



# END-OF-YEAR MANAGEMENT REPORT 2024

TITULARIZADORA COLOMBIANA S.A.  
BOGOTÁ  
CALLE 72 NO 7-64 PISO 4

FEBRUARY 2025

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## Basic Information About the Issuer

Titularizadora Colombiana S.A.  
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Titularizadora Colombiana S.A. (hereinafter “Titularizadora” or the “Company”) is a joint stock company (*Sociedad Anónima*) whose purpose is to acquire and mobilize mortgage and non-mortgage assets, including to structure, advise and act as manager for the securitization of such assets, as well as to issue securities and place them through public or private offerings

## Scope

Titularizadora Colombiana has prepared this report for the year 2024 to inform stakeholders about the evolution of the business, economic, administrative, and legal statutes, as well as the corporate framework of the Company and the financial results for the reporting period. This report was structured according to the guidelines set in Article 47 of Law 222 of 1995, amended by Article 1 of Law 603/2000, and other standards that supplement or amend the Management Report’s minimum requirements. Additionally, the report incorporates directives from Public Notice 031/2021 and 012/2022 concerning the disclosure of social and environmental matters, including climate-related issues and the Periodic End-of-Year Report, issued by the Financial Superintendence of Colombia, as well as norms that further detail requirements for securitization companies, along with information pertaining to the Corporate Governance Report (Corporate Governance Analysis Chapter).

## Introduction

The year 2024 was established as a period of economic transition, characterized by the need to balance structural reforms with economic recovery measures in a still-challenging global environment. Although inflationary pressures began to ease, the effects of events such as “*El Niño*” phenomenon and geopolitical tensions maintained a degree of uncertainty in international markets.

At the local level, the Central Bank gradually reduced intervention rates, which contributed to a slight rebound in domestic demand. However, this boost was limited by the slow recovery of private investment and the uncertainty generated by changes in economic policies. In the productive sector, construction and trade began to show signs of recovery, driven by increased public investment and the implementation of targeted incentives. Meanwhile, the real estate sector, which experienced a significant contraction in 2023, saw a slight recovery supported by new policies that facilitated access to housing for middle- and low-income sectors.

The labor market performed positively, with a sustained decline in unemployment rates. The increase in the minimum wage and the growth of remittances were key factors in driving the recovery of consumption, although purchasing power was still affected by lingering inflationary pressures. Government programs aimed at mitigating the effects of climate change and addressing the consequences of “*El Niño*” phenomenon was a priority on the national agenda. Although the impact of these efforts was mixed, they represented a step toward greater resilience against external phenomena.

In summary, 2024 presented a mixed balance: significant progress in economic stabilization and employment contrasted with persistent challenges in investment and business confidence. Despite this, the year ended with signs of a slow but steady recovery, laying the foundation for a more optimistic outlook in 2025.

Finally, the issuances carried out by Titularizadora throughout 2024 allowed it to stand out in the issuer market, accounting for 23% of the total fixed-income issuance volume through the Colombian Stock Exchange (BVC). In a record-breaking year for the number of issuances in Titularizadora’s history, seven (7) issuances were completed: four (4) vehicle loan securitizations—TIV V-7, TIV V-8, TIV V-9, and TIV V-10—and three (3) mortgage-backed securities—TIPS Pesos N-22, TIPS Pesos N-23, and TIPS Pesos N-24. The mortgage-backed securitizations were backed by loans originated by Davivienda and BBVA, while the vehicle loan securitizations were backed by assets from Finanzauto S.A., Banco Santander de Negocios Colombia, and Banco Finandina S.A. These transactions demonstrated the Company’s commitment to providing investment alternatives for the Colombian market amid volatility, uncertainty, and a low volume of fixed-income issuances in the BVC.

## **Economic Environment**

### **International Markets**

During 2024, some of the trends that began in 2023 became more established, although with certain significant changes in the global landscape. The easing of monetary policies in developed countries was one of the key characteristics of the year, with central banks such as the Federal Reserve and the European Central Bank initiating interest rate reduction cycles during the second quarter, which helped stabilize financial markets. However, uncertainty stemming from ongoing geopolitical tensions—such as the conflict between Russia and Ukraine, the conflict between Israel and Palestine, the U.S. presidential elections, and economic challenges in China—continued to drive volatility in financial assets.

The continued normalization of international trade was noteworthy, largely driven by the stabilization of global supply chains. Although the Chinese economy faced structural challenges such as high debt levels and a weakened real estate sector, it exhibited moderate growth due to internal stimulus policies. This environment helped maintain a

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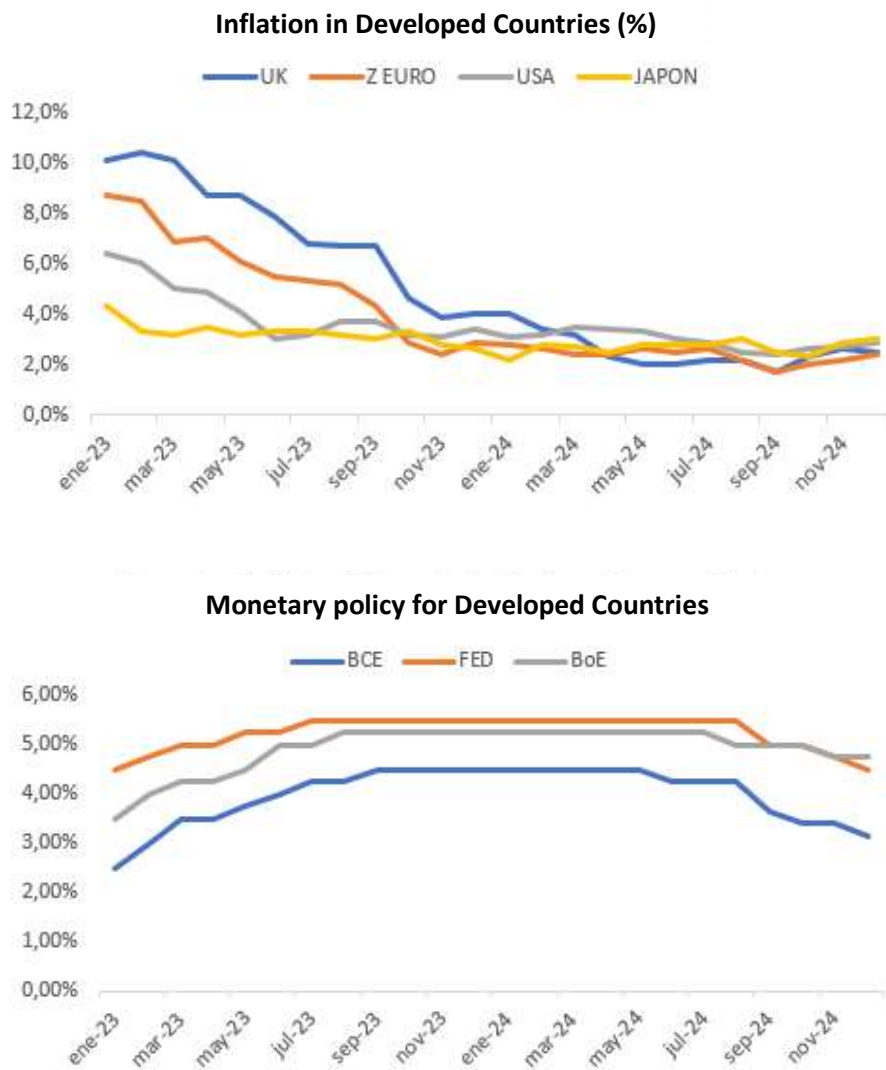
steady supply of goods and services, contributing to the global disinflation process, benefiting consumers, and easing price pressures.

