

About Banco Popular

Banco Popular S.A. is a Colombian Public Limited (Liability) Company, of a private nature, with a history of more than 70 years in the financial market, throughout which it has been committed to providing financial support and accompaniment to all its clients to help them achieve their goals. The Bank is part of the Aval Financial Conglomerate, one of the most representative financial groups in Colombia, as well as one of the leading banking groups in Central America by asset level.

Banco Popular has established itself as a customer-focused organization that builds trust, shares knowledge, develops its human talent and creates spaces for innovation and transformation. These characteristics have allowed it to give a great value offer, aimed at its customers, in the Personal Banking, Small and Medium Enterprise (SME), Business and Government segments. Thus, the entity has built its leadership servicing pensioners, educators, formal workers and public forces, in addition to building a solid relationship with public and private entities in the country.

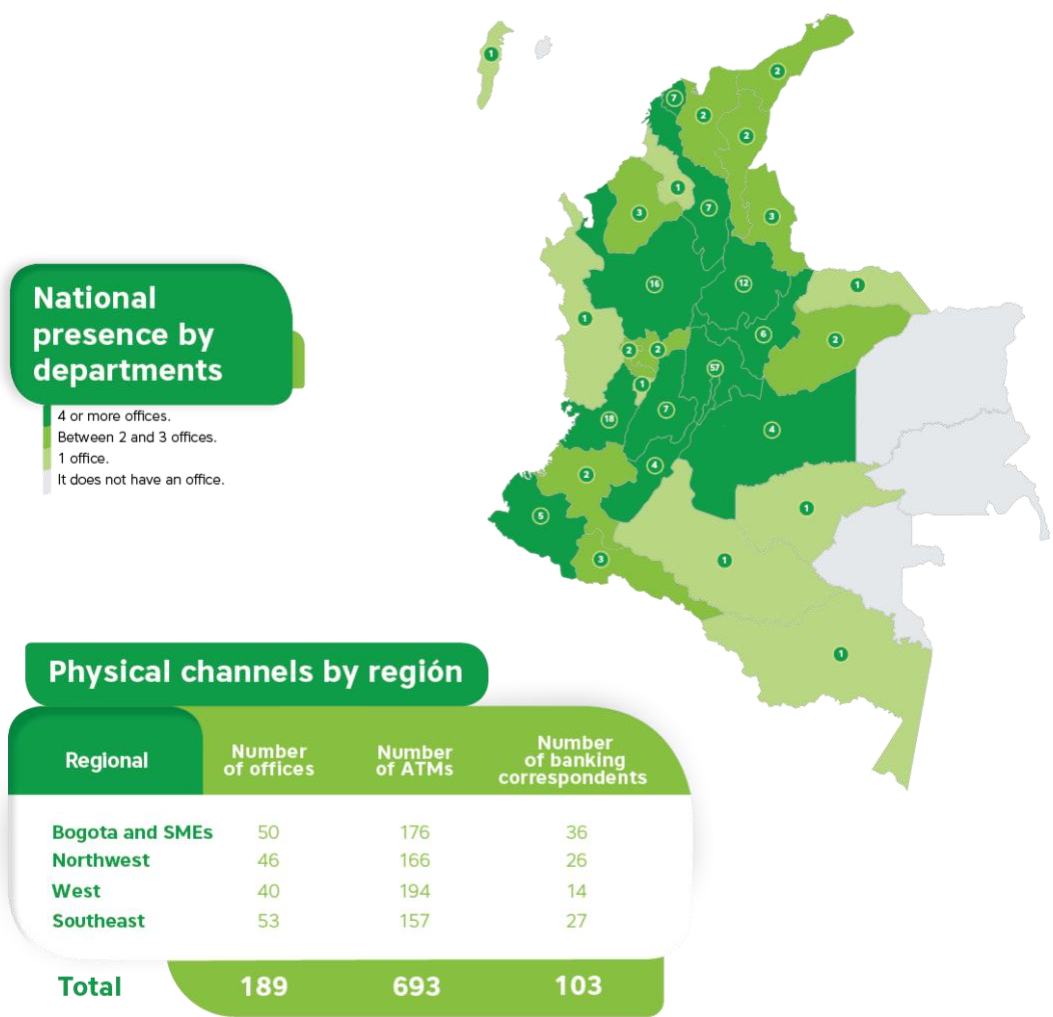
In this way, the Bank, leveraging its business model and the 2025 strategy, continues to work to honor its purpose of being a sustainable company that creates experiences that positively transform people's lives and thus continue to be chosen, loved and recommended by people.

