".

5.3 Fair Value determination

The following tables provide information about valuation techniques and significant inputs when measuring fair value on a recurring basis for assets and liabilities, with fair value hierarchy classification of level 2 or level 3.

Level 2 instruments are those which are valued using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following table provides information about valuation techniques and significant inputs when measuring fair value on a recurring basis for assets and liabilities classified as level 2.

ASSETS AND LIABILITIES	Valuation technique Level 2	Significant inputs
Investments in debt securities at fair value		
<u>In Colombian Pesos</u>		
Securities issued or secured by the Colombian Government	Income approach	Theoretical price / estimated price ⁽¹⁾
Others	Market approach	Average price / market price ⁽²⁾
Securities issued or secured by other Colombian Government entities		
Securities issued or secured by other financial entities	Income approach	Theoretical price / estimated price ⁽¹⁾ Yield and margin
Securities issued or secured by non-financial sector entities		
<u>In Foreign Currency</u>		
Securities issued or secured by other Colombian Government entities	Market approach	Average price / market price ⁽²⁾
Securities issued or secured by the Colombian Government		
Securities issued or secured by other financial entities		
Securities issued or secured by foreign Governments	Income approach	Theoretical price / estimated price ⁽¹⁾
Securities issued or secured by Central Banks	Market approach	Market price ⁽²⁾
Securities issued or secured by non-financial sector entities		
Others		
Equity securities		
Corporate stock	Market approach	Estimated prices ⁽¹⁾
Investment funds ⁽²⁾	Market approach	Market value of underlying assets, less management and administrative fees
Trading derivatives		
		Discounted cash flow FWD points, discount rates of different currencies and Spot exchange rates
Foreign currency forward	Income approach	
	Market approach	FWD points, discount rates of different currencies and Spot exchange rates Representative Market Rate (RMR) and Curves
Debt securities forward	Income approach	Discounted cash flow
	Market approach	Representative Market Rate (RMR) and Curves
Interest rate swap	Income approach	Discounted cash flow
Cross currency swap	Market approach	Discounted cash flow and discount rates of different currencies Representative Market Rate (RMR) and Curves
Currency options	Income approach	Discounted cash flow Black&Sholes&Merton model
	Market approach	Representative Market Rate (RMR) and Curves
Hedging derivatives		
Currency forward	Income approach	Discounted cash flow

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

ASSETS AND LIABILITIES	Valuation technique Level 2	Significant inputs
Interest rate swap	Income approach	Discounted cash flow FWD points, discount rates of different currencies and Spot exchange rates
Cross currency swap	Market approach	Discounted cash flow and discount rates of different currencies Representative Market Rate (RMR) and Curves

- (1) Estimated Price: A valuation model based on information obtained from a price vendor when it is not able to supply quoted prices (unadjusted) for each security. This model is the basis for the construction of the valuation margin of the securities that is represented on the assigned curve or reference rate. This margin remains constant on the assigned curve or reference rate when calculating the theoretical valuation price.
- (2) Quoted market prices (i.e. obtained from price vendors). The subsidiary Porvenir S. A. according to Colombian rules is required to invest to 1% of its total assets under management from severance and mandatory pension funds.

The following table provides information about valuation techniques and significant unobservable inputs when measuring Level 3 assets and liabilities at recurring fair value.

ASSETS	Valuation technique Level 3	Significant unobservable inputs
Investments in debt securities at fair value		
<u>In Foreign Currency</u>		
Securities issued or secured by other financial entities	Income approach	Theoretical price / estimated price
Equity securities		
Investments in equity securities ^(1.1)	Discount Rate Adjusted Present Value	- Income - Discount interest rates - Gradient - Perpetuity Gradient
	Comparable Multiples	- Multiple of EBITDA
Investments in equity instruments through profit or loss - Nexus and Pactia ^(1.2)	Market Value (square meter) Initial capitalization ratio Market Income Cash Flow Discount Rate	Market Value (square meter) Initial capitalization ratio Market Income Cash Flow Discount Rate
Other financial assets		
Assets under concession contracts	Discounted cash flow	- Free-cash flow from concession contracts - Concession contract's maturity period - Perpetuity value of the year "n" free-cash flow - Present value of the discounted residual value at Weighted Average Cost of Capital ("WACC").
		The detail of valuation process for financial assets in concession arrangements are outlined in (2)
Non-financial assets		
Biological assets	Discounted cash flow	The processes used to collect data and determine the fair value of biological assets are described in (3)
	Market Value	- Market Value
	Market Income	- Market Income
Investment properties	Cost approach	- Cost approach (4)

(1.1) Valuation of equity securities and investment funds Level 3

Investments with fair value hierarchy level 3 have significant unobservable inputs. Level 3 instruments include investments in equity instruments, which are not quoted on any stock exchange. Given that observable prices are not available for these securities, Grupo Aval hires suppliers who are experts in valuation techniques to obtain the fair value.

The following table includes a sensitivity analysis of main equity securities amounting to Ps. 80,053 as of December 31, 2025 classified at FVOCI level 3.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Methods and Variables	Variation	Favorable impact	Unfavorable impact
Comparable multiples / Recent transaction price			
EBITDA Number of times	+/-1%	Ps. 583	Ps. (583)
Adjusted discounted cash flow			
Perpetuity gradient	+/- 100pb	2,008	(1,488)
Income	+/- 100pb	322	(286)
Discount interest rates	+/- 100pb	69	(70)
	+/- 50pb	74	(37)
		Ps. 3,056	Ps. (2,464)

The following table includes a sensitivity analysis of main equity securities amounting to Ps. 61,197 as of December 31, 2024 classified at FVOCI level 3

Methods and Variables	Variation	Favorable impact	Unfavorable impact
Comparable multiples / Recent transaction price			
EBITDA Number of times	+/-1%	Ps. 434	Ps. (434)
Adjusted discounted cash flow			
Perpetuity gradient	+/- 50 pb	38	—
Income	+/- 100pb	320	(282)
Discount interest rates	+/- 50 pb	336	(330)
		Ps. 1,128	Ps. (1,046)

(1.2) **Valuation of equity instruments through profit or loss**

The fair value of real state capital funds investments classified in level 3 have significant unobservable inputs. These Level 3 instruments include primarily investments in equity instruments, which are not publicly traded. In other cases, such as the Nexus and Pactia, the investments are valued using their unit value (Commercial appraisal). Given that observable prices are not available for these investments, the Contract Manager uses valuation techniques to obtain fair value.

The following table presents the variables of the model used to calculate the sensitivity analysis, which is calculated taking as a reference the market value resulting from the valuation of the Group's properties, the Group's takes the calculation of two impacts cataloged as scenarios:

Sensitivity calculation variables:	Scenario 1 ⁽¹⁾	Scenario 2 ⁽²⁾
Market value (square meter)	+10%	-10%
Market income	+10%	-10%
Initial capitalization rate	+50 bp	-50 bp
Cash flow discount rate	+50 bp	-50 bp

⁽¹⁾ Contemplates the calculation taking the increase of the variables.

⁽²⁾ Contemplates the calculation taking the decrease of the variables.

The following table includes a sensitivity analysis of main equity securities amounting Ps. 4,086,202 in:

Nexus Real Estate Capital Funds (Nexus)

Includes investments in the Nexus Real Estate Capital Funds as of December 31, 2025, Ps.3,717,262 classified at FVTPL level 3:

Sensitivity impacts	Scenario 1 ⁽¹⁾	Scenario 2 ⁽¹⁾
	Ps. 47,056	Ps. (76,273)
	Ps. 47,056	Ps. (76,273)

⁽¹⁾ For the year 2025, there are some appraisal reports whose input is level 2, while the total compartment for the Nexus private real estate fund is classified by Grupo Aval as level 3; therefore, the analysis corresponds solely to the sensitivity of the underlying assets with level 3 valuation.

Includes investments in the Nexus Real Estate Capital Funds as of December 31, 2024, Ps.2,772,165 classified at FVTPL level 3:

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Scenario 1		Scenario 2	
Sensitivity impacts	Ps.	65,955	Ps.	(97,147)
	Ps.	65,955	Ps.	(97,147)

Private Equity Fund Pactia Inmobiliario (Pactia)

The following table includes a sensitivity analysis for the Private Equity Fund Pactia Inmobiliario as of December 31, 2025, for Ps. 368,940, classified at FVTPL level 3:

	Scenario 1 ⁽¹⁾		Scenario 2 ⁽¹⁾	
Sensitivity impacts	Ps.	145,958	Ps.	(130,982)
	Ps.	145,958	Ps.	(130,982)

⁽¹⁾ The impact of the scenarios corresponds to 100% of the valuation sample in which each entity of the Group has a percentage of participation of: Banco Bogotá 6.29%, Banco Popular 4.53%, Banco de Occidente 2.48% and Banco AV Villas 0.66%.

The following table includes a sensitivity analysis for the Private Equity Fund Pactia Inmobiliario as of December 31, 2024, for Ps. 327,688 ⁽¹⁾, classified at FVTPL level 3:

	Scenario 1 ⁽²⁾		Scenario 2 ⁽²⁾	
Sensitivity impacts	Ps.	3,816	Ps.	(6,294)
	Ps.	3,816	Ps.	(6,294)

⁽¹⁾ Includes opening balance as of October 29, 2024, of Ps. 324,220 and valued of Ps. 3,468.

⁽²⁾ The impact of the scenarios corresponds to 100% of the valuation sample in which each entity of the Group has a percentage of participation of: Banco Bogotá 6.24%, Banco Popular 4.49%, Banco de Occidente 2.46% and Banco AV Villas 0.65%.

(2) Valuation of financial assets under Gas and Energy concession arrangement rights

Promigas and subsidiaries, designated the financial assets under concession contracts at fair value, the method used to estimate it is discounted cash flows.

The assumptions and inputs used in the calculation of the financial asset estimate were:

- The expiration date of each concession contract.
- The proportion of the expiry period left of each of the concession contracts in force.
- Operational cash flows (only) of the assets under concession.

The components of the calculations are the following:

- Free cash flow generated solely by assets under concession.
- Expiry period of the concession.
- Amount in - perpetuity of the Free Cash Flow (FCF) of the year, estimated factoring in a growth in the residual amount between 1% and 3% each year.
- Current amount of the residual amount Weighted Average Cost of Capital (WACC (*)), between 8.44% and 8.67% each year.

(*) Nominal WACC calculated under the Capital Asset Pricing Model (CAPM) methodology for each entity, updated annually. The following variables were used for determining the WACC:

- Beta unlevered USA (Oil/Gas Distribution): Damodaran. (Unlevered Beta 0.63, average 2020-2024)
- Risk Free Rate, Source: Geometric Average 1928-2024 of American bonds "T-Bonds".
- Market Return, Source: Geometric Average 1928-2024 Damodaran "Stocks" USA.
- Market Premium: Market Return – Risk Free Rate
- Country Risk Premium: Average last 5 years EMBI (Difference between 10-year Colombian sovereign bonds and 10 years "T-Bonds"). Damodaran.
- Emerging Market: Equity Premium Emerging countries (Lambda - Damodaran)

Sensitivity analysis

The following table includes a sensitivity analysis of the assumptions used by Promigas and its subsidiaries in the calculation of fair value of unconditional transfer rights of gas pipelines to Government entities at the expiration date of the contracts. The value of the

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

financial asset at December 31, 2025 is Ps. 2,635,437 and Ps. 4,181,835 at 2024, the sensitivity analysis shows their increase or decrease.

Variable	December 31, 2025		December 31, 2024	
	+100 bps	-100 bps	+100 bps	-100 bps
WACC	Ps. (688,849)	Ps. 1,057,443	Ps. (927,375)	Ps. 1,416,415
Perpetuity growth rate ⁽¹⁾	598,455	(417,801)	888,065	(617,439)

⁽¹⁾ Perpetuity growth rate in the case of concessions with renewal clauses that are highly likely to be exercised.

(3) Valuation of Biological Assets

Fair value of Grupo Aval subsidiaries “biological assets”, which correspond to agricultural activities related to biological assets (animals or plants), is estimated based on internal reports prepared by the companies who own such assets. Fair value of biological assets is determined using valuations performed by experienced internal professionals, using discounted cash flow models. Since no comparable market exist for the biological assets, given their nature, their fair value is determined using discounted cash flows models for each biological asset, based on estimated future quantities of crops, prices, harvesting costs, and maintenance and crop yields, among others, discounted using a risk-free rate adjusted by an appropriate risk premium. See note 15.

The main assumptions used for determining the fair value of the principal biological assets are as follows:

1. Biological assets growing in rubber crops:

The price of natural rubber used to calculate the 2026-2028 cash flows was forecasted based on the average of the last 3 years of the Technically Specified Rubber (TSR20) per ton January 2023 Ps.0.46 (US\$ 1,730/Ton), in order to reflect the behavior of the commodity for an entire economic cycle. Forecasted prices are adjusted annually based on the expected US inflation rate.

2. Biological assets growing in African palm crops:

The price of African palm oil (US\$ per ton) used to calculate the 2026-2027 cash flows was forecasted based on the average price of palm oil since January 2024 Ps. 0.30 (US\$ 1,141.0/Ton), in order to reflect the behavior of the commodity for an entire economic cycle. Forecasted prices are adjusted annually with the expected US inflation rate.

(4) Valuation of Investment properties

Investment properties are recognized at fair value, based on a valuation made at each year-end period using, as a basis, independent appraisal expert whose report is obtained and reviewed by management. While in the countries in which we operate, the frequency of transactions in the real state sector is low compared to other more developed markets, management believes there are enough references to assess the fair value of investment properties owned by Grupo Aval and its subsidiaries based on comparable market transactions (See note 15.3).

Fire-sales are excluded from the comparable transactions used to estimate the fair-value of investment properties. Management has reviewed the main assumptions used by the independent external appraisers (such as inflation, interest rates, etc.) and believes they are consistent with market conditions at each end of period. However, management believes that the estimation of the fair value of investment properties depends on significant judgment from the independent expert appraisers, and as such, there could be a significant probability that the actual price of sale of a property differs from its fair value.

The following table includes a sensitivity analysis for the investment properties as of December 31, 2025, for Ps. 179,161, classified at FVTPL level 3:

Sensitivity impacts	Scenario 1		Scenario 2	
	Ps.	8,950	Ps.	(9,177)
	Ps.	8,950	Ps.	(9,177)

5.4 Transfers between level 1, level 2 and level 3 of the fair value hierarchy

Investments in debt securities

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following table summarizes the transfer between fair value levels 1, 2 and 3 as of December 31, 2025. In general, transfers between Levels in the investment portfolios are due, fundamentally, to changes in the liquidity levels of the securities in the markets.

	Investments in debt securities at FVTPL			Investments in debt securities at FVOCI		
	Transfers between:					
	Level 2 to 1	Level 1 to 2	Level 3 to 2	Level 2 to 1	Level 1 to 2	Level 3 to 2
Securities issued or secured by Colombian Government	Ps. —	Ps. —	Ps. —	Ps. —	Ps. 161,788	Ps. —
	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. 161,788</u>	<u>Ps. —</u>

The following table summarizes the transfer between fair value levels 1, 2 and 3 as of December 31, 2024. In general, transfers between Levels in the investment portfolios are due, fundamentally, to changes in the liquidity levels of the securities in the markets.

	Investments in debt securities at FVTPL			Investments in debt securities at FVOCI		
	Transfers between:					
	Level 2 to 1	Level 1 to 2	Level 3 to 2	Level 2 to 1	Level 1 to 2	Level 3 to 2
Securities issued or secured by Colombian Government	Ps. —	Ps. 99	Ps. —	Ps. —	Ps. 1,318,769	Ps. —
	<u>Ps. —</u>	<u>Ps. 99</u>	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. 1,318,769</u>	<u>Ps. —</u>

Investment properties

The following table summarizes the transfer between levels 1, 2, and 3 of fair value as of December 31, 2025. In general, transfers between levels are due to observable data in appraisals, which allowed FVTPL to be classified in level 2.

	Investment properties at FVTPL		
	Transfers between:		
	Level 2 to 1	Level 1 to 2	Level 3 to 2
Investment properties	Ps. —	Ps. —	Ps. 696,084
	<u>Ps. —</u>	<u>Ps. —</u>	<u>Ps. 696,084</u>

5.5 Reconciliation Level 3 of the fair value hierarchy

The reconciliation from the opening balances to the closing balances for the fair value measurements categorized within Level 3 is shown in the following table:

	Financial assets in debt securities		Equity instruments	Financial assets in concession arrangements		Biological assets	Investment properties
January 1, 2024	Ps. 1,889	Ps. 2,770,226	Ps. 3,830,916	Ps. 230,672	Ps. 906,469		
Changes in fair value recognized in profit or loss ⁽¹⁾	(464)	211,414	350,919	7,589	36,705		
Changes in fair value recognized in OCI	—	(6,819)	—	—	16,935		
Transfers to/from non-current assets held for sale	—	—	—	—	22,370		
Reclassifications	—	—	—	—	32,470		
Effect of movements in exchange rates	—	—	—	—	6,966		
Additions	—	⁽³⁾ 326,096	—	26,572	37,859		
Sales / redemptions	—	⁽⁴⁾ (1,199)	—	(26,494)	(85,975)		
Discontinued operations ⁽²⁾	—	13,259	—	—	(864)		
December 31, 2024	Ps. 1,425	Ps. 3,312,977	Ps. 4,181,835	Ps. 238,339	Ps. 972,935		
Changes in fair value recognized in profit or loss ⁽¹⁾	729	429,160	623,163	3,396	4,905		
Changes in fair value recognized in OCI	—	22,076	—	—	(1,915)		
Execution of the conversion option of the BOCEA into shares ⁽⁵⁾	(1,425)	—	—	—	—		
Transfers to/from PPE ⁽⁶⁾	—	—	(2,648,078)	—	6,675		
Transfers to/from non-current assets held for sale	—	—	—	—	19,388		
Effect of movements in exchange rates	—	—	—	—	(5,946)		

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Financial assets in debt securities	Equity instruments	Financial assets in concession arrangements	Biological assets	Investment properties
Additions	169,069	(3) 569,789	478,517	27,222	4,721
Sales / redemptions	—	—	—	(33,548)	(129,377)
Transfer from level 2 to level 3	—	28	—	—	—
Transfers from level 3 to level 2 ⁽⁷⁾	—	—	—	—	(696,084)
Discontinued operations ⁽²⁾	—	—	—	—	3,908
Reclassification MFG operation ⁽⁸⁾	—	(87,823)	—	—	(49)
December 31, 2025	Ps. 169,798	Ps. 4,246,207	Ps. 2,635,437	Ps. 235,409	Ps. 179,161

⁽¹⁾ Included in a) debt and equity securities in “Net trading income” – “Trading investment income” line; b) financial assets in concession arrangements in “Net income from other financial instruments mandatorily at fair value through profit or loss” line; c) Biological assets in “Income from sales of goods and services” line, and d) Investment properties mainly in “Other income” line.

⁽²⁾ See note 13B., “Discontinued operation related to Multi Financial Group”.

⁽³⁾ In 2024, the increase is mainly due to the transfer of assets to the Pactia Real Estate Private Equity Fund. For 2025, it is mainly due to increases in the Nexus Private Real Estate Fund by Hoteles Estelar S.A and the investment of Banco de Occidente in the Credicorp PAF private equity fund.

⁽⁴⁾ Corresponds to the sale of the shareholding of Grupo Zona Franca Bogotá of Banco de Bogotá for Ps. 1,199.

⁽⁵⁾ Corresponds to the BOCEA issued by Titularizadora Colombiana, in which Banco Av Villas held a position. Upon maturity, on December 16, 2025, the entity exercised its right to convert the instrument into shares

⁽⁶⁾ See Note 12.1 “Financial assets in concession arrangements”.

⁽⁷⁾ As of December 31, 2025, the appraisals incorporated observable data for the estimation of fair value, allowing them to be categorized at level 2.

⁽⁸⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

5.6 Fair Value of Financial Assets and Liabilities recognized at Amortized Cost

The following table shows a summary of financial assets and liabilities accounted at amortized cost and valued at fair value as of December 31, 2025 and 2024, only for disclosure purposes.

	December 31, 2025		December 31, 2024	
	Carrying Amount	Fair Value Estimate	Carrying Amount	Fair Value Estimate
Assets ⁽¹⁾				
Investments in debt securities at amortized cost ⁽²⁾	Ps. 9,197,179	Ps. 9,239,039	Ps. 10,689,692	Ps. 10,715,384
Net credit portfolio at amortized cost ⁽³⁾	184,225,973	185,831,654	190,129,486	189,257,222
Total financial assets	Ps. 193,423,152	Ps. 195,070,693	Ps. 200,819,178	Ps. 199,972,606
Liabilities ⁽⁴⁾				
Customer deposits ⁽⁵⁾	Ps. 207,405,238	Ps. 207,699,875	Ps. 200,872,177	Ps. 201,762,276
Financial obligations ⁽⁶⁾	68,671,586	67,290,749	72,823,775	71,364,572
Total financial liabilities	Ps. 276,076,824	Ps. 274,990,624	Ps. 273,695,952	Ps. 273,126,848

The following is a breakdown of how financial assets and liabilities accounted at amortized cost and are measured at fair value for disclosure purposes only.

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

⁽²⁾ Debt securities at amortized cost

Fair value of fixed income investments at amortized cost was determined using the dirty price given by the price supplier, securities in an active market and with a market price for the day of the valuation are classified as level 1; securities with no active market and/or with an estimated price (present value of the flows of a security, discounted with the reference rate and the corresponding margin) given by the supplier are classified as level 2 and level 3.

⁽³⁾ Credit portfolio at amortized cost

For credit portfolio at amortized cost, the fair value was determined using discounted cash flows models at zero coupon bond, taking into account the credit risk and its maturity; the process of valuation is deemed as level 3.

Accounts receivable and payable are classified as short-term assets and liabilities; in consequence, their fair value is similar to their book value.

⁽⁴⁾ As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

(5) Customer deposits

The fair value of demand deposits is equal to their carrying value. For fixed-term deposits with maturities of less than 180 days, their fair value is deemed equal to their carrying value. For fixed-term deposits with maturities of more than 180 days, their fair value was estimated using the carrying discounted cash flow models and the interest rates offered by banks in accordance with their maturity. This is considered as a level 2 valuation.

(6) Financial obligations and other liabilities

For financial liabilities and other short-term liabilities, the carrying value was considered to be similar to its fair value. The fair value of long-term financial liabilities was determined using the discounted cash flow model at interest rates free of risk adjusted by risk premiums of each entity. The fair value of outstanding bonds is determined according to quoted prices or estimated prices supplied by the price vendor. It is considered that this is a level 2 valuation.

NOTE 6 – ASSETS AND FINANCIAL LIABILITIES

6.1 Classification of financial assets and financial liabilities

See definitions in accounting policies in Notes 2 (2.5).

The following table provides a reconciliation of gross amounts between line items in the consolidated statement of financial position and categories of financial instruments as of December 31, 2025, and 2024:

December 31, 2025		Mandatorily at	FVOCI – debt	FVOCI – equity	Amortized	Total
Assets ⁽¹⁾	Note	FVTPL	instruments	instruments	Cost	gross carrying amount
Cash and cash equivalents	7	Ps. —	Ps. —	Ps. —	Ps. 19,354,710	Ps. 19,354,710
Trading assets	8	29,097,591	—	—	—	29,097,591
Debt securities		17,582,844	—	—	—	17,582,844
Equity securities		9,297,726	—	—	—	9,297,726
Derivative assets		2,217,021	—	—	—	2,217,021
Investment securities	9	—	28,455,957	1,599,479	9,205,457	39,260,893
Measured at fair value		—	28,455,957	1,599,479	—	30,055,436
Measured at amortized cost		—	—	—	9,205,457	9,205,457
Loans	11	—	—	—	192,655,943	192,655,943
Other accounts receivable	12	2,635,437	—	—	22,216,161	24,851,598
Measured at fair value ⁽²⁾		2,635,437	—	—	—	2,635,437
Measured at amortized cost		—	—	—	22,216,161	22,216,161
Hedging derivative assets	10	236,558	—	—	—	236,558
Total financial assets		Ps. 31,969,586	Ps. 28,455,957	Ps. 1,599,479	Ps. 243,432,271	Ps. 305,457,293
Liabilities ⁽³⁾	Note	Mandatorily at FVTPL	FVOCI – debt instruments	FVOCI – equity instruments	Amortized Cost	Total gross carrying amount
Trading liabilities						
Derivative liabilities	8	Ps. 1,951,439	Ps. —	Ps. —	Ps. —	Ps. 1,951,439
Hedging derivative liabilities	10	34,842	—	—	—	34,842
Customer deposits	20	—	—	—	207,405,238	207,405,238
Financial obligations	21	—	—	—	68,671,586	68,671,586
Total financial liabilities		Ps. 1,986,281	Ps. —	Ps. —	Ps. 276,076,824	Ps. 278,063,105

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A. With the exception of Trading derivative, Hedging derivative and FVOCI equity instruments.

⁽²⁾ See Note 12.1 “Financial assets in concession arrangements”.

⁽³⁾ As of December 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A. With the exception of Trading derivative liabilities and Hedging derivative liabilities.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024		Mandatorily at	FVOCI – debt	FVOCI – equity	Amortized	Total
Assets	Note	FVTPL	instruments	instruments	Cost	gross carrying amount
Cash and cash equivalents	7	Ps. —	Ps. —	Ps. —	Ps. 16,998,859	Ps. 16,998,859
Trading assets	8	20,163,214	—	—	—	20,163,214
Debt securities		11,937,414	—	—	—	11,937,414
Equity securities		7,256,506	—	—	—	7,256,506
Derivative assets		969,294	—	—	—	969,294
Investment securities	9	1,425	27,050,198	1,421,303	10,708,367	39,181,293
Measured at fair value		1,425	27,050,198	1,421,303	—	28,472,926
Measured at amortized cost		—	—	—	10,708,367	10,708,367
Loans	11	—	—	—	200,136,125	200,136,125
Other accounts receivable	12	4,181,835	—	—	24,138,538	28,320,373
Measured at fair value		4,181,835	—	—	—	4,181,835
Measured at amortized cost		—	—	—	24,138,538	24,138,538
Hedging derivative assets	10	54,019	—	—	—	54,019
Total financial assets		Ps. 24,400,493	Ps. 27,050,198	Ps. 1,421,303	Ps. 251,981,889	Ps. 304,853,883
Liabilities	Note	Mandatorily at FVTPL	FVOCI – debt instruments	FVOCI – equity instruments	Amortized Cost	Total gross carrying amount
Trading liabilities						
Derivative liabilities	8	Ps. 1,011,934	Ps. —	Ps. —	Ps. —	Ps. 1,011,934
Hedging derivative liabilities	10	21,658	—	—	—	21,658
Customer deposits	20	—	—	—	200,872,177	200,872,177
Financial obligations	21	—	—	—	72,823,775	72,823,775
Total financial liabilities		Ps. 1,033,592	Ps. —	Ps. —	Ps. 273,695,952	Ps. 274,729,544

As of December 31, 2025, and 2024 there are not any reclassifications of financial assets and liabilities.

6.2 Interest income calculated using the effective interest method

The interest income information as of December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024 ⁽¹⁾
Loan Portfolio		
Commercial	Ps. 11,525,606	Ps. 12,975,916
Consumer	8,756,681	8,805,226
Mortgage	2,095,287	1,751,721
Microcredit	244	48,710
Interbank and overnight funds	85,577	158,813
Total interest income of loan portfolio	Ps. 22,463,395	Ps. 23,740,386
Cash and cash equivalents	351,742	406,380
Other accounts receivable	154,223	220,447
Total interest income cash and cash equivalents and other accounts receivable	Ps. 505,965	Ps. 626,827
Investments in debt securities	2,709,159	2,604,689
Total interest income	Ps. 25,678,519	Ps. 26,971,902

⁽¹⁾ The information was modified based on MFG's discontinuous operation; see note 13.B.

6.3 Interest expense

The interest expense information as of December 31, 2025 and 2024 corresponds to:

	December 31, 2025	December 31, 2024 ⁽¹⁾
Interest expense		
Deposits		
Checking accounts	Ps. (226,810)	Ps. (245,215)
Savings accounts	(4,493,611)	(5,396,372)
Interest of the derivative designated as the hedging instrument in savings accounts ⁽²⁾	(5,707)	—
Time deposits	(8,357,587)	(8,921,856)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	December 31, 2025	December 31, 2024 ⁽¹⁾
Interest of the derivative designated as the hedging instrument in time deposits ⁽²⁾	(5,839)	(49,794)
Total Deposits	Ps. (13,089,554)	Ps. (14,613,237)
Financial obligations		
Interbank borrowings and overnight funds	Ps. (1,598,036)	Ps. (1,649,638)
Interest of the derivative designated as the hedging instrument in interbank borrowings and overnight funds ⁽²⁾	805	—
Borrowings from banks and similar	(1,216,271)	(1,373,146)
Leases contracts	(240,218)	(241,343)
Bonds issued	(1,542,457)	(1,676,593)
Borrowing from development entities	(362,136)	(490,534)
Total Financial obligations	Ps. (4,958,313)	Ps. (5,431,254)
Total interest expense	Ps. (18,047,867)	Ps. (20,044,491)

⁽¹⁾ The information was modified based on MFG's discontinuous operation; see note 13.B.

⁽²⁾ Corresponds to the coverage of interest expense for savings accounts, time deposits and interbank borrowings and overnight funds. See note 10.4 Impact on Interest Income and Expense Line Item from interest rate hedging.

NOTE 7 – CASH AND CASH EQUIVALENTS

Balances of cash and cash equivalents comprise the following as of December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
In Colombian Pesos		
Cash	Ps. 3,660,126	Ps. 3,653,565
Deposits in the Colombian central bank	4,705,916	4,162,015
Demand deposits in banks and other financial entities	250,950	201,906
Clearing houses	1,017	288
Liquidity management	2,228,070	1,599,125
Cash held for specific purposes ⁽¹⁾	453,828	1,468,832
	Ps. 11,299,907	Ps. 11,085,731
In foreign currency		
Cash	Ps. 9,317	Ps. 88,792
Demand deposits in banks and other financial entities	8,045,486	5,484,628
Liquidity management ⁽²⁾	—	339,708
	Ps. 8,054,803	Ps. 5,913,128
Total cash and cash equivalents	Ps. 19,354,710	Ps. 16,998,859

⁽¹⁾ Includes cash reserved for specific purposes within the concession agreements, primarily allocated to the acquisition of land, utility network works, and deposits to the National Infrastructure Agency (ANI), as well as the management of toll collections, supervision activities, and other operational obligations of the projects. The main variation corresponds to the use of these funds for land acquisition, and the execution of network works for Ps. 414,660.

⁽²⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

As of December 31, 2025, and 2024, the reserves available to cover the required legal reserve (see note 4.3) for both deposit certificates and current and savings accounts amount to Ps. 5,235,643 and Ps. 8,251,154, respectively.

NOTE 8 – TRADING ASSETS AND LIABILITIES

Balances of trading asset and liabilities comprise the following as of December 31, 2025 and 2024:

	Note	December 31, 2025 ⁽¹⁾	December 31, 2024
Trading assets			
Debt securities	8.1	Ps. 17,582,844	Ps. 11,937,414
Equity securities	8.2	9,297,726	7,256,506
Derivative assets	8.3	2,217,021	969,294
		Ps. 29,097,591	Ps. 20,163,214

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Note	December 31, 2025 ⁽¹⁾	December 31, 2024
Trading liabilities			
Derivative liabilities	8.3	1,951,439	1,011,934
		Ps. 1,951,439	Ps. 1,011,934
Total trading assets and liabilities net		Ps. 27,146,152	Ps. 19,151,280

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A. With the exception of Derivative assets and Derivative liabilities.