Throughout the year, the yield on the 10-year U.S. Treasury bond fluctuated by up to 110 basis points, driven by shifts in expectations regarding the Federal Reserve's (FED) interest rate policy. At the beginning of 2024, the market anticipated up to six 25-basis-point rate cuts. However, only one 50-basis-point cut, and two 25-basis-point cuts were ultimately implemented.

In the last quarter of the year, the Federal Open Market Committee (FOMC) adopted a less expansionary stance, leading to a sharp increase in the 10-year bond yield, which rose from 3.6% to 4.5%. This adjustment triggered a contagion effect, pushing interest rates higher in the Eurozone, Asia, and Latin America.

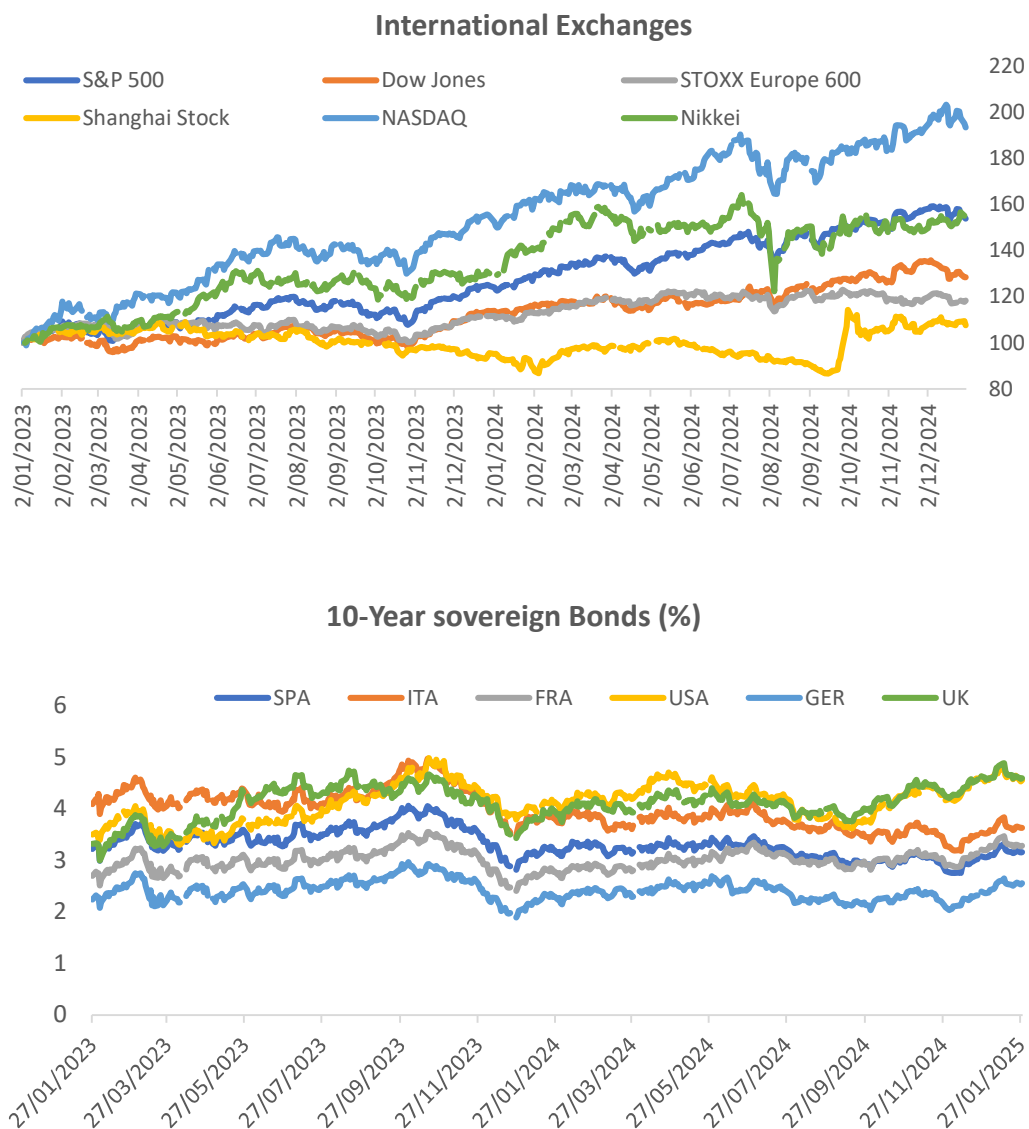
Despite the smaller-than-expected rate cuts, a more favorable investment environment emerged, particularly toward the end of the year, as markets began to anticipate stronger growth in 2025. In stock markets, indices in developed countries performed positively, reflecting optimism about economic stabilization and the impact of technological innovations, such as artificial intelligence, which continued to transform global productivity. However, the Chinese index showed more modest performance, affected by internal restrictions and a slower-than-expected economic recovery. Despite this, global momentum allowed the year to close with encouraging prospects for the years ahead.