In September 2022, the organization received the following risk ratings from BRC Standard & Poor's and Value & Risk Rating:

- AAA (Triple A), with a stable outlook for long-term debt.
- BRC 1+ (one more) and VrR 1+ (one more) for short-term debt.
- AAA for ordinary bonds and AA+ for subordinated bonds, by BRC Standard & Poor's.

1.1 Banco Popular in Figures

The organization has physical service channels in 29 Colombian departments to provide its financial services. Additionally, the Bank has digital channels that guarantee access to its services anywhere with an internet connection.





Physical channels by region Composition of the gross portfolio

(Figures expressed in millions of Colombian pesos)

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|-----------------------|----|------------|
| Consumer portfolio | \$ | 16.377.261 |
| Commercial portfolio | \$ | 7.097.436 |
| Housing portfolio | \$ | 1.037.595 |
| Financial leasing | \$ | 408.117 |
| Microcredit portfolio | \$ | 1.705 |
| Repos and interbank | \$ | 9.653 |

Total \$ 24.931.767

Filiales

alpopular
Logística Especializada

fiduciaria popular

1.1 Subsidiaries

Banco Popular has two subsidiaries, Alpopular - Almacén General de Depósitos S.A. and Fiduciaria Popular S.A., about which a review is presented, as well as their main figures and results for 2022.

Alpopular - Specialized Logistics

Almacén General de Depósito S.A. (Alpopular) is a company with national coverage that develops its corporate activity as a logistics integrator and document manager with specialized standards, certified in ISO 9001, ISO/IEC 27001, ISO 45001, IQNET and BASC, certified as an Authorized Economic Operator (AEO) and surveilled by the Financial Superintendence of Colombia (SFC for its acronym in Spanish).

Alpopular is located in Bogotá, Medellín, Cali, Barranquilla, Buenaventura, Cartagena, Ipiales, Cúcuta and Villavicencio, cities where it offers specialized logistics solutions in customs brokerage (import, export and customs transit), merchandise storage, specialized inventory services and strategic integration of cargo transportation. Likewise, it provides specialized services in physical and electronic document management, specialized consultancy in the preparation of archival instruments, information management software, digitization, organization, transport and storage of physical and cloud documents.

To carry out its operations, it has more than 20 physical platforms, with a capacity of more than 40,000 shelf positions for merchandise storage, and 1.7 million for storage of X-300 boxes.

In the use of technological platforms to provide specialized services in physical and electronic document management, Alpopular's management focuses on the Docuware application, thus offering functional benefits to clients, as well as specialized logistics with the adoption of the LAB-WMS solution, which leverages growth of the service offer.

Principales cifras



More than **900** clients

in the financial, public, industrial, agricultural, mining-energy, educational, automotive, chemical, telecommunications, and health sectors, among others.



Work team made up of

506 direct employees,
with a presence in 10 branches
throughout the national territory.



97% was the average service
level in the year 2022.



It has 320 employees through
temporary contracts to develop
the projects.



74% in the NPS
(Net Promoter Score).



During 2022,

253 employee trainings
were carried out, for a monthly
average of 252 people trained.



Execution
of more than **75,000** logistics
operations, close to **3,000**

foreign trade operations and 42
million physical and electronic
document management operations.

When looking at the results obtained during the year, it can be seen that Alpopular had a net profit of COP 3,300 million and that its income grew by 12% compared to the previous year. On the other hand, the figures for assets, liabilities and equity each present a variation of 10%, compared to those of the year 2021.