8.1 Trading investments in debt securities

The following is the balance as of December 31, 2025 and 2024:

	December 31, 2025 ⁽¹⁾	December 31, 2024
Securities issued or secured by the Colombian Government	Ps. 15,817,844	Ps. 10,641,558
Securities issued or secured by other Colombian Government entities	213,079	183,760
Securities issued or secured by foreign Governments	492,675	75,379
Securities issued or secured by other financial entities	1,032,569	1,002,194
Securities issued or secured by non-financial sector entities	1,939	8,813
Others	24,738	25,710
Total trading debt securities	Ps. 17,582,844	Ps. 11,937,414

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

8.2 Trading investments in equity securities

The following is the balance as of December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
In Colombian Pesos		
Corporate stock	Ps. 15,284	Ps. 13,453
Fiduciary assignments ⁽¹⁾	11,529	—
Investment funds ⁽²⁾⁽³⁾	6,600,357	4,757,848
Stabilization reserves ⁽⁴⁾	2,669,785	2,380,868
	Ps. 9,296,955	Ps. 7,152,169
In foreign currency		
Corporate stock ⁽⁵⁾	Ps. —	Ps. 4,813
Investment funds ⁽⁵⁾	771	99,524
	Ps. 771	Ps. 104,337
Total equity securities	Ps. 9,297,726	Ps. 7,256,506

⁽¹⁾ Corresponds to a new investment by Banco de Occidente in the Credicorp PAF private equity fund.

⁽²⁾ Grupo Aval has restricted collective investment funds related to Concesionaria Nueva Via al Mar of Ps. 1,060,638, Concesionaria Vial del Pacífico of Ps. 1,768 and Concesionaria Vial del Oriente of Ps. 209,664.

⁽³⁾ Includes investments in the private real estate fund Nexus as of December 31, 2025 of Ps. 3,717,262 and as of December 31, 2024 of Ps. 2,772,165.

⁽⁴⁾ Pursuant to Colombian rules, Porvenir S. A. is required to directly invest 1% of the total assets of these funds in mandatory severance and pension funds managed by Porvenir.

⁽⁵⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

8.3 Trading derivatives assets and liabilities

Trading derivative assets and liabilities comprise the following as of December 31, 2025 and 2024:

	December 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Forward contracts				
Foreign currency to buy	Ps. 49,705	Ps. 940,232	Ps. 429,919	Ps. 62,051
Foreign currency to sell	997,678	51,415	100,705	610,639

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	December 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Debt securities to buy	205	38,193	342	15,350
Debt securities to sell	310,782	665	116,711	628
Subtotal	Ps. 1,358,370	Ps. 1,030,505	Ps. 647,677	Ps. 688,668
Swap				
Cross currency	Ps. 25,468	Ps. 36,441	Ps. 58,475	Ps. 52,455
Interest rate	781,447	832,470	222,830	221,822
Subtotal	Ps. 806,915	Ps. 868,911	Ps. 281,305	Ps. 274,277
Options contracts				
Foreign currency to buy	Ps. 51,736	Ps. —	Ps. 40,312	Ps. —
Foreign currency to sell	—	52,023	—	48,989
Subtotal	Ps. 51,736	Ps. 52,023	Ps. 40,312	Ps. 48,989
Total derivative assets and liabilities trading	Ps. 2,217,021	Ps. 1,951,439	Ps. 969,294	Ps. 1,011,934

Derivative instruments contracted by Grupo Aval and its Subsidiaries are generally traded in either domestic financial markets or in over-the-counter international markets. Derivative instruments have a net favorable position (asset) or a net unfavorable position (liability) as a result of fluctuations in exchange rates, in interest rates or other variables relating to market conditions. As a result, the aggregate amount of fair values of the assets and liabilities in derivative instruments may vary significantly from time to time.

NOTE 9 – INVESTMENT SECURITIES

Balances of investment securities comprise the following as of December 31, 2025 and 2024:

	Note	December 31, 2025 ⁽¹⁾	December 31, 2024
Investments in debt securities mandatorily at FVTPL	9.1	Ps. —	Ps. 1,425
Investments in debt securities at FVOCI	9.2	28,455,957	27,050,198
Investments in debt securities at amortized cost	9.3	9,205,457	10,708,367
Investments in equity securities at FVOCI	9.4	1,599,479	1,421,303
		Ps. 39,260,893	Ps. 39,181,293
Loss impairment			
Investments in debt securities at amortized cost	4.1.5	Ps. (8,278)	Ps. (18,675)
		Ps. (8,278)	Ps. (18,675)
Total investment securities net		Ps. 39,252,615	Ps. 39,162,618

⁽¹⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A. With exception Investments in equity securities at FVOCI.

9.1 Investments in debt securities mandatorily at FVTPL

The following table includes investments on asset-backed securities mandatorily at FVTPL because the contractual cash flows of these securities are not SPPI on the principal outstanding:

	December 31, 2025	December 31, 2024
Others ⁽¹⁾	Ps. —	Ps. 1,425
Total investments in debt securities mandatorily at FVTPL	Ps. —	Ps. 1,425

⁽¹⁾ See details in Note 4.1.3.b

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

9.2 Investments in debt securities at FVOCI

The following table includes investments in debt securities at FVOCI as of December 31, 2025 and 2024:

December 31, 2025⁽¹⁾

Debt securities	Cost	Unrealized Gain	Unrealized Losses	Fair Value	ECL
Securities issued or secured by Colombian Government	Ps. 25,992,996	Ps. 39,800	Ps. (1,430,096)	Ps. 24,602,700	Ps. 22,342
Securities issued or secured by other Colombian Government entities	517,983	3,927	(15,658)	506,252	1,344
Securities issued or secured by foreign Governments	1,319,487	19,762	(4,563)	1,334,686	360
Securities issued or secured by other financial entities	1,746,690	14,660	(7,806)	1,753,544	2,215
Securities issued or secured by non-financial sector entities	22,478	252	(113)	22,617	29
Others	245,816	412	(10,070)	236,158	312
Total debt securities at FVOCI	Ps. 29,845,450	Ps. 78,813	Ps. (1,468,306)	Ps. 28,455,957	Ps. 26,602

⁽¹⁾ As December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

December 31, 2024

Debt securities	Cost	Unrealized Gain	Unrealized Losses	Fair Value	ECL
Securities issued or secured by Colombian Government	Ps. 19,278,224	Ps. 36,588	Ps. (1,046,904)	Ps. 18,267,908	Ps. 11,761
Securities issued or secured by other Colombian Government entities	484,874	336	(22,465)	462,745	803
Securities issued or secured by foreign Governments	4,682,807	18,439	(198,436)	4,502,810	1,135
Securities issued or secured by central banks	251,079	32	(46,256)	204,855	97
Securities issued or secured by other financial entities	2,640,204	9,270	(22,691)	2,626,783	2,740
Securities issued or secured by non-financial sector entities	249,748	665	(753)	249,660	859
Others	771,824	715	(37,102)	735,437	915
Total debt securities at FVOCI	Ps. 28,358,760	Ps. 66,045	Ps. (1,374,607)	Ps. 27,050,198	Ps. 18,310

The following table shows amounts reclassified to profit or loss from OCI before taxes, related to fixed income investments debt securities measured at FVOCI:

	December 31, 2025	December 31, 2024
Redemptions or sales	Ps. 44,415	Ps. (130,219)
ECL allowance	10,407	4,616
Total reclassified to profit or loss	Ps. 54,822	Ps. (125,603)

9.3 Investments in debt securities at amortized cost

The following table includes investments in debt securities at amortized cost as of December 31, 2025 and 2024:

Debt securities	December 31, 2025⁽¹⁾	December 31, 2024
Securities issued or secured by Colombian Government	Ps. 1,860,258	Ps. 2,553,693
Securities issued or secured by other Colombian Government entities	5,351,209	5,563,208
Securities issued or secured by foreign Governments	30,540	30,655
Securities issued or secured by other financial entities	1,963,450	2,350,549
Securities issued or secured by non-financial sector entities	—	145,553
Others	—	64,709
Total debt securities at amortized cost	Ps. 9,205,457	Ps. 10,708,367

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

⁽¹⁾ As December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

The following is a summary of investments in debt securities at amortized cost by maturity dates:

	<u>December 31, 2025⁽¹⁾</u>		<u>December 31, 2024</u>	
Up to 1 month	Ps.	941,587	Ps.	1,120,443
More than 1 month and no more than 3 months		30,540		30,655
More than 3 months and no more than 1 year		6,269,880		7,016,333
More than 1 year and no more than 5 years ⁽²⁾		—		136,318
More than 5 years and no more than 10 years ⁽³⁾		—		68,447
More than 10 years		1,963,450		2,336,171
Total	Ps.	9,205,457	Ps.	10,708,367

⁽¹⁾ As December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

⁽²⁾ This corresponds to a security issued by the Aburrá Oriente S.A. Concession trust. Its maturity date was originally set for 2029; however, it was prepaid by the issuer on September 25, 2025

⁽³⁾ See Note 13.2, 'Multi Financial Group Transaction'

9.3.1 Investment in debt at amortized cost securities pledged as collateral

The following is a list of debt securities at amortized cost that are being used as collateral in repo operations, pledged as collateral for transactions with financial instruments, or pledged to third parties as collateral to secure financial obligations with other banks (See note 33).

	<u>December 31, 2025⁽¹⁾</u>		<u>December 31, 2024</u>	
Pledged as collateral in money market operations				
Securities issued or secured by other Colombian Government entities	Ps.	1,295,485	Ps.	685,394
Securities issued or secured by Colombian Government		—		1,528,723
	Ps.	1,295,485	Ps.	2,214,117
Pledged as collateral to special entities such as CRCC, BR and BVC⁽²⁾				
Securities issued or secured by Colombian Government	Ps.	856,494	Ps.	1,173,348
Securities issued or secured by other Colombian Government entities		789,531		688,891
	Ps.	1,646,025	Ps.	1,862,239
Total	Ps.	2,941,510	Ps.	4,076,356

⁽¹⁾ The assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

⁽²⁾ Cámara de Riesgo Central de Contraparte ("CRCC"), Banco de la República ("BR") and Bolsa de Valores de Colombia ("BVC")

9.4 Investments in equity securities at fair value through OCI

The following is the balance at December 31, 2025 and 2024:

December 31, 2025

	<u>Cost</u>		<u>Unrealized Gain</u>		<u>Unrealized Losses</u>		<u>Fair Value</u>	
In Colombian Pesos								
Corporate stock	Ps.	462,233	Ps.	1,091,504	Ps.	(4,769)	Ps.	1,548,968
In foreign currency								
Corporate stock		52,927		1,355		(3,771)		50,511
Total equity securities	Ps.	515,160	Ps.	1,092,859	Ps.	(8,540)	Ps.	1,599,479

December 31, 2024

	<u>Cost</u>		<u>Unrealized Gain</u>		<u>Unrealized Losses</u>		<u>Fair Value</u>	
In Colombian Pesos								
Corporate stock	Ps.	546,822	Ps.	832,222	Ps.	(2,799)	Ps.	1,376,245
In foreign currency								
Corporate stock		50,213		4,423		(9,578)		45,058
Total equity securities	Ps.	597,035	Ps.	836,645	Ps.	(12,377)	Ps.	1,421,303

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Variations in fair values fundamentally reflect variations in the performance of companies and market conditions mainly due to changes in interest rates and other economic trends in the country where the investment is held. At December 31, 2025 and 2024 Grupo Aval considers that there is no indication of impairment.

The details of equity instruments through OCI as of December 31, 2025 and 2024 are as follows:

Entity ⁽¹⁾	December 31, 2025		December 31, 2024	
Grupo Energía Bogotá S.A. E.S.P.	Ps.	1,411,637	Ps.	1,159,729
Port operating companies		62,315		45,396
Holding Bursátil Regional S.A.		46,496		40,942
Titularizadora Colombiana S.A.		32,486		31,451
Others		46,545		42,302
Mineros S.A. ⁽²⁾		—		101,483
Total	Ps.	1,599,479	Ps.	1,421,303

⁽¹⁾ These investments in equity securities have been designated as FVOCI considering that they are not held for trading and correspond to long-term strategic investments.

⁽²⁾ On July 14, 2025, Corficolombiana completed the sale of its investment in Mineros SA., as a strategic decision by the portfolio management.

For the years ended December 31, 2025, and 2024, dividends are recognized for these equity investments in the amount of Ps. 126,700 and Ps. 141,867 respectively, were recognized in profit or loss in the “Other Income” line (see note 30).

NOTE 10 – HEDGE ACCOUNTING

In accordance with its risk management policies, Grupo Aval uses hedge accounting to manage foreign exchange risk relating to investments in foreign operations and in forecasted transactions; and manage interest risk relating to time deposits issued, as follows:

10.1 Hedges of net investment in foreign operations

Banco de Bogotá, Banco de Occidente and Promigas are exposed to foreign exchange risk related to their investments in foreign subsidiaries, that have the US Dollar as functional currency.

The purpose of hedge accounting is to mitigate and offset any adverse changes resulting from the fluctuation in exchange rate of the Colombian Peso and the functional currency of such investments. The impacts of those movements are reflected in the cumulative translation adjustment in other comprehensive income of the consolidated financial statements.

To cover this risk, Grupo Aval hedges its exposure through foreign currency financial liabilities expressed in U.S. dollars and forward contracts for the sale of U.S. dollars.

Changes in the Colombian peso against the U.S. dollar have been as follows:

Date	Value of US\$ 1	Variation in pesos
December 31, 2024	4,409.15	587.10
December 31, 2025	3,757.08	(652.07)

According to the information described above, the following table shows movements of OCI gross of taxes, related to hedges of net investment in foreign operations:

December 31, 2025

Investment	Hedged Item	Hedging non-derivative instrument	Hedging derivative instrument	Net OCI account
Multi Financial Holding	Ps. (306,047)	Ps. 299,545	Ps. —	Ps. (6,502)
Other subsidiaries and branches Banco de Bogotá ⁽¹⁾	(111,614)	107,115	—	(4,499)
Occidental Bank Barbados Ltd.	(29,882)	29,882	—	—
Banco de Occidente (Panamá) S.A.	(54,605)	54,605	—	—
Sociedad Portuaria El Cayao S.A. E.S.P.	(16,652)	16,652	—	—

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Investment	Hedged Item	Hedging non-derivative instrument	Hedging derivative instrument	Net OCI account
Gases del Pacífico S.A.C.	(21,212)	15,335	—	(5,877)
Gas Natural de Lima y Callao S.A.C. – Calidda	(71,648)	71,648	—	—
Promigas Perú S.A.C.	(3,143)	3,143	—	—
Gases del Norte del Perú S.A.C.	(15,654)	15,654	—	—
Promigas Panamá Corporation	(2)	2	—	—
Promigas USA INC	(6)	6	—	—
Total	Ps. (630,465)	Ps. 613,587	Ps. —	Ps. (16,878)

⁽¹⁾ Includes Banco de Bogotá Panamá, Ficentro and contributions of foreign branches in Miami and New York.

December 31, 2024

Investment	Hedged Item	Hedging non-derivative instrument	Hedging derivative instrument	Net OCI account
Multi Financial Holding	Ps. 248,173	Ps. (244,040)	Ps. —	Ps. 4,133
Other subsidiaries and branches Banco de Bogotá ⁽¹⁾	93,700	(88,419)	—	5,281
Occidental Bank Barbados Ltd.	23,613	(23,613)	—	—
Banco de Occidente (Panamá) S.A.	39,893	(39,893)	—	—
Sociedad Portuaria El Cayao S.A. E.S.P.	15,975	(15,974)	—	1
Gases del Pacífico S.A.C.	18,181	(12,890)	—	5,291
Gas Natural de Lima y Callao S.A.C. – Calidda	58,205	(58,205)	—	—
Promigas Perú S.A.C.	2,830	(2,830)	—	—
Gases del Norte del Perú S.A.C.	14,139	(14,139)	—	—
Promigas Panamá Corporation	—	—	—	—
Promigas USA INC	4	(4)	—	—
Total	Ps. 514,713	Ps. (500,007)	Ps. —	Ps. 14,706

⁽¹⁾ Includes Banco de Bogotá Panamá, Banco Bogotá Finance, Ficentro and contributions of foreign branches in Miami and New York.

According to the information described above, the following table contains details of hedging operations carried out to cover foreign denominated equity investments. The analysis shows current amount of OCI gross of taxes:

December 31, 2025

Investment	<i>Thousands of US\$</i>			<i>Ps. millions</i>			
	Hedged investment amount	Hedge amount in foreign currency in financial liabilities	Hedge amount in forward contracts	Current amount Hedged Item	Current amount Hedging non-derivative instrument	Current amount Hedging derivative instrument	Current amount Net OCI account
Multi Financial Holding	459,514	(450,000)	—	Ps. (50,900)	Ps. 101,526	Ps. (435)	Ps. 50,191
Other subsidiaries and branches Banco de Bogotá ⁽¹⁾	181,057	(170,000)	—	184,605	133,803	(230,412)	87,996
Occidental Bank Barbados Ltd.	49,966	(49,966)	—	37,357	(37,357)	—	—
Banco de Occidente (Panamá) S.A.	96,872	(96,872)	—	42,625	(42,625)	—	—
Sociedad Portuaria El Cayao S.A. E.S.P.	26,365	(26,365)	—	25,733	(25,732)	—	1
Gases del Pacífico S.A.C.	31,888	(31,888)	—	3,037	(18,886)	—	(15,849)
Gas Natural de Lima y Callao S.A.C. – Calidda	115,385	(115,385)	—	53,607	(53,607)	—	—
Promigas Perú S.A.C.	4,820	(4,820)	—	428	(428)	—	—
Gases del Norte del Perú S.A.C.	24,007	(24,007)	—	(5,093)	5,093	—	—
Promigas Panamá Corporation	—	—	—	—	—	—	—
Promigas USA INC	8	(8)	—	(2)	2	—	—
Total	989,882	(969,311)	—	Ps. 291,397	Ps. 61,789	Ps. (230,847)	Ps. 122,339

⁽¹⁾ Includes Banco de Bogotá Panamá, Ficentro and contributions of foreign branches in Miami and New York.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024

Investment	Thousands of US\$			Ps. millions			
	Hedged investment amount	Hedge amount in foreign currency in financial liabilities	Hedge amount in forward contracts	Current amount Hedged Item	Current amount Hedging non-derivative instrument	Current amount Hedging derivative instrument	Current amount Net OCI account
Multi Financial Holding	425,506	(425,000)	—	Ps. 255,147	Ps. (198,019)	Ps. (435)	Ps. 56,693
Other subsidiaries and branches Banco de Bogotá ⁽¹⁾	164,562	(160,000)	—	296,219	26,688	(230,412)	92,495
Occidental Bank Barbados Ltd.	41,635	(41,635)	—	67,239	(67,239)	—	—
Banco de Occidente (Panamá) S.A.	72,835	(72,835)	—	97,230	(97,230)	—	—
Sociedad Portuaria El Cayao S.A. E.S.P.	26,365	(26,365)	—	42,385	(42,384)	—	1
Gases del Pacífico S.A.C.	31,888	(31,888)	—	24,249	(34,221)	—	(9,972)
Gas Natural de Lima y Callao S.A.C. – Calidda	108,974	(108,974)	—	125,255	(125,255)	—	—
Promigas Perú S.A.C.	4,820	(4,820)	—	3,571	(3,571)	—	—
Gases del Norte del Perú S.A.C.	24,007	(24,007)	—	10,561	(10,561)	—	—
Promigas Panamá Corporation	0	(0)	—	2	(2)	—	—
Promigas USA INC	8	(8)	—	4	(4)	—	—
Total	900,600	(895,532)	—	Ps. 921,862	Ps. (551,798)	Ps. (230,847)	Ps. 139,217

⁽¹⁾ Includes Banco de Bogotá Panamá, Banco Bogotá Finance, Ficentro and contributions of foreign branches in Miami and New York.

Hedging with Debt in Foreign Currency in U.S. dollars

Debt financial instruments that are not derivatives can be designated as hedging instruments for changes in foreign currency exchange rates. According to this rule, Banco de Bogotá, Banco de Occidente and Promigas designed debt denominated in U.S. dollar as hedging instruments of their foreign subsidiaries as follows:

- (1) Bonds issued by Banco de Bogotá in the international market that were designated as hedging instruments of its investment in MFH and other subsidiaries and branches amounting U.S 620 million in 2025 and U.S. 585 million in 2024.
- (2) Other financial liabilities in the amount of U.S. 349 million as of December 31, 2025 and U.S. 311 million as of December 31, 2024 were used to hedge part of the net foreign investment that Banco de Occidente and Promigas have in foreign subsidiaries as part of a hedging strategy, by which new obligations are continuously designated as hedging instruments to replace the previous ones as they expire over time.

10.2 Hedging Cash Flow

The movement of the accumulated OCI account related to cash flow hedges in Colombian pesos during the years ended on December 31, 2025 and 2024 is as follows:

	December 31, 2025	December 31, 2024
Balance at the beginning of the year	Ps. 24,700	Ps. (30,381)
Changes in the fair value FwD - Future transactions	6,635	6,365
Changes in the fair value FwD - financial obligations	74,420	43,724
Changes in the fair value Swaps - CDTs	104,220	7,752
Changes in the fair value bonds	211,534	(184,902)
Changes in the fair value other accounts receivable	(211,534)	184,902
Reclassified to profit or loss	(8,273)	(2,760)
Balance at the end of the year	Ps. 201,702	Ps. 24,700

During the years ended December 31, 2025 and 2024, an exchange difference recognized under “Other Comprehensive Income” as a result of cash flow hedge accounting of income (loss) from these highly probable transactions, was reclassified to profit or loss in the amounts of Ps. (8,273) and Ps. (2,760) respectively.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

i. Hedging of Future Transactions

In the ordinary course of its operations Promigas S.A. and its subsidiaries receive income in U.S. Dollars derived from the transportation of gas. Promigas and its subsidiaries hedge the exchange risk arising in future transactions of highly probable gas transportation income, entering into forward contracts for the sale of U.S. dollars with financial entities different from the ones consolidated into Grupo Aval.

The following is the summary of Promigas and its subsidiaries open cash flow hedges:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Income in Thousands of U.S. dollar forecasted	68,086	49,131
Notional amount contracts FWD Thousands of U.S. dollar	68,086	49,131
% hedged	100 %	100 %
Fair value in Colombian pesos	(178)	(1,140)
# of contracts	20	22

ii. Hedging of exchange rate risk

Banco de Bogotá during the year ended December 31, 2025 and 2024 hedge of the foreign currency risk of the account receivable in dollars accounted for as a cash flow hedge.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Nominal amount Hedged Item Thousands of U.S. dollar	330,921	320,195
Notional amount bond Thousands of U.S. dollar	330,921	320,195
% hedged	100 %	100 %
Fair value in Colombian pesos	1,243,297	1,411,786
# of contracts	1	1

During the year ended December 31, 2025 and 2024, Corficolombiana hedge the exchange risk arising in other accounts receivable:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Nominal amount Hedged Item Thousands of U.S. dollar	4,416	5,373
Notional amount contracts FWD Thousands of U.S. dollar	4,416	5,373
% hedged	100 %	100 %
# of contracts FWD	9	11

During the year ended December 31, 2025 and 2024, Banco de Bogotá hedge the exchange risk arising in financial obligations:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Nominal amount Hedged Item Thousands of U.S. dollar	1,320,970	896,761
Notional amount contracts FWD Thousands of U.S. dollar	1,323,000	897,700
% hedged	100 %	100 %
Fair value in Colombian pesos	4,872,318	3,884,510
# of contracts FWD	70	49

iii. Hedging of interest rate risk

During 2024, Banco Popular established an interest rate risk management strategy to hedge the variability in expected cash flows arising from the Time Deposit portfolio, whose repricing characteristics are economically aligned with movements in the quarterly IBR rate.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Nominal amount Hedged Item Colombian pesos	769,732	788,614
Notional amount contracts interest rate Swaps (IRS) Colombian pesos	328,250	298,250
% hedged	42.6 %	37.8 %
Fair value in Colombian pesos	13,838	7,752
# of contracts IRS	10	9

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

During 2025, Banco Popular established an interest rate risk management strategy to hedge the variability in expected cash flows arising from the Saving Accounts portfolio, whose repricing characteristics are economically aligned with movements to the overnight IBR rate.

	December 31, 2025
Nominal amount Hedged Item Colombian pesos	5,600,394
Notional amount contracts interest rate Swaps (IRS) Colombian pesos	1,547,000
% hedged	27.6 %
Fair value in Colombian pesos	74,663
# of contracts IRS	37

During 2025, Corficolombiana established an interest rate risk management strategy to hedge the variability in expected cash flows arising from the money market transactions, whose repricing characteristics are economically aligned with movements to the overnight IBR rate.

	December 31, 2025
Nominal amount Hedged Item Colombian pesos	809,000
Notional amount contracts interest rate Swaps (IRS) Colombian pesos	809,000
% hedged	100 %
# of contracts IRS	3

10.3 Fair value hedges of interest rate risk

As of December 31, 2025 and 2024, Banco de Bogotá uses interest rate swaps to reduce the risk of interest rates on financial liabilities.

December 31, 2025

Fair value hedges		Notional amount		Changes in fair value
Hedging instruments				
Interest rate Swap	Ps.	2,813,929	Ps.	(34,899)
Items designated hedged				
Time Deposits issued		2,813,929		31,309

December 31, 2024

Fair value hedges		Notional amount		Changes in fair value
Hedging instruments				
Interest rate Swap	Ps.	4,644,189	Ps.	68,840
Items designated hedged				
Time Deposits issued		4,644,189		(66,064)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

As of December 31, 2025 and 2024 Banco de Occidente uses interest rate swaps to reduce the risk of interest rates on loan portfolio.

December 31, 2025

Fair value hedges		Notional amount		Changes in fair value
Hedging instruments				
Interest rate Swap	Ps.	1,048,000	Ps.	18,209
Items designated hedged				
Loan Portfolio		1,048,000		(18,076)

December 31, 2024

Fair value hedges		Notional amount		Changes in fair value
Hedging instruments				
Interest rate Swap	Ps.	411,000	Ps.	7,333
Items designated hedged				
Loan Portfolio		411,000		(7,250)

As of December 31, 2025 Corficolombiana uses interest rate swaps to reduce the risk of interest rates on debt security OCI portfolio.

December 31, 2025

Fair value hedges		Notional amount		Changes in fair value
Hedging instruments				
Interest rate Swap	Ps.	1,075,000	Ps.	72,494
Items designated hedged				
Debt securities		1,075,000		(71,734)

10.4 Impact on Interest Income and Expense Line Item from interest rate hedging

Below, the total changes in fair value and the impact on interest expense are detailed by Subsidiary for the fair value and cash flow hedges of interest rate risk:

December 31, 2025

		Change in fair value		Interest expense ⁽¹⁾
Banco de Bogotá	Ps.	(3,590)	Ps.	(810)
Banco de Occidente		—		—
Banco Popular		83,820		(10,736)
Corficolombiana		72,494		805
Total impact from hedging	Ps.	152,724	Ps.	(10,741)

⁽¹⁾ See note 6.3 "Interest expense".

December 31, 2024

		Change in fair value		Interest expense ⁽¹⁾
Banco de Bogotá	Ps.	5,960	Ps.	(46,406)
Banco de Occidente		—		(1,183)
Banco Popular		(7,332)		(2,205)
Total impact from hedging	Ps.	(1,372)	Ps.	(49,794)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

⁽¹⁾ See note 6.3 “Interest expense”.

The table below shows the changes in fair value and the impact on interest income for the loan portfolio’s fair value hedge of interest rate risk.

December 31, 2025

		Change in fair value		Interest income
Banco de Occidente	Ps.	146	Ps.	784

December 31, 2025

		Change in fair value		Interest income
Banco de Occidente	Ps.	(83)	Ps.	595

10.5 Testing of Hedge Effectiveness

Grupo Aval’s subsidiaries consider hedging as highly effective if at the beginning and in subsequent periods, the hedging instrument highly offsets changes in fair value or in cash flows attributable to the risk hedged during the period for which the hedging has been designated. The hedging is considered as such if the effectiveness of the hedging is in a range between 80% and 125%. Such effectiveness is assessed by Grupo Aval’s entities at least quarterly and at the end of each accounting period. During the year 2025, 2024 and 2023 each hedging relationship has been effective.

Grupo Aval’s subsidiaries have documented the hedging effectiveness at the beginning of the hedging relationship. Grupo Aval’s subsidiaries evaluate the hedging relationship on a periodic basis as well as the result of the testing of hedge effectiveness.

10.6 Derivative Financial Instruments for hedging purposes comprise the following:

According to the information described above, the following table contains the fair value of derivative financial instruments used for hedging:

Item	December 31, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Forward contracts				
Foreign currency to buy	Ps. 78	Ps. 9,741	Ps. 10,623	Ps. 5,185
Foreign currency to sale	559	—	19	65
Subtotal	Ps. 637	Ps. 9,741	Ps. 10,642	Ps. 5,250
Swap				
Interest rate	235,921	25,101	43,377	16,408
Subtotal	Ps. 235,921	Ps. 25,101	Ps. 43,377	Ps. 16,408
Total hedge derivatives	Ps. 236,558	Ps. 34,842	Ps. 54,019	Ps. 21,658

NOTE 11 – LOANS

11.1 Loan Portfolio by Product

The distribution of the loan portfolio of Grupo Aval’s by product is shown as follows:

	December 31, 2025 ⁽¹⁾	December 31, 2024
Commercial		
General purpose loans	Ps. 80,975,412	Ps. 82,145,280
Loans funded by development banks	3,298,256	3,517,386
Working capital loans	10,884,896	16,624,543
Credit cards	344,409	338,168
Overdrafts	377,851	648,130

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	<u>December 31, 2025 ⁽¹⁾</u>	<u>December 31, 2024</u>
Leases	12,428,160	12,141,136
Interbank loans and overnight funds	1,777,516	705,055
Total commercial	Ps. 110,086,500	Ps. 116,119,698
Consumer		
Credit cards	Ps. 6,814,762	Ps. 7,266,716
Personal loans	15,990,343	14,442,142
Automobile and vehicle loans	4,360,959	5,834,498
Overdrafts	44,616	79,347
General purpose loans	209,448	152,803
Leases	12,973	18,808
Payroll loans	33,023,112	34,182,011
Total consumer	Ps. 60,456,213	Ps. 61,976,325
Mortgages		
Mortgages	Ps. 19,257,512	Ps. 19,714,057
Leases	2,854,198	2,321,670
Total mortgages	Ps. 22,111,710	Ps. 22,035,727
Microcredit	Ps. 1,520	Ps. 4,375
Gross balance of loan portfolio	Ps. 192,655,943	Ps. 200,136,125
Loss allowance loan portfolio ⁽²⁾	(8,429,970)	(10,006,639)
Net balance of loan portfolio	Ps. 184,225,973	Ps. 190,129,486

⁽¹⁾ The decrease corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽²⁾ See loss allowance reconciliations from the opening to the closing balance in note 4.1.5.