FIGURE 1. INFLATION BEHAVIOR AND MONETARY POLICY IN MAJOR ECONOMIES



Source: Bloomberg

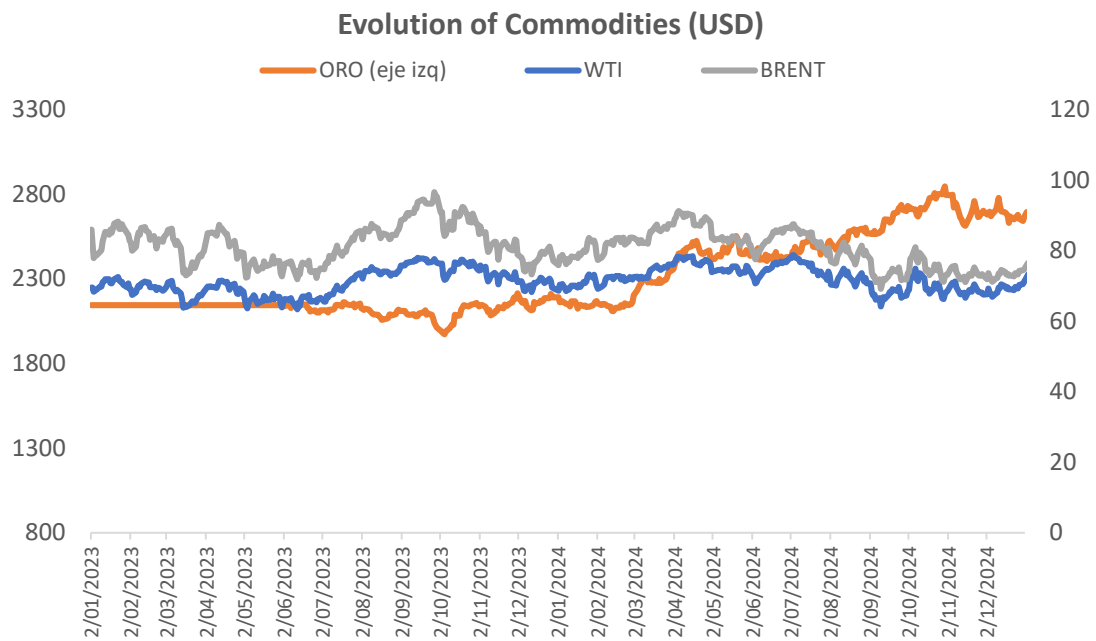
FIGURE 2. PERFORMANCE OF MAJOR STOCK INDICES AND 10-YEAR SOVEREIGN BONDS



Source: Bloomberg

In 2024, commodities exhibited lower volatility compared to 2023. Oil prices fluctuated moderately, influenced by geopolitical factors and more stable global economic expectations. In contrast, the price of gold increased for most of the year, consolidating its position as a safe-haven asset during periods of uncertainty. However, its rise was more moderate toward the end of the year due to greater global economic stability.

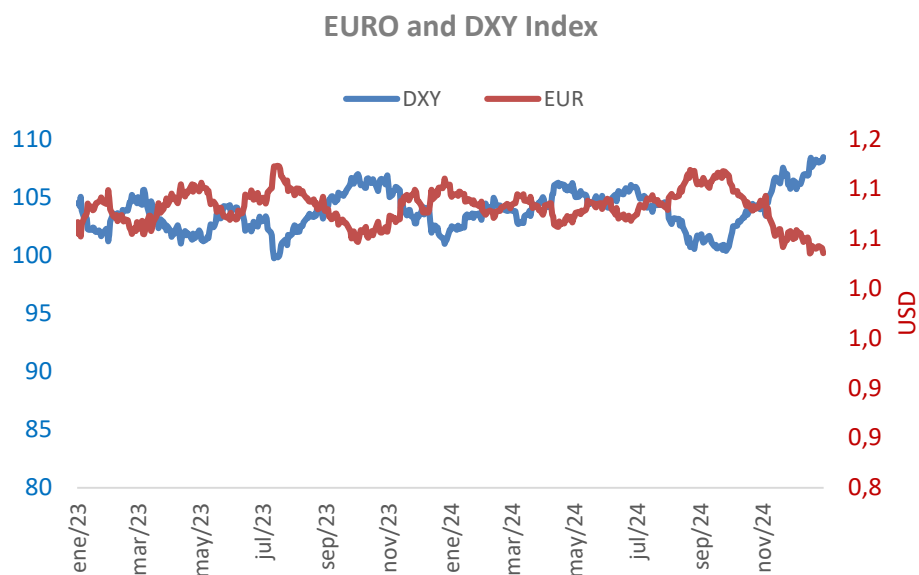
FIGURE 3. PERFORMANCE OF THE COMMODITIES MARKET



Source: Bloomberg

The dollar showed progressive strengthening, especially toward the end of the year, contrary to initial expectations of interest rate cuts by the Federal Reserve. This trend put pressure on currencies such as the euro, the pound sterling, and the yen.

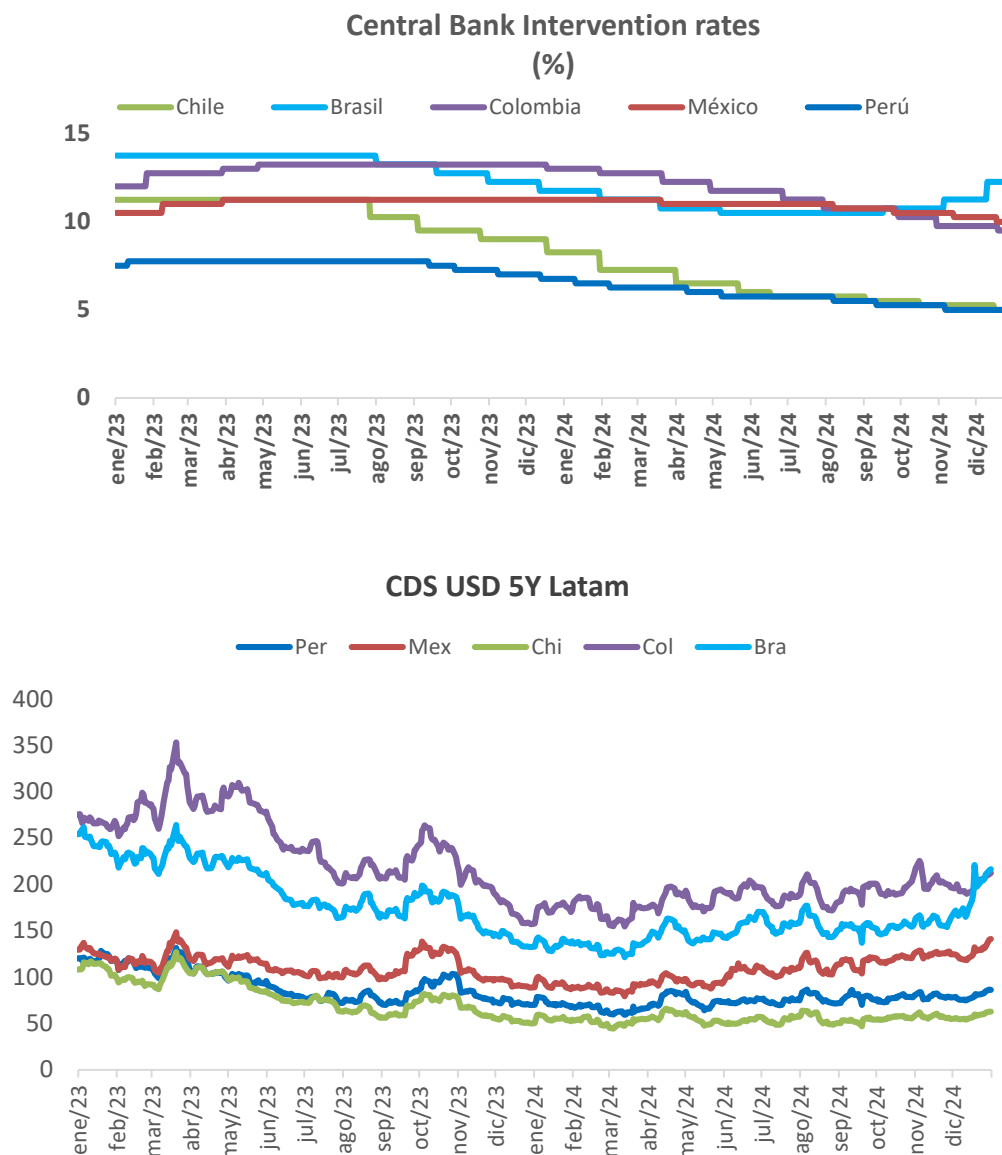
FIGURE 4. BEHAVIOR OF THE EURO AND THE DXY INDEX



Source: Bloomberg

Central banks in Latin American emerging markets continued lowering interest rates, supported by more controlled inflation and the need to stimulate still-fragile economies. The region's risk premiums showed a notable improvement compared to 2023, reflecting greater investor confidence and reduced market uncertainty. The exception was Brazil, where inflationary pressures and fiscal challenges led to an increase in intervention rates starting in September, negatively impacting risk perception as measured by credit default swaps (CDS).