During this term, Alpopular received accreditation as an Authorized Economic Operator (AEO) for a customs agency user type, in the security and facilitation category, as well as the ISO/IEC 27001:2013 certification in information security for the provision of document management services.

Fiduciaries Popular

Fiduciaria Popular (Fidupopular) was created in August 1991 as a financial services entity, subject to the inspection and surveillance of the Financial Superintendence of Colombia (SFC). The organization enters into, develops, and executes commercial trust, public trust, and trust commission contracts. In addition, it manages a voluntary pension fund and three collective investment funds.

Fidupopular offers a portfolio of products that allows achieving savings and investment goals of its clients, as well as providing operational support in the management of their projects.

In all its offices, located in the cities of Bucaramanga, Barranquilla, Cartagena, Cali, Neiva, Popayán, Medellín, Ibagué, Montería, Magangué and Soledad, the Trust Fund provides a close, professional and high-quality service, which has been reinforced through the "+ Impact" project, in which technological tools were implemented that contributed to the operational efficiency of Fidupopular. This, in turn, led to better response times to customers and consequently generated positive service experiences.

Regarding the financial situation of the Trust Fund as of December 31, 2022, assets for a total value of more than COP 55,000 million are registered, and liabilities for close to COP 5,000 million, a result that represents a growth of 5% compared to the previous year. Fidupopular closes the year with assets close to COP 50,000 million in 2022.

On the other hand, aware of the role it plays in the sector, Fidupopular recognizes that being an active part of the fiduciary sector ecosystem is fundamental, since it allows it to be at the forefront of the market and keep its collaborators trained and informed to offer the best advice and service to its customers. For this reason, the organization is part of the Association of Trust Funds (Asofiduciarias) and its technical support groups, through which aspects that may impact the sector and, in turn, its stakeholders are discussed.

Finally, it should be noted that in 2022 the company has implemented initiatives with an environmental purpose and positive impact, such as the installation of ecological points, changing lighting to LED in different areas and some physical interventions and adaptations of work positions, which improved space conditions and work environment for employees, in accordance with the defined maintenance program.

Main Figures

More than 9,500 clients, of which about 92% are segmented into collective investment funds and another 7% into trust businesses that are part of various sectors of the economy, such as financial, public, industrial, commercial, agricultural, mining-energy, educational, automotive, chemical, telecommunications, health, construction, infrastructure and transportation, public services and culture.



Reconocimientos

En el año 2022, Fidupopular obtuvo el galardón otorgado al Fondo de Inversión Colectiva (FIC) Rentar 30, producto que se consolidó como el mejor fondo de la categoría "Renta fija pesos de corto plazo", según el reconocimiento otorgado en los premios PxiStar, que destacan la excelencia en la inversión.

Este logro se complementa con la ratificación de la máxima calificación en "Riesgo de crédito" para el FIC Rentar 30, otorgada por Value & Risk Rating en marzo de 2022. Con estos reconocimientos, la organización afianza sus esfuerzos en ser una fiduciaria que crea experiencias para transformar positivamente la vida de sus clientes.



Acknowledgments

In 2022, Fidupopular was awarded for the Rentar 30 Collective Investment Fund (FIC for its acronym in Spanish), a product that was consolidated as the best fund in the "Short-term peso fixed income" category, according to the recognition granted at the PxiStar awards, which highlights investment excellence.

This achievement is complemented by the ratification of the highest rating in "Credit Risk" for the FIC Rentar 30, granted by Value & Risk Rating in March 2022. With these awards, the organization strengthens its efforts to be a trust fund that creates experiences to positively transform the lives of their clients.