11.2 Loan portfolio by maturity

The distribution of Grupo Aval's loan portfolio by contractual maturity period is as follows:

December 31, 2025

	<u>Up to 1 year</u>	<u>From 1 to 3 years</u>	<u>From 3 to 5 years</u>	<u>More than 5 years</u>	<u>Total</u>
Commercial	Ps. 49,278,231	Ps. 29,694,500	Ps. 15,860,292	Ps. 13,475,961	Ps. 108,308,984
Consumer	11,207,153	14,398,577	11,566,323	23,284,160	60,456,213
Mortgage	1,119,825	1,739,368	1,963,065	17,289,452	22,111,710
Microcredit	802	100	22	596	1,520
Interbank and overnight funds	1,777,516	—	—	—	1,777,516
Total gross loan portfolio ⁽¹⁾	Ps. 63,383,527	Ps. 45,832,545	Ps. 29,389,702	Ps. 54,050,169	Ps. 192,655,943

⁽¹⁾ The decrease corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

December 31, 2024

	<u>Up to 1 year</u>	<u>From 1 to 3 years</u>	<u>From 3 to 5 years</u>	<u>More than 5 years</u>	<u>Total</u>
Commercial	Ps. 59,494,116	Ps. 30,333,667	Ps. 13,675,325	Ps. 11,911,535	Ps. 115,414,643
Consumer	10,887,363	14,549,074	11,342,281	25,197,607	61,976,325
Mortgage	990,277	1,427,865	1,605,095	18,012,490	22,035,727
Microcredit	3,402	209	236	528	4,375
Interbank and overnight funds	705,055	—	—	—	705,055
Total gross loan portfolio	Ps. 72,080,213	Ps. 46,310,815	Ps. 26,622,937	Ps. 55,122,160	Ps. 200,136,125

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

11.3 Financial Leasing portfolio

As of December 31, 2025, and 2024 the following table shows the reconciliation between gross investment in financial leasing and the present value of minimum payments to be received in these dates:

	December 31, 2025	December 31, 2024
Total gross rent payments receivable	Ps. 24,711,683	Ps. 23,631,711
Less amounts representing running costs (such as taxes, maintenance, insurances, etc.,)	(395)	(341)
Plus , estimated residual amount of assets given for rental (without guarantee)	34,858	41,170
Gross investment in contracts of financial leasing	24,746,146	23,672,540
Less unrealized financial income	(9,450,815)	(9,190,926)
Net investment in contracts of financial leasing	Ps. 15,295,331	Ps. 14,481,614
Loss allowance of net investment in financial leasing	Ps. (468,623)	Ps. (483,965)

The detailed information of gross investment and net investment in financial leasing contracts receivable as of December 31, 2025 and 2024 in each period is as follows:

	December 31, 2025	
	Gross investment	Net investment
Up to 1 year	Ps. 4,012,082	Ps. 2,714,800
From 1 to 5 years	10,105,384	6,267,950
More than 5 years	10,628,680	6,312,581
Total	Ps. 24,746,146	Ps. 15,295,331

	December 31, 2024	
	Gross investment	Net investment
Up to 1 year	Ps. 3,718,951	Ps. 2,280,167
From 1 to 5 years	9,735,614	5,831,107
More than 5 years	10,217,975	6,370,340
Total	Ps. 23,672,540	Ps. 14,481,614

The banks of Grupo Aval and subsidiaries grant loans through financial leasing mainly for acquisition of vehicles and computer equipment, generally with terms between 36 and 60 months, with a purchase option at price below the market price for the buyer at the end of the contract, for acquisition machinery and equipment with terms between 60 to 120 months, with a purchase option at price below the market price or for the time close to the economic life of the asset, and for housing leasing with terms between 120 to 240 months, transferring the asset at the end of the contract. These leasing contracts are granted at current market interest rates at inception.

NOTE 12 – OTHER ACCOUNTS RECEIVABLE, NET

Balances of other accounts receivable, net of impairment losses, comprise the following as of December 31, 2025 and 2024:

	Note	December 31, 2025	December 31, 2024
Contract assets ⁽¹⁾	12.1	Ps. 17,075,157	Ps. 19,269,344
Other accounts receivable ⁽²⁾	12.2	7,776,441	9,051,029
Total other accounts receivable		Ps. 24,851,598	Ps. 28,320,373
Impairment allowance contract assets	4.1.5	(8,455)	(9,103)
Loss allowance		(384,237)	(352,868)
Total other accounts receivable, net		Ps. 24,458,906	Ps. 27,958,402

⁽¹⁾ See Note 12.1 “Financial assets in concession arrangements”.

⁽²⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

12.1 Financial assets in concession arrangements

The following table provides information about assets from contracts with customers as of December 31, 2025 and 2024:

Contract assets	December 31, 2025	December 31, 2024
Financial assets in concession arrangements rights at fair value ⁽¹⁾⁽³⁾	Ps. 2,635,437	Ps. 4,181,835
Financial assets in concession arrangements rights at amortized cost ⁽¹⁾	14,439,720	15,087,509
Gross balance of other accounts receivable	Ps. 17,075,157	Ps. 19,269,344
Loss allowance ⁽²⁾	(8,455)	(9,103)
Total contract assets	Ps. 17,066,702	Ps. 19,260,241

⁽¹⁾ See note 16 details regarding concession arrangements rights.

⁽²⁾ See reconciliations simplified approach and general approach loss allowance on note 4.1.5.

⁽³⁾ Includes, as of December 31, 2025, the reclassification to property, plant and equipment for Ps. (2,648,078), due to the termination of the concession contract corresponding to the Ballena–Cartagena gas pipeline segment, operated by Promigas, in compliance with the contractual and regulatory conditions applicable to the natural gas transportation system. See Note 16 “Assets in concession contracts”. See Note 15 “Property, plant and equipment”.

12.2 Other accounts receivable

The detailed information of other accounts receivable measured at amortized cost, as of December 31, 2025 and 2024 is as follows:

Other accounts receivable	December 31, 2025 ⁽¹⁾	December 31, 2024
Debtors	Ps. 1,921,640	Ps. 2,135,285
Accounts receivable for goods and services sales in Non-financial sector companies	1,908,758	1,893,203
Credit card compensations and network compensation	504,715	1,101,495
Government	741,217	875,473
Payment in advance	836,799	871,648
Conditional contributions	653,347	684,801
Taxes	55,376	51,592
Others	1,154,589	1,437,532
Gross balance of other accounts receivable	Ps. 7,776,441	Ps. 9,051,029
Allowance for impairment of other accounts receivable	(384,237)	(352,868)
Other accounts receivable, net	Ps. 7,392,204	Ps. 8,698,161

⁽¹⁾ As of December 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

NOTE 13 – NON-CURRENT ASSETS HELD FOR SALE

The movement of the non-current assets held for sale during the years ended December 31, 2025 and 2024 is as follows:

	December 31, 2025	December 31, 2024
Initial Balance	Ps. 105,214	Ps. 101,184
Increases due to addition of assets received in payment	58,993	102,486
Assets sold, net	(51,651)	(57,229)
Increase / decrease due to changes in fair value	(867)	(4,662)
Reclassifications ⁽¹⁾	(40,708)	(44,457)
Effect of movements in exchange rates	—	4,501
Disposal of subsidiary Multi Financial Group ⁽²⁾	18,199,621	—
Discontinued operation ⁽³⁾	(13,989)	3,391
Final balance	Ps. 18,256,613	Ps. 105,214

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

- (1) Includes reclassifications made as of December 31, 2025: i) to investment properties for Ps. (26,604), ii) to other assets for Ps. (28,092), and iii) from own use for Ps. 13,988; for December 31, 2024 reclassifications: i) to investment properties by Ps. (22,370); ii) to other assets by Ps. (20,894); and iii) to Properties, plant and equipment for Ps. (1,193).
- (2) See note 13.A., "Assets and liabilities classified as held for sale of Multi Financial Group".
- (3) See note 13.B., "Discontinued operation related to Multi Financial Group".

The following is the detail of the non-current assets held for sale:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Foreclosed assets		
Vehicles	Ps. 6,464	Ps. 8,144
Other movable property	—	1,093
Residential real estate	4,403	24,361
Other real estate	21,939	40,930
	<u>Ps. 32,806</u>	<u>Ps. 74,528</u>
Assets received from leasing agreements		
Vehicles	247	—
Real estate	10,988	3,666
	<u>Ps. 11,235</u>	<u>Ps. 3,666</u>
Other non-current assets held for sale		
Land	Ps. —	Ps. 5,158
Real estate	5,893	14,889
Other	7,058	6,973
Disposal of subsidiary Multi Financial Group	18,199,621	—
	<u>Ps. 18,212,572</u>	<u>Ps. 27,020</u>
Total	<u>Ps. 18,256,613</u>	<u>Ps. 105,214</u>

The following is the detail of the associated liabilities to assets held for sale:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Other accounts payable	Ps. 2,372	Ps. 3,544
Disposal of subsidiary Multi Financial Group ⁽¹⁾	16,459,367	—
Total	<u>Ps. 16,461,739</u>	<u>Ps. 3,544</u>

(1) See note 13.A., "Assets and liabilities classified as held for sale of Multi Financial Group".

Non-current assets held for sale are primarily assets received through foreclosure of assets pledged as loan collateral. Accordingly, the entities of Grupo Aval has the intention to sell them immediately, our subsidiaries have departments, processes and special sales programs for this purpose. Foreclosed assets are either sold for cash or financing for their sale is provided to potential buyers under normal market conditions. These are expected to be sold within a period of 12 months subsequent to their classification as assets held for sale. There are option contracts in place for some of these assets. Note (4.1.8) on credit risk contains information on assets received through foreclosure and sold during the period.

13.A. – ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE OF MULTI FINANCIAL GROUP.

On November 27, 2025, Banco de Bogotá's subsidiary Multi Financial Holding, Inc. entered into a share purchase agreement with BAC International Corporation (BIC), a subsidiary of BAC Holding International Corp., for the disposal of 17,069,875 shares representing 99.569068% of the issued and outstanding shares of Multi Financial Group Inc. ("MFG"), the parent company of Multibank, Inc., at a price of US\$26.8611 per share.

Based on the foregoing, as of December 31, 2025, the subsidiary Multi Financial Group is presented in the Statement of Financial Position as a non-current asset held for sale and liabilities directly associated with the assets classified as held for sale, generating a discontinued operation in the Statement of Profit or Loss for the years 2025 and 2024.

At the time of classification, the assets and liabilities were measured at the lower of their carrying amount and their fair value less costs to sell. As a result of this analysis, an impairment loss of Ps.143,984 was recognized and presented within the results of the discontinued operation. The following table presents the detail of the impairment estimate recognized in balance sheet accounts:

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

		Values
Net carrying amount of assets recognized as non-current assets held for sale	Ps.	1,884,238
Fair value less costs to sell of assets recognized as non-current assets held for sale		1,740,254
Impairment to recognize	Ps.	143,984
Allocation of impairment for recognized assets		
Goodwill	Ps.	136,858
Intangibles	Ps.	7,126

The following assets and liabilities were reclassified as held for sale in connection with the discontinued operation as of December 31, 2025:

		2025 Value
Assets		
Cash and cash equivalents	Ps.	(401,098)
Trading assets		118,664
Investment securities		2,856,396
Loans:		
Commercial		7,730,539
Consumer		3,836,119
Mortgages		3,110,177
Interbank and overnight funds		138,892
		14,815,727
Loss allowance		(262,011)
Total loans, net		14,553,716
Other accounts receivable, net		383,898
Non-current assets held for sale		27,201
Tangible assets		
Property, plant and equipment for own-use and given in operating lease, net		197,768
Right-of-use assets		33,076
Investment properties		10,026
		240,870
Intangibles		
Other intangible assets		93,650
		93,650
Income tax assets:		
Current		54,618
Deferred		107,283
		161,901
Other assets		164,423
Total assets of disposal group held for sale	Ps.	18,199,621
Liabilities		
Customer deposits:		
Checking accounts	Ps.	1,313,320
Savings accounts		2,128,587
Time deposits		8,630,875
Other deposits		3,770
		12,076,552
Financial obligations:		
Interbank borrowings and overnight funds		94,089
Borrowings from banks and others		2,446,554
Bonds issued		1,407,405
		3,948,048
Provisions		
Non legal related		960
		960
Income tax liabilities:		
Current		1,495
Deferred		1,475

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

		2025
		Value
		2,970
Employee benefits		14,468
Other liabilities		416,369
Total liabilities of disposal group held for sale	Ps.	16,459,367
Net of assets and liabilities as non-current held for sale	Ps.	1,740,254

13.B. – DISCONTINUED OPERATION RELATED TO MILTI FINANCIAL GROUP.

The following details the Consolidated Statement of Income for the discontinued operation, along with the restatement required for the years ended December 31, 2025 and 2024, in accordance with IFRS 5:

	Notes	2025		2024
Discontinued operations				
Interest income calculated using the effective interest method				
Loan portfolio	Ps.	1,110,772	Ps.	1,137,243
Other accounts receivable		(17,547)		(38,874)
Investments in debt securities		117,024		111,661
Total interest income		1,210,249		1,210,030
Interest expense				
Deposits		(567,311)		(580,792)
Financial obligations		(271,068)		(289,050)
Total interest expense		(838,379)		(869,842)
Net interest income		371,870		340,188
Impairment (losses) recoveries on financial assets				
Loans and other accounts receivable		(158,774)		(139,539)
Other financial assets		4,269		825
Net impairment loss on financial assets		(154,505)		(138,714)
Net interest income, after impairment losses		217,365		201,474
Income from commissions and fees		179,544		138,540
Expenses from commissions and fees		(58,265)		(30,725)
Net income from commissions and fees		121,279		107,815
Net trading income		4,302		2,670
Other income		383,849		244,491
Other expenses		(668,923)		(526,337)
Income before income tax		57,872		30,113
Income tax	19	(31,226)		(4,449)
Net income (loss) for the period from discontinued operations	Ps.	26,646	Ps.	25,664
Net income (loss) attributable to owners of the parent				
Net income (loss) for the period from discontinued operations, net of tax		18,366		17,689
Owners of the parent	Ps.	18,366	Ps.	17,689
Net income (loss) attributable to non-controlling interests				
Net income (loss) for the period from discontinued operations, net of tax		8,280		7,975
Non-controlling interests	Ps.	8,280	Ps.	7,975
Net income (loss) for the period	Ps.	26,646	Ps.	25,664
Net income (loss) per share attributable to controlling interests (in Colombian pesos)	25	0.77		0.75

The following details the Other Comprehensive Income from the discontinued operation for the years ended December 31, 2025 and 2024:

	Note	2025		2024
Net income	Ps.	26,646	Ps.	25,664
Other comprehensive income				
Items that will be reclassified to profit or loss				
Net foreign investment coverage				
Unrealized net gain on fixed-income investments		171,542		50,695

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Note	2025	2024
		Ps.	Ps.
		171,542	50,695
Items that will not be reclassified to profit or loss			
Actuarial losses in employee retirement plans		(796)	(5,393)
Income tax		199	1,348
		(597)	(4,045)
Other comprehensive income, net of taxes	25.6	170,945	46,650
Total comprehensive income, net of taxes		Ps. 197,591	Ps. 72,314
Total comprehensive income for the year attributable to:			
Owners of the parent		135,679	49,702
Non-controlling interests		61,912	22,612
		Ps. 197,591	Ps. 72,314

The following details the Consolidated Statement of Cash Flows for the discontinued operation, along with the restatement required for prior periods in accordance with IFRS 5:

	Note	2025	2024
		Ps.	Ps.
Cash flows from discontinued operations MFG			
Net income before income tax		57,872	30,113
Net cash (used) provided operating activities		(2,013,798)	251,642
Net cash provided (used in) investing activities		895,588	(202,561)
Net cash provided (used) financing activities	21.3	37,780	(2,223)
Effect of foreign currency changes on cash and cash equivalents		(73,843)	99,854
(Decrease) increase in cash and cash equivalents		(1,154,273)	146,712
Cash and cash equivalents at beginning of year		753,175	606,463
Cash and cash equivalents at end of year		Ps. (401,098)	Ps. 753,175

NOTE 14 – INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The detail of the investments in associates and joint ventures for the years ended December 31, 2025, and 2024 is as follows:

	December 31, 2025		December 31, 2024	
	Ps.		Ps.	
Associates	1,312,746		1,429,186	
Joint ventures	1,683		1,410	
Total	Ps. 1,314,429		Ps. 1,430,596	

The following table shows the balances of each investment in associates and joint ventures as of December 31, 2025 and 2024:

	December 31, 2025		December 31, 2024	
	Ownership interest	Book value	Ownership interest	Book value
Associates				
Gas Natural de Lima y Callao S.A. - Cálidda	40 %	Ps. 573,723	40 %	Ps. 699,910
Gases del Caribe S.A. E.S.P.	31 %	357,602	31 %	348,946
Credibanco S.A.	25 %	221,955	25 %	216,185
Redeban Multicolor S.A.	20 %	44,266	20 %	47,967
A.C.H Colombia S.A.	34 %	51,253	34 %	39,182
Aerocali S.A.	50 %	28,140	50 %	35,507
ADL Digital Lab S.A.S.	34 %	18,970	34 %	17,756
Colombiana de Extrusión S.A. - Extrucol	30 %	13,395	30 %	14,484
Metrex S.A.	18 %	2,253	18 %	2,089
Energía Eficiente S.A.	33 %	1,189	33 %	2,249
Servicios de Identidad Digital S.A.S. ⁽¹⁾	— %	—	33 %	4,911
		Ps. 1,312,746		Ps. 1,429,186

(1) As of September 30, 2025, the Servicios de Identidad Digital S.A.S. associates was liquidated. There are no recorded liabilities or obligations associated with it.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	December 31, 2025		December 31, 2024	
	Ownership interest	Book value	Ownership interest	Book value
Joint ventures				
Rentek S.A.S	50 %	1,683	50 %	465
Renting Automayor S.A.S. ⁽¹⁾	— %	—	50 %	945
		Ps. 1,683		Ps. 1,410

(1) As of June 30, 2025, the Renting Automayor joint venture was liquidated. There are no recorded liabilities or obligations associated with it.

Most of our associates and joint ventures are domiciled in Colombia, with the exception of Gas Natural de Lima y Callao S.A. – Cálidda which resides in Perú.

The main corporate purpose of Grupo Aval's associates is described as follows:

	Associate	Corporate purpose
1	Gas Natural de Lima y Callao S.A. - Cálidda	Gas distribution
2	Gases del Caribe S.A. E.S.P.	Gas distribution
3	Credibanco S.A.	Payment processing
4	Redeban Multicolor S.A.	Payment processing
5	A.C.H Colombia S.A.	Automated clearing house
6	Aerocali S.A.	Projects in airport infrastructure
7	Colombiana de Extrusión S.A. - Extrucol	Networks and infrastructure
8	ADL Digital Lab S.A.S.	Tecnology or digital services
9	Metrex S.A.	Manufacturing and commercialization of industrial equipment
10	Energía Eficiente S.A.	Gas distribution
11	Servicios de Identidad Digital S.A.S.	Digital services

As of December 31, 2025, and 2024, Grupo Aval did not have contingent assets as income receivable, that arose from any contractual difference with the gas distribution concession, other than a tariff recognition. There were also no contingent liabilities for fines or sanctions imposed by the Government in the development of these concession contracts for possible contractual breaches.

A roll-forward of investments in associates and joint ventures accounts is shown below for the years ended December 31, 2025 and 2024:

Associates

	December 31, 2025	December 31, 2024
Balance at the beginning of the year	Ps. 1,429,186	Ps. 1,288,641
Acquisitions	—	2,486
Participation in the profit or loss of the period	350,662	379,028
Participation in Other Comprehensive Income	(56,424)	15,329
Dividends declared	(339,018)	(314,504)
Liquidated entity	—	—
Effect of movements in exchange rates ⁽¹⁾	(71,660)	58,206
Balance at the end of the year	Ps. 1,312,746	Ps. 1,429,186

(1) Corresponds to the variation in the TRM during 2025 of Ps. (652.07) per dollar and for 2024 Ps. 587.10 per dollar.

Joint ventures

	December 31, 2025	December 31, 2024
Balance at the beginning of the year	Ps. 1,410	Ps. 2,042
Participation in the period profit or loss	273	(632)
Balance at the end of the year	Ps. 1,683	Ps. 1,410

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The condensed financial information of the associates and joint ventures accounted for under the equity method is as follows:

Associates

At the time calculating the equity method, the year-end financial information of some associates was not available. Therefore, the financial information of immediately preceding month for the years 2025 and 2024 was used.

December 31, 2025

	Assets	Liabilities	Equity	Income	Expenses	Net income LTM
Gas Natural del Lima y Callao S.A. - Cálidda	Ps. 6,204,218	Ps. 4,803,759	Ps. 1,400,459	Ps. 3,734,932	Ps. 3,291,043	Ps. 443,889
Gases del Caribe S.A. E.S.P.	4,817,617	3,625,934	1,191,684	3,520,991	3,174,260	346,731
Credibanco S.A.	1,045,699	159,027	886,672	607,405	570,946	36,459
Redeban Multicolor S.A.	1,586,493	1,367,392	219,101	618,712	598,855	19,858
A.C.H Colombia S.A.	201,087	49,488	151,599	348,505	243,264	105,241
Aerocali S.A.	77,925	21,645	56,280	201,140	165,874	35,266
ADL Digital Lab S.A.S.	98,554	42,760	55,794	101,926	98,358	3,568
Colombiana de Extrusión S.A. Extrucol	126,511	81,864	44,646	154,728	147,213	7,515
Metrex S.A.	51,127	38,607	12,520	75,916	72,468	3,448
Energía Eficiente S.A.	123,107	105,497	17,610	380,634	379,815	818
Servicios de Identidad Digital S.A.S. ⁽¹⁾	—	—	—	—	—	—

(1) As of September 30, 2025, the Servicios de Identidad Digital S.A.S. associates was liquidated. There are no recorded liabilities or obligations associated with it.

December 31, 2024

	Assets	Liabilities	Equity	Income	Expenses	Net income LTM
Gas Natural de Lima y Callao S.A. - Cálidda	Ps. 6,979,152	Ps. 5,251,752	Ps. 1,727,400	Ps. 3,647,158	Ps. 3,223,946	Ps. 423,212
Gases del Caribe S.A. E.S.P.	4,578,075	3,417,111	1,160,964	3,590,647	3,213,198	377,449
Redeban Multicolor S.A.	9,622,497	9,405,167	217,330	565,481	534,150	31,331
Credibanco S.A.	443,908	165,954	277,954	410,808	377,354	33,454
A.C.H Colombia S.A.	999,582	870,224	129,358	371,014	251,664	119,350
Aerocali S.A.	125,470	54,456	71,014	259,537	207,302	52,235
ADL Digital Lab S.A.S.	89,275	37,050	52,225	100,662	84,412	16,250
Colombiana de Extrusión S.A. - Extrucol	115,757	67,478	48,279	161,882	146,334	15,548
Metrex S.A.	44,452	32,841	11,611	67,163	64,669	2,494
Energía Eficiente S.A.	112,296	91,629	20,667	256,529	256,235	294
Servicios de Identidad Digital S.A.S.	31,639	17,367	14,272	145	4,478	(4,333)

Joint Ventures

At the time calculating the equity method, the year-end financial information of joint ventures was not available. Therefore, the information of immediately preceding month for the years 2025 and 2024 was used.

December 31, 2025

	Assets	Liabilities	Equity	Income	Expenses	Net income LTM
Rentek S.A.S	Ps. 26,525	Ps. 23,158	Ps. 3,367	Ps. 16,119	Ps. 13,682	Ps. 2,437
Renting Automayor S.A. ⁽¹⁾	—	—	—	—	—	—

(1) As of June 30, 2025, the Renting Automayor joint venture was liquidated. There are no recorded liabilities or obligations associated with it.

December 31, 2024

	Assets	Liabilities	Equity	Income	Expenses	Net income LTM
Rentek S.A.S	Ps. 29,131	Ps. 28,202	Ps. 929	Ps. 15,453	Ps. 14,524	Ps. 929
Renting Automayor S.A.	102,899	101,008	1,891	29,928	32,121	(2,193)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

NOTE 15 – TANGIBLE ASSETS

The movement of the carrying value amounts of tangible assets for the period ended on December 31, 2025 and 2024 is as follows:

Cost	For own use ⁽¹⁾		Right-of-use assets		Investment properties ⁽²⁾		Given in operating leases		Biological assets ⁽³⁾		Total
	Ps.		Ps.		Ps.		Ps.		Ps.		
Balance as of January 1, 2024	Ps. 7,113,556		Ps. 2,250,768		Ps. 906,469		Ps. 129,081		Ps. 230,672		Ps. 10,630,546
Increase / (decrease) due to changes in the lease variables	—		177,314		—		—		—		177,314
Purchases or capitalized expenses ⁽⁴⁾	631,313		185,779		37,859		9,835		26,572		891,358
Withdrawals / Sales ⁽⁵⁾	(417,570)		(145,986)		(85,975)		(117)		(26,494)		(676,142)
Changes in fair value	—		—		36,705		—		7,589		44,294
Revaluation of investment properties	—		—		16,935		—		—		16,935
Transfers to/from non-current assets held for sale	186		—		22,370		—		—		22,556
Discontinued operations ⁽⁶⁾	(4,343)		—		(864)		—		—		(5,207)
Effect of movements in exchange rates	97,963		27,212		6,966		—		—		132,141
Reclassifications	(52,930)		(47,325)		32,470		(8,468)		—		(76,253)
Balance as of December 31, 2024	Ps. 7,368,175		Ps. 2,447,762		Ps. 972,935		Ps. 130,331		Ps. 238,339		Ps. 11,157,542
Increase / (decrease) due to changes in the lease variables	—		146,733		—		—		—		146,733
Purchases or capitalized expenses ⁽⁴⁾	585,117		360,573		165,271		16,888		27,222		1,155,071
Withdrawals / Sales ⁽⁵⁾	(598,233)		(110,398)		(344,236)		(3,213)		(33,548)		(1,089,628)
Changes in fair value	—		—		68,306		—		3,396		71,702
Revaluation of investment properties	—		—		404		—		—		404
Transfers to/from non-current assets held for sale	(17,297)		—		26,604		—		—		9,307
Transfers from other accounts receivable for concession contracts and intangible assets ⁽⁷⁾	2,816,301		—		—		—		—		2,816,301
Discontinued operations ⁽⁶⁾	(65,829)		—		2,734		—		—		(63,095)
Reclassification MFG operation ⁽⁸⁾	(247,186)		(87,040)		(10,026)		—		—		(344,252)
Effect of movements in exchange rates	(120,183)		(26,421)		(7,868)		—		—		(154,472)
Reclassifications	(18,279)		(1,754)		8,855		(13,473)		—		(24,651)
Balance as of December 31, 2025	Ps. 9,702,586		Ps. 2,729,455		Ps. 882,979		Ps. 130,533		Ps. 235,409		Ps. 13,680,962

Accumulated Depreciation:	For own use ⁽¹⁾		Right-of-use assets		Investment properties ⁽²⁾		Given in operating leases		Biological assets ⁽³⁾		Total
	Ps.		Ps.		Ps.		Ps.		Ps.		
Balance as of January 1, 2024	Ps. (2,680,412)		Ps. (913,811)		Ps. —		Ps. (34,682)		Ps. —		Ps. (3,628,905)
Depreciation of the year charged against profit or loss	(273,582)		(265,586)		—		(22,677)		—		(561,845)
Withdrawals / Sales ⁽⁵⁾	226,338		99,664		—		22		—		326,024
Transfers to/from non-current assets held for sale	1,007		—		—		—		—		1,007
Discontinued operations ⁽⁶⁾	(11,787)		(10,485)		—		—		—		(22,272)
Effect of movements in exchange rates	(20,173)		(10,006)		—		—		—		(30,179)
Reclassification	(2,171)		4,086		—		7,498		—		9,413
Balance as of December 31, 2024	Ps. (2,760,780)		Ps. (1,096,138)		Ps. —		Ps. (49,839)		Ps. —		Ps. (3,906,757)
Depreciation of the year charged against profit or loss	(294,386)		(281,007)		—		(22,504)		—		(597,897)
Withdrawals / Sales ⁽⁵⁾	237,052		73,101		—		1,280		—		311,433
Transfers to/from non-current assets held for sale	3,309		—		—		—		—		3,309
Discontinued operations ⁽⁶⁾	(9,269)		(10,799)		—		—		—		(20,068)
Reclassification MFG operation ⁽⁸⁾	49,418		53,964		—		—		—		103,382
Effect of movements in exchange rates	22,079		12,998		—		—		—		35,077
Reclassification	(11,807)		462		—		13,031		—		1,686
Balance as of December 31, 2025	Ps. (2,764,384)		Ps. (1,247,419)		Ps. —		Ps. (58,032)		Ps. —		Ps. (4,069,835)

Impairment losses:	For own use ⁽¹⁾		Right-of-use assets		Investment properties ⁽²⁾		Given in operating leases		Biological assets ⁽³⁾		Total
	Ps.		Ps.		Ps.		Ps.		Ps.		
Balance as of January 1, 2024	Ps. (5,341)		Ps. —		Ps. —		Ps. (410)		Ps. —		Ps. (5,751)
Year impairment charge	(3,988)		—		—		356		—		(3,632)
Effect of movements in exchange rates	(22)		—		—		—		—		(22)
Reclassification	2,061		—		—		—		—		2,061
Balance as of December 31, 2024	Ps. (7,290)		Ps. —		Ps. —		Ps. (54)		Ps. —		Ps. (7,344)
Year impairment charge	335		—		—		(8)		—		327
Withdrawals / Sales ⁽⁵⁾	4,087		—		—		—		—		4,087
Effect of movements in exchange rates	103		—		—		—		—		103
Balance as of December 31, 2025	Ps. (2,765)		Ps. —		Ps. —		Ps. (62)		Ps. —		Ps. (2,827)

Tangible assets, net:	For own use ⁽¹⁾		Right-of-use assets		Investment properties ⁽²⁾		Given in operating leases		Biological assets ⁽³⁾		Total
	Ps.		Ps.		Ps.		Ps.		Ps.		
Balance as of December 31, 2024	Ps. 4,600,105		Ps. 1,351,624		Ps. 972,935		Ps. 80,438		Ps. 238,339		Ps. 7,243,441
Balance as of December 31, 2025 ⁽⁹⁾	Ps. 6,935,437		Ps. 1,482,036		Ps. 882,979		Ps. 72,439		Ps. 235,409		Ps. 9,608,300

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

- (1) Assets for own use different than assets given in operating lease are included.
- (2) Cost is included at fair value. The total of purchases of investment properties, includes assets received in total or partial settlement of the payment obligations of debtors at December 31, 2025 for Ps. 157,008 and at December 31, 2024 for Ps. 37,049; other movements at December 31, 2024 for Ps.17.
- (3) See note 5.3, "Fair value determination".
- (4) The amount of purchases for own use assets include: (i) Capitalized expenses at December 31, 2025 for Ps. 4,096 and at December 31, 2024 for Ps. 4,250; (ii) Dismantling cost at December 31, 2025 for Ps. 658 and at December 31, 2024 for Ps. 779; (iii) Dividends received in kind at Corficolombiana for December 31, 2025 for Ps.1,651, (iv) Discontinued operation for December 31, 2025 for Ps. 4,203 and at December 31, 2024 for Ps. 12,223.
- (5) This includes the recognition of write-offs for assets transferred to the Nexus Investment Fund. As of December 31, 2025, for own use amount to Ps. (389,858) and for investment properties to Ps. (57,162). As of December 31, 2024, for own use amount to Ps. (51,499) and for investment properties to Ps. (5,209).
- (6) See note 13.B., "Discontinued operation related to Multi Financial Group".
- (7) As of December 31, 2025, the reclassification from financial assets of Ps. 2,648,078 and from intangible assets - concessions of Ps. 168,222; due to the termination of the concession contract for the Ballena–Cartagena gas pipeline section, operated by Promigas, in compliance with the contractual and regulatory conditions applicable to the natural gas transportation system. See note 12.1 "Assets in concession contracts". See note 16 "Assets in concession contracts".
- (8) This corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.
- (9) As of December, 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

15.1. Property, plant and equipment for own use

The following is the detail of the balance as of December 31, 2025 and 2024, for each type of property, plant and equipment for own use:

December 31, 2025	Cost ⁽¹⁾	Accumulated depreciation	Impairment Loss	Carrying amount
Land	Ps. 508,911	Ps. —	Ps. (1,866)	Ps. 507,045
Buildings	1,073,721	(347,660)	(703)	725,358
Office equipment and accessories	640,006	(498,112)	(47)	141,847
Information technology equipment	1,503,419	(1,021,605)	(147)	481,667
Vehicles	98,071	(78,092)	—	19,979
Equipment and machinery ⁽²⁾	5,057,435	(639,478)	(2)	4,417,955
Warehouses	11,096	(3,564)	—	7,532
Improvements in leaseholds properties	185,840	(129,081)	—	56,759
Construction in progress	292,211	—	—	292,211
Bearer plants	331,876	(46,792)	—	285,084
Balance as of December 31, 2025 ⁽³⁾	Ps. 9,702,586	Ps. (2,764,384)	Ps. (2,765)	Ps. 6,935,437

December 31, 2024	Cost ⁽¹⁾	Accumulated depreciation	Impairment loss	Carrying amount
Land	Ps. 758,682	Ps. —	Ps. (1,865)	Ps. 756,817
Buildings	1,624,279	(406,255)	(812)	1,217,212
Office equipment and accessories	645,546	(499,752)	(30)	145,764
Information technology equipment	1,521,882	(1,002,890)	(175)	518,817
Vehicles	98,918	(79,629)	—	19,289
Equipment and machinery	1,957,838	(592,451)	(4,408)	1,360,979
Warehouses	11,037	(3,391)	—	7,646
Improvements in leaseholds properties	226,588	(133,298)	—	93,290
Construction in progress	208,234	—	—	208,234
Bearer plants	315,171	(43,114)	—	272,057
Balance as of December 31, 2024	Ps. 7,368,175	Ps. (2,760,780)	Ps. (7,290)	Ps. 4,600,105

⁽¹⁾ The cost of the tangible assets for own use includes borrowing costs capitalized for Ps. 20,057, at December 31, 2025 and for Ps. 12,666, at December 31, 2024 with a capitalized interest rate (weighted average) of 18.16% and 14.87% respectively.