FIGURE 5. BEHAVIOR OF THE MONETARY POLICY AND CDS IN LATAM ECONOMIES



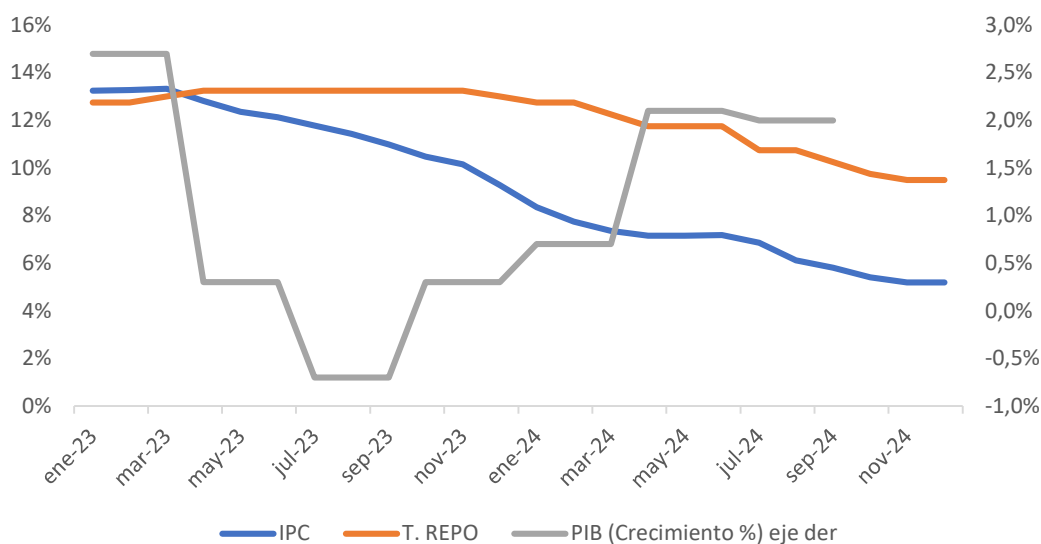
Source: Bloomberg



In the local market, 2024 saw an economic recovery compared to 2023. Although Gross Domestic Product (GDP) growth showed signs of gradual improvement, other indicators, such as retail sales and industrial production, still reflected sluggish dynamics. Inflation, while remaining a significant challenge, exhibited a more pronounced downward trend compared to the previous year, allowing the Banco de la República to cautiously begin easing its monetary policy, though still far from adopting an expansionary approach.

In the political sphere, statements from government officials and the reform proposals submitted by the Executive to the Legislature maintained an atmosphere of uncertainty and volatility, in line with what was observed in 2023.

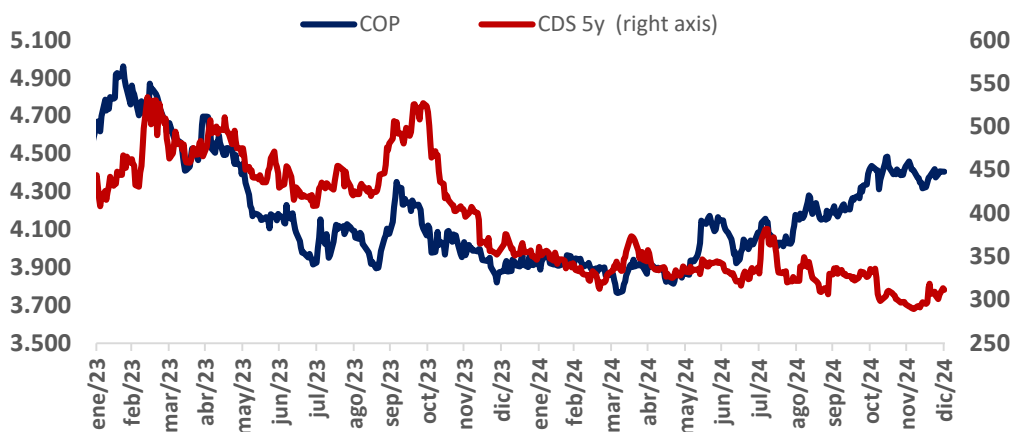
FIGURE 6. ECONOMIC GROWTH, INFLATION AND REPO RATE



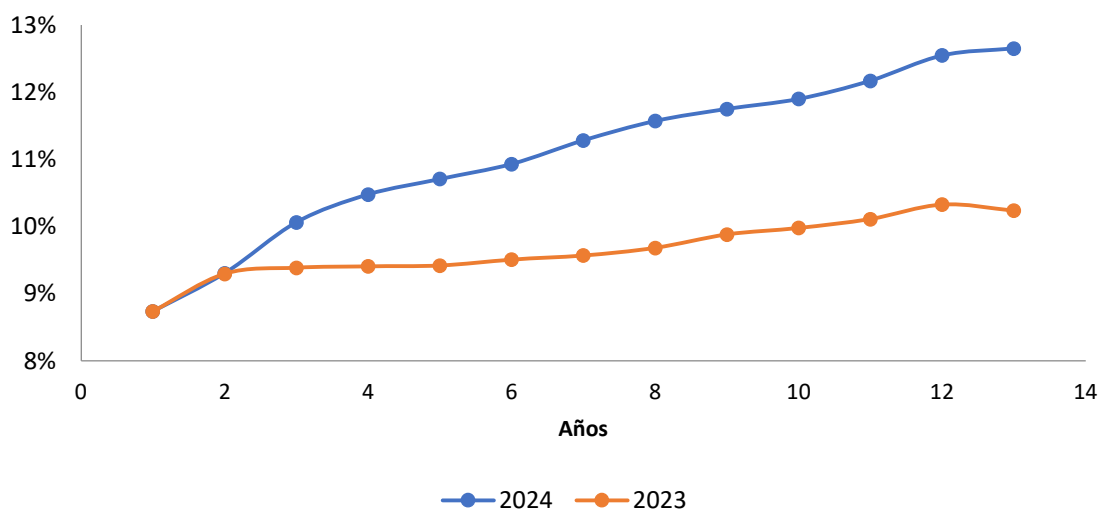
Source: Bloomberg

FIGURE 7. EVOLUTION OF THE COLOMBIAN PESO VS 5-YR CDs AND TES FIXED RATE YIELD CURVE

### Colombian Peso - CDS USD 5y Col



### Fixed Rates TES Yield Curve



Source: Bloomberg

Meanwhile, public debt rates increased by an average of 190 basis points compared to December 2023 levels, showing a steepening of the yield curve. Although this rise was linked to the performance of U.S. Treasury bonds, local factors also played a key role. These included concerns over low tax revenue collection, a potential breach of the fiscal rule, inflationary pressures stemming from the increase in the minimum wage, and uncertainty surrounding the General Budget of the Nation (2024-2025). All of this led to an outflow of foreign investors, resulting in depreciation and greater volatility in the Colombian fixed-income market.