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| 77% en el índice neto de satisfacción (INS), bastante mejor que el 60% obtenido en el año 2021, lo cual refleja el compromiso de Fidupopular con sus clientes. | 77% in the net satisfaction index (INS for its acronym in Spanish), much better than the 60% obtained in 2021, which reflects Fidupopular's commitment to its clients. |
| Equipo de trabajo conformado por 252 empleados distribuidos en los diferentes niveles de la organización. | Work team made up of 252 employees, distributed at different levels of the organization. |
| Más de COP 35,000 millones administrados en el fondo voluntario de pensiones. | More than COP 35,000 million managed in the voluntary pension fund. |
| Inversión de 415 horas totales de capacitación en 2022. El indicador de cumplimiento del Plan Anual de Capacitación fue del 84% en la Escuela de Fortalecimiento de Competencias, superando en 4% la meta establecida para el 2022. | Investment of 415 total hours of training in 2022. The compliance indicator of the Annual Training Plan was 84%, held in the Skills Strengthening School and exceeding the goal established for 2022 by 4%. |
| Reconocimientos | Acknowledgments |
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1.3 Direccionamiento estratégico



| Direccionamiento Estratégico | Strategic Direction |
|---|---|
| Propósito Principal Ser una empresa sostenible que crea experiencias que transforman positivamente la vida de las personas. | Main Purpose To be a sustainable company that creates experiences that positively transform people's lives. |
| Visión Ser elegidos, queridos y recomendados por nuestra gente. | Vision To be chosen, loved and recommended by our people. |
| Estrategia Corporativa 2025 | 2025 Corporate Strategy |
| El Banco Popular ha definido siete prioridades estratégicas, con las cuales busca continuar transformando positivamente la vida de las personas. | Banco Popular has defined seven strategic priorities, with which it seeks to continue positively transforming people's lives. |
| 1. Servicio con actitud positiva Vivir una cultura basada en el positivismo que se refleje en las actitudes y acciones del equipo humano, para que, con empatía, disposición y proactividad, el Banco genere experiencias que agreguen valor y fortalezcan en el tiempo su vínculo con los clientes mediante soluciones fáciles, oportunas y efectivas. | 1. Service with a positive attitude Live a culture based on positivism that is reflected in the attitudes and actions of the human team, so that, with empathy, willingness and proactivity, the Bank generates experiences that add value and strengthen its relationship with customers over time through easy, timely and effective solutions. |
| 2. Banco en el bolsillo Facilitar a los clientes las interacciones con el Banco y con aquellos ecosistemas que les generan valor, por medio de capacidades digitales y de una experiencia extraordinaria. | 2. Bank in your pocket Facilitate customer interactions with the Bank and with those ecosystems that generate value for them, through digital capabilities and an extraordinary experience. |
| 3. Banco inteligente Integrar y complementar la oferta de valor de los grupos de interés a partir de sus interacciones, relaciones y entorno, para la | 3. Smart Bank Integrate and complement the value offer of interest groups based on their interactions, relationships and environment, for timely, |

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| toma de decisiones oportunas, inteligentes e integradas en los diferentes niveles de la organización. | intelligent and integrated decision-making at different levels of the organization. |
| 4. Valor compartido Distribuir con los grupos de interés los beneficios cuantificables que se obtienen de su relación con el Banco para construir relaciones a largo plazo. | 4. Shared Value Distribute with stakeholders, the quantifiable benefits obtained from their relationship with the Bank to build long-term relationships. |
| 5. Sostenibilidad Contribuir a hacer un mejor país dejando huella positiva para el mañana, e impulsando proyectos sostenibles que generen valor a los clientes y rentabilidad para el negocio. | 5. Sustainability Contribute to making a better country by leaving a positive mark for tomorrow, and promoting sustainable projects that generate value for customers and profitability for the business. |
| 6. Eficiencia y riesgo controlado Automatizar y digitalizar punta a punta los procesos internos del Banco, garantizando un adecuado equilibrio entre riesgo y rentabilidad y generando experiencias positivas a la gente. | 6. Efficiency and Controlled Risk Automate and digitize the Bank's internal processes from end to end, guaranteeing an adequate balance between risk and profitability, and generating positive experiences for people. |
| 7. Salud Organizacional Capacidad para alinearse, ejecutar y renovarse más rápidamente que sus competidores, asegurando una experiencia de trabajo memorable con el objeto de poder mantener resultados excelentes a lo largo del tiempo. | 7. Organizational Health Ability to align, execute and renew faster than its competitors, ensuring a memorable work experience in order to maintain excellent results over time. |

Shareholders and investors relations office



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