⁽²⁾ It includes the reclassification due to the termination of the Ballena–Cartagena concession contract with Promigas, in compliance with the contractual and regulatory conditions applicable to the natural gas transportation system. See note 15 "Tangible Assets".

⁽³⁾ As of December, 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

15.2 Right-of-use assets:

The following tables shows the balance at December 31, 2025 and 2024, by type of right-of-use asset recognized as part of tangible assets:

December 31, 2025	Cost	Accumulated depreciation	Carrying amount
Land	Ps. 41,578	Ps. (7,082)	Ps. 34,496
Buildings	2,016,220	(846,610)	1,169,610
Office equipment and accessories	12,451	(6,334)	6,117
Information technology equipment	163,048	(123,149)	39,899
Vehicles	62,774	(42,514)	20,260
Equipment and machinery	250,319	(123,480)	126,839
Warehouses	183,065	(98,250)	84,815
Balance as of December 31, 2025 ⁽¹⁾	Ps. 2,729,455	Ps. (1,247,419)	Ps. 1,482,036

December 31, 2024	Cost	Accumulated depreciation	Carrying amount
Land	Ps. 45,789	Ps. (8,544)	Ps. 37,245
Buildings	1,792,794	(747,684)	1,045,110
Office equipment and accessories	4,887	(4,441)	446
Information technology equipment	152,662	(104,341)	48,321
Vehicles	62,700	(39,107)	23,593
Equipment and machinery	226,216	(110,288)	115,928
Warehouses	162,714	(81,733)	80,981
Balance as of December 31, 2024	Ps. 2,447,762	Ps. (1,096,138)	Ps. 1,351,624

⁽¹⁾ As of December, 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

15.3 Investment properties

The following is the detail of the existing investment properties, for the periods ended December 31, 2025 and 2024:

December 31, 2025	Cost	Accumulated adjustments to fair value	Carrying amount
Land	Ps. 282,748	Ps. 302,379	Ps. 585,127
Buildings	227,547	70,305	297,852
Balance as of December 31, 2025 ⁽¹⁾	Ps. 510,295	Ps. 372,684	Ps. 882,979

December 31, 2024	Cost	Accumulated adjustments to fair value	Carrying amount
Land	Ps. 278,186	Ps. 275,084	Ps. 553,270
Buildings	349,249	70,416	419,665
Balance as of December 31, 2024	Ps. 627,435	Ps. 345,500	Ps. 972,935

⁽¹⁾ As of December, 2025 the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

The following amounts have been recognized in the Consolidated Statement of Income during the years ended on December 31, 2025 and 2024 in relation to investments properties:

	December 31, de 2025	December 31, de 2024
Income from rents	Ps. 8,716	Ps. 9,863
Direct operating expenses deriving from property investments which create income from rent	(7,732)	(1,045)
Direct operating expenses deriving from property investments which do not create income from rent	(5,857)	(11,274)
	Ps. (4,873)	Ps. (2,456)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

15.4 Tangible assets given in operating leases:

The following is the detail of the balance as of December 31, 2025 and 2024, by type of property, plant and equipment given in operating lease:

December 31, 2025	Cost	Accumulated depreciation	Impairment loss	Carrying amount
Computing equipment	Ps. 42,358	Ps. (29,647)	Ps. —	Ps. 12,711
Vehicles	64,933	(18,720)	—	46,213
Mobilization equipment and machinery	23,242	(9,665)	(62)	13,515
Balance as of December 31, 2025	Ps. 130,533	Ps. (58,032)	Ps. (62)	Ps. 72,439

December 31, 2024	Cost	Accumulated depreciation	Impairment loss	Carrying amount
Computing equipment	Ps. 42,980	Ps. (26,431)	Ps. —	Ps. 16,549
Vehicles	63,243	(15,408)	—	47,835
Mobilization equipment and machinery	24,108	(8,000)	(54)	16,054
Balance as of December 31, 2024	Ps. 130,331	Ps. (49,839)	Ps. (54)	Ps. 80,438

15.5 Non-cash transactions:

The following details are the non-monetary items associated with investment and financing activities.

Non-cash investing activities:

	December 31, 2025	December 31, 2024
Additions of properties by right of use	Ps. 462,313	Ps. 185,218
Additions of goods received in payment	248,792	139,535
Leaseback transactions	642,981	152,497
Reclassification of financial assets to owner-occupied properties	2,816,301	—
Reclassification of financial assets to intangibles	27,738	—
Total non-cash	Ps. 4,198,125	Ps. 477,250

NOTE 16 – CONCESSION ARRANGEMENTS RIGHTS

The following is the balance of the assets in concession arrangements registered in the Group as of December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
Financial assets at fair value ⁽¹⁾	Ps. 2,635,437	Ps. 4,181,835
Financial asset at amortized cost net ⁽²⁾	14,431,265	15,078,406
Total financial assets in concession arrangements rights ⁽³⁾	Ps. 17,066,702	Ps. 19,260,241
Intangible assets ⁽¹⁾	13,495,108	14,314,560
Total assets in concession arrangements rights	Ps. 30,561,810	Ps. 33,574,801

⁽¹⁾ The variation corresponds to the termination of the concession agreement for the Ballena–Cartagena gas pipeline section, operated by Promigas, in compliance with the contractual and regulatory conditions applicable to the natural gas transportation system. As a result, the asset is reclassified as property, plant, and equipment, with Promigas remaining as its operator. See note 12.1, “Assets under concession agreements” and 16.2 “Financial assets in concession arrangements”.

⁽²⁾ As of December 31, 2025 and 2024, the balance of the financial asset at amortized cost includes an impairment expense of Ps. 648 and Ps. (709) respectively, see note 16.1.

⁽³⁾ See note 12.1, “Assets under concession agreements”.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

16.1 Financial Assets in Concession Arrangements

The following table shows the changes in financial assets in concession arrangements registered in Grupo Aval's subsidiaries for the years ended on December 31, 2025 and 2024:

	Energy and Gas			Infrastructure	
	At fair value	At amortized cost	Total	At amortized cost	Total
Balance as of January 1, 2024	Ps. 3,830,916	Ps. 114,563	Ps. 3,945,479	Ps. 13,867,341	Ps. 17,812,820
Additions or new concession arrangements	—	76,572	76,572	1,100,702	1,177,274
Collections during the year	—	(74,231)	(74,231)	(897,403)	(971,634)
Adjustment to fair value	350,919	—	350,919	—	350,919
Accrued interest	—	—	—	861,175	861,175
Year impairment charge	—	—	—	(709)	(709)
Effect of movements in exchange rates	—	30,396	30,396	—	30,396
Balance as of December 31, 2024	Ps. 4,181,835	Ps. 147,300	Ps. 4,329,135	Ps. 14,931,106	Ps. 19,260,241
Additions or new concession arrangements	—	19,451	19,451	543,610	563,061
Transfers to PPE ⁽¹⁾	(2,648,078)	—	(2,648,078)	—	(2,648,078)
Transfers from intangible concession assets to other receivables ⁽¹⁾	478,517	—	478,517	—	478,517
Collections during the year ⁽²⁾	—	(155,978)	(155,978)	(1,947,215)	(2,103,193)
Adjustment to fair value	623,163	—	623,163	—	623,163
Accrued interest	—	—	—	879,130	879,130
Year impairment charge	—	—	—	648	648
Effect of movements in exchange rates	—	13,213	13,213	—	13,213
Balance as of December 31, 2025	Ps. 2,635,437	Ps. 23,986	Ps. 2,659,423	Ps. 14,407,279	Ps. 17,066,702

⁽¹⁾ This corresponds to the transfer to property, plant, and equipment of the value assigned to the residual control of the assets associated with the Ballena-Cartagena contract, in compliance with the contractual and regulatory conditions applicable to the natural gas transportation system. See note 12.1, "Assets in concession contracts." See note 15, "Tangible assets."

⁽²⁾ As of December 31, 2025, advances received under Infrastructure relate to Concesionaria Vial del Oriente S.A.S. for Ps. (547,452) and Concesionaria Vial del Pacifico S.A.S. for Ps. (1,399,763). As of December 31, 2024, advances received under Infrastructure relate to Concesionaria Panamericana S.A. for Ps. (27,795), Concesionaria Vial del Oriente S.A.S. for Ps. (848,947), and Concesionaria Vial del Pacifico S.A.S. for Ps. (20,661).

16.2 Intangible Assets in Concession Arrangements

The following table shows the movements of the main concession arrangements in Grupo Aval's subsidiaries under intangible assets during years ended at December 31, 2025 and 2024:

Cost	Energy and Gas	Infrastructure	Total
Balance as of January 1, 2024	Ps. 7,108,173	Ps. 8,239,871	Ps. 15,348,044
Additions ⁽¹⁾	741,423	708	742,131
Transfers to PPE	244	—	244
Transfer to non-current assets held for sale	(33,400)	—	(33,400)
Withdrawals	(21,794)	—	(21,794)
Effect of movements in exchange rates ⁽²⁾	472,522	—	472,522
Balance as of December 31, 2024	Ps. 8,267,168	Ps. 8,240,579	Ps. 16,507,747
Additions ⁽¹⁾	726,404	—	726,404
Transfers to Other Intangible Assets ⁽³⁾	(31,347)	—	(31,347)
Transfers to / from PPE ⁽³⁾	(722,070)	—	(722,070)
Transfers to / from other accounts receivable for concession contracts ⁽³⁾⁽⁴⁾	(639,347)	62,940	(576,407)
Withdrawals	(9,760)	—	(9,760)
Effect of movements in exchange rates ⁽²⁾	(571,471)	—	(571,471)
Balance as of December 31, 2025	Ps. 7,019,577	Ps. 8,303,519	Ps. 15,323,096
Accumulated Amortization	Energy and Gas	Infrastructure	Total
Balance as of January 1, 2024	Ps. (1,575,534)	Ps. (207,432)	Ps. (1,782,966)
Amortization of the year	(303,951)	(93,095)	(397,046)
Transfers to PPE	18	—	18
Transfer to non-current assets held for sale	26,426	—	26,426
Withdrawals	6,997	—	6,997
Effect of movements in exchange rates ⁽²⁾	(37,931)	—	(37,931)
Balance as of December 31, 2024	Ps. (1,883,975)	Ps. (300,527)	Ps. (2,184,502)
Amortization of the year	(319,923)	(86,002)	(405,925)

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Transfers to Other Intangible Assets ⁽³⁾	3,609	—	3,609
Transfers to / from PPE ⁽³⁾	551,313	—	551,313
Transfers to other accounts receivable for concession contracts ⁽³⁾	160,830	—	160,830
Withdrawals	3,136	—	3,136
Effect of movements in exchange rates ⁽²⁾	44,576	—	44,576
Balance as of December 31, 2025	Ps. (1,440,434)	Ps. (386,529)	Ps. (1,826,963)

Impairment loss	Energy and Gas	Infrastructure	Total
Balance as of January 1, 2024	Ps. (7,811)	Ps. —	Ps. (7,811)
Period impairment charge	(874)	—	(874)
Balance as of December 31, 2024	Ps. (8,685)	Ps. —	Ps. (8,685)
Transfers to / from PPE ⁽³⁾	2,535	—	2,535
Withdrawals	5,125	—	5,125
Balance as of December 31, 2025	Ps. (1,025)	Ps. —	Ps. (1,025)

Total Intangible Assets	Energy and Gas	Infrastructure	Total
Balance as of January 1, 2024	Ps. 5,524,828	Ps. 8,032,439	Ps. 13,557,267
Cost	1,158,995	708	1,159,703
Amortization	(308,441)	(93,095)	(401,536)
Impairment loss	(874)	—	(874)
Balance as of December 31, 2024 ⁽⁵⁾	Ps. 6,374,508	Ps. 7,940,052	Ps. 14,314,560
Cost	(1,247,591)	62,940	(1,184,651)
Amortization	443,541	(86,002)	357,539
Impairment loss	7,660	—	7,660
Balance as of December 31, 2025 ⁽³⁾⁽⁵⁾	Ps. 5,578,118	Ps. 7,916,990	Ps. 13,495,108

⁽¹⁾ Gas and Energy, includes borrowing costs capitalized for Ps. 44,136 as of December 31, 2025 and Ps. 39,433 as of December 31, 2024.

⁽²⁾ Corresponds to the variation in the TRM between January and December: Ps. (652.07) per U.S. dollar in 2025 and Ps. 587.1 in 2024.

⁽³⁾ For energy and gas, corresponds to the transfer of the value assigned to the residual control of the assets associated with the Ballena-Cartagena contract, in compliance with the contractual and regulatory conditions applicable to the natural gas transportation system. See note 12.1, "Assets in concession contracts." See note 15, "Tangible assets." See note 18, "Other intangible assets".

⁽⁴⁾ For infrastructure, corresponds to the recognition for tariff differential in accordance with Resolution No. 20253040030445 of August 4, 2025, which authorizes the increase of tolls to apply the collections that were not made during the years 2023 and 2024.

⁽⁵⁾ As of December 31, 2025, includes intangible assets arising from concession contracts under construction in the Energy and Gas segment amounting to Ps. 190,673. As of December 31, 2024, includes intangible assets arising from concession contracts under construction in the Energy and Gas segment amounting to Ps. 209,535.

The following is a summary of the main concession contracts granted to Grupo Aval's subsidiaries as of December 31, 2025:

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

<u>Concession Owner</u>	<u>Recognition</u>	<u>Business and country</u>	<u>Objective</u>	<u>Current stage</u>	<u>Contract date</u>	<u>Year of construction start</u>	<u>% Work Progress</u>	<u>Concession end date</u>
Gas and Energy								
Surtigas S.A. E.S.P.	Fair value / Intangible assets	Energy and Gas Colombia	Purchase, storage, packaging and distribution of gases derived from hydrocarbons.	Operation	03/1984 to 04/1994	1984	100 %	2034 to 2045
Transmetano E.S.P. S.A.	Fair value / Intangible assets	Energy and Gas Colombia	Construction, operation and maintenance of gas transportation systems.	Operation	08/1994	1996	100 %	2044
Promigas S.A. E.S.P.	Fair value / Intangible assets	Energy and Gas Colombia	Purchase, sale, transportation, distribution, exploitation and exploration of natural gas, oil and hydrocarbons in general.	Operation	05/1976 to 11/1994	1976	100 %	2026 to 2044
Promorientes S.A. E.S.P.	Fair value / Intangible assets	Energy and Gas Colombia	Construction, operation and maintenance of gas pipelines.	Operation	09/1995	1995	100 %	2045
Gases de Occidente S.A. E.S.P.	Fair value / Intangible assets	Energy and Gas Colombia	Transportation and distribution of liquefied petroleum gas and natural gas.	Operation	08/1998	1998	100 %	2047
Compañía Energética de Occidente S.A. E.S.P. ⁽¹⁾	Intangible assets	Energy and Gas Colombia	Administrative, operational, technical and commercial management for the provision of electrical energy.	Operation and construction	01/2010	2010	100 %	2035
Sociedad Portuaria El Cayao S.A. E.S.P.	Intangible assets	Energy and Gas Colombia	Construction, maintenance and administration of ports.	Operation	07/2015	2015	100 %	2035
Gases del Pacífico S.A.C.	Amortized cost / Intangible assets	Energy and Gas Perú	Purchase, sale, production, commercialization of energy in any of its forms.	Operation	10/2013	2015	100 %	2034
Gases del Norte del Perú S.A.C.	Amortized cost / Intangible assets	Energy and Gas Perú	Construction and distribution service of natural gas.	Operation and construction	11/2019	2020	100 %	2051
Infrastructure								
Proyectos de Infraestructura S.A.	Intangible assets	Infrastructure Colombia	Design, construction, equipment, conservation, operation and maintenance of road infrastructure.	Operation	12/1993	1994	100 %	2033
Concesionaria Panamericana S.A.S.	Amortized cost / Intangible assets	Infrastructure Colombia	Design, construction, equipment, conservation, operation and maintenance of road infrastructure.	Operation and maintenance	12/1997	2009	100 %	2035
Concesionaria Vial del Pacífico S.A.S.	Amortized cost	Infrastructure Colombia	Design, construction, equipment, conservation, operation and maintenance of road infrastructure.	Construction	09/2014	2018	97,00 %	2043
Concesionaria Nueva Vía del Mar S.A.S.	Amortized cost	Infrastructure Colombia	Design, construction, equipment, conservation, operation and maintenance of road infrastructure.	Preconstruction	01/2015	2027	4,11 %	2044
Concesionaria Vial Andina S.A.S.	Intangible assets	Infrastructure Colombia	Design, construction, equipment, conservation, operation and maintenance of road infrastructure.	Operation and maintenance	06/2015	2016	100 %	2054
Concesionaria Vial Del Oriente S.A.S.	Amortized cost	Infrastructure Colombia	Design, construction, equipment, conservation, operation and maintenance of road infrastructure.	Construction	07/2015	2018	98,32 %	2043

⁽¹⁾ The concession has an investment commitment for the expansion, replacement and improvement of the infrastructure which as of December 2025 has an advance of 62.34%.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

NOTE 17 – GOODWILL

The detail of the balance for goodwill as of December 31, 2025, and 2024 is as follows:

	December 31, 2025		December 31, 2024	
Balance at the beginning of the year	Ps.	2,223,608	Ps.	2,202,222
Impairment charge ⁽¹⁾		(5,880)		—
Discontinued operations ⁽²⁾		(136,858)		—
Effect of movements in exchange rates ⁽³⁾		(23,754)		21,386
Balance at the end of the year	Ps.	2,057,116	Ps.	2,223,608

- (1) Corresponds to the recognition of impairment over Concesionaria Panamericana S.A.S.
(2) See note 13.A., "Assets and liabilities classified as held for sale of Multi Financial Group"
(3) The foreign exchange adjustment is attributable to Multifinancial Group Inc.

The following is the detail of goodwill assigned per Cash Generating Units (CGU), representing the smallest identifiable levels which are monitored by Grupo Aval's management and which are not greater than the business' segments:

Goodwill carrying amount				
CGU	December 31, 2025		December 31, 2024	
Sociedad Administradora de Fondos de Pensiones, Cesantías y del CCAI				
Porvenir S.A.	Ps.	538,231	Ps.	538,231
Banco de Bogotá S.A. over Megabanco ⁽¹⁾		465,905		465,905
Banco Popular S.A.		358,401		358,401
Banco de Bogotá S.A.		301,222		301,222
Promigas S.A. and Subsidiaries		169,687		169,687
Banco de Bogotá S.A. over Multi Financial Group Inc. ⁽²⁾		—		160,612
Banco de Occidente S.A.		127,571		127,571
Concesionaria Panamericana S.A.S. ⁽³⁾		66,714		72,594
Banco de Occidente S.A. over Banco Unión ⁽¹⁾		22,724		22,724
Hoteles Estelar S.A.		6,661		6,661
Total goodwill	Ps.	2,057,116	Ps.	2,223,608

- (1) Goodwill recognized as a result of mergers between Banco de Bogotá and Megabanco, Banco de Occidente and Banco Unión.
(2) See note 13.A., "Assets and liabilities classified as held for sale of Multi Financial Group"
(3) The variation presented corresponds to the recognition of impairment on the CGU.

The recoverable amount of each cash generating unit was determined based on a valuation carried out by an appropriate expert. Such calculations used cash flow projections, covering periods from 5 to 11 years. Cash flows subsequent to these periods were extrapolated using estimated growth rates for such flows, not exceeding the average of the economic sector where the cash generating unit operates.

Below is the detail of the most significant values that comprise Goodwill:

A. Sociedad Administradora de Fondos de Pensiones, Cesantías y del CCAI Porvenir S.A.

Porvenir absorbed AFP Horizonte Pensiones y Cesantías S.A. and the goodwill in question was allocated to the groups of cash-generating units that together made up Porvenir later that same year.

The latest valuation update for the business lines of the groups of cash-generating units to which this goodwill was allocated, was done by an external adviser who issued his report in January, 2026, based on financial statements of Porvenir on September 30, 2025, and which was reviewed by management. The conclusion was that there are no situations that imply a possible impairment, given that the value in use of the groups of cash generating units associated with goodwill was Ps. 11,514,603, exceeding the book value by Ps. 7,734,572.

The following are the main assumptions used in the impairment test impairment testing on the dates listed, even though the valuation exercise includes a 11-years projection, the table shows five years because from year six onwards the projection rates do not show significant variations:

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2025					
	2026	2027	2028	2029	2030
Interest rate on investments	8.4 %	6.8 %	6.9 %	6.9 %	6.9 %
Borrowing rate	5.8 %	5.8 %	5.8 %	5.8 %	5.8 %
Growth in income from commissions	16.9 %	7.5 %	5.6 %	5.8 %	11.1 %
Growth in expenses	5.8 %	5.3 %	5.3 %	4.5 %	4.4 %
Inflation	3.1 %	3.0 %	3.0 %	3.0 %	3.0 %
Discount interest rate after taxes	9.3 %	7.5 %	7.8 %	7.8 %	7.8 %
Growth rate after eleven years	3.0 %				

December 31, 2024					
	2025	2026	2027	2028	2029
Interest rate on investments	8.6 %	6.8 %	6.9 %	6.9 %	6.9 %
Borrowing rate	5.8 %	5.8 %	5.8 %	5.8 %	5.8 %
Growth in income from commissions	15.1 %	22.0 %	5.2 %	6.9 %	6.0 %
Growth in expenses	9.4 %	5.6 %	5.2 %	4.9 %	4.2 %
Inflation	3.0 %	3.0 %	3.0 %	3.0 %	3.0 %
Discount interest rate after taxes	9.9 %	8.8 %	7.5 %	7.9 %	7.8 %
Growth rate after eleven years	3.0 %				

A 11-years projection was made to estimate goodwill based on macroeconomic assumptions and those related to the business, as indicated in the foregoing tables, which were determined as follows:

- Investments and borrowing rates were projected using historical data and data provided by the Company on the business.
- Investment interest rates correspond to returns on stabilization reserves.
- Borrowing rates correspond to the last observed value, on the understanding that if Porvenir acquires debt, it should pay that rate.
- Growth in expenses considers operating and miscellaneous expenses.
- The estimated increases in commissions and expenses are based on business growth and other transactions estimated by the Company.
- The inflation rate used in the projections is based on reports from outside sources, such as The International Monetary Fund and intragroup sources such as Corficolombiana's experienced independent research team.
- The growth rate used for the terminal value was 3.0%, which is the average projected inflation provided by the independent specialists.

The after-tax discount interest rate that was used to discount dividend flows reflects the specific risks relative to each cash-generating unit. If the estimated discount rate had been 0.5% higher than the estimated rate in the valuation done by external experts, there would be no need to reduce the book value of goodwill, since the value in use of the groups of cash-generating units assigned with goodwill would be Ps. 13,637,155 higher than this book value as of December, 2025 of Ps. 3,780,031.

B. Cash-generating units inside Banco de Bogotá

Goodwill was generated in 2006 with the acquisition of 94.99% of the shares of Banco de Crédito y Desarrollo Social – MEGABANCO S.A. and later merged with Banco de Bogotá. This operation was authorized by the Office of the Superintendency of Finance in Resolution No. 917 dated June 2, 2006.

The latest valuation update for the business lines of the groups of cash-generating units to which this goodwill was allocated, was done by an external adviser who issued his report in January, 2026, based on Banco de Bogotá's financial statements as of September 30, 2025, and which was reviewed by management. Given the merger with the acquired company, it was concluded that there are no situations that imply a possible impairment, given that the value in use of the groups of cash generating units associated with goodwill was Ps. 14,631,671 exceeds the book value by Ps. 7,652,115.

The following table shows the main assumptions used in the latest impairment tests of the groups of cash-generating units with allocated goodwill.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2025

	2026	2027	2028	2029	2030
Lending rate on the loan portfolio and investments	11.8 %	11.2 %	11.0 %	11.1 %	11.1 %
Borrowing rate	6.2 %	5.3 %	4.9 %	4.8 %	4.9 %
Growth in income from commissions	11.6 %	27.3 %	6.6 %	7.6 %	8.0 %
Growth in expenses	15.2 %	2.4 %	6.8 %	6.1 %	6.4 %
Inflation	3.4 %	2.9 %	2.9 %	2.9 %	2.9 %
Discount rate after taxes	12.4 %	11.1 %	11.2 %	11.2 %	11.2 %
Growth rate after five years	5.9 %				

December 31, 2024

	2025	2026	2027	2028	2029
Lending rate on the loan portfolio and investments	11.2 %	10.7 %	10.7 %	10.8 %	10.8 %
Borrowing rate	5.2 %	5.7 %	5.8 %	5.9 %	6.0 %
Growth in income from commissions	9.5 %	13.7 %	13.1 %	17.7 %	5.2 %
Growth in expenses	10.7 %	5.9 %	6.7 %	8.0 %	7.9 %
Inflation	5.3 %	3.0 %	3.0 %	3.0 %	3.0 %
Discount rate after taxes	13.2 %	12.1 %	10.8 %	11.4 %	11.3 %
Growth rate after five years	6.1 %				

A 5-years projection was made to estimate goodwill, based on macroeconomic assumptions and those related to the businesses listed in the foregoing tables. The following is a description of that process:

- The lending rates on loans and investments were projected based on the company and independent specialist expectations.
- The borrowing rates were projected based on the company and independent specialist expectations.
- Estimated growths for commissions are based on historical percentages, income on the net portfolio and expenses on the level of deposits.
- Estimated growth in administrative and personnel expenses are based on the growth expectations of the company to support the growth of assets and the development of its operation.
- The inflation rate used in the projections is based on reports from outside sources, such as The International Monetary Fund and intragroup sources such as Corficolombiana's experienced independent research team.
- The growth rate used for the terminal value was 5.9%, which corresponds to the growth company expectation for the long term.

The after-tax discount rate that was used to discount dividend flows reflects the specific risks relative to each cash-generating unit. If the estimated discount rate had been 0.5% higher than the estimated rate in the valuation done by external experts, there would be no need to reduce the book value of goodwill, since the value in use of the groups of cash-generating units assigned with goodwill would be Ps. 13,317,581, higher than this book value as of December, 2025 of Ps. 6,979,556.

C. Banco Popular S.A.

The acquisition process of Grupo Aval's stake in Banco Popular S.A. began in December 2006 and ended in September 2011, where Grupo Aval closed with a direct participation of 93.74%.

The latest valuation update for the business lines of the groups of cash-generating units to which this goodwill was allocated, was done by an external adviser who issued his report in February, 2026, based on Banco Popular's financial statements as of December 31, 2025 and which was reviewed by management. It was concluded that there are no situations that imply a possible impairment, given that the value in use of the groups of cash generating units associated with goodwill was Ps. 3,153,850 exceeds the book value by Ps. 375,722.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following table shows the main assumptions used in the latest impairment tests of the groups of cash-generating units with allocated goodwill.

	December 31, 2025				
	2026	2027	2028	2029	2030
Lending rate on the loan portfolio and investments	12.2 %	12.3 %	12.1 %	12.0 %	11.9 %
Borrowing rate	6.4 %	5.7 %	5.2 %	5.1 %	5.1 %
Growth in income from commissions	29.5 %	16.0 %	17.5 %	17.5 %	17.5 %
Growth in expenses	5.0 %	14.5 %	6.0 %	5.9 %	6.2 %
Inflation	3.1 %	3.0 %	3.0 %	3.0 %	3.0 %
Discount rate after taxes	12.3 %	10.4 %	10.9 %	10.9 %	10.9 %
Growth rate after five years	5.8 %				

	December 31, 2024				
	2025	2026	2027	2028	2029
Lending rate on the loan portfolio and investments	11.5 %	11.3 %	11.1 %	11.1 %	11.2 %
Borrowing rate	5.8 %	4.8 %	4.7 %	4.6 %	4.5 %
Growth in income from commissions	37.4 %	30.9 %	17.5 %	19.2 %	18.5 %
Growth in expenses	7.4 %	13.7 %	6.8 %	6.5 %	6.4 %
Inflation	3.5 %	3.0 %	3.0 %	3.0 %	3.0 %
Discount rate after taxes	14.5 %	12.4 %	10.8 %	11.4 %	11.4 %
Growth rate after five years	6.1 %				

A 5-years projection was made to estimate goodwill, based on macroeconomic assumptions and those related to the businesses listed in the foregoing tables. The following is a description of that process:

- The lending rates on loans and investments were projected based on the company and independent specialist expectations.
- The borrowing rates were projected based on the company and independent specialist expectations.
- Estimated growths for commissions are based on historical percentages, income on the net portfolio and expenses on the level of deposits.
- Estimated growth in administrative and personnel expenses are based on the growth expectations of the company to support the growth of assets and the development of its operation.
- The inflation rate used in the projections is based on reports from outside sources, such as The International Monetary Fund and intragroup sources such as Corficolombiana's experienced independent research team.
- The growth rate used for the terminal value was 5.8%, which corresponds to the growth company expectation for the long term.

The after-tax discount interest rate that was used to discount dividend flows reflects the specific risks relative to each cash-generating unit. If the estimated discount rate had been 0.5% higher than the estimated rate in the valuation done by external experts, there would be no need to reduce the book value of goodwill, since the value in use of the groups of cash-generating units assigned with goodwill would be Ps. 2,867,575, still exceeding book value as of December, 2025 of Ps. 2,778,128.

D. Banco de Bogotá S.A.

The latest valuation update for the business lines of the groups of cash-generating units to which this goodwill was allocated, was done by an external adviser who issued his report in February, 2026, based on Banco de Bogotá's financial statements as of December 31, 2025 and which was reviewed by management. It was concluded that there are no situations that imply a possible impairment, given that the value in use of the groups of cash generating units associated with goodwill was Ps. 17,625,648 exceeds the book value by Ps. 7,622,954.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

The following table shows the main assumptions used in the latest impairment tests of the groups of cash-generating units with allocated goodwill.

	December 31, 2025				
	2026	2027	2028	2029	2030
Lending rate on the loan portfolio and investments	11.8 %	11.2 %	11.0 %	11.1 %	11.1 %
Borrowing rate	6.2 %	5.4 %	5.0 %	4.9 %	5.0 %
Growth in income from commissions	11.6 %	27.3 %	6.6 %	7.6 %	8.0 %
Growth in expenses	15.2 %	3.3 %	7.5 %	6.9 %	5.8 %
Inflation	3.1 %	3.0 %	3.0 %	3.0 %	3.0 %
Discount rate after taxes	12.3 %	10.4 %	10.9 %	10.9 %	10.9 %
Growth rate after five years	5.8 %				

	December 31, 2024				
	2025	2026	2027	2028	2029
Lending rate on the loan portfolio and investments	10.9 %	10.4 %	10.5 %	10.5 %	10.5 %
Borrowing rate	5.6 %	4.7 %	4.6 %	4.6 %	4.4 %
Growth in income from commissions	9.9 %	13.1 %	12.5 %	15.9 %	6.4 %
Growth in expenses	11.3 %	7.0 %	7.9 %	9.2 %	7.7 %
Inflation	3.5 %	3.0 %	3.0 %	3.0 %	3.0 %
Discount rate after taxes	14.5 %	12.4 %	10.8 %	11.4 %	11.4 %
Growth rate after five years	6.1 %				

A 5-years projection was made to estimate goodwill, based on macroeconomic assumptions and those related to the businesses listed in the foregoing tables. The following is a description of that process:

- The lending rates on loans and investments were projected based on the company and independent specialist expectations.
- The borrowing rates were projected based on the company and independent specialist expectations.
- Estimated growths for commissions are based on historical percentages, income on the net portfolio and expenses on the level of deposits.
- Estimated growth in administrative and personnel expenses are based on the growth expectations of the company to support the growth of assets and the development of its operation.
- The inflation rate used in the projections is based on reports from outside sources, such as The International Monetary Fund and intragroup sources such as Corficolombiana's experienced independent research team.
- The growth rate used for the terminal value was 5.8%, which corresponds to the growth company expectation for the long term.