In the financial sector, the adjustments to the CFEN implemented in the second half of 2023 remained in place throughout 2024. This, combined with the low credit origination activity of financial institutions and ample liquidity, led to a reduction in corporate spreads, which remained low throughout the year, benefiting issuers in the primary market.

Regarding the exchange rate, the Colombian peso performed better than in 2023 due to improved external market conditions, increased risk appetite, and consistently high oil prices for most of the year. The greater risk appetite was also reflected in a lower risk premium, which ended the year at its lowest level.

In the Colombian Stock Exchange (BVC), fixed-income issuances continued to show weak performance due to high interest rates. Total issuances for the year reached 4.8 trillion pesos, representing a 48% increase compared to 2023 but still 54% lower than in 2021. The average bid-to-cover ratio was 1.61, with 15 issuers participating throughout the year.

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## Description of the Issuances

### Mortgage Loans. TIPS – TIS- TECH

TIPS are securities backed by mortgage portfolios denominated in Pesos or Real Value Units (UVR, for the Spanish original) and offered with maturities of 5, 10, 13, and 15 years, originated by banking and non-banking entities. Senior tranches of these issuances typically carry a triple-A (AAA) rating and are traded on the Colombian Stock Exchange. The TIS or securities backed by mortgage portfolios, are denominated in Pesos, issued at a fixed rate, and offered with a 10-year maturity. The underlying assets are disbursed by non-bank originators supervised by the Financial Superintendence of Colombia. These issuances are structured with investment-grade ratings and are traded on the Colombian Stock Exchange. TECH refers to securities backed by non-performing mortgage loans portfolios (delinquency over 120 days) originated by banking entities. Their yields are derived from cash flows generated through asset recovery processes such as foreclosures, assets received as payment, and restructurings. These securities have a AAA rating and are traded on the Colombian Stock Exchange.

### TIN Real Estate Securities

TIN is an investment program aimed at the securitization of real estate assets, allowing investors to acquire participation securities backed by premium properties. Tax Identification Number (TIN) investors are entitled to receive income from monthly rental payments generated through economic exploitation contracts, and their returns also come from the commercial appreciation of the real estate portfolio over time. Some advantages and benefits for investors include: (i) investment in stabilized properties; (ii) monthly yield distribution; (iii) stable and attractive profitability in line with a moderate to conservative risk profile; (iv) an independent team of experts with extensive experience; and (v) robust corporate governance and institutional support.

### TIL Payroll Loans

Securities backed by consumer loan portfolios, where payments are deducted through payroll loans denominated in Colombian Pesos, originated by both Banking and Non-Banking Originators. The senior series have a contractual maturity of five years and may feature a successive purchase structure that temporarily allows for the acquisition of new portfolios with the scheduled and pre-paid amortizations by debtors. The high origination and management standards required by the Master Administration process ensure optimal management of the loan portfolios and the good performance of the issuances. The issuances have a AAA rating.

### TER Commercial Loans

The securities are backed by rediscount commercial loan obligations originated by second-tier banks. The securities are indexed to the Consumer Price Index (CPI), have a

maturity of 12 years, and hold a AAA rating. The risk of prepayment is mitigated by the possibility of acquiring loans that meet the eligibility criteria defined from the start. The securities are traded on the Colombian Stock Exchange.

#### TIV Vehicle Loans

Securities backed by vehicle loans are classified as consumer loans, granted to individuals by Bank and non-bank Originators. The senior securities have a contractual maturity of five years and may also include a successive purchase structure that enables temporary acquisitions of new portfolios with the planned and early repayments by the borrowers. The high origination and management standards required by the Master Administration process ensure optimal management of the loan portfolios and the good performance of the issuances.

Over the course of its market presence, Titularizadora Colombiana has successfully placed the issuances as detailed in Chart No. 8, with the amounts per product line displayed in Chart No. 1, and the tranche composition specified in Chart No. 2.

**FIGURE 8. HISTORICAL TC ISSUANCES**

<b>2002</b> <b>TIPS UVR</b> E1 \$479mm E2 \$588mm	<b>2003</b> <b>TIPS UVR</b> E3 \$464mm E4 \$328mm	<b>2004</b> <b>TIPS UVR</b> E5 \$370mm E6 \$647mm <b>TECH</b> E1 \$183mm E2 \$172mm	<b>2005</b> <b>TIPS UVR</b> E7 \$445mm <b>TECH</b> E3 \$50mm
<b>2006</b> <b>TIPS UVR</b> E8 \$809mm <b>TIPS Pesos</b> E1 \$268mm E2 \$355mm	<b>2007</b> <b>TIPS UVR</b> E9 \$313mm <b>TIPS Pesos</b> E3 \$334mm E4 \$378mm E5 \$312mm	<b>2008</b> <b>TIPS UVR</b> E10 \$238mm <b>TIPS Pesos</b> E6 \$208mm E7 \$370mm E8 \$385mm E9 \$401mm	<b>2009</b> <b>TIPS Pesos</b> E10 \$505mm E11 \$443mm E12 \$386mm E13 \$246mm
<b>2010</b> <b>TIPS UVR</b> E11 \$181mm E12 \$360mm E13 \$345mm <b>TIPS Pesos</b> E14 \$518mm E15 \$614mm E16 \$2.4bn	<b>2011</b> <b>TIPS Pesos</b> N1 \$239mm N2 \$303mm N3 \$379mm	<b>2012</b> <b>TIPS Pesos</b> N4 \$385mm N5 \$399mm N6 \$382mm	<b>2013</b> <b>TIPS Pesos</b> N7 \$428mm

<b>2014</b> <b>TIPS Pesos</b> N8 \$154mm N9 \$503mm N10 \$359mm	<b>2015</b> <b>TIPS UVR</b> U1 \$435mm <b>TIPS Pesos</b> N11 \$374mm <b>TIL Pesos</b> L1 \$15mm	<b>2016</b> <b>TIPS Pesos</b> N12 \$413mm N13 \$353mm <b>TIS Pesos</b> H1 \$46mm <b>TER IPC</b> R1 \$234mm	<b>2017</b> <b>TIPS UVR</b> U2 \$274mm <b>TIPS Pesos</b> N14 \$423mm N15 \$456mm N16 \$385mm <b>TIL Pesos</b> L2 \$123mm
<b>2018</b> <b>TIPS UVR</b> U3 \$506mm <b>TIPS Pesos</b> N17 \$315mm <b>TIL Pesos</b> L3 \$102mm <b>TIS Pesos</b> H2 \$48mm <b>Tin</b> \$163mm	<b>2019</b> <b>TIPS UVR</b> U4 \$355mm <b>TIPS Pesos</b> N18 \$361mm N19 \$407mm N20 \$457mm <b>TIV</b> V1 \$100mm	<b>2020</b> <b>TIL Pesos</b> L4 \$88mm <b>Tin</b> \$100mm	<b>2021</b> <b>TIPS Pesos</b> N21 \$326mm <b>TIPS UVR</b> U5 \$242mm <b>TIV</b> V2 \$51mm
<b>2022</b> <b>TIPS UVR</b> U6 \$40mm <b>TIV</b> V3 \$66mm V4 \$75mm	<b>2023</b> <b>TIV</b> V5 \$63mm V6 \$169mm	<b>2024</b> <b>TIPS Pesos</b> N22 \$315mm N23 \$201mm N24 \$318mm <b>TIV</b> V7 \$130mm V8 \$100mm V9 \$125mm V10 \$100mm	

Source: Prepared by TC

**CHART 1. BALANCE OF SECURITIES AND PERCENTAGE PENDING PAYMENT (AMOUNTS IN BILLIONS OF PESOS)**

Product	Balance issued	Current balance
Mortgage - Pesos	24.68	2.13
Payroll	0.33	0.00
Commercial	0.23	0.01
Vehicle	0.98	0.57
Real estate	0.26	0.26
<b>Total</b>	<b>26.48</b>	<b>2.98</b>

Source: Prepared by TC

**CHART 2. COMPOSITION OF THE SECURITIES BALANCE. (AMOUNTS IN MILLIONS OF PESOS)**

Issue	A	B	MZ	C	Total
UVR U-1	0	30,622	26,658	3,500	60,780
UVR U-2	21,572	39,701	7,543	4,963	73,779
UVR U-3	119,603	0	18,054	7,094	144,751
UVR U-4	90,730	47,100	6,090	3,905	147,825
UVR U-5	140,764	19,497	3,110	3,732	167,103
UVR U-6	31,099	5,258			36,356
PESOS H-1	0	4,053			4,053
PESOS H-2	5,963	7,855			13,818
PESOS N-7		0	3,962	4,076	8,039
PESOS N-9		14,203	3,676	2,483	20,362
PESOS N-10	0	5,995	5,299		11,294
PESOS N-11	0	14,033	7,342		21,375
PESOS N-12	0	35,797			35,797
PESOS N-13	6,243	38,832			45,075
PESOS N-14	2,685	44,881	5,428		52,994
PESOS N-15	0	45,041	6,701	2,234	53,975
PESOS N-16	5,285	37,681	6,785	1,884	51,635
PESOS N-17	7,500	30,788	6,004	1,539	45,832
PESOS N-18	91,555	4,070	1,785	1,785	99,195
PESOS N-19	104,553	5,067	5,000	2,000	116,619
PESOS N-20	112,415	0	4,950	2,250	119,615
PESOS N-21	123,280	23,772			147,052
PESOS N-22	181,353	19,035			200,388
PESOS N-23	154,091	14,975			169,067
PESOS N-24	254,266	26,500			280,765
TER IPC R-1	0	13,337			13,337
TIN	263,025				263,025
TIL Pesos L-4	0	0		864	864
TIV V-2	0	551		1,000	1,551
TIV V-3	0	7,319		520	7,839

TIV V-4	3,381	16,800			20,181
TIV V-5	22,817	13,291			36,108
TIV V-6	48,916	49,014			97,930
TIV V-7	75,066	39,000			114,066
TIV V-8	51,786	20,000			71,786
TIV V-9	97,300	23,681			120,981
TIV V-10	80,000	20,000			100,000
TOTAL	2,095,247	717,750	118,386	43,829	2,975,212

Source: Prepared by TC

## SUMMARY OF 2024 ISSUANCES.

In 2024, market conditions were generally more favorable than in 2023 for fixed-rate issuances due to factors such as expansionary monetary policy, the disinflation process, reduced funding pressure on financial institutions, and abundant liquidity in investment portfolios. The discussion and subsequent approval of the pension reform affected the participation of pension funds in some issuances. However, favorable market conditions and investors' need for diversification enabled a record number of issuances, with heightened activity particularly in the second half of the year and a notable reactivation of larger fixed-rate mortgage-backed issuances.

Over the course of the year, seven (7) credit-related issuances were carried out in March, June, July, September, October, November, and December.

Regarding mortgage-backed issuances, the first issuance was TIPS Pesos N-22 in March, backed by a portfolio originated by Banco Davivienda. A notable aspect of this issuance was the inclusion of residential leasing for the first time:

**CHART 3. SUMMARY OF ISSUANCE TIPS PESOS N-22**

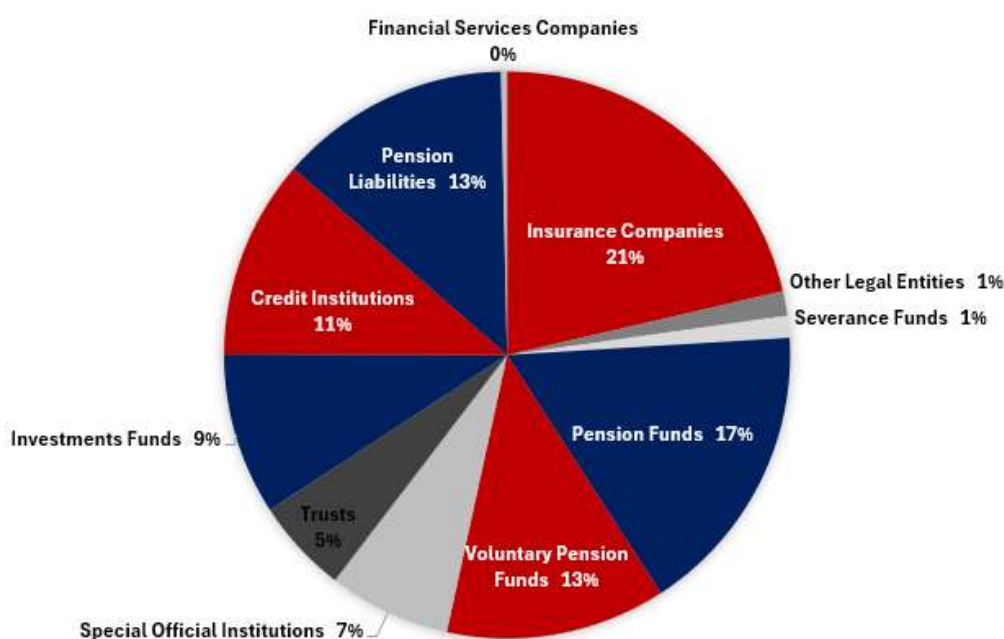
	<b>Portfolio</b>	<b>Series A Securities</b>	<b>Subordinated Securities</b>	<b>Issued</b>
<b>TIPS Pesos N-22</b>	<b>\$315.000</b>	<b>\$286.650</b>	<b>\$28.350</b>	<b>\$315.000</b>

Source: Prepared by TC. \* Figures in Millions of Colombian Pesos

The Series A tranche received a AAA rating from BRC Ratings – S&P and was issued through a book-building process on the main market of the Colombian Stock Exchange. On this occasion, the book structure was modified to introduce discretion in the allocation process, allowing investors to control the allocation limit within the issuance. The maximum amount offered for Series A was \$286.650 million. The bid-to-cover ratio was 1.18 relative to the amount offered, and the cutoff rate was 10.90% EA. Subordinated securities totaling \$28.230 billion were issued, bringing the total issuance to \$315.000 million.

In this issuance, insurance companies had the largest share of allocations (21%), followed by pension and severance funds (17%), voluntary pension funds and pension liabilities (each with 13%), and financial institutions (11%), among others.

FIGURE 9. INVESTORS PARTICIPATION TIPS PESOS N22 SERIES A



Source: Prepared by TC.