The after-tax discount rate that was used to discount dividend flows reflects the specific risks relative to each cash-generating unit. If the estimated discount rate had been 0.5% higher than the estimated rate in the valuation done by external experts, there would be no need to reduce the book value of goodwill, since the value in use of the groups of cash-generating units assigned with goodwill would be Ps. 15,973,992, still exceeding book value as of December, 2025 of Ps. 10,002,694.

NOTE 18 – OTHER INTANGIBLE ASSETS

The following table shows the movements of the other intangible assets during years ended on December 31, 2025 and 2024:

	Internally generated		Separate acquisition ⁽⁴⁾		Total
	Developing	In use	Ps.	Ps.	
Balance as of January 1, 2024	Ps. 1,201,443	Ps. 485,376	Ps. 695,608	Ps. 2,382,427	
Capitalizations / Acquisitions / Purchases	609,682	—	45,168	654,850	
Amortization	—	(112,936)	(164,352)	(277,288)	
Transfers	(665,019)	431,499	233,520	—	
Withdrawals	(1,494)	(3,232)	(4,487)	(9,213)	
Discontinued operations ⁽¹⁾	—	—	(12,562)	(12,562)	
Effect of movements in exchange rates	1,002	—	19,102	20,104	
Balance as of December 31, 2024	Ps. 1,145,614	Ps. 800,707	Ps. 811,997	Ps. 2,758,318	
Capitalizations / Acquisitions / Purchases	601,350	5,039	75,343	681,732	
Amortization	—	(174,754)	(187,171)	(361,925)	
Transfers	(831,840)	608,886	222,954	—	
Withdrawals	(7,021)	(8,694)	(158)	(15,873)	
Transfer from concessions ⁽²⁾	—	—	27,738	27,738	
Reclasification MFG operation ⁽³⁾	(3,432)	—	(90,218)	(93,650)	

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	<u>Internally generated</u>		<u>Separate acquisition ⁽⁴⁾</u>	<u>Total</u>
	<u>Developing</u>	<u>In use</u>		
Discontinued operations ⁽¹⁾	—	—	(19,148)	(19,148)
Effect of movements in exchange rates	(1,321)	—	(21,704)	(23,025)
Balance as of December 31, 2025	Ps. 903,350	Ps. 1,231,184	Ps. 819,633	Ps. 2,954,167

⁽¹⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

⁽²⁾ Corresponds to the termination of the concession contract for the Ballena–Cartagena gas pipeline section, operated by Promigas, in compliance with the contractual and regulatory conditions applicable to the natural gas transportation system. See note 16.2 "Intangible assets in concession arrangements".

⁽³⁾ Corresponds to the reclassification to Non-Current Assets Held for Sale of Multi Financial Group operation as of December 31, 2025, see note 13.A..

⁽⁴⁾ Separately Acquired Intangible Assets: These are intangible assets that, at the time of acquisition, are not in the location and condition necessary to operate as intended by management and require incurring costs directly attributable to preparing the asset for its intended use.

NOTE 19 – INCOME TAX

19.1 Components of the income tax expense

The income tax expense for the years ended on December 31, 2025 and 2024 comprises the following:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current period income tax	Ps. 918,835	Ps. 988,151
Income tax surcharge	41,787	40,792
Prior years adjustments	102,745	(12,630)
Subtotal current period taxes	Ps. 1,063,367	Ps. 1,016,313
Adjustment due to settlement of uncertain tax positions from prior years	—	(3,535)
Deferred taxes		
Deferred taxes current period	475,300	(80,353)
Deferred taxes - Prior years adjustments	(105,959)	9,553
Subtotal deferred taxes	Ps. 369,341	Ps. (70,800)
Total continued operations	Ps. 1,432,708	Ps. 941,978
Discontinued operations ⁽¹⁾	31,226	4,449
Total	Ps. 1,463,934	Ps. 946,427

⁽¹⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

19.2 Reconciliation of the Nominal Tax Rate and the Effective tax Rate

The tax rules in relation to the income tax applicable during the years 2025 and 2024, among other things, establish the following:

In Colombia

- Financial entities in Colombia that obtain taxable income more than 120,000 UVT (Unidades de Valor Tributario) during the year, determine their income tax at the income tax rate of 35% in addition a 5% surtax rate in the years 2024 and 2025. The individual value of the UVT is Ps. 49,799 pesos for the year 2025 and Ps. 47,065 pesos for the year 2024.
- The income tax rate applicable to corporations is 35% for the year 2026 and subsequent years and the income surtax applicable to financial institutions with taxable income equal to or greater than 120,000 UVT in the period is 5% for the years 2026 and 2027.
- Taxable income for occasional Gains are taxed at 15% in years 2025 and 2024.
- Gains of the entities that belong to the special free zone regime in Colombia is taxed at 20%.
- Taxes other than income tax, fees, and contributions related to income-generating activities are 100% deductible, and duly certified GMF is 50% deductible.
- The withholding tax rate for dividends received by national companies that do not constitute income or occasional profit is 10%. This withholding will be transferable to the resident individual or to the foreign investor.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

- Dividends declared against profits of 2016 and prior years will keep the treatment in effect at that time, and those corresponding to profits obtained as of 2017 that are declared as from 2023, will be governed by the rates provided in Law 2277 of December 2022.
- Tax loss carry forwards incurred since 2017 may be offset against company taxable income over the following twelve years. Tax loss carry forwards incurred prior to 2017 may be offset on the same terms applicable as of December 31, 2016, but they may not be fiscally readjusted.
- The excess of presumptive income determined as from the year 2017 may be offset with the ordinary net income obtained by the companies within the following 5 years. Until 2020 presumptive income existed in Colombia and as a consequence, the excess of presumptive income generated in 2020 will be the last ones subject to compensation in the following years.
- For the determination of income current tax as from January 1, 2017, the value of assets, liabilities, equity, income, costs and expenses, will apply the recognition and measurement systems, in accordance with the technical accounting regulatory frameworks in Colombia when the tax law expressly refers to them and in the cases in which it does not regulate the matter. The tax law may expressly provide for a different treatment.
- By Law 2294 of 2023, the audit benefit was extended for the years 2024, 2025 and 2026 for taxpayers that increase their net income tax of the taxable year in relation to the net income tax of the immediately preceding year by at least 35% and 25%, with which the income tax return will become final within 6 or 12 months following the date of its filing, respectively.
- With the Law of 2010 of 2019, the term of finality of the income tax return of taxpayers that determine or compensate tax losses or are subject to the transfer pricing regime, will be 5 years.
- The Constitutional Court provisionally suspended Decree 1390 of 2025, which had declared a state of economic and social emergency, as well as the tax measures of Legislative Decree 1474 of 2025 that depended on it. As a result, during the period analyzed, the 50% rate provided for financial institutions in the suspended regulation was not applied, and entities calculated deferred tax using the general rate of 40%.

In other countries

Grupo Aval international presence through its subsidiaries includes participation in jurisdictions such as Panama, Peru and Barbados. The Subsidiaries with a local license in Panama are taxed at the rate of 25%, while companies liable for income tax in Peru are taxed at the rate of 29.5% as of 2017. In Barbados they are taxed at the rate of 9% starting in 2025.

Below is the detailed reconciliation between total expenses of the income tax of Grupo Aval calculated at the applicable enacted tax rate and the tax expense recognized in the statement of income for the years ended on December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024 ⁽¹⁾
Profit before income tax	Ps. 4,621,234	Ps. 3,107,791
Enacted tax rate in Colombia	40 %	40 %
Theoretical income tax expense	1,848,494	1,243,116
Nondeductible expenses	456,190	633,879
Generation (offset) of tax losses considered non recoverable for income tax purpose ⁽²⁾	114,337	(140,284)
(Offset) of presumptive income considered non recoverable for income tax purpose	37	(518)
Nontaxable dividends	(50,680)	(59,381)
Nontaxable income under equity method in associates	(140,374)	(151,358)
Loss (profit) on sales or appraisal of investment	7,700	(19,997)
Nontaxable interest income and other income	(115,888)	(70,282)
Other nontaxable income	(313,556)	(265,218)
Revenues taxable at different tax rate	6,164	23,593
Tax benefits in the acquisition of property and equipment	(71,464)	(45,247)
Tax Discounts	(27,083)	(8,466)
Profits (losses) in Subsidiaries in tax free countries or with different tax rate ⁽³⁾	(272,958)	(197,909)
Effect on the deferred income tax due to changes in tax rates ⁽⁴⁾	(10,765)	59,802
Prior year adjustments	102,745	(12,630)
Adjustments due to uncertain tax positions in previous year	—	(3,535)
Deferred taxes - Prior years adjustments	(105,959)	9,553
With holding tax	10,934	11,957
Other	(5,166)	(65,097)
Total tax expense of the year	Ps. 1,432,708	Ps. 941,978
Effective income tax rate	31.00 %	30.31 %

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

- (1) The information was modified based on MFG's discontinuous operation; see note 13.B.
- (2) In 2025 Corficolombiana and its subsidiaries recorded new tax losses for Ps. 114,337, in 2024 used tax losses on which no deferred tax asset was recorded for Ps. (140,284). These tax loss carryforwards are not deferred tax assets because there is no certainty of their recoverability in the future.
- (3) The variation is explained because Corficolombiana consolidates companies of the real sector that are taxed at the 35% rate (no income surtax is applied), companies that have stabilized the income rate at 33% due to the validity of a legal stability contract, companies resident in Peru that are taxed at 29.5% and companies that apply special regimes such as free trade zones and hotel income. The variation is also explained by the fact that Banco Occidente consolidates its subsidiaries Nexa and Barbados at different tax rates.

19.3 Tax Losses and excess of Presumptive Income

The following table shows the detail of the tax loss carry forward and excess of presumptive income over taxable income of the entities of Grupo Aval that have not been utilized, and which are not recognized as deferred tax assets, as of December 31, 2025, and 2024.

	December 31, 2025 ⁽¹⁾	December 31, 2024
Tax loss carry forwards expiring on:		
December 31, 2025	Ps. —	Ps. 2,075
December 31, 2026	36	5,715
December 31, 2027	36	1,290
December 31, 2028	37	—
December 31, 2029	168,873	66,673
December 31, 2030	120,465	274,281
December 31, 2031	311,234	213,111
December 31, 2032	55,750	1,066
December 31, 2033	9,911	9,962
December 31, 2034	230,904	236,661
December 31, 2035	196,748	343,339
December 31, 2036	206,656	27,314
December 31, 2037	301,344	—
Without expiration date	419,211	427,839
Subtotal	Ps. 2,021,205	Ps. 1,609,326
Excess of presumptive income expiring on:		
December 31, 2025	Ps. —	Ps. 484
Subtotal	Ps. —	Ps. 484
Total	Ps. 2,021,205	Ps. 1,609,810

(1) Excluded are tax losses of entities that are part of the "Discontinued Operation on Multi Financial Group."

19.4 Deferred Taxes from Investments in Subsidiaries

According with IAS 12, Grupo Aval did not record deferred income tax liabilities related to temporary differences of investments in subsidiaries because: i) Grupo Aval has control over the subsidiaries and the dividend policy of its subsidiaries and it can decide about the reversal of such temporary differences; and ii) Grupo Aval does not expect their realization in the short term; therefore, it is probable that such temporary differences will not be reversed in the foreseeable future. As of December 31, 2025 and 2024, Grupo Aval did not record deferred tax liabilities related to taxable temporary differences of investments in subsidiaries of Ps. 7,833,687 and Ps. 7,653,035, respectively.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

19.5 Deferred taxes by Type of Temporary Difference

The differences between the carrying value of the assets and liabilities and their tax bases give rise to the following temporary differences which result in deferred taxes, calculated and recorded in the years ended on December 31, 2025 and 2024, based on current tax regulations as references for the years wherein such temporary differences will be reverted.

Year ended on December 31, 2025

	Balance as of January 1, 2025	Discontinued operations (1)	Credited (charged) to profit or loss	Credited (charged) to OCI	Foreign exchange adjustments	Balance as of December 31, 2025
Deferred tax assets						
Debt securities at fair value	Ps. 377,090	Ps. (108)	Ps. 182,547	Ps. 146,499	Ps. (22)	Ps. 706,006
Equity securities	1,882	—	(78)	(789)	—	1,015
Derivative instruments	665,556	—	141,061	(19,454)	—	787,163
Accounts receivable	36,913	—	(31,343)	—	—	5,570
Allowance for accounts receivable	19,703	—	2,943	—	(201)	22,445
Loans and receivables	117,587	—	(117,617)	—	—	(30)
Allowance for impairment on loans and receivables	255,704	(173,938)	(1,120)	—	(18,403)	62,243
Allowance for foreclosed assets	4,763	(3,983)	(105)	—	(620)	55
Property, plant and equipment costs	529,257	—	(20,327)	—	(14)	508,916
Depreciation of property, plant and equipment	31,443	—	9,611	—	305	41,359
Other intangible assets	301,911	—	(168,911)	—	—	133,000
Tax losses carry forward	1,241,058	(6,014)	399,716	—	(2,187)	1,632,573
Surplus of presumptive income	618	—	(604)	—	—	14
Provisions	335,854	—	73,930	—	—	409,784
Employee benefits	73,444	(1,427)	622	(2,712)	969	70,896
Intangible assets in concession contracts	1,528,690	—	156,671	—	—	1,685,361
Biological assets	58	—	287	—	—	345
Lease agreements	684,588	(7,074)	103,327	—	(26,172)	754,669
Foreign currency bonds	905,283	—	(205,341)	(218,483)	—	481,459
Foreign currency financial liabilities	48,253	—	20,956	(35,354)	—	33,855
Other	368,073	—	(163,232)	23,379	1,128	229,348
Subtotal	Ps. 7,527,728	Ps. (192,544)	Ps. 382,993	Ps. (106,914)	Ps. (45,217)	Ps. 7,566,046
Deferred tax liabilities						
Debt securities at fair value	Ps. (10,626)	Ps. —	Ps. (278)	Ps. 278	Ps. —	Ps. (10,626)
Equity securities	(202,009)	—	24,724	(10,862)	(237)	(188,384)
Derivative instruments	(661,253)	—	73,349	(72,503)	—	(660,407)
Accounts receivable	(33,485)	—	24,199	—	—	(9,286)
Allowance of investments securities	(488)	—	(37)	—	—	(525)
Loans and receivables	(36,417)	—	3,774	—	—	(32,643)
Allowance for impairment on loans and receivables	(640,405)	64,022	(243,029)	—	(1,860)	(821,272)
Foreclosed assets	(42,943)	—	4,290	—	—	(38,653)
Property plant and equipment costs ⁽²⁾	(268,208)	5,568	(519,928)	(360)	127	(782,801)
Depreciation of property, plant and equipment	(574,541)	—	(139,243)	—	327	(713,457)
Investment property	(58,307)	600	20,495	4,459	76	(32,677)
Right-of-use	(701,795)	7,627	(80,103)	—	38,926	(735,345)
Deferred charges and of intangible assets	(406,954)	11,969	106,188	—	1,843	(286,954)
Provisions	(3,522)	1,417	(790)	—	203	(2,692)
Employee benefits	(1,070)	749	93	40	(10)	(198)
Goodwill	(326,661)	—	—	—	—	(326,661)
Deferred Income	(1,616,436)	—	145,879	—	—	(1,470,557)
Financial assets in concession arrangements	(214,739)	—	(162,866)	—	—	(377,605)
Intangible assets in concession arrangements	(5,465,459)	—	75,357	—	45,532	(5,344,570)
Biological assets	(61,197)	—	(10,876)	—	—	(72,073)
Lease agreements	(5,873)	—	(2,227)	—	—	(8,100)
Foreign currency financial liabilities	(34,034)	—	31,538	—	—	(2,496)
Other	(149,569)	—	(102,843)	16,776	(4,456)	(240,092)
Subtotal	Ps. (11,515,991)	Ps. 91,952	Ps. (752,334)	Ps. (62,172)	Ps. 80,471	Ps. (12,158,074)
Total	Ps. (3,988,263)	Ps. (100,592)	Ps. (369,341)	Ps. (169,086)	Ps. 35,254	Ps. (4,592,028)

(1) See note 13.B., "Discontinued operation related to Multi Financial Group".

(2) The variation corresponds to the termination of the concession agreement for the Ballena–Cartagena gas pipeline section, operated by Promigas, in compliance with the contractual and regulatory conditions applicable to the natural gas transportation system. As a result, the asset is reclassified as property, plant, and equipment, with Promigas remaining as its operator generating a higher deferred tax liability of Ps. 358,769. See note 12.1, "Assets under concession agreements". 16.2 "Financial assets in concession arrangements" and see note 15 "Tangible Assets".

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Year ended on December 31, 2024

	Balance as of January 1, 2024	Discontinued operations (1)	Credited (charged) to profit or loss	Credited (charged) to OCI	Foreign exchange adjustments	Balance as of December 31, 2024
Deferred tax assets						
Debt securities at fair value	Ps. 271,644	Ps. (925)	Ps. 84,822	Ps. 13,297	Ps. 8,252	Ps. 377,090
Equity securities	1,410	—	437	35	—	1,882
Derivative instruments	1,139,921	—	(510,077)	33,956	1,756	665,556
Accounts receivable	90,066	—	(53,153)	—	—	36,913
Allowance for accounts receivable	9,847	10,002	(313)	—	167	19,703
Loans and receivables	4,570	—	113,017	—	—	117,587
Allowance for impairment on loans and receivables	219,275	—	11,173	—	25,256	255,704
Allowance for foreclosed assets	4,480	(501)	1,060	—	(276)	4,763
Property, plant and equipment costs	470,487	—	57,088	—	1,682	529,257
Depreciation of property, plant and equipment	23,510	—	7,920	—	13	31,443
Other intangible assets	299,433	—	3,927	—	(1,449)	301,911
Tax losses carry forward	1,055,380	(3,992)	190,656	—	(986)	1,241,058
Surplus of presumptive income	2,306	—	(1,688)	—	—	618
Provisions	335,594	—	260	—	—	335,854
Employee benefits	61,705	2,608	(1,560)	2,184	8,507	73,444
Intangible assets in concession contracts	1,242,841	—	285,849	—	—	1,528,690
Biological assets	150	—	(92)	—	—	58
Lease agreements	619,451	(561)	138,040	—	(72,342)	684,588
Foreign currency bonds	527,394	—	194,964	182,925	—	905,283
Foreign currency financial liabilities	—	—	22,851	25,402	—	48,253
Other	263,357	—	104,146	226	344	368,073
Subtotal	Ps. 6,642,821	Ps. 6,631	Ps. 649,327	Ps. 258,025	Ps. (29,076)	Ps. 7,527,728
Deferred tax liabilities						
Debt securities at fair value	Ps. (14,510)	Ps. 10	Ps. 3,301	Ps. 4,016	Ps. (3,443)	Ps. (10,626)
Equity securities	(202,181)	—	(1,464)	6,176	(4,540)	(202,009)
Derivative instruments	(655,317)	—	19,262	(23,441)	(1,757)	(661,253)
Accounts receivable	(32,329)	—	(1,156)	—	—	(33,485)
Allowance of investments securities	(422)	—	(66)	—	—	(488)
Loans and receivables	(24,833)	—	(11,584)	—	—	(36,417)
Allowance for impairment on loans and receivables	(656,156)	—	24,028	—	(8,277)	(640,405)
Foreclosed assets	(49,526)	—	6,583	—	—	(42,943)
Property plant and equipment costs	(226,618)	300	(38,381)	75	(3,584)	(268,208)
Depreciation of property, plant and equipment	(489,096)	—	(88,955)	—	3,510	(574,541)
Investment property	(46,134)	(149)	(5,169)	(6,774)	(81)	(58,307)
Right-of-use	(276,424)	1,247	(490,295)	—	63,677	(701,795)
Deferred charges and of intangible assets	(417,780)	1,092	16,357	—	(6,623)	(406,954)
Provisions	(3,660)	308	64	—	(234)	(3,522)
Employee benefits	(447)	(2,109)	257	1,351	(122)	(1,070)
Goodwill	(326,661)	—	—	—	—	(326,661)
Deferred Income	(1,308,952)	—	(307,484)	—	—	(1,616,436)
Financial assets in concession arrangements	(204,636)	—	(10,103)	—	—	(214,739)
Intangible assets in concession arrangements	(5,175,297)	—	(256,684)	—	(33,478)	(5,465,459)
Biological assets	(68,751)	—	7,554	—	—	(61,197)
Lease agreements	(381,618)	—	375,745	—	—	(5,873)
Foreign currency financial liabilities	(267,090)	—	233,056	—	—	(34,034)
Other	(80,111)	—	(53,393)	(14,585)	(1,480)	(149,569)
Subtotal	Ps. (10,908,549)	Ps. 699	Ps. (578,527)	Ps. (33,182)	Ps. 3,568	Ps. (11,515,991)
Total	Ps. (4,265,728)	Ps. 7,330	Ps. 70,800	Ps. 224,843	Ps. (25,508)	Ps. (3,988,263)

(1) See note 13.B., "Discontinued operation related to Multi Financial Group".

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Grupo Aval offsets deferred tax assets and liabilities by entity and tax authority, considering the application of the tax provisions in Colombia and other countries where some subsidiaries have residence, in which the legal right to offset tax assets and liabilities and other requirements in IAS 12, according to the following breakdown:

December 31, 2025 ⁽¹⁾	Gross Deferred tax amounts		Offset	Balances on Statement of financial position
Deferred tax asset	Ps.	7,566,046	Ps. (6,199,226)	Ps. 1,366,820
Deferred tax liability		(12,158,074)	6,199,226	(5,958,848)
Net	Ps.	(4,592,028)	Ps. —	Ps. (4,592,028)

⁽¹⁾ As of December, 2025 the assets and liabilities corresponding to Multi Financial Group were reclassified as non-current assets and liabilities held for sale, see note 13.A.

December 31, 2024	Gross Deferred tax amounts		Offset	Balances on Statement of financial position
Deferred tax asset	Ps.	7,527,728	Ps. (5,899,527)	Ps. 1,628,201
Deferred tax liability		(11,515,991)	5,899,527	(5,616,464)
Net	Ps.	(3,988,263)	Ps. —	Ps. (3,988,263)

Grupo Aval estimates to recover its income tax assets and settle its income tax liabilities as shown below:

Deferred tax	December 31, 2025 ⁽¹⁾		December 31, 2024	
Deferred tax asset recoverable before 12 months	Ps.	1,884,045	Ps.	1,238,172
Deferred tax asset recoverable after 12 months		5,682,001		6,289,556
Total Deferred tax asset	Ps.	7,566,046	Ps.	7,527,728
Deferred tax liability to settle before 12 months	Ps.	(1,366,046)	Ps.	(1,082,965)
Deferred tax liability to settle after 12 months		(10,792,028)		(10,433,026)
Total Deferred tax liability	Ps.	(12,158,074)	Ps.	(11,515,991)
Total Deferred tax Net	Ps.	(4,592,028)	Ps.	(3,988,263)

⁽¹⁾ As of December, 2025 the assets and liabilities corresponding to Multi Financial Group were reclassified as non-current assets and liabilities held for sale, see note 13.A.

Grupo Aval estimates to recover current tax assets and current tax liabilities as follows:

Current tax	December 31, 2025 ⁽¹⁾		December 31, 2024	
Current tax asset recoverable before 12 months	Ps.	2,581,653	Ps.	2,362,257
Current tax asset recoverable after 12 months		289,758		787,645
Total Current tax asset	Ps.	2,871,411	Ps.	3,149,902
Current tax liability to settle before 12 months	Ps.	(203,908)	Ps.	(247,502)
Current tax liability to settle after 12 months		—		—
Total Current tax liability	Ps.	(203,908)	Ps.	(247,502)

⁽¹⁾ As of December, 2025 the assets and liabilities corresponding to Multi Financial Group were reclassified as non-current assets and liabilities held for sale, see note 13.A.

19.6 Effect of the current and deferred taxes in each component of other comprehensive income in equity

The effects of the current and deferred taxes in each component of other comprehensive income are detailed below:

Items that will be reclassified to profit or loss	December 31, 2025		
	Amount before taxes	Deferred tax (expense) income	OCI Net ⁽¹⁾
Hedged Items ⁽²⁾	Ps. (630,465)	Ps. 2,447	Ps. (628,018)
Hedging non-derivative instrument	613,587	(218,090)	395,497
Cash Flow hedging ⁽³⁾	177,002	(138,554)	38,448
Foreign currency translation differences for foreign operations	(372,722)	37,687	(335,035)
Debt financial instruments	(301,599)	145,414	(156,185)
Investment in associates and joint ventures	(56,424)	1,949	(54,475)
Subtotal Items that will be reclassified to profit or loss	Ps. (570,621)	Ps. (169,147)	Ps. (739,768)
Items that will not be reclassified to profit or loss			
Transfer from owner-occupied property to investment property	Ps. (1,095)	Ps. 4,098	Ps. 3,003
Unrealized gains (losses) on equity securities	260,051	(1,365)	258,686
Actuarial gains (losses) from defined benefit pension plans	13,271	(2,672)	10,599

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	December 31, 2025		
	Amount before taxes	Deferred tax (expense) income	OCI Net ⁽¹⁾
Items that will be reclassified to profit or loss			
Subtotal Items that will not be reclassified to profit or loss	Ps. 272,227	Ps. 61	Ps. 272,288
Total “other comprehensive income” during the period	<u>Ps. (298,394)</u>	<u>Ps. (169,086)</u>	<u>Ps. (467,480)</u>
Discontinue operation ⁽⁴⁾			
Debt financial instruments	Ps. 171,542	Ps. —	Ps. 171,542
Items that will be reclassified to profit or loss	<u>Ps. 171,542</u>	<u>Ps. —</u>	<u>Ps. 171,542</u>
Actuarial losses in employee retirement plans	Ps. (796)	Ps. 199	Ps. (597)
Items that will not be reclassified to profit or loss	<u>Ps. (796)</u>	<u>Ps. 199</u>	<u>Ps. (597)</u>
Total “other comprehensive income” during the period of discontinued operations	<u>Ps. 170,746</u>	<u>Ps. 199</u>	<u>Ps. 170,945</u>
Total “other comprehensive income” during the period			<u>Ps. (296,535)</u>

⁽¹⁾ See Note 25.5 "Consolidated Other Comprehensive Income (OCI)"

⁽²⁾ The tax effect only includes deferred tax on those investments where there is no control of the reversal of the temporary difference

⁽³⁾ See note 10.2 "Cash flow hedges". The effect of changes in the fair value of the account receivable of Ps. (211,534) which is part of the tax basis is not deferred tax.

⁽⁴⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

	December 31, 2024		
	Amount before taxes	Deferred tax (expense) income	OCI Net ⁽¹⁾
Items that will be reclassified to profit or loss			
Hedged Items ⁽²⁾	Ps. 514,713	Ps. (1,988)	Ps. 512,725
Hedging non-derivative instrument	(500,007)	176,097	(323,910)
Cash Flow hedging ⁽³⁾	55,081	45,697	100,778
Foreign currency translation differences for foreign operations	247,019	(17,298)	229,721
Debt financial instruments	(163,387)	36,715	(126,672)
Investment in associates and joint ventures	15,329	(548)	14,781
Subtotal Items that will be reclassified to profit or loss	<u>Ps. 168,748</u>	<u>Ps. 238,675</u>	<u>Ps. 407,423</u>
Items that will not be reclassified to profit or loss			
Transfer from owner-occupied property to investment property	Ps. 16,741	Ps. (6,699)	Ps. 10,042
Unrealized gains (losses) on equity securities	301,497	(10,668)	290,829
Actuarial gains (losses) from defined benefit pension plans	(12,346)	3,535	(8,811)
Subtotal Items that will not be reclassified to profit or loss	<u>Ps. 305,892</u>	<u>Ps. (13,832)</u>	<u>Ps. 292,060</u>
Total “other comprehensive income” during the period	<u>Ps. 474,640</u>	<u>Ps. 224,843</u>	<u>Ps. 699,483</u>
Discontinue operation ⁽⁴⁾			
Debt financial instruments	Ps. 50,695	Ps. —	Ps. 50,695
Items that will be reclassified to profit or loss	<u>Ps. 50,695</u>	<u>Ps. —</u>	<u>Ps. 50,695</u>
Actuarial losses in employee retirement plans	Ps. (5,393)	Ps. 1,348	Ps. (4,045)
Items that will not be reclassified to profit or loss	<u>Ps. (5,393)</u>	<u>Ps. 1,348</u>	<u>Ps. (4,045)</u>
Total “other comprehensive income” during the period of discontinued operations	<u>Ps. 45,302</u>	<u>Ps. 1,348</u>	<u>Ps. 46,650</u>
Total “other comprehensive income” during the period			<u>Ps. 746,133</u>

⁽¹⁾ See Note 25.5 "Consolidated Other Comprehensive Income (OCI)"

⁽²⁾ The tax effect only includes deferred tax on those investments where there is no control of the reversal of the temporary difference

⁽³⁾ See note 10.2 "Cash flow hedges". The effect of changes in the fair value of the account receivable of Ps. 184,902 which is part of the tax basis is not deferred tax.

⁽⁴⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

19.7 Uncertainties in Open Tax Positions

As of December 31, 2025 and 2024, Grupo Aval evaluated its open tax positions and concluded that there were no uncertainties that required the recognition of liabilities. The uncertain tax positions corresponding to expenses, considered deductible, and which, according to decisions of the tax authorities, could be considered as non-deductible.

19.8 Withholdings tax on dividends paid between entities

Decree 1457 of November 12, 2020, regulates the articles 242, 242-1, 245, 246-1 and 895 of Colombian Tax Code. This Decree specifies the rules for the application of the special rate for dividends and participations, together with the procedures for the application of withholding tax ("WHT"). This WHT at the source is paid by the withholding agent in the period in which it is applied. The WHT on distributions made to entities, which is treated as a tax credit deducted at source when a subsequent distribution is made by the entity to an individual. In essence, the tax credit resulting from the WHT is awarded to the ultimate beneficiary (which will not be a Colombian corporation), not to the entity receiving the dividend in the first place. When the entity first receives the distribution, it accounts for the WHT in equity, as a reduction in dividends payable to individuals in accordance with paragraph 65A of IAS 12. Grupo Aval recorded WHT for Ps. (14,784) and Ps. (15,885) during years 2025 and 2024, respectively. The figure of transferable withholdings applies to Colombian companies.

19.9 Minimum Tax Rate

The Government of Colombia create a minimum tax rate of 15% in 2023 for income tax taxpayers in Colombia, called the Minimum Tax Rate. To determine the rate, taxpayers must: (i) Determine the adjusted tax of the Colombian taxpayer, or the adjusted tax of the group in the event that it becomes part of a business group. (ii) Determine the adjusted profit of the Colombian taxpayer or the group in case it becomes part of a business group, and (iii) Determine the adjusted tax rate of the Colombian taxpayer or the group in case it becomes part of a business group. a business groups. If the effective rate calculated (adjusted tax/adjusted profit) is less than 15%, the tax to be added to the income tax by the taxpayer or the business group must be calculated.

Grupo Aval is a company whose financial statements are subject to consolidation in Colombia. The paragraph 6 of article 240 of the Tax Statute of Colombia incorporate the calculation of the Group Minimum Tax Rate (TTDG) whose result for the year 2025 is higher than the 15% established by Law as the minimum tax base, therefore, it does not give rise to the calculation and recognition of the tax to be added to the Group's income tax.

NOTE 20 – CUSTOMER DEPOSITS

20.1 Detail of the composition of the deposits

The following is the detail of the balances of the deposits received from Grupo Aval's customer and subsidiaries in development of their deposit collection operations as of December 31, 2025 and 2024:

<u>Detail</u>	<u>December 31, 2025 ⁽¹⁾</u>	<u>December 31, 2024</u>
Demand		
Checking accounts	Ps. 23,598,235	Ps. 24,579,536
Savings accounts	88,238,541	79,614,904
Other deposits	462,545	347,910
	Ps. 112,299,321	Ps. 104,542,350
Term deposits		
Fixed term deposit certificates ⁽²⁾	95,105,917	96,329,827
Total deposits	Ps. 207,405,238	Ps. 200,872,177
Per currency		
In Colombian Pesos	Ps. 191,297,967	Ps. 168,771,838
In foreign currency	16,107,271	32,100,339
Total per currency	Ps. 207,405,238	Ps. 200,872,177

⁽¹⁾ As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.

⁽²⁾ The amount of term deposits due over 12 months as December 31, 2025 is Ps. 19,631,973 and December 31, 2024 is Ps. 16,764,038.

20.2 Detail of the effective interest rates

The following is a summary of the effective interest rates which are accrued on customer deposits is as follows:

December 31, 2025

	Deposits			
	In Colombian Pesos		In foreign currency	
	Rate		Rate	
	Minimum	Maximum	Minimum	Maximum
	%	%	%	%
Interest-bearing checking accounts	0.01 %	9.00 %	0.03 %	4.08 %
Saving accounts	0.01 %	13.89 %	0.05 %	3.62 %
Fixed term deposit certificates	0.05 %	23.52 %	0.30 %	8.05 %

December 31, 2024

	Deposits			
	In Colombian Pesos		In foreign currency	
	Rate		Rate	
	Minimum	Maximum	Minimum	Maximum
	%	%	%	%
Interest-bearing checking accounts	0.17 %	9.35 %	0.03 %	5.60 %
Saving accounts	0.01 %	13.78 %	0.05 %	5.00 %
Fixed term deposit certificates	0.05 %	23.52 %	0.30 %	9.00 %

20.3 Detail of the concentration of deposits received from customers per economic sector

	December 31, 2025 ⁽¹⁾		December 31, 2024	
	Amount	%	Amount	%
Financial	Ps. 42,261,563	20.4 %	Ps. 36,117,236	18.0 %
Government and Colombian Government entities	30,256,676	14.6 %	26,875,424	13.4 %
Individuals	29,269,112	14.1 %	31,559,768	15.7 %
Financial and insurance activities	23,078,620	11.1 %	19,700,240	9.8 %
Services	14,665,982	7.1 %	19,280,845	9.6 %
Insurance	13,112,460	6.3 %	14,226,539	7.1 %
Commerce	11,865,618	5.7 %	12,680,110	6.3 %
Real Estate	4,676,630	2.3 %	3,418,132	1.7 %
Manufacturing	4,022,403	1.9 %	3,056,218	1.5 %
Transport	2,421,100	1.2 %	287,384	0.1 %
Agriculture and livestock	2,250,173	1.1 %	1,556,711	0.8 %
Education	1,927,121	0.9 %	1,793,395	0.9 %
Colombian Municipalities	610,621	0.3 %	604,265	0.3 %
Artistic, entertainment and recreation activities	424,886	0.2 %	454,909	0.2 %
Exploitation of mines and quarries	418,288	0.2 %	1,226,516	0.6 %
Foreign Governments	270,985	0.1 %	867,311	0.4 %
Telecommunications	130,018	0.1 %	217,656	0.1 %
Tourism	1	0.0 %	83,289	0.1 %
Other	25,742,981	12.4 %	26,866,229	13.4 %
Total	Ps. 207,405,238	100 %	Ps. 200,872,177	100 %

⁽¹⁾ As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.

NOTE 21 – FINANCIAL OBLIGATIONS

21.1 Financial obligations other than issued bonds

a) Financial obligations interbank borrowings and overnight funds

The following is the detail of the financial obligations obtained by Grupo Aval and subsidiaries as of December 31, 2025 and 2024 to finance their operations:

	December 31, 2025 ⁽¹⁾	December 31, 2024
Local Currency		
Interbank borrowings and overnight funds		
Overnight funds	Ps. 35,882	Ps. 41,570
Interbank funds purchased	832,452	781,409
Commitments to transfer open and closed repo operations	8,354,523	9,898,971
Commitments to transfer simultaneous operations	10,819,356	5,648,747
Commitments originated in short positions simultaneous operations	2,401,845	1,093,006
Temporary securities transfer operations	32	2
Total interbank borrowings and overnight funds	Ps. 22,444,090	Ps. 17,463,705
Foreign currency ⁽²⁾		
Interbank borrowings and overnight funds		
Overnight funds	Ps. 2,746	Ps. —
Commitments to transfer open and closed repo operations	208,589	1,046,064
Total interbank borrowings and overnight funds	Ps. 211,335	Ps. 1,046,064
Total interbank borrowings and overnight funds	Ps. 22,655,425	Ps. 18,509,769

⁽¹⁾ As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.

⁽²⁾ Corresponds to the equivalent Colombian pesos.

The amount of obligations under money market transactions, associated with simultaneous and repo operations as of December 31, 2025 is Ps. 10,819,356; which are guaranteed by investments of Ps. 16,652,805; and as of December 31, 2024 is Ps. 5,648,747; which are guaranteed by investments of Ps. 17,040,358.

b) Financial obligations borrowings from banks and others

The following is the detail of the borrowings obtained by Grupo Aval and subsidiaries as of December 31, 2025 and 2024:

	December 31, 2025 ⁽¹⁾	December 31, 2024
Local Currency		
Borrowings from banks and others		
Borrowings	Ps. 4,016,302	Ps. 3,619,457
Leases contracts ⁽²⁾	2,037,039	1,794,416
Financiera de Desarrollo Territorial “FINDETER” ⁽³⁾	2,526,376	2,518,426
Fondo para el Financiamiento del Sector Agropecuario - “FINAGRO” ⁽³⁾	1,096,171	984,179
Banco de Comercio Exterior - “BANCOLDEX” ⁽³⁾	297,858	528,363
Other financial obligations	6,118	9,762
Total borrowings from banks and others	Ps. 9,979,864	Ps. 9,454,603
Foreign currency ⁽⁴⁾		
Borrowings from banks and others		
Borrowings	Ps. 9,069,212	Ps. 14,014,948
Leases contracts ⁽²⁾	793,405	1,071,851
Andean Development Corporation (Corporación Andina de Fomento)	307,014	532,140
Banco de Comercio Exterior - “BANCOLDEX” ⁽³⁾	147,071	6,333
Letters of credit	2,470,163	1,566,346
Bankers acceptances	1,792,446	1,451,938

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	December 31, 2025 ⁽¹⁾	December 31, 2024
Total borrowings from banks and others	Ps. 14,579,311	Ps. 18,643,556
Total borrowings from banks and others	Ps. 24,559,175	Ps. 28,098,159

- (1) As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.
- (2) See detail note 21.3.
- (3) The Colombian Government has established certain credit programs for promoting the development of specific sectors of the economy, including foreign trade, agriculture, tourism, housing construction and other industries. The amount of financial obligations with development entities as of December 31, 2025 is Ps. 4,067,476 and as of December 31, 2024 is Ps. 4,037,301.
- (4) Corresponds to the equivalent Colombian pesos.

The amount of borrowings from banks and others due over 12 months as of December 31, 2025 is Ps. 11,569,367 and as of December 31, 2024 is Ps. 13,649,999.

The amount of borrowings from development entities due over 12 months as of December 31, 2025 is Ps. 3,766,557; and as of December 31, 2024 is Ps. 3,829,301.

21.2 Financial obligations from issued bonds

Grupo Aval and some of its subsidiaries have been authorized by the Superintendency of Finance and by the applicable regulatory entities in other jurisdictions to issue either bonds or general guarantee bonds. The bonds issued by Grupo Aval and subsidiaries are non-guaranteed and represent exclusively the obligations of each of the issuers.

The detail of issued bonds as of December 31, 2025 and 2024, by issuance date and maturity date is as follows:

Issuer	Issue Date ⁽¹⁾	December 31, 2025 ⁽²⁾	December 31, 2024	Maturity Date ⁽¹⁾	Interest Rate ⁽¹⁾
Local Currency					
Banco Av. Villas S.A.	23/02/2021	Ps. 88,105	Ps. 87,020	23/02/2026	CPI + 1.36%
Banco de Bogotá S.A. ⁽³⁾	Between 10/02/2021 and 25/07/2024	902,401	1,088,630	Between 10/02/2026 and 25/07/2028	CPI + 1.16%; and Fix Between 10.38% and 10.45%
Banco de Occidente S.A. ⁽⁴⁾	Between 09/08/2012 and 20/08/2020	1,419,919	1,876,405	Between 10/06/2026 and 14/12/2032	CPI + 2.37% to 4.65%
Corporación Financiera Colombiana S.A. ⁽⁵⁾	Between 11/12/2012 and 15/08/2025	4,126,514	3,871,660	Between 08/09/2026 and 19/11/2045	CPI + 2.90% to 6.40%; IBR + 3.75% and Fix 3.77%
Banco Popular S.A. ⁽⁶⁾	Between 12/10/2016 and 10/03/2022	816,093	1,370,950	Between 15/07/2026 and 10/03/2027	CPI + 2.58% to 4.13% and Fix Between 6.29% and 6.78%
Grupo Aval Acciones y Valores S.A.	Between 24/11/2016 and 12/12/2024	1,177,984	1,177,903	Between 24/11/2026 and 28/06/2042	CPI + 3.69% to 6.16% and Fix 10.08%
Peso denominated Total		Ps. 8,531,016	Ps. 9,472,568		
Foreign Currency					
Banco de Bogotá S.A. Under rule 144A.	Between 12/05/2016 and 24/03/2023	Ps. 6,587,469	Ps. 7,720,126	Between 12/05/2026 and 24/03/2033	Fix Between 4.38% to 6.25% and SOFR6 3.75%
MFH		—	1,596,005		
Banco Bogotá and MFH Total		Ps. 6,587,469	Ps. 9,316,131		
Grupo Aval Limited ⁽⁷⁾	4/02/2020	Ps. 3,777,033	Ps. 4,428,224	4/02/2030	Fix 4.38%
Promigas S.A. and Gases del Pacífico S.A.C. Under rule 144A. ⁽⁷⁾	Between 16/10/2019 and 22/10/2020	1,883,947	2,207,133	Between 16/10/2029 and 22/10/2029	Fix 3.75%
Banco de Occidente S.A. ⁽⁸⁾	13/05/2024	677,521	791,791	13/08/2034	Fix 10.88%
Foreign Currency Total		Ps. 12,925,970	Ps. 16,743,279		

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Issuer	Issue Date ⁽¹⁾	December 31, 2025 ⁽²⁾	December 31, 2024	Maturity Date ⁽¹⁾	Interest Rate ⁽¹⁾
Total of Bonds ⁽⁹⁾		Ps. 21,456,986	Ps. 26,215,847		

- (1) This information corresponds to the bonds that are valid as of December 31, 2025.
- (2) As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.
- (3) The variation corresponds mainly to payment due to bond maturity on September 24, 2025 for Ps.186,135.
- (4) The variation corresponds mainly to: (i) payment due to bond maturity on January 30, 2025 for Ps. 203,139; and (ii) Payment due to bond maturity on October 12, 2025 for Ps. 255,359.
- (5) The variation corresponds mainly to: (i) Payment due to bond maturity on January 23, 2025 for Ps. 107,442; (ii) Payment due to bond maturity on March 02, 2025 for Ps. 129,220; and (iii) Payment due to bond maturity on November 19, 2025 for Ps. 101,085.
In addition, a bond issuance is presented on February 13, 2025 for Ps.133,100; on May 15, 2025 for Ps.48,800 and on August 15, 2025 for Ps.350,000. Finally, the bonds valued at Ps.60,761 is presented.
- (6) The variation corresponds mainly to: (i) Payment due to bond maturity on February 04, 2025 for Ps. 222,664; and (ii) Payment due to bond maturity on March 10, 2025 for Ps. 342,187.
- (7) Corresponds to the variation in the TRM between December 2025 and December 2024 by Ps. (652.07).
- (8) During 2025, interest payments on the bond were made: on February 12, 2025, for Ps.39,526; and on August 12, 2025, for Ps.38,499. Finally, there is a variation of Ps.36,245 due to the TRM.
- (9) See detail note 21.3.

The amount of issued bonds due over 12 months as of December 31, 2025 is Ps. 15,653,080 and as of December 31, 2024 is Ps.24,634,287.

Grupo Aval had no defaults on principal or interest payments or other breaches with respect to its liabilities during the years ended December 31, 2025 and 2024, and Grupo Aval is complying with the related covenants agreed with investors and debtors.

21.3 Analysis of changes in the movements of financing activities

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	Liabilities			Equity				Total		
	Notes	Dividends payable	Bonds issued	Leases contracts	Subscribed and paid-in capital	Additional paid-in capital	Appropriated retained earnings		Non-controlling interest	
Balance at January 1, 2024	Ps.	527,984	Ps. 23,427,826	Ps. 2,791,748	Ps.	23,744	Ps. 9,571,374	Ps. 7,731,773	Ps. 14,737,744	Ps. 58,812,193
Cash flows from financing activities:										
Dividends paid to shareholders		(728,181)	—	—		—	—	—	—	(728,181)
Dividends paid to non-controlling interest	26	(667,330)	—	—		—	—	—	—	(667,330)
Issuance of debt securities		—	2,224,164	—		—	—	—	—	2,224,164
Payment of outstanding debt securities		—	(1,725,323)	—		—	—	—	—	(1,725,323)
Payment of obligations under financial lease		—	—	(409,118)		—	—	—	—	(409,118)
Equity transaction		—	—	—		(4,904)	—	(50,096)	—	(55,000)
Discontinued operation		—	5,299	(7,522)		—	—	—	—	(2,223)
Net cash used in financing activities		(1,395,511)	504,140	(416,640)		(4,904)	—	(50,096)	—	(1,363,011)
Cash flows from operating activities:										
Accrued interest		—	1,831,715	245,366		—	—	—	—	2,077,081
Interest paid		—	(1,764,802)	(239,988)		—	—	—	—	(2,004,790)
Effects of changes in foreign exchange rates		—	2,200,477	142,677		—	—	—	—	2,343,154
Other Changes		1,161,028	16,491	343,104		(58,408)	(569,843)	(608,824)	283,548	283,548
Total liabilities related to other changes		1,161,028	2,283,881	491,159		(58,408)	(569,843)	(608,824)	2,698,993	2,698,993
Total equity related to other changes		21,823	—	—		—	1,001,504	1,632,837	—	2,656,164
Balance at December 31, 2024	Ps.	315,324	Ps. 26,215,847	Ps. 2,866,267	Ps.	23,744	Ps. 9,508,062	Ps. 8,163,434	Ps. 15,711,661	Ps. 62,804,339
Cash flows from financing activities:										
Dividends paid to shareholders		(625,826)	—	—		—	—	—	—	(625,826)
Dividends paid to non-controlling interest	26	(662,266)	—	—		—	—	—	—	(662,266)
Issuance of debt securities		—	528,863	—		—	—	—	—	528,863
Payment of outstanding debt securities		—	(1,513,644)	—		—	—	—	—	(1,513,644)
Payment of obligations under financial lease		—	—	(429,493)		—	—	—	—	(429,493)
Equity transaction		—	—	—		870	—	(876)	—	(6)
Discontinued operation		—	46,577	(8,797)		—	—	—	—	37,780
Net cash used in financing activities		(1,288,092)	(938,204)	(438,290)		870	—	(876)	—	(2,664,592)
Cash flows from operating activities:										
Accrued interest		—	1,598,510	240,625		—	—	—	—	1,839,135
Interest paid		—	(1,669,331)	(240,591)		—	—	—	—	(1,909,922)
Discontinued operation		—	(1,294,172)	(29,585)		—	—	—	—	(1,323,757)
Effects of changes in foreign exchange rates		—	(2,476,554)	(150,875)		—	—	—	—	(2,627,429)
Other Changes		1,304,767	20,890	582,893		—	(655,320)	(682,515)	570,715	570,715
Total liabilities related to other changes		1,304,767	(3,820,657)	402,467		—	(655,320)	(682,515)	—	(3,451,258)
Total equity related to other changes		22,778	—	—		(5,975)	1,733,243	1,268,666	—	3,018,712
Balance at December 31, 2025	Ps.	354,777	Ps. 21,456,986	Ps. 2,830,444	Ps.	23,744	Ps. 9,502,957	Ps. 9,241,357	Ps. 16,296,936	Ps. 59,707,201

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

NOTE 22 –PROVISIONS

The movement and balances of legal and non-legal related provisions during the periods ended on December 31, 2025 and 2024 are described below:

	<u>Legal related</u>	<u>Non-legal related</u>	<u>Total provisions</u>
Balance as of January 01, 2024	Ps. 217,689	Ps. 865,594	Ps. 1,083,283
Provisions made during the year	202,964	291,234	494,198
Provisions used during the year	(38,897)	(135,145)	(174,042)
Provisions reversed during the year ⁽¹⁾	(189,486)	(121,466)	(310,952)
Effect of movements in exchange rates	256	9,928	10,184
Balance as of December 31, 2024	Ps. 192,526	Ps. 910,145	Ps. 1,102,671
Provisions made during the year	120,242	304,455	424,697
Provisions used during the year	(33,754)	(195,241)	(228,995)
Provisions reversed during the year ⁽¹⁾	(123,333)	(175,917)	(299,250)
Effect of movements in exchange rates	(303)	(8,429)	(8,732)
Reclasification MFG operation ⁽²⁾	—	(960)	(960)
Discontinued operation ⁽³⁾	—	166	166
Balance as of December 31, 2025	Ps. 155,378	Ps. 834,219	Ps. 989,597

⁽¹⁾ For legal related, recovery of provisions by Porvenir as of December 31, 2025 and 2024 by Ps. 101,403 and Ps.177,527 respectively for claims for nullity of affiliations that were in progress.

⁽²⁾ This corresponds to the reclassification to liabilities directly associated with non-current assets classified as held for sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽³⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

The estimated period for the settled of the provisions recorded as of December 31,2025 and 2024 is a follows.

<u>Estimated period to be settled</u>	<u>Legal related</u>	<u>Non-legal related</u>	<u>Total provisions</u>
Within twelve months	Ps. 12,956	Ps. 168,411	Ps. 181,367
After twelve months	142,422	665,808	808,230
Balance as of December 31, 2025	Ps. 155,378	Ps. 834,219	Ps. 989,597

<u>Estimated period to be settled</u>	<u>Legal related</u>	<u>Non-legal related</u>	<u>Total provisions</u>
Within twelve months	Ps. 12,209	Ps. 226,460	Ps. 238,669
After twelve months	180,317	683,685	864,002
Balance as of December 31, 2024	Ps. 192,526	Ps. 910,145	Ps. 1,102,671

Legal related:

Administrative proceedings

As of December 31, 2025 and 2024, the outstanding balance of provisions recorded for administrative proceedings were Ps. 11,031 and Ps. 15,532 respectively, by way of claims for administrative or judicial processes of a tax nature other than income tax and other processes, initiated by national and local authorities that establish, in some cases sanctions in which the subsidiaries of Grupo Aval would incur.

Labor proceedings

As of December 31, 2025 and 2024, the outstanding balance of provisions recorded for labor proceedings were Ps.25,554 and Ps. 27,125 respectively. Labor proceedings include labor pursuits, indemnities for former employees against some subsidiaries of Grupo Aval. The time expected for resolution is uncertain since each proceeding is based on different instances.

Other proceedings

As of December 31, 2025 and 2024, the outstanding balance of provisions for legal proceedings resulting from requests civil and other proceedings such as constitutional actions of a heritage nature recorded were Ps. 118,793 and Ps. 149,869, respectively, being the most

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

representative provisions made to cover claims for cancellation of affiliations and transfer of regime, old-age pensions, requests to Porvenir, old age disability and survival pensions which amounted to Ps. 110,676 and Ps. 131,962, respectively.

Non-legal related:

As of December 31, 2025 and 2024 the outstanding balance of non-legal related provisions recorded amounting were Ps. 834,219 and Ps. 910,145, respectively, are comprised by:

- Provisions in Corficolombiana's affiliates as of December 31, 2025 and 2024, associated with the maintenance, restoration and rehabilitation relating to development of concession contracts of Ps. 213,782 and Ps. 306,643 respectively.
- Provisions in Porvenir's subsidiary as of December 31, 2025, and 2024, where the main balance corresponds to undercapitalized accounts, these are individual pension accounts called "Fondo de Pensiones Obligatorias Especial Porvenir de Retiro Programado", which according to actuarial projections do not have the required balance to achieve minimum pension payment, and thus have to be provisioned for the expected difference of Ps. 295,604 and Ps. 274,318 respectively.
- Provisions for losses on loan commitments and financial guarantee contracts as of December 31 2025 and 2024, of Ps. 77,825 and Ps. 72,414 respectively. (See note 4.1.5) Loan commitments and financial guarantee contracts.
- Provision in Proyecto de Inversión Vial del Oriente and Proyecto de Inversión Vial Andino, a Corficolombiana's subsidiary as of December 31, 2025, and 2024 for the recognition of additional costs of Ps. 81,573 and Ps. 85,676 respectively.
- Provisions of several subsidiaries of Grupo Aval as of December 31,2025 and 2024, corresponding to the dismantling of ATMs and offices of Ps. 70,951 and Ps. 86,222, respectively.
- Other provisions of several subsidiaries of Grupo Aval as of December 31,2025 and 2024, for Ps. 94,484 and Ps. 84,872.

NOTE 23 – EMPLOYEE BENEFITS

In accordance with labor legislation in the countries in which Grupo Aval operates, and based on labor conventions and collective bargaining agreements signed between Grupo Aval's subsidiaries and their employees, employees have short term benefits (including but not limited to salaries, holidays, legal and extralegal premiums, interests on severances and defined contribution plans such as severances), long-term benefits (including but not limited to seniority bonuses), post-employment benefits (including but not limited to medical aids) and retirement benefits (including but not limited to severance payments to employees in Colombia who continue with labor regime before Law 50 of 1990 and legal and extralegal retirement pensions). Compensation of key management personnel includes salaries (see note 34).

Through personnel benefits plans, Grupo Aval and its subsidiaries is exposed to several risks (interest rates), which are intended to be minimized by applying the risk management policies and procedures defined under Note 4.

The detail of the balance of liabilities for employee benefits as of December 31, 2025, and 2024 is as follows:

	December 31, 2025 ⁽¹⁾	December 31, 2024
Short term	Ps. 445,826	Ps. 441,644
Post-employment	362,588	405,240
Long term	181,082	180,545
Total	Ps. 989,496	Ps. 1,027,429
Plan Asset	Ps. (1,744)	Ps. (24,126)
Net employee benefits	Ps. 987,752	Ps. 1,003,303

⁽¹⁾ As of December, 2025 the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A.

23.1 Post-employment benefits

In Colombia, when employees retire after completing the age requirements and weeks of contribution to the social security system, retirement pensions are assumed by public or private pension funds based on defined contribution plans. Entities and employees contribute monthly defined amounts by law to gain entitlement to a pension at the time of retirement.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Unlike in Central America, in Colombia according to prior labor regimes, post-employment benefits for employees hired before the year (i) 1968 require pensions to be directly assumed the company for those employees that have fulfilled the requirements of age and years of service and (ii) 1990 entitle employees to receive a compensation equivalent to the last month of salary multiplied by each year of service.

Some subsidiaries have labor conventions or pay extra-legal premiums to employees retiring in compliance with the required age and time of service, when they start enjoying the pension granted by the pension funds.

Some retirees of Grupo Aval and its subsidiaries receive benefits including coverage of medical treatments.

As of December 31, 2025 and 2024, the post-employment benefit expense is composed of:

	December 31, 2025		December 31, 2024	
Defined contribution plan	Ps.	125,838	Ps.	116,145
Defined benefit plan		38,643		42,907
Total	Ps.	164,481	Ps.	159,052

23.2 Long Term Employee Benefits

Some Grupo Aval subsidiaries grant their employees extra-legal long-term premiums during their working lives per every five years of service that they complete, calculated as days of salary per year of work.

Grupo Aval has recognized the liabilities corresponding to these benefits, based on the same actuarial calculations and using the same parameters as in retirement benefits.

The following table shows the Post-employment and long-term benefits movements during the years ended on December 31, 2025 and 2024 are as follows:

	Post-employment benefits		Long-term benefits	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Balance at the beginning of the year	Ps. 405,240	Ps. 380,207	Ps. 180,545	Ps. 159,329
Service costs	2,278	1,260	17,676	15,905
Interests cost	36,365	39,008	16,318	15,439
Past Service Costs	—	—	—	4,795
	Ps. 443,883	Ps. 420,475	Ps. 214,539	Ps. 195,468
Actuarial Loss arising from changes in demographic assumptions	—	95	—	1,010
Actuarial (Gain) Loss arising from changes in financial assumptions	(18,314)	2,309	(7,932)	2,036
Actuarial Loss arising from changes in the experience	8,294	40,293	5,105	9,812
	Ps. (10,020)	Ps. 42,697	Ps. (2,827)	Ps. 12,858
Payments to employees	(54,308)	(63,202)	(30,630)	(27,781)
Reclassification MFG operation ⁽¹⁾	(15,909)	—	—	—
Discontinued operations ⁽²⁾	2,558	2,640	—	—
Effect of movements in exchange rates	(3,616)	2,630	—	—
Liability balance at the end of the year	Ps. 362,588	Ps. 405,240	Ps. 181,082	Ps. 180,545
Plan Assets				
Balance at the beginning of the year plan assets	Ps. (24,126)	Ps. (17,024)	Ps. —	Ps. —
Interests income	(72)	(68)	—	—
Remeasurements on plan assets	3,773	(3,385)	—	—
Reclassification MFG operation ⁽¹⁾	15,909	—	—	—
Discontinued operations ⁽²⁾	(843)	(984)	—	—
Effect of movements in exchange rates	3,615	(2,665)	—	—
Balance at the end of the year plan assets	Ps. (1,744)	Ps. (24,126)	Ps. —	Ps. —
Net Balance at the end of the year	Ps. 360,844	Ps. 381,114	Ps. 181,082	Ps. 180,545

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

⁽¹⁾ This corresponds to the reclassification to liabilities directly associated with non-current assets classified as held for sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽²⁾ See note 13.B., "Discontinued operation related to Multi Financial Group".

The assumptions used to calculate the obligation projected for different post-employment and long-term benefits employees are as follows:

Post-employment benefits ⁽¹⁾	December 31, 2025	December 31, 2024
Discount interest rate	11.24 %	9.95 %
Inflation rate	3.13 %	2.95 %
Salary growth rate	4.38 %	3.73 %
Pension growth rate	2.98 %	3.00 %

⁽¹⁾ Entities in Colombia and subsidiaries abroad participate.

Long-term benefits ⁽¹⁾	December 31, 2025	December 31, 2024
Discount interest rate	10.91 %	9.95 %
Inflation rate	3.00 %	3.00 %
Salary growth rate	4.26 %	4.27 %

⁽¹⁾ Only entities from Colombia participate.

Employee turnover is calculated based on the experience of each entity. For those entities where a sufficiently long statistic history is not yet available to support the actuarial bases, the SoA2003 table is used as a reference. With this table, the probability of permanence of personnel in the entity is established, modified according to the population factor of each benefit. Employee's life expectancy is calculated based on the mortality tables RV08 (Colombia) and GA83 (Central America).

The sensitivity analysis for post-employment and long-term benefits liabilities due to defined benefits plans to different actuarial and financial variables is shown below, maintaining other variables at constant values (increase or decrease 50 basis points):

	-0.50 basic points		+0.50 basic points	
	Post-employment benefits	Long-term benefits	Post-employment benefits	Long-term benefits
At December 31, 2025				
Discount interest rate	Ps. 10,207	Ps. 3,683	Ps. (9,676)	Ps. (3,534)
Salaries growth rate	(1,323)	(4,497)	1,383	4,661
Retirement growth rate	(12,903)	N/A	8,082	N/A
	-0.50 basic points	Long-term benefits	+0.50 basic points	Long-term benefits
At December 31, 2024				
Discount interest rate	Ps. 12,270	Ps. 3,815	Ps. (11,583)	Ps. (3,642)
Salaries growth rate	(2,568)	(4,483)	2,693	4,759
Retirement growth rate	(11,323)	N/A	11,923	N/A

The following table discloses the undiscounted future cash flows for the payment of post-employment and long-term obligations:

Year	Payments for post-employment benefits		Payments for long-term benefits	
2026	Ps.	54,384	Ps.	28,832
2027		55,865		30,627
2028		55,288		27,637
2029		53,362		27,671
2030		53,698		25,911
Years 2031 - 2035		234,209		92,563
Total	Ps.	506,806	Ps.	233,241

As of December 31, 2025, the average duration of post-employment benefit plans is 5.48 years (5.89 years for 2024) and for the long-term it is 4.02 years (4.17 years for 2024).

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

NOTE 24 – OTHER LIABILITIES

As December 31, 2025 and 2024 the other liabilities comprise the following:

Other liabilities	December 31, 2025 ⁽¹⁾	December 31, 2024
Income received for third parties ⁽²⁾	Ps. 3,401,968	Ps. 4,289,835
Suppliers and services payable	3,518,847	3,253,637
Cashier checks	870,091	763,285
Withholdings taxes and labor contributions	720,627	649,277
Contract liability related to concessions ⁽³⁾	693,960	522,189
Commissions and fees	536,365	518,132
Transactions digital payment platform	411,578	458,498
Dividends payable ⁽⁴⁾	354,777	315,324
Collection on behalf of third parties	157,241	183,596
Collection service	106,296	100,119
Value added tax - VAT	79,986	78,731
Insurance payables	63,155	162,293
Financial transactions tax	37,373	19,898
Canceled accounts	36,378	35,693
Checks drawn and not paid	22,119	44,710
Customer loyalty programs	16,529	12,276
Anticipated income	13,882	36,455
Cash surplus	10,644	187,603
Other liabilities	479,443	365,430
Total other liabilities	Ps. 11,531,259	Ps. 11,996,981

⁽¹⁾ As of December 2025; the liabilities corresponding to Multi Financial Group were reclassified as liabilities directly associated with non-current assets held for sale, see note 13.A

⁽²⁾ Includes advance payments made by the National Infrastructure Agency (ANI) and resources received from toll collection and financial returns managed by the respective Autonomous Patrimonies.

⁽³⁾ Includes funding associated with property accounts, environmental composition, networks, auditing and supervision, and returns generated.

⁽⁴⁾ See detail note 21.3.

Other Liabilities	December 31, 2025	December 31, 2024
Liabilities to be settled within twelve months	Ps. 8,224,535	Ps. 7,962,137
Liabilities to be settled after twelve months	3,306,724	4,034,844
Total Other Liabilities	Ps. 11,531,259	Ps. 11,996,981

NOTE 25 – EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT

Authorized, issued and outstanding shares as of December 31, 2025 and 2024 consisted of the following:

	December 31, 2025	December 31, 2024
Authorized shares	120,000,000,000	120,000,000,000
Subscribed fully paid shares	23,743,475,754	23,743,475,754
Total outstanding shares	23,743,475,754	23,743,475,754

The outstanding shares are as follows:	December 31, 2025	December 31, 2024
Common voting shares ⁽¹⁾	16,178,324,920	16,201,212,499
Preferred non-voting shares ⁽²⁾	7,565,150,834	7,542,263,255
	23,743,475,754	23,743,475,754

⁽¹⁾ Common Voting shares with a nominal value of Ps. 1 Colombian peso.