Meanwhile, the TIPS Pesos N-23 issuance took place in July and featured BBVA as the originator.

Chart 4. Summary of Issuance TIPS Pesos N-23

	Portfolio	Series A Securities	Subordinated Securities	Issued
TIPS Pesos N-23	\$200.880	\$182.801	\$18.079	\$200.880

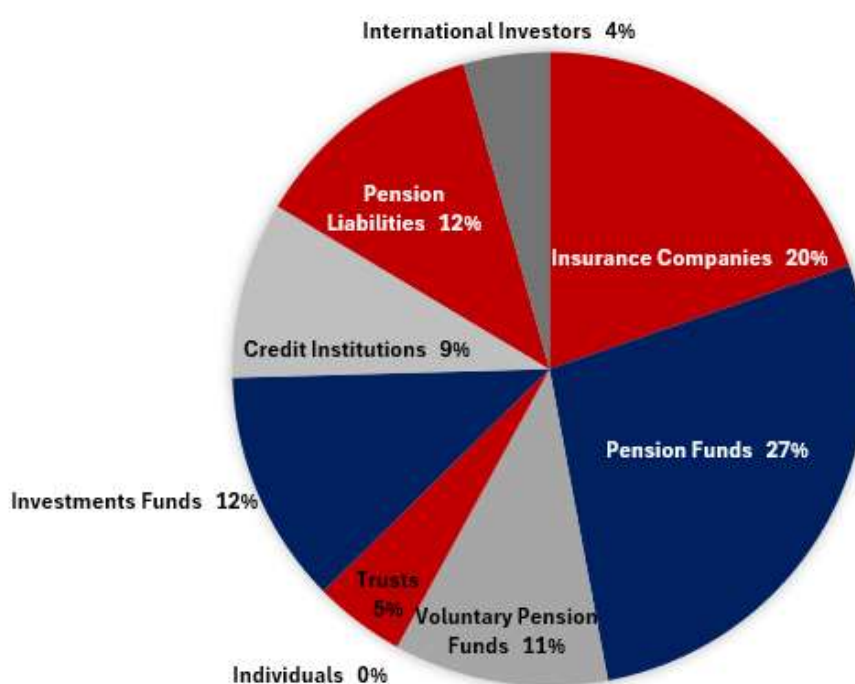
Source: Prepared by TC. \* Figures in millions of pesos

The Series A tranche received a AAA rating from BRC Ratings – S&P and was issued through a book-building process on the main market of the Colombian Stock Exchange. The maximum amount offered for Series A was \$364.000 million. Demand reached \$182.801 million, resulting in a bid-to-cover ratio of 0.50 relative to the maximum amount, with a cutoff rate of 11.65% EA. Additionally, subordinated securities totaling \$18.079 million were issued, bringing the total issuance amount to \$200.880 million.



In this issuance, pension funds had the largest participation (27%), followed by insurance companies (20%), and collective investment funds and pension liabilities, each with 12%, among others. Notably, this issuance saw the participation of an international investor in the senior tranche for the first time, as well as the first primary market sale of a portion of the subordinated securities.

**FIGURE 10. INVESTORS PARTICIPATION TIPS PESOS N23 SERIES A**



Source: Prepared by TC.

The third mortgage-backed issuance of the year was TIPS Pesos N-24, which once again featured Davivienda as the originator and included both mortgage loans and residential leasing portfolios:

**Chart 5. Summary of Issuance TIPS Pesos N-24**

	Portfolio	Series A Securities	Subordinated Securities	Issued
TIPS Pesos N-24	\$318.135	\$289.503	\$28.632	\$318.135

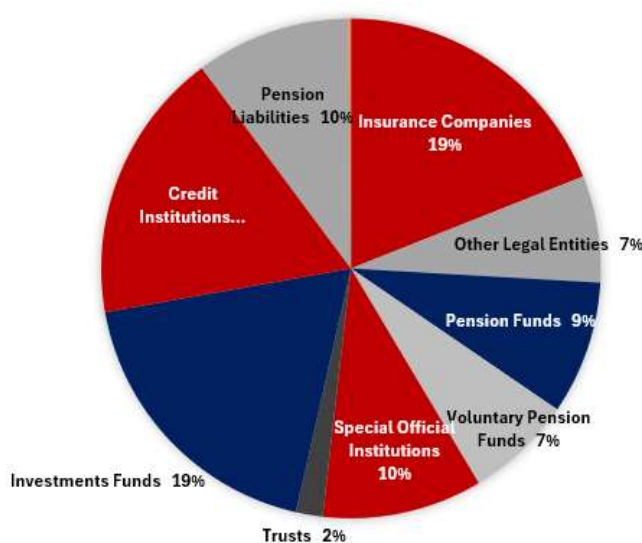
Source: Prepared by TC. \* Figures in millions of pesos

The Series A tranche of this issuance received a AAA rating from BRC Ratings – S&P and was issued through a book-building process on the main market of the Colombian Stock Exchange. To meet investor demand requirements, two (2) Series A tranches were

structured: Series A1, with a five (5)-year maturity and shorter duration, and Series A2, with a 15-year maturity and longer duration due to its sequential structure. Additionally, the book-building process was modified, setting a base offering amount of \$273.000 million and an additional allocation amount of \$91.000 million in case of excess demand. Series A1 had a demand of \$112.003 million, a bid-to-cover ratio of 1.06, and a cutoff rate of 10.40%. Meanwhile, the Series A2 had a demand of \$200.500 million, a bid-to-cover ratio of 1.20, and a cutoff rate of 10.78% EA. Subordinated securities totaling \$28.632 billion were issued, bringing the total issuance amount to \$318.135 million.

This issuance achieved significant investor diversification, with allocations across various segments: insurance companies and collective investment funds had the largest participation (each with 19%), followed by financial institutions (17%), pension liabilities and special official institutions (each with 10%). Mandatory pension funds (9%), voluntary pension funds (7%), and the real sector (7%) also had notable participation.

**FIGURE 11. INVESTORS PARTICIPATION TIPS PESOS N24 SERIES A**



Source: Prepared by TC

On the other hand, throughout the year, four (4) TIV issuances backed by vehicle loan portfolios were carried out, further establishing this instrument in various investment portfolios while providing diversification for investors and funding for originators.

The first TIV issuance of the year was TIV V-8, backed by a portfolio originated by Finanzauto, which was issued in June:

**Chart 6. Summary of Issuance TIV V-8**

	<b>Portfolio</b>	<b>Series A Securities</b>	<b>Subordinated Securities</b>	<b>Issued</b>
<b>TIV V-8</b>	\$100.000	\$80.000	\$20.000	\$100.000

Source: Prepared by TC. \* Figures in millions of pesos

The issuance was placed through a book-building process on the main market of the Colombian Stock Exchange. The amount offered for Series A was \$80.000 million, with a bid-to-cover ratio of 1.0 and a cutoff rate of 11.50% EA. Additionally, subordinated securities totaling \$20.000 million were issued, bringing the total issuance amount to \$100.000 million. In this issuance, 100% of the investors were collective investment funds.