⁽²⁾ Since 2011, Grupo Aval allows its shareholders to convert their common shares into preferred shares. For the years ended December 31, 2025 and 2024, 22,887,579 and 500,000 common shares were converted into preferred shares, respectively. Preferred shares have the right to receive a preferential minimum dividend of one Colombian peso (Ps. 1) per semester per share. This preferential minimum dividend is only applicable when dividends declared for common shares are less than one Colombian peso (Ps. 1). Preferential minimum dividends are not cumulative.

25.1 Appropriated retained earnings

As of December 31, 2025 and 2024 the appropriation of retained earnings is as follows:

	December 31, 2025		December 31, 2024	
Retained earnings	Ps.	1,553,067	Ps.	807,629
Accumulated withholding tax over dividends		(34,622)		(30,145)
Legal reserve		11,872		11,872
Statutory and voluntary reserves		7,711,040		7,374,078
	Ps.	9,241,357	Ps.	8,163,434

25.1.1 Legal Reserve

In accordance with current legal regulations, Grupo Aval and its subsidiaries in Colombia shall create a legal reserve through the appropriation of (10%) of the net profits of each year up to an amount equal to (50%) of the subscribed capital stock. This reserve may be reduced below (50%) of the subscribed capital stock to stem losses in excess of retained earnings. The legal reserve cannot be less than the percentage aforementioned except to cover losses in excess of retained earnings.

25.1.2 Statutory and Voluntary Reserves

The statutory and voluntary reserves are determined during the Shareholders Meetings.

25.2 Declared Dividends

The dividends are declared and paid to shareholders based on unconsolidated net income under Colombian IFRS (NCIF), the dividends declared were as follows:

	December 31, 2024		December 31, 2023	
Net income for the periods ended in	Ps.	999,886	Ps.	723,038
Declared dividends		In the general assembly held in March 2025, a cash profit of Ps. 2.30 per share per month during the months of April 2025 to March 2026, both months included over 23,743,475,754 shares subscribed and paid as of the date of this meeting.		In the general assembly held in March 2024, a cash profit of Ps. 2.00 per share per month during the months of April 2024 to March 2025, both months included over 23,743,475,754 shares subscribed and paid as of the date of this meeting.
Total outstanding shares		23,743,475,754		23,743,475,754
Total declared dividends ⁽¹⁾	Ps.	655,320	Ps.	569,843

⁽¹⁾ See Consolidated Statement of Changes in Equity for dividends distribution.

25.3 Earnings per share

- Basic earnings per share

Grupo Aval calculates basic earnings per share by dividing net income for the year attributable to controlling interest of Grupo Aval parent company by the weighted average number of shares outstanding during the year (including common and preferred shares).

The following table summarizes the earnings per share for the year ended as of December 31, 2025 and 2024:

	December 31, 2025		December 31, 2024	
Net income for the year	Ps.	3,215,172	Ps.	2,191,477
Less: participation of non- controlling interests		(1,493,300)		(1,176,390)
Net income attributable to owners of the parent	Ps.	1,721,872	Ps.	1,015,087
Less: preferred dividends declared		—		—
Less: Allocation of undistributed earnings to preferred stockholders ⁽¹⁾⁽²⁾		(548,004)		(322,436)
Net Income allocated to common shareholders for basic and diluted EPS	Ps.	1,173,868	Ps.	692,651
Weighted average number of common shares outstanding used in basic EPS calculation ⁽²⁾		16,186,869,620		16,201,502,910
Basic and Diluted earnings per share to common shareholders (in Colombian pesos)		72.52		42.75
Basic and Diluted earnings per ADS ⁽³⁾ (in Colombian pesos)		1,450.40		855.04

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Weighted average of the common and preferred shares used in the calculation of earnings per basic share (common and preferred)	23,743,475,754	23,743,475,754
Basic earnings of the owners of the parent per share in Colombian pesos	72.52	42.75

- (1) Based on a weighted average of preferred shares.
(2) Averages based on an end of month number of preferred or common shares.
(3) Each ADS represents 20 preferred shares.

The following table summarizes earnings per share over net income from continuing operations for the years ended December 31, 2025 and 2024.

	December 31, 2025	December 31, 2024
Net income from continuing operations	Ps. 3,188,526	Ps. 2,165,813
Less: participation of non- controlling interests	(1,485,020)	(1,168,415)
Net income attributable to owners of the parent	Ps. 1,703,506	Ps. 997,398
Less: preferred dividends declared	—	—
Less: Allocation of undistributed earnings to preferred stockholders ⁽¹⁾⁽²⁾	(542,158)	(316,818)
Net Income allocated to common shareholders for basic and diluted EPS	Ps. 1,161,348	Ps. 680,580
Weighted average number of common shares outstanding used in basic EPS calculation ⁽²⁾	16,186,869,620	16,201,502,910
Basic and Diluted earnings per share to common shareholders (in Colombian pesos)	71.75	42.01
Basic and Diluted earnings per ADS ⁽³⁾ (in Colombian pesos)	1,434.93	840.14
Weighted average of the common and preferred shares used in the calculation of earnings per basic share (common and preferred)	23,743,475,754	23,743,475,754
Basic earnings of the owners of the parent per share in Colombian pesos	71.75	42.01

- (1) Based on a weighted average of preferred shares.
(2) Averages based on an end of month number of preferred or common shares.
(3) Each ADS represents 20 preferred shares.

The following table summarizes earnings per share over net income from discontinued operations for the years ended December 31, 2025 and 2024.

	December 31, 2025	December 31, 2024
Net income from discontinuing operations	Ps. 26,646	Ps. 25,664
Less: participation of non- controlling interests	(8,280)	(7,975)
Net income attributable to owners of the parent	Ps. 18,366	Ps. 17,689
Less: preferred dividends declared	—	—
Less: Allocation of undistributed earnings to preferred stockholders ⁽¹⁾⁽²⁾	(5,845)	(5,619)
Net Income allocated to common shareholders for basic and diluted EPS	Ps. 12,521	Ps. 12,070
Weighted average number of common shares outstanding used in basic EPS calculation ⁽²⁾	16,186,869,620	16,201,502,910
Basic and Diluted earnings per share to common shareholders (in Colombian pesos)	0.77	0.75
Basic and Diluted earnings per ADS ⁽³⁾ (in Colombian pesos)	15.47	14.90
Weighted average of the common and preferred shares used in the calculation of earnings per basic share (common and preferred)	23,743,475,754	23,743,475,754
Basic earnings of the owners of the parent per share in Colombian pesos	0.77	0.75

- (1) Based on a weighted average of preferred shares.
(2) Averages based on an end of month number of preferred or common shares.
(3) Each ADS represents 20 preferred shares.

- Diluted earnings per share

At December 31, 2025 and 2024, Grupo Aval did not have any dilutive instruments.

25.4 Equity transactions

The following is a detail of transactions with minority shareholders:

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Entity	Transaction	December 31, 2025		
		Owners of the parent	Non-controlling interest	Total
Corficolombiana S.A.	Payment of dividends on the preferred shares	Ps. (9,303)	Ps. (13,653)	Ps. (22,956)
Grupo Aval S.A.	Purchase in equity interest of Banco Popular S.A.	3,329	(3,329)	—
Others subsidiaries	Sale / purchase controlling and non-controlling interest	869	(875)	(6)
	Total equity transaction	Ps. (5,105)	Ps. (17,857)	Ps. (22,962)

Entity	Transaction	December 31, 2024		
		Owners of the parent	Non-controlling interest	Total
Corficolombiana S.A.	Payment of dividends on the preferred shares	Ps. (8,845)	Ps. (12,978)	Ps. (21,823)
Valora S.A.	Purchase of equity interest in Hoteles Estelar S.A.	(4,903)	(50,097)	(55,000)
Grupo Aval S.A.	Purchase of direct equity interest in Aval Fiduciaria S.A y Aval Casa de Bolsa S.A	(49,564)	49,564	—
	Total equity transaction	Ps. (63,312)	Ps. (13,511)	Ps. (76,823)

25.5 Effect in retained earnings

The following is a detail of effects in retained earnings:

Transaction	December 31, 2025		
	Owners of the parent	Non-controlling interest	Total
Investment Mineros S.A ⁽¹⁾	Ps. 19,182	Ps. 28,142	Ps. 47,324
Effect realizations of OCI	(3,334)	(470)	(3,804)
Total effect in retained earnings	Ps. 15,848	Ps. 27,672	Ps. 43,520

(1) In July 2025, Corficolombiana S.A. sold an equity instrument classified at fair value through OCI related to Mineros S.A., resulting in an OCI reclassification of Ps. 90,106 and a loss on sale of Ps. (42,782).

25.6 Consolidated Other Comprehensive Income (OCI):

Components of accumulated Other Comprehensive Income for the years ended December 31, 2025 and 2024 are as follows:

	Balance at December 31, 2024	Movements continuing operation			Movements discontinued operation			Balance at December 31, 2025
		Movements period	Realization of OCI	Total	Movements period	Realization of OCI	Total	
Hedged items	Ps. 921,862	Ps. (630,465)	Ps. —	Ps. (630,465)	Ps. —	Ps. —	Ps. —	Ps. 291,397
Hedging derivative instrument	(230,847)	—	—	—	—	—	—	(230,847)
Hedging non-derivative instrument	(551,798)	613,587	—	613,587	—	—	—	61,789
Cash flow hedges	24,700	177,520	(518)	177,002	—	—	—	201,702
Foreign currency translation differences from unhedged foreign operations	125,975	(372,722)	—	(372,722)	—	—	—	(246,747)
Transfer from owner-occupied property to investment property	34,259	403	(1,498)	(1,095)	—	—	—	33,164
Unrealized (losses) on securities at FVOCI	(1,290,252)	(357,958)	56,359	(301,599)	173,079	(1,537)	171,542	(1,420,309)
Unrealized gains on equity securities at FVOCI	824,268	310,647	(50,596)	260,051	—	—	—	1,084,319
Investments in associates	175,665	(56,424)	—	(56,424)	—	—	—	119,241
Actuarial gains (losses) from defined benefit pension plans	(101,733)	6,521	6,750	13,271	(273)	(523)	(796)	(89,258)
Income tax	387,636	(168,956)	(130)	(169,086)	69	130	199	218,749
Total comprehensive income	Ps. 319,735	Ps. (477,847)	Ps. 10,367	Ps. (467,480)	Ps. 172,875	Ps. (1,930)	Ps. 170,945	Ps. 23,200

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

	Balance at January 1, 2024	Movements continuing operation			Movements discontinued operation			Balance at December 31, 2024
		Movements period	Realization of OCI	Total	Movements period	Realization of OCI	Total	
Hedged items	Ps. 407,149	Ps. 514,713	Ps. —	Ps. 514,713	Ps. —	Ps. —	Ps. —	Ps. 921,862
Hedging derivative instrument	(230,847)	—	—	—	—	—	—	(230,847)
Hedging non-derivative instrument	(51,791)	(500,007)	—	(500,007)	—	—	—	(551,798)
Cash flow hedges	(30,381)	57,474	(2,393)	55,081	—	—	—	24,700
Foreign currency translation differences from unhedged foreign operations	(121,044)	247,019	—	247,019	—	—	—	125,975
Transfer from owner-occupied property to investment property	17,518	16,935	(194)	16,741	—	—	—	34,259
Unrealized (losses) on securities at FVOCI	(1,177,560)	(37,756)	(125,631)	(163,387)	50,667	28	50,695	(1,290,252)
Unrealized gains on equity securities at FVOCI	522,771	302,346	(849)	301,497	—	—	—	824,268
Investments in associates	160,336	15,329	—	15,329	—	—	—	175,665
Actuarial gains (losses) from defined benefit pension plans	(83,994)	(34,208)	21,862	(12,346)	(5,104)	(289)	(5,393)	(101,733)
Income tax	161,445	231,474	(6,631)	224,843	1,348	—	1,348	387,636
Total comprehensive income	Ps. (426,398)	Ps. 813,319	Ps. (113,836)	Ps. 699,483	Ps. 46,911	Ps. (261)	Ps. 46,650	Ps. 319,735

	Owners of the parent		Non -controlling interest		Total comprehensive income	
Balance at January 1, 2024	Ps.	(544,219)	Ps.	117,821	Ps.	(426,398)
Movements period continuing operation		332,608		480,711		813,319
Realization of OCI continuing operation		(64,384)		(49,452)		(113,836)
Movements period discontinued operation		32,271		14,640		46,911
Realization of OCI discontinued operation		(259)		(2)		(261)
Balance at December 31, 2024	Ps.	(243,983)	Ps.	563,718	Ps.	319,735
Movements period continuing operation		(218,507)		(259,340)		(477,847)
Realization of OCI continuing operation		23,028		(12,661)		10,367
Movements period discontinued operation		119,226		53,649		172,875
Realization of OCI discontinued operation		(1,917)		(13)		(1,930)
Balance at December 31, 2025	Ps.	(322,153)	Ps.	345,353	Ps.	23,200

NOTE 26 - NON- CONTROLLING INTEREST

The following table includes information regarding the non-controlling interest of each direct and indirect subsidiary of Grupo Aval at December 31, 2025 and 2024:

December 31, 2025						
Entity	Country	Non-controlling Interest	Non-controlling Interest share of equity	Non-controlling interest share of net income	Dividends paid to non- controlling interest in the year	
Corporación Financiera Colombiana S.A. ⁽¹⁾	Colombia	59.47%	Ps. 10,953,814	Ps. 979,300	Ps.	(491,683)
Banco Bogotá S.A.	Colombia	31.07%	2,532,890	246,907		(135,915)
Banco de Occidente S.A.	Colombia	27.73%	1,317,614	97,696		(34,463)
Sociedad Administradora de Fondos de Pensiones, Cesantías y del CCAI Porvenir S.A.	Colombia	24.24%	1,007,901	167,091		(3)
Banco Comercial AV Villas S.A.	Colombia	20.13%	318,202	3,903		(45)
Banco Popular S.A.	Colombia	6.13%	153,628	(4,840)		(157)
Aval Casa de Bolsa S.A.	Colombia	13.60%	9,448	1,324		—
Aval Fiduciaria S.A.	Colombia	1.53%	1,770	250		—
Aval Banca de Inversión S.A.S.	Colombia	17.84%	1,669	1,669		—
		Total	Ps. 16,296,936	Ps. 1,493,300	Ps.	(662,266)

(1) Main indirect subsidiary.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

December 31, 2024

Entity	Country	Non-controlling Interest	Non-controlling Interest share of equity	Non-controlling interest share of net income	Dividends paid to non-controlling interest in the year
Corporación Financiera Colombiana S.A. ⁽¹⁾	Colombia	59.47%	Ps. 10,522,067	Ps. 776,960	Ps. (495,436)
Banco Bogotá S.A.	Colombia	31.07%	2,560,159	230,718	(142,352)
Banco de Occidente S.A.	Colombia	27.73%	1,307,098	72,105	(28,379)
Sociedad Administradora de Fondos de Pensiones, Cesantías y del CCAI Porvenir S.A.	Colombia	24.24%	843,566	155,710	(2)
Banco Comercial AV Villas S.A.	Colombia	20.13%	311,730	(26,171)	(135)
Banco Popular S.A.	Colombia	6.26%	158,425	(32,932)	(1,026)
Aval Casa de Bolsa S.A.	Colombia	13.60%	6,757	—	—
Aval Fiduciaria S.A.	Colombia	3.27%	1,859	—	—
		Total	Ps. 15,711,661	Ps. 1,176,390	Ps. (667,330)

(1) Main indirect subsidiary.

The following table includes information regarding each direct and indirect subsidiary of Grupo Aval that has significant non-controlling interests to December 31, 2025, and 2024 (before eliminations):

December 31, 2025

Entity	Assets	Liabilities	Net Income	OCI - Controlling	Cash Flow from operating activities
Corporación Financiera Colombiana S.A.	Ps. 61,507,860	Ps. 44,486,345	Ps. 1,173,732	Ps. 970,481	Ps. (455,422)
Banco Bogotá S.A.	156,164,359	138,870,595	1,275,624	(174,736)	5,020,131
Banco de Occidente S.A.	88,163,285	81,904,685	582,138	(93,803)	1,421,590
Sociedad Administradora de Fondos de Pensiones y Cesantías y del CCAI Porvenir S.A.	4,525,469	920,640	703,010	(30,075)	295,678
Banco Comercial AV Villas S.A.	21,932,939	20,216,035	19,016	131,291	233,295
Banco Popular S.A.	91,590,495	72,572,874	1,190,999	110,148	797,343
Aval Casa de Bolsa S.A.	194,559	134,697	10,893	(2,841)	(3,803)
Aval Fiduciaria S.A.	171,791	98,656	16,354	(7,422)	(64,799)
Aval Banca de Inversión S.A.S.	Ps. 25,121	Ps. 7,766	Ps. 9,355	Ps. —	Ps. 15,770

December 31, 2024

Entity	Assets	Liabilities	Net Income	OCI - Controlling	Cash Flow from operating activities
Corporación Financiera Colombiana S.A.	Ps. 60,633,378	Ps. 44,307,226	Ps. 865,830	Ps. 843,617	Ps. (521,510)
Banco Bogotá S.A.	150,719,626	133,877,249	1,098,248	22,520	2,288,431
Banco de Occidente S.A.	78,400,182	72,414,391	481,048	(47,342)	22,940
Sociedad Administradora de Fondos de Pensiones, Cesantías y del CCAI Porvenir S.A.	3,913,208	672,796	654,117	(18,642)	295,257
Banco Comercial AV Villas S.A.	19,167,670	17,477,831	(134,365)	117,164	(822,967)
Banco Popular S.A.	88,381,205	70,152,858	534,340	66,216	(925,651)
Aval Casa de Bolsa S.A.	188,911	139,218	807	(2,898)	30,100
Aval Fiduciaria S.A.	Ps. 281,792	Ps. 224,934	Ps. 12,924	Ps. (7,346)	Ps. 35,671

NOTE 27 – COMMITMENTS AND CONTINGENCIES

27.1 Capital expenses commitments

As of December 31, 2025 and 2024 Grupo Aval and its Subsidiaries had contractual disbursement commitments of capital expenditures, for tangible assets for Ps. 76,985 and Ps. 31,225 respectively; and for intangible assets for Ps. 54,407 and Ps. 79,105 respectively.

27.2 Contingencies

As of December 31, 2025, and 2024, Grupo Aval and its Subsidiaries attended administrative and legal proceedings as defendants; whose expected resolution time is uncertain due to the fact that each process is at different stages. The claims of proceedings were assessed based on analyses and opinions of experience lawyers for Ps. 696,024 and Ps. 915,155 respectively in the following legal contingencies were determined:

27.2.1 Labor Proceedings

As of December 31, 2025, and 2024, the labor complaints amounted to Ps. 161,337 and Ps. 136,692 respectively. Historically, many of these proceedings have been resolved in favor of Grupo Aval and its Subsidiaries.

27.2.2 Civil Proceedings

As of December 31, 2025, and 2024, the result of the assessment of claims for civil suits, amounted of Ps. 253,108 and Ps. 316,314 respectively.

27.2.3 Administrative, Tax Proceedings and Other Proceedings

Claims derived from administrative and judicial processes include those of fiscal responsibility over concession contracts, tax proceedings different that income tax and others. The tax proceedings filed by national and local tax authorities, and these authorities may establish, in some cases, sanctions in which Grupo Aval and its subsidiaries may incur as a result of: (i) the performance of their duty as a withholder or collector of national and local taxes, and/or (ii) the obligation to pay a higher tax amount in their condition of taxpayers. As of December 31, 2025, the outstanding balances recognized for these claims amounted to Ps.281,579 As of December 31, 2024, these amounted to Ps. 462,149.

NOTE 28 – NET INCOME FROM CONTRACTS WITH CUSTOMERS

28.1 Net income from commissions and fees:

Below is a detail of the income and expenses for commissions and fees for the periods ended as of December 31, 2025 and 2024:

Income from commissions and fees	December 31, 2025	December 31, 2024 ⁽¹⁾
Banking service fees	Ps. 1,733,348	Ps. 1,614,067
Pension and severance fund management	1,282,053	1,174,608
Credit card fees	935,349	962,774
Trust activities and portfolio management services	569,710	495,929
Bonded warehouse services	203,814	181,804
Office network services	20,228	16,289
Commissions on transfers, checks and checkbooks	17,652	20,122
Other commissions	22,071	12,011
Total income from commissions and fees	Ps. 4,784,225	Ps. 4,477,604

(1) The information was modified based on MFG's discontinuous operation; see note 13.B.

Expenses from commissions and fees	December 31, 2025	December 31, 2024 ⁽¹⁾
Banking services	Ps. (626,545)	Ps. (586,332)
Commissions for sales and services	(369,614)	(294,145)
Fees paid to pension funds sales force	(73,338)	(66,431)
Information processing services of operators	(36,028)	(33,079)
Offices network services	(6,108)	(9,796)
Other	(12,547)	(11,842)
Total expenses from commissions and fees	Ps. (1,124,180)	Ps. (1,001,625)
Net income from commissions and fees	Ps. 3,660,045	Ps. 3,475,979

(1) The information was modified based on MFG's discontinuous operation; see note 13.B.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

28.2 Gross profit from sales of goods and services

Below is the detail of the income and cost from goods and services for the years ended as of December 31, 2025 and 2024:

Income from sales of goods and services	December 31, 2025	December 31, 2024
Energy and gas	Ps. 6,842,019	Ps. 6,908,922
Infrastructure	2,251,323	2,950,048
Hotels	732,535	631,218
Agribusiness	302,811	309,868
Other services	268,106	248,544
Total income from sales of goods and services (*)	Ps. 10,396,794	Ps. 11,048,600

(*) See note 31.6, to see income by country.

Costs and expenses of sales goods and services	December 31, 2025	December 31, 2024
Cost of sales from companies from non-financial sector	Ps. (5,867,868)	Ps. (6,204,773)
General and administrative expenses	(913,614)	(940,823)
Personnel expenses	(763,423)	(698,859)
Amortization of intangible assets	(443,827)	(432,600)
Depreciation of tangible assets	(104,209)	(87,647)
Allowance for impairment of loans and receivables	(56,497)	(71,157)
Commissions and fees expenses	(54,023)	(49,826)
Depreciation of right of use assets	(47,263)	(41,732)
Donations expenses	(37,328)	(21,034)
Employee bonuses	(17,123)	(15,134)
Labor severances	(3,899)	(7,660)
Total costs and expenses of sales goods and services	Ps. (8,309,074)	Ps. (8,571,245)
Gross profit from sales of goods and services	Ps. 2,087,720	Ps. 2,477,355

NOTE 29 – NET TRADING INCOME

Net trading income includes income from client driven trading activities primarily conducted in markets, including foreign exchange, credit, rates and equities trading, as follows:

	December 31, 2025	December 31, 2024 ⁽⁴⁾
Net trading investment income ⁽¹⁾		
Fixed income (loss) securities	Ps. 979,558	Ps. 408,849
Equities	680,217	577,245
Total trading investment income	Ps. 1,659,775	Ps. 986,094
Net derivatives income (loss)		
Net income (loss) on financial derivatives ⁽²⁾	Ps. (35,075)	Ps. 652,933
Other net loss from marketable derivatives ⁽³⁾	(222,687)	(237,293)
Total net derivatives income (loss)	Ps. (257,762)	Ps. 415,640
Total net trading income	Ps. 1,402,013	Ps. 1,401,734

(1) Includes net trading income from investment securities held for trading, that reflects the interest from investment in debt securities, gains/losses from mark-to-market valuation from investment in equity and debt securities and net income from trading activities.

(2) Includes net trading income from derivatives, which reflects the gains/losses from mark-to-market valuation on trading derivatives.

(3) Includes gains/losses from: (i) Net changes in the valuation of hedging derivatives from mark-to-market valuations from unhedged, (ii) the ineffective portion of the hedge, (iii) Transfers of due hedging derivatives from OCI to the Statement of Consolidated of Income.

(4) The information was modified based on MFG's discontinuous operation; see note 13.B.

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

NOTE 30 – OTHER INCOME AND EXPENSE

Below is the detail of the other income and expense in the years ended on December 31, 2025 and 2024:

Other Income	December 31, 2025	December 31, 2024 ⁽¹⁾
Foreign exchange loss, net ⁽²⁾	Ps. 825,669	Ps. (452,635)
Share of net income from investments in associates and joint ventures	350,935	378,396
Dividends	126,700	141,867
Net gain on asset valuation	71,701	27,863
Gain on sale of assets properties, plant and equipment	52,710	80,916
Gain on the sale of non-current assets held for sale	11,888	20,110
Net (loss) gain on sale of investments	(18,431)	149,612
Other income	235,260	300,048
Total other income	Ps. 1,656,432	Ps. 646,177

(1) The information was modified based on MFG's discontinuous operation; see note 13.B.

(2) Corresponds to the variation in the TRM between January and December: Ps. (652.07) per U.S. dollar in 2025 and Ps. 587.1 in 2024.

Other Expense	December 31, 2025	December 31, 2024 ⁽¹⁾
Personnel expenses	Ps. (3,231,916)	Ps. (3,022,161)
Taxes and fees	(1,158,819)	(1,084,329)
Insurance	(601,172)	(603,570)
Consultancy, audit and other fees	(558,448)	(514,704)
Maintenance and repairs	(413,492)	(358,325)
Amortization of intangible assets	(324,023)	(241,735)
Marketing	(316,053)	(262,535)
Depreciation right of use assets	(233,744)	(223,854)
Depreciation of tangible assets	(212,681)	(208,612)
Affiliation contributions and transfers	(191,949)	(169,707)
Leases (Rent)	(168,721)	(147,744)
Warehouse services	(136,547)	(141,585)
Outsourced services	(111,702)	(76,231)
Transportation services	(102,898)	(102,740)
Losses due to claims	(94,475)	(87,912)
Cleaning and security services	(78,514)	(75,627)
Outsourcing services	(72,520)	(64,805)
Data processing	(71,725)	(75,941)
Donations expenses	(41,094)	(34,714)
Loss from sale of property, plant and equipment	(40,620)	(22,620)
Supplies and stationary	(33,638)	(37,649)
Adaptation and installation	(25,943)	(24,551)
Travel expenses	(24,139)	(20,029)
Derecognition of assets	(15,423)	(5,486)
Impairment losses other assets	(2,690)	(4,916)
Loss from sale of non-current assets held for sale	(2,537)	(2,064)
Other	(634,408)	(511,315)
Total other expense	Ps. (8,899,891)	Ps. (8,125,461)

(1) The information was modified based on MFG's discontinuous operation; see note 13.B.

NOTE 31 – ANALYSIS OF OPERATING SEGMENTS

Operating segments are components of Grupo Aval responsible for developing commercial activities that can generate revenue or incur expenses and whose operating profit or loss are regularly reviewed by the “CODM” (Chief Operating Decision Maker) of Grupo

Grupo Aval Acciones y Valores S.A. and Subsidiaries
Notes to the Consolidated Financial Statements
(Amounts expressed in millions of Colombian pesos)

Aval, and for which financial information is available. Operating segment information is consistent with the internal reports provided to the CODM.

31.1 Description of products and services from which each reportable segment derives its income

Grupo Aval is organized into four operating segments, which comprise the types of business detailed below:

- The “banking services” segment comprises the following businesses: banking services, fund management and trust businesses and brokerage, storage companies, and entities that manage low-value payment systems.
- The “Merchant Banking” segment comprises the following businesses: Gas and Energy Sector (includes natural gas and energy transportation and distribution businesses), Infrastructure Sector (includes road infrastructure projects, mainly construction services, and operation and maintenance), Hotel Sector (mainly includes hospitality services), Agribusiness Sector (mainly includes palm oil, rubber and rice businesses).
- "Pension and Severance Fund Management" segment.
- “Holding” segment, which is made up of Grupo Aval (Separate Financial Statement) and Grupo Aval Limited.

Following organizational changes at the end of 2024, from 2025 Aval Casa de Bolsa and Aval Fiduciaria are no longer part of the Corficolombiana segment but instead form part of the banking services segment.

For comparative purposes, information from previous periods has been presented to include this modification, in accordance with the requirements of IFRS 8 Operating Segments.

31.2 Factors used by management to identify reportable segments

Operating segments identified above are based on the relevance of the nature of the products and services provided. The information on the performance of the operating segments is reviewed by the CODM on a quarterly basis.

31.3 Measurement of net income, assets and liabilities of operating segments

Grupo Aval’s CODM reviews the financial information of each of its operating segments and assesses the performance of each segment based on Statements of Financial Position and the Statement of Income of each of them, and on certain credit risk indicators, as described in note 2.4.

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

31.4 Information on net income, assets and liabilities of reportable operating segments

The following is the detail of the reportable financial information summarized for each segment as of December 31, 2025 and 2024:

Statement of Financial Position as of December 31, 2025

	Banking Services ⁽¹⁾		Merchant Banking		Pension and Severance Fund Management		Holding ⁽²⁾		Eliminations		Total	
Assets												
Trading assets	Ps.	19,875,670	Ps.	6,023,430	Ps.	3,248,790	Ps.	538	Ps.	(50,837)	Ps.	29,097,591
Investment securities		31,681,473		5,658,909		480,555		2,729,203		(1,297,525)		39,252,615
Hedging derivatives assets		139,954		96,604		—		—		—		236,558
Loans, net		183,544,710		2,473,729		—		981,276		(2,773,742)		184,225,973
Investments in associates and joint ventures		12,964,567		992,652		—		20,193,741		(32,836,531)		1,314,429
Other assets ⁽³⁾		31,303,224		46,262,536		796,123		242,326		(1,994,319)		76,609,890
Non-current assets held for sale ⁽⁴⁾		18,199,621		—		—		—		—		18,199,621
Total assets	Ps.	297,709,219	Ps.	61,507,860	Ps.	4,525,468	Ps.	24,147,084	Ps.	(38,952,954)	Ps.	348,936,677
Liabilities												
Customer deposits	Ps.	201,765,281	Ps.	9,004,158	Ps.	1,540	Ps.	—	Ps.	(3,365,741)	Ps.	207,405,238
Financial obligations		43,469,748		23,016,910		257,322		5,417,571		(3,489,965)		68,671,586
Other liabilities ⁽⁵⁾		8,445,439		12,465,276		661,778		244,918		(159,766)		21,657,645
Liabilities directly associated with non-current assets classified as held for sale ⁽⁶⁾		16,459,367		—		—		—		—		16,459,367
Total liabilities	Ps.	270,139,835	Ps.	44,486,344	Ps.	920,640	Ps.	5,662,489	Ps.	(7,015,472)	Ps.	314,193,836

⁽¹⁾ As of December, 2025 the assets and liabilities corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

⁽²⁾ Includes Grupo Aval (Separate Financial Statement) and Grupo Aval Limited.

⁽³⁾ Includes cash and cash equivalents for Ps. 19,354,710; intangible assets Ps. 18,506,391; other accounts receivable, net Ps. 24,458,906; tangible assets Ps. 9,608,300; income tax assets Ps. 4,238,231; non-current assets held for sale Ps. 56,992 mainly on Banking Services segment and other assets Ps. 386,360.

⁽⁴⁾ This corresponds to the reclassification to non-current assets held for sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

⁽⁵⁾ Includes trading liabilities Ps. 1,951,439; hedging derivative liabilities Ps. 34,842; income tax liabilities Ps. 6,162,756; employee benefits Ps. 987,752; provisions Ps. 989,597 and other liabilities Ps. 11,531,259.

⁽⁶⁾ This corresponds to the reclassification to liabilities directly associated with non-current assets classified as held for sale of Multi Financial Group operation as of December 31, 2025, see note 13.A.