The second TIV issuance of the year was TIV V-7 in September, backed by a portfolio from Banco Finandina S.A. BIC:

**Chart 7. Summary of Issuance TIV V-7**

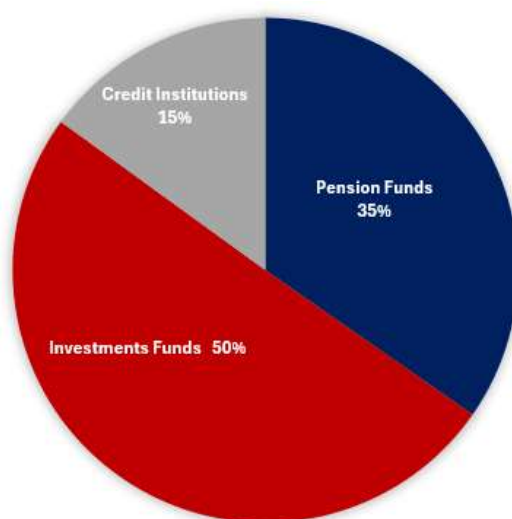
	<b>Portfolio</b>	<b>Series A Securities</b>	<b>Subordinated Securities</b>	<b>Issued</b>
<b>TIV V-7</b>	\$130.000	\$91.000	\$39.000	\$130.000

Source: Prepared by TC. \* Figures in millions of pesos

The issuance was placed through a book-building process on the main market of the Colombian Stock Exchange. The amount offered for Series A was \$91.000 million, with a bid-to-cover ratio of 1.14 and a cutoff rate of 11.10% EA. Additionally, subordinated securities totaling \$39.000 billion were issued, bringing the total issuance amount to \$130.000 million.

Regarding investor segments, collective investment funds had the largest participation (50%), followed by mandatory pension funds (35%) and financial institutions (15%).

FIGURE 12. INVESTORS PARTICIPATION TIV V-7 SERIES A



Source: Prepared by TC

This structure also included an implicit swap, allowing the issuance of a fixed-rate security in response to investor preference, based on a portfolio denominated in IBR. Series A security carries no basis risk due to a higher level of subordination, payment seniority, and the coverage provided by the subordinated securities, which are indexed to IBR.

The third TIV issuance was TIV V-9 in November, with Banco Santander de Negocios Colombia S.A. as the originator, marking the first time the entity securitized a loan portfolio:

Chart 8. Summary of Issuance TIV V-9

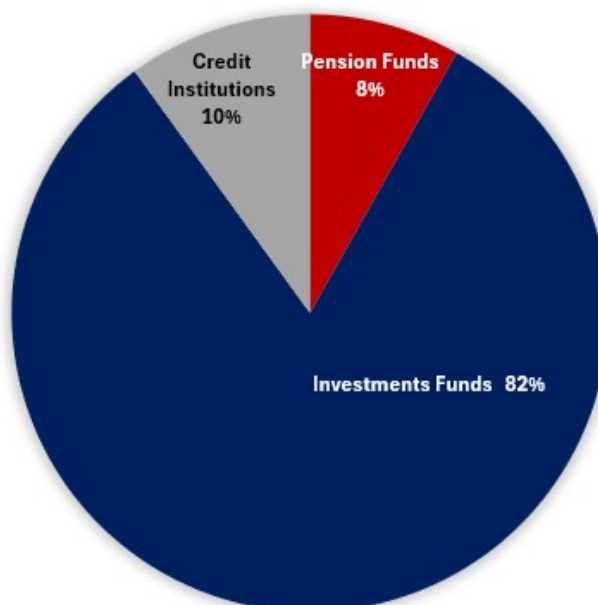
	Portfolio	Series A Securities	Subordinated Securities	Issued
TIV V-9	\$125.000	\$100.000	\$25.000	\$125.000

Source: Prepared by TC. \* Figures in millions of pesos

The issuance was placed through a book-building process on the main market of the Colombian Stock Exchange. The amount offered for Series A was \$80.000 billion, with demand reaching \$122.000 million, resulting in a bid-to-cover ratio of 1.52. A total of \$100.000 million was allocated at a cutoff rate of 10.70% EA. Additionally, subordinated securities totaling \$25.000 million were issued, bringing the total issuance amount to \$125.000 million.

Regarding investor segments, collective investment funds had the largest participation (82%), followed by financial institutions (10%) and mandatory pension funds (8%).

FIGURE 13. INVESTORS PARTICIPATION TIV V-9 SERIES A



Source: Prepared by TC.

Finally, in December, the TIV V-10 issuance took place, once again backed by a portfolio originated by Finanzauto:

Chart 9. Summary of Issuance TIV V-10

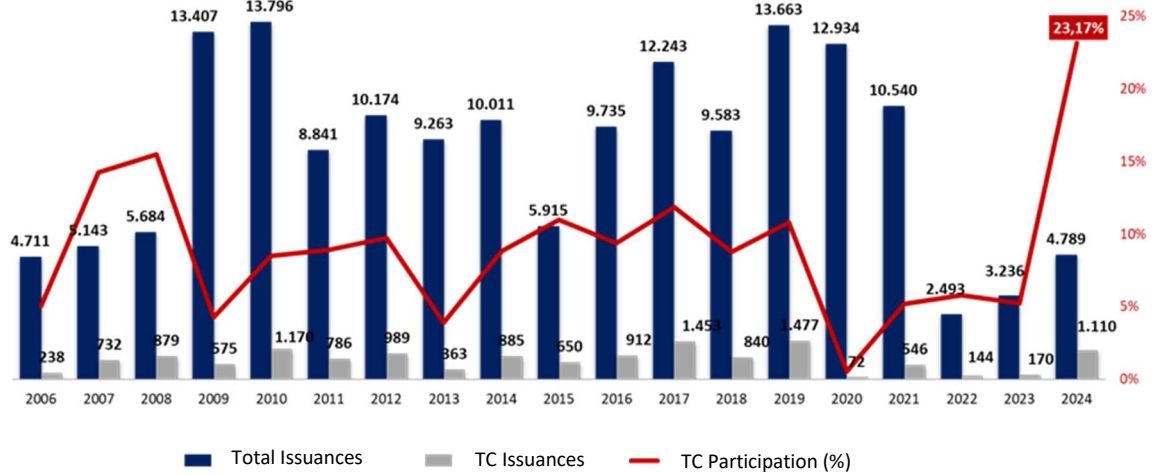
	Portfolio	Series A Securities	Subordinated Securities	Issued
TIV V-10	\$100.000	\$80.000	\$20.000	\$100.000

Source: Prepared by TC. \* Figures in millions of pesos

The issuance was placed through a book-building process on the main market of the Colombian Stock Exchange. The amount offered for Series A was \$80.000 million, with demand reaching \$90.000 million, resulting in a bid-to-cover ratio of 1.13. The cutoff rate was 10.70% EA. Additionally, subordinated securities totaling \$20.000 million were issued, bringing the total issuance amount to \$100.000 million. In this issuance, 100% of the investors were collective investment funds.

With the seven (7) issuances carried out during the year, Titularizadora accounted for 23% of fixed-income issuances through the Colombian Stock Exchange, significantly above the 9% average since 2006, as shown below:

FIGURE 14. TC SHARE OF BVC ISSUANCES (BILLIONS OF PESOS)



Source: BVC, calculations by TC

Titularizadora has completed 81 issuances in the market, with a