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

Statement of income as of December 31, 2025

	Banking Services		Merchant Banking		Pension and Severance Fund Management		Holding ⁽¹⁾		Eliminations		Total	
External income												
Interest income	Ps.	24,271,212	Ps.	1,059,341	Ps.	45,429	Ps.	302,537	Ps.	—	Ps.	25,678,519
Income from commissions and fees ⁽²⁾		3,500,744		335		1,283,107		39		—		4,784,225
Income from sales of goods and services ⁽²⁾		102,612		10,202,155		92,027		—		—		10,396,794
Net income (loss) trading		1,052,840		50,778		298,131		264		—		1,402,013
Net income from other financial instruments mandatory at fair value through profit or loss		—		623,163		—		—		—		623,163
Share of profit of equity accounted investees, net of tax		43,922		305,800		—		1,213		—		350,935
Dividends		8,136		118,564		—		—		—		126,700
Foreign exchange gains (losses), net		414,616		423,484		(6,117)		(6,314)		—		825,669
Other income ⁽³⁾		314,974		27,315		10,839		—		—		353,128
Total external income	Ps.	29,709,056	Ps.	12,810,935	Ps.	1,723,416	Ps.	297,739	Ps.	—	Ps.	44,541,146

	Banking Services		Merchant Banking		Pension and Severance Fund Management		Holding ⁽¹⁾		Eliminations		Total	
Intersegment income												
Interest income	Ps.	313,798	Ps.	61,995	Ps.	416	Ps.	38,975	Ps.	(415,184)	Ps.	—
Income from commissions and fees		31,904		3,311		616		253,803		(289,634)		—
Income from sales of goods and services		33,723		2,901		12,148		—		(48,772)		—
Net income (loss) trading		(911)		3,719		187		—		(2,995)		—
Net income from other financial instruments mandatory at fair value through profit or loss		—		—		—		—		—		—
Share of profit of equity accounted investees, net of tax		764,710		3,679		—		1,578,885		(2,347,274)		—
Dividends		633		3,305		—		—		(3,938)		—
Foreign exchange gains (losses), net		—		—		—		—		—		—
Other income		24,326		7,558		2,402		59		(34,345)		—
Total intersegment income		1,168,183		86,468		15,769		1,871,722		(3,142,142)		—
Total income	Ps.	30,877,239	Ps.	12,897,403	Ps.	1,739,185	Ps.	2,169,461	Ps.	(3,142,142)	Ps.	44,541,146

Expenses												
Interest expense	Ps.	(15,408,294)	Ps.	(2,736,632)	Ps.	(8,123)	Ps.	(332,059)	Ps.	437,241	Ps.	(18,047,867)
Net impairment loss on financial assets		(3,486,883)		(53,881)		(3,440)		5,131		173		(3,538,900)
Expenses from commissions and fees		(1,026,904)		(13,019)		(118,263)		(478)		34,484		(1,124,180)
Costs and expenses of sales goods and services		(534,802)		(7,699,096)		(97,484)		—		22,308		(8,309,074)
Depreciation and amortization		(739,030)		(12,611)		(20,267)		(1,455)		2,915		(770,448)
Personnel expenses		(2,894,761)		(91,631)		(197,553)		(48,022)		51		(3,231,916)
Administrative expenses		(4,508,170)		(156,494)		(281,305)		(42,388)		291,128		(4,697,229)

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

	Banking Services	Merchant Banking	Pension and Severance Fund Management	Holding ⁽¹⁾	Eliminations	Total
Income tax expense	(160,432)	(955,843)	(289,076)	(27,338)	(19)	(1,432,708)
Other expense ⁽⁴⁾	(174,886)	(4,462)	(20,664)	(163)	(123)	(200,298)
Total expenses	Ps. (28,934,162)	Ps. (11,723,669)	Ps. (1,036,175)	Ps. (446,772)	Ps. 788,158	Ps. (41,352,620)
Net income from continuing operations	Ps. 1,943,077	Ps. 1,173,734	Ps. 703,010	Ps. 1,722,689	Ps. (2,353,984)	Ps. 3,188,526

⁽¹⁾ Includes Grupo Aval (Separate Financial Statement) and Grupo Aval Limited.

⁽²⁾ See note 28, net income from contracts with customers.

⁽³⁾ Includes Net gain on sale of debt securities for Ps. (18,431); Gain on the sale of non-current assets held for sale Ps. 11,888; net gain in asset valuation Ps. 71,701 and other operating income Ps. 287,970.

⁽⁴⁾ Includes loss from sale of non-current assets held for sale Ps. (2,537) and other operating expenses Ps. (197,761).

Revenue from contracts with customers as of December, 2025

	Banking Services	Merchant Banking	Pension and Severance Fund Management	Holding ⁽¹⁾	Eliminations	Total
Timing of revenue recognition						
At a point in time	Ps. 239,936	Ps. 992,511	Ps. 91,914	Ps. 253,842	Ps. (268,890)	Ps. 1,309,313
Over time	3,429,047	9,216,191	1,295,984	—	(69,516)	13,871,706
Total ⁽²⁾	Ps. 3,668,983	Ps. 10,208,702	Ps. 1,387,898	Ps. 253,842	Ps. (338,406)	Ps. 15,181,019

⁽¹⁾ Includes Grupo Aval (Separate Financial Statement) and Grupo Aval Limited.

⁽²⁾ See note 28, net income from contracts with customers.

Statement of Financial Position as of December 31, 2024

	Banking Services	Merchant Banking	Pension and Severance Fund Management	Holding ⁽¹⁾	Eliminations	Total
Assets						
Trading assets	Ps. 13,555,942	Ps. 4,090,787	Ps. 2,595,230	Ps. 452	Ps. (79,197)	Ps. 20,163,214
Investment securities	32,530,703	4,515,967	359,677	2,890,407	(1,134,136)	39,162,618
Hedging derivatives assets	52,717	1,302	—	—	—	54,019
Loans, net	12,423,684	1,113,455	—	19,365,473	(31,472,016)	1,430,596
Investments in associates and joint ventures	188,660,193	2,915,873	—	1,196,398	(2,642,978)	190,129,486
Other assets ⁽²⁾	30,269,203	47,993,518	958,301	282,024	(2,583,596)	76,919,450
Total assets	Ps. 277,492,442	Ps. 60,630,902	Ps. 3,913,208	Ps. 23,734,754	Ps. (37,911,923)	Ps. 327,859,383
Liabilities						
Customer deposits	Ps. 196,217,644	Ps. 8,581,604	Ps. 1,343	Ps. —	Ps. (3,928,414)	Ps. 200,872,177
Financial obligations	47,474,153	22,580,320	35,037	6,021,671	(3,287,406)	72,823,775
Other liabilities ⁽³⁾	7,150,306	13,135,589	636,416	217,203	(139,001)	21,000,513
Total liabilities	Ps. 250,842,103	Ps. 44,297,513	Ps. 672,796	Ps. 6,238,874	Ps. (7,354,821)	Ps. 294,696,465

⁽¹⁾ Includes Grupo Aval (Separate Financial Statement) and Grupo Aval Limited.

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

- (2) Includes cash and cash equivalents for Ps. 16,998,859; intangible assets Ps. 19,296,486; other accounts receivable, net Ps. 27,958,402, tangible assets Ps. 7,243,441; income tax assets Ps. 4,778,103; non-current assets held for sale Ps. 105,214 mainly on Banking Services segment and other assets Ps. 538,945.
- (3) Includes trading liabilities Ps. 1,011,934; Hedging derivative liabilities Ps. 21,658; income tax liabilities Ps. 5,863,966; employee benefits Ps. 1,003,303; provisions Ps. 1,102,671 and other liabilities Ps. 11,996,981.

Statement of Income as of December 31, 2024

	Banking Services	Merchant Banking	Pension and Severance Fund Management	Holding ⁽¹⁾	Eliminations	Total
External income						
Interest income	Ps. 25,526,815	Ps. 1,054,990	Ps. 50,185	Ps. 339,912	Ps. —	Ps. 26,971,902
Income from commissions and fees ⁽²⁾	3,292,932	10,028	1,174,644	—	—	4,477,604
Income from sales of goods and services ⁽²⁾	100,418	10,865,477	82,705	—	—	11,048,600
Net income (loss) trading	794,807	349,599	257,153	175	—	1,401,734
Net income from other financial instruments mandatory at fair value through profit or loss	—	350,919	—	—	—	350,919
Share of profit of equity accounted investees, net of tax	55,273	317,598	—	5,525	—	378,396
Dividends	6,590	135,277	—	—	—	141,867
Foreign exchange gains (losses), net	(102,610)	(375,292)	20,423	4,844	—	(452,635)
Other income ⁽³⁾	511,354	76,663	(10,439)	971	—	578,549
Total external income	Ps. 30,185,579	Ps. 12,785,259	Ps. 1,574,671	Ps. 351,427	Ps. —	Ps. 44,896,936

	Banking Services	Merchant Banking	Pension and Severance Fund Management	Holding ⁽¹⁾	Eliminations	Total
Intersegment income						
Interest income	Ps. 333,763	Ps. 55,312	Ps. 1,158	Ps. 37,181	Ps. (427,414)	Ps. —
Income from commissions and fees	36,138	22,527	1,295	284,991	(344,951)	—
Income from sales of goods and services	31,575	1,929	11,270	—	(44,774)	—
Net income (loss) trading	60	765	(634)	—	(191)	—
Net income from other financial instruments mandatory at fair value through profit or loss	—	—	—	—	—	—
Share of profit of equity accounted investees, net of tax	624,213	504	—	837,685	(1,462,402)	—
Dividends	698	2,246	—	—	(2,944)	—
Foreign exchange gains (losses), net	—	—	—	—	—	—
Other income	28,954	20,224	2,261	150	(51,589)	—
Total intersegment income	1,055,401	103,507	15,350	1,160,007	(2,334,265)	—
Total income	Ps. 31,240,980	Ps. 12,888,766	Ps. 1,590,021	Ps. 1,511,434	Ps. (2,334,265)	Ps. 44,896,936

Expenses						
Interest expense	Ps. (17,097,807)	Ps. (3,020,339)	Ps. (6,253)	Ps. (371,581)	Ps. 451,489	Ps. (20,044,491)
Net impairment loss on financial assets	(3,987,888)	(53,943)	(6,725)	805	1,428	(4,046,323)
Expenses from commissions and fees	(925,106)	(10,801)	(101,226)	(465)	35,973	(1,001,625)

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

	Banking Services	Merchant Banking	Pension and Severance Fund Management	Holding ⁽¹⁾	Eliminations	Total
Costs and expenses of sales goods and services	(490,891)	(8,015,947)	(87,090)	—	22,683	(8,571,245)
Depreciation and amortization	(645,214)	(10,364)	(19,778)	(1,774)	2,929	(674,201)
Personnel expenses	(2,706,135)	(87,926)	(185,876)	(42,295)	71	(3,022,161)
Administrative expenses	(4,174,647)	(151,186)	(269,299)	(37,046)	339,989	(4,292,189)
Income tax expense	24,948	(661,147)	(262,774)	(42,586)	(419)	(941,978)
Other expense ⁽⁴⁾	(132,685)	(5,928)	3,119	(152)	(1,264)	(136,910)
Total expenses	Ps. (30,135,425)	Ps. (12,017,581)	Ps. (935,902)	Ps. (495,094)	Ps. 852,879	Ps. (42,731,123)
Net income from continuing operations	Ps. 1,105,555	Ps. 871,185	Ps. 654,119	Ps. 1,016,340	Ps. (1,481,386)	Ps. 2,165,813

⁽¹⁾ Includes Grupo Aval (Separate Financial Statement) and Grupo Aval Limited.

⁽²⁾ See note 28, net income from contracts with customers.

⁽³⁾ Includes Net gain on sale of debt and equity securities for Ps. 149,612; Gain on the sale of non-current assets held for sale Ps. 20,110; net gain in asset valuation Ps. 27,863 and other operating income Ps. 380,964.

⁽⁴⁾ Includes loss from sale of non-current assets held for sale Ps. (2,064) and other operating expenses Ps. (134,846).

Revenue from contracts with customers at December, 2024

	Banking Services	Merchant Banking	Pension and Severance Fund Management	Holding ⁽¹⁾	Eliminations	Total
Timing of revenue recognition						
At a point in time	Ps. 178,640	Ps. 507,425	Ps. 84,808	Ps. 284,991	Ps. (304,843)	Ps. 751,021
Over time	3,282,423	10,392,536	1,185,106	—	(84,882)	14,775,183
Total ⁽²⁾	Ps. 3,461,063	Ps. 10,899,961	Ps. 1,269,914	Ps. 284,991	Ps. (389,725)	Ps. 15,526,204

⁽¹⁾ Includes Grupo Aval (Separate Financial Statement) and Grupo Aval Limited.

⁽²⁾ See note 28, net income from contracts with customers.

Reconciliation of net income, assets and liabilities of the reportable operating segments

Main eliminations of total income, expenses, assets and liabilities between segments with the corresponding consolidated entries at the level of Grupo Aval are:

- Loans and financial obligations.
- Investments in term deposits and outstanding bonds of in other segments.
- Investments and non- controlling interests.
- Leases and commissions pay between entities of Grupo Aval.
- Expenses and incomes from commissions.

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

31.5 Analysis of Revenues by Products and Services

Grupo Aval's revenues are analyzed in each segment by products and services, in the statement of income.

31.6 Income by Country

Grupo Aval's revenues for each individual country for which revenues are significant, are the following during the years ended December 31, 2025 and 2024:

December 31, 2025											
	Country										
	Colombia		Panamá		Barbados		Perú		Brazil		
	Ps.		Ps.	Ps.		Ps.		Ps.	Ps.		
Interest income		24,952,673		612,961		75,175		37,709		1	Ps. 25,678,519
Income from commissions and fees		4,765,239		16,471		2,515		—		—	4,784,225
Banking service fees		1,715,266		15,567		2,515		—		—	1,733,348
Pension and severance fund management		1,282,053		—		—		—		—	1,282,053
Credit card fees		934,968		381		—		—		—	935,349
Trust activities and portfolio management services		569,710		—		—		—		—	569,710
Bonded warehouse services		203,814		—		—		—		—	203,814
Office network services		20,228		—		—		—		—	20,228
Commissions on drafts, checks and checkbooks		17,129		523		—		—		—	17,652
Other commissions		22,071		—		—		—		—	22,071
Share of profit of equity accounted investees, net of tax		350,935		—		—		—		—	350,935
Dividends		126,218		161		321		—		—	126,700
Income from sales of goods and services		9,440,607		—		—		956,187		—	10,396,794
Energy and gas		5,912,997		—		—		929,022		—	6,842,019
Infrastructure		2,251,323		—		—		—		—	2,251,323
Hotels		705,370		—		—		27,165		—	732,535
Agribusiness		302,811		—		—		—		—	302,811
Other services		268,106		—		—		—		—	268,106
Other income		3,156,806		19,605		3,011		24,551		—	3,203,973
Total income	Ps.	42,792,478	Ps.	649,198	Ps.	81,022	Ps.	1,018,447	Ps.	1	Ps. 44,541,146

December 31, 2024											
	Country										
	Colombia		Panamá		Barbados		Perú		Other countries ⁽¹⁾		
	Ps.		Ps.	Ps.		Ps.		Ps.	Ps.		
Interest income		26,169,433		684,979		74,752		42,731		7	Ps. 26,971,902
Income from commissions and fees		4,459,083		15,956		2,565		—		—	4,477,604
Banking service fees		1,596,470		15,032		2,565		—		—	1,614,067
Pension and severance fund management		1,174,608		—		—		—		—	1,174,608
Credit card fees		962,397		377		—		—		—	962,774
Trust activities and portfolio management services		495,929		—		—		—		—	495,929
Bonded warehouse services		181,804		—		—		—		—	181,804

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

December 31, 2024

	Country					Total income
	Colombia	Panamá	Barbados	Perú	Other countries ⁽¹⁾	
Office network services	16,289	—	—	—	—	16,289
Commissions on drafts, checks and checkbooks	19,575	547	—	—	—	20,122
Other commissions	12,011	—	—	—	—	12,011
Share of profit of equity accounted investees, net of tax	378,396	—	—	—	—	378,396
Dividends	141,867	—	—	—	—	141,867
Income from sales of goods and services	10,009,174	—	—	1,039,426	—	11,048,600
Energy and gas	5,893,834	—	—	1,015,088	—	6,908,922
Infrastructure	2,950,048	—	—	—	—	2,950,048
Hotels	606,880	—	—	24,338	—	631,218
Agribusiness	309,868	—	—	—	—	309,868
Other services	248,544	—	—	—	—	248,544
Other income	1,846,367	15,842	286	16,072	—	1,878,567
Total income	Ps. 43,004,320	Ps. 716,777	Ps. 77,603	Ps. 1,098,229	Ps. 7	Ps. 44,896,936

⁽¹⁾ Costa Rica and Cayman Islands.

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

During the years ended December 31, 2025 and 2024, Grupo Aval reported no concentration of revenue in customers with more than a 10% share of revenue from ordinary activities.

The foregoing analysis is based on the customer's domicile. Income from off- shore entities of Colombian customers are reported as income from Colombia. The revenues include income from interest, fees, commissions and other operating income.

31.7 Non-current assets by Country

The main non-current assets are detailed below according to the presentation based on the degree of liquidity for each country for the periods ending December 31, 2025 and 2024:

December 31, 2025	Own – use Property, plant and equipment, net ⁽¹⁾	Intangible assets ⁽²⁾
Colombia	Ps. 6,683,911	Ps. 15,416,562
Perú	219,778	3,081,888
Panamá	31,603	7,063
Barbados	145	878
Total ⁽³⁾	Ps. 6,935,437	Ps. 18,506,391

December 31, 2024	Own – use Property, plant and equipment, net ⁽¹⁾	Intangible assets ⁽²⁾
Colombia	Ps. 4,053,729	Ps. 15,707,679
Perú	187,063	3,296,377
Panamá	359,176	291,221
Barbados	137	1,209
Total	Ps. 4,600,105	Ps. 19,296,486

⁽¹⁾ see note 15.1

⁽²⁾ see notes 16 to 18.

⁽³⁾ As of December 2025, the assets corresponding to Multi Financial Group were reclassified as non-current assets held for sale, see note 13.A.

NOTE 32 – UNCONSOLIDATED STRUCTURED ENTITIES

The term "unconsolidated structured entities" refers to all structured entities that are not controlled by Grupo Aval. Grupo Aval enters into transactions with unconsolidated structured entities in the normal course of business to facilitate customer transactions and for specific investment opportunities.

The table below shows the total assets of unconsolidated structured entities in which Grupo Aval had an interest at the reporting date and its maximum exposure to loss in relation to those interests:

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

Nature and risks associated with Grupo Aval's interests in unconsolidated structured entities

December 31, 2025	Grupo Aval's managed funds	funds managed by other entities (Nexus and Pactia)	Total
Grupo Aval's interest-assets			
Investments at fair value through profit or loss	Ps. 5,196,240	Ps. 4,086,202	Ps. 9,282,442
Other account receivables	46,899	—	46,899
Total assets in relation to Grupo Aval's interests in the unconsolidated structured entities	5,243,139	4,086,202	9,329,341
Grupo Aval's maximum exposure ⁽¹⁾	Ps. 5,243,139	Ps. 4,086,202	Ps. 9,329,341

⁽¹⁾ Represent 2.67%, respectively of the Grupo Aval's managed funds total assets.

December 31, 2024	Grupo Aval's managed funds	funds managed by other entities (Nexus and Pactia)⁽¹⁾	Total
Grupo Aval's interest-assets			
Investments at fair value through profit or loss	Ps. 4,138,387	Ps. 3,099,853	Ps. 7,238,240
Other account receivables	36,578	107	36,685
Total assets in relation to Grupo Aval's interests in the unconsolidated structured entities	4,174,965	3,099,960	7,274,925
Grupo Aval's maximum exposure ⁽²⁾	Ps. 4,174,965	Ps. 3,099,960	Ps. 7,274,925

⁽¹⁾ Includes the Private Equity Fund Pactia Inmobiliario, as of October 29, 2024, for a value of Ps. 324,220.

⁽²⁾ Represent 2.22%, respectively of the Grupo Aval's managed funds total assets.

In the normal course of operations, Grupo Aval has trust companies that manage collective investment funds and assets of third parties where the managing trustees receive commissions. Additionally, Grupo Aval's subsidiary Fondo de Pensiones y Cesantias Porvenir manages mandatory pension funds and defined contribution plans. For management services provided by Porvenir, commissions received vary according to the performance of each fund or asset managed.

The obligations of these entities in the administration of these assets are obligations of means and do not guarantee the results. The maximum exposure risk of loss is determined by the possible failures in the administration of the funds by the amount of the returns that manages and the return of the results of assets the clients.

NOTE 33 - TRANSFERS OF FINANCIAL ASSETS

Grupo Aval and its Subsidiaries enters into transactions in its normal course of business by which it transfers financial assets to third parties. Depending on the circumstances, these transfers may either result in these financial assets being derecognized or continuing to be recognized in Grupo Aval's financial statements.

Transferred financial assets not qualifying for full derecognition

i. Sale and repurchase agreements

Sales and repurchase agreements are transactions in which Grupo Aval sells securities and simultaneously agrees to repurchase them (or assets that are substantially the same) at a fixed price on a future date. Grupo Aval continues to recognize the securities in their entirety in the statement of financial position because it retains substantially all of the risks and rewards of ownership. The cash consideration received is recognized as a

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

financial asset and a financial liability is recognized for the obligation to pay the repurchase price. Because Grupo Aval and its Subsidiaries sells the contractual rights to the cash flows of the securities, it does not have the ability to use the transferred assets during the term of the arrangement. As of December 31, 2025, the financial assets held for trading that are being used as collateral under repurchase agreements amounted to Ps. 8,702,596 and as of December 31, 2024 Ps. 6,452,275 (see note 5.1.1 only pledged as collateral in money market operations and pledged as collateral to special entities such as CRCC, BR and BVC), the financial investments debt securities at amortized cost that are being used as collateral under repurchase agreements as of December 2025 amounted to Ps. 2,941,510 and as of December 31, 2024 Ps. 4,076,356 (see note 9.3.1) and the financial investments debt securities FVOCI that are being used as collateral under repurchase agreements as of December 2025 amounted to Ps. 10,475,058 and as of December 31, 2024 Ps. 10,190,595 (see note 5.1.2 only pledged as collateral in money market operations and pledged as collateral to special entities such as CRCC, BR and BVC). Securities lending

ii. Securities lending

As of December 31, 2025, and 2024 Grupo Aval has not recorded securities lending.

Transfer of financial assets that are derecognized in their entirety.

i. Securitizations

As of December 31, 2025, and 2024 Grupo Aval has not recorded securitizations.

NOTE 34 – RELATED PARTIES

To verify the correct identification of relationships and transaction with related parties, Grupo Aval has established a specific formal Procedure for the Identification and Disclosure of Balances and Transactions with Related Parties.

In application of this procedure, our members of the Board of Directors and our key management personnel are periodically required to identify close family members and entities over which such persons have significant influence. This procedure was carried out through a written request containing the criteria that such person must consider in order to provide information on close family members and entities that must be disclosed as their related parties.

In addition, Grupo Aval Vice-Presidency of Accounting Consolidation periodically performs an evaluation of its controlling and non-controlling investments in other entities to identify if such entities should be treated as a related entity.

The following are some of the guidelines included in the above-mentioned corporate framework:

- Grupo Aval and its Subsidiaries shall permanently carry out the registration of the operations performed with related parties, identifying the type of operation, its purpose, economic conditions and authorizations received when applicable.
- Grupo Aval and its Subsidiaries shall establish limits of indebtedness or exposure and perform constant monitoring of the intragroup operations, complying for such purpose with the restrictions set forth under applicable regulations.
- All intragroup operations shall be fully identified by accounting areas of the respective entities.
- Authorization levels are defined within the governance and control structure, assigned as may be deemed adequate as a function of the magnitude and type of transaction, keeping the evidence of such authorizations.

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

- It should be verified that related party transactions are carried out for a good and valuable consideration, at market conditions, maintaining a financial equilibrium in the relationships between the entities participating in the operation.

Balances as of the year ended December 31, 2025 and 2024, with related parties, are detailed in the following tables:

	Individuals		Entities		
	Individuals with control over Grupo Aval (*)	Key management personnel (*)	Associates and joint ventures	Entities controlled by individuals	Entities with significant influence by individuals
December 31, 2025					
Assets					
Cash and equivalents	Ps. —	Ps. —	Ps. —	Ps. 4,409	Ps. —
Financial assets in investments	—	—	1,814,536	1,974,721	—
Financial assets in credit operations	20,582	7,624	696,239	(**) 2,748,562	6,083
Accounts receivable	—	1	43,423	2,074,649	—
Other assets	—	—	10,033	4,566	59
Liabilities					
Deposits	Ps. 239,610	Ps. 35,305	Ps. 122,354	Ps. 1,320,671	Ps. 5,295
Accounts payable	398	389	33,379	317,642	1
Financial obligations	—	—	—	302,194	—
Other liabilities	—	7	403	16,001	—

(*) Include family members

(**) Include one loan for Ps. 981,276 at 36 months with SOFR rate 3M + 3.5%

	Individuals		Entities		
	Individuals with control over Grupo Aval (*)	Key management personnel (*)	Associates and joint ventures	Entities controlled by individuals	Entities with significant influence by individuals
December 31, 2024					
Assets					
Cash and equivalents	Ps. —	Ps. —	Ps. —	Ps. 1,489	Ps. —
Financial assets in investments	—	—	1,757,813	2,317,449	—
Financial assets in credit operations	22,120	6,821	702,904	(**) 2,854,618	3,584
Accounts receivable	—	17	21,281	1,625,006	37
Other assets	—	31	16,301	60,860	—
Liabilities					
Deposits	Ps. 206,174	Ps. 30,417	Ps. 166,009	Ps. 1,467,708	Ps. 6,986
Accounts payable	333	267	26,934	265,585	2
Financial obligations	—	—	—	1,472	—
Other liabilities	—	—	15,900	9,634	22

(*) Include family members

(**) Includes one loan for Ps. 1,196,398 at 36 months with SOFR rate 3M + 3.5% with respect to the loan corresponding to the IBR rate 3M + 4.5%, it was cancelled until December 2024

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

Transactions during the years ended as of December 31, 2025 and 2024, with related parties are as follows:

a. Profit or loss

	Individuals		Entities		
	Individuals with control over Grupo	Key management personnel	Associates and joint ventures	Entities controlled by individuals	Entities with significant influence by individuals
December 31, 2025	Aval (*)	(*)			
Income					
Interest income	Ps. 471	Ps. 576	Ps. 72,825	Ps. 516,465	Ps. 267
Fees income and commissions	16	32	134,113	218,623	35
Leases	—	—	1,900	25	—
Other income	—	34	485,421	11,234	55
Expenses					
Financial expenses	Ps. (6,248)	Ps. (2,399)	Ps. (9,901)	Ps. (147,592)	Ps. (204)
Fees expenses and commissions	(29)	(5,685)	(163,517)	(6,760)	(87)
Operating expenses	(590)	(13,448)	(987)	(5,403)	—
Other expenses	(52)	(111)	(313,292)	(48,116)	(187)

(*) Include family members

	Individuals		Entities		
	Individuals with control over Grupo	Key management personnel	Associates and joint ventures	Entities controlled by individuals	Entities with significant influence by individuals
December 31, 2024	Aval (*)	(*)			
Income					
Interest income	Ps. 492	Ps. 516	Ps. 101,632	Ps. 558,438	Ps. 504
Fees income and commissions	15	25	65,007	155,392	33
Leases	—	—	1,751	26	—
Other income	—	7	458,918	8,879	40
Expenses					
Financial expenses	Ps. (2,539)	Ps. (1,311)	Ps. (10,639)	Ps. (73,476)	Ps. (490)
Fees expenses and commissions	(4)	(3,939)	(132,153)	(2,524)	(52)
Operating expenses	(579)	(9,348)	(1,147)	(5,139)	—
Other expenses	(16)	(41)	(170,952)	(96,707)	(1)

(*) Include family members

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

b. Compensation of Key Management Personnel

The compensation received by the key personnel of the management comprises the following:

Items	Year ended as of	
	December 31, 2025	December 31, 2024
Salaries	Ps. 41,462	Ps. 38,904
Short term benefits for employees	6,768	4,731
Long term benefits for employees	458	541
Fees	5,798	3,939
Total	Ps. 54,486	Ps. 48,115

Transactions with our related parties correspond primarily to the normal course of banking business activities carried out under market conditions. Such transactions include demand and saving deposits, time deposits, commercial, consumer and mortgage loans, financial leases, payment of dividends and or interest.

NOTE 35 – SIGNIFICANT EVENTS

Zelestra Corporación S.A.U.

On December 5, 2025, Promigas S.A. E.S.P., a subsidiary of Corficolombiana, entered into an agreement with Zelestra Corporación S.A.U. to acquire 100% of the shares of the companies that own a regional renewable energy generation platform with a presence in Colombia, Chile, and Peru.

The platform includes a portfolio of projects with a contracted capacity of 1.4 gigawatts, as well as an additional portfolio of projects in various stages of development exceeding 2.1 gigawatts of potential installed capacity.

The closing of this transaction is subject to completing the required procedures before the competition authorities of Colombia and Peru, and to the fulfillment of customary conditions precedent for this type of transaction, which are expected to be obtained in the coming months.

Banco Itaú Colombia S.A. and Banco Itaú Panamá

On December 22, 2025, Banco de Bogotá S.A. and Banco de Bogotá (Panamá) S.A. entered into a commercial offer with Banco Itaú Colombia S.A. and Banco Itaú Panamá, with the purpose of executing the transfer of certain assets, liabilities, and contracts of the offering entities. With the acquisition of Itaú's retail banking business, approximately 277,000 clients would be transferred. The consummation and closing of this transaction are subject to prior approval by the Colombian Superintendency of Finance and to the fulfillment of other customary conditions precedent for this type of transaction.

NOTE 36 – SUBSEQUENT EVENTS

Concesionario Sencia S.A.S.

On January 6, 2026, Corficolombiana S.A., through Corfiinvest S.A.S. (an investment vehicle), entered into an agreement to acquire 51% of the shares of Sencia S.A.S. ("Sencia") for Ps. 85,949. Sencia is the concessionaire of the Public Private Partnership for the renovation, construction, operation, and maintenance of the sports complex at the "El Campín" Stadium, one of the country's most significant urban and entertainment infrastructure projects. The concession has an estimated term of 29 years, an approximate investment of Ps. 2,407,343, and a construction period of approximately 4.5 years.

Grupo Aval Acciones y Valores S.A.
Notes to the Consolidated Financial Statements
For the years ended December 31, 2025, 2024 and 2023
(Amounts expressed in millions of Colombian pesos)

The acquisition was completed on January 15 of this year, once the conditions established in the referred agreement had had been fulfilled - obtained control of Sencia, whereby Corfininvest came to hold 51% of the share capital and thus obtained control of Sencia.

As of the date of issuance of these consolidated financial statements, the purchase price allocation is preliminary. The Company is evaluating the fair values of the identifiable assets and liabilities assumed, including intangible assets related to the concession and any resulting goodwill.

The accounting will be finalized within the measurement period established by IFRS 3 (up to one year from the acquisition date), during which the provisional amounts may be revised to reflect information about conditions existing at that date.

The preliminary values related to the acquisition process are detailed below:

		At December 31, 2025
Total assets	Ps.	104,211
Total liabilities		(13,156)
Net of assets acquired and liabilities assumed from Sencia	Ps.	91,055
Percentage acquired		51%
Book value of the percentage acquired	Ps.	46,438
Payment amount	Ps.	85,949

Aval Fiduciaria

On September 23, 2025, through Resolution 1777 of 2025, the Colombian Superintendency of Finance approved the partial spin-off of Fiduciaria Occidente S.A., Fiduciaria Popular S.A., and Fiduciaria Bogotá S.A., in favor of Aval Fiduciaria S.A.

The transaction involves the transfer of all fiduciary activities—comprising assets, liabilities, contracts, and other associated operational elements—as well as the contractual position of the fiduciary businesses, in order to integrate them into a unified corporate model.

The General Shareholders' Meeting of the companies involved ratified the spin-off, which was formalized on January 1, 2026, through public deeds No. 2625 and No. 2647. Consequently, control of the assets, liabilities, and businesses subject to the spin-off will be recognized as of the date on which those deeds became effective.

As part of the consideration agreed in the corporate reorganization process, Aval Fiduciaria will issue ordinary shares for an estimated amount of Ps. 91,085. As a result, Grupo Aval's direct and indirect ownership interest in Aval Fiduciaria decreased from 98.47% to 77.25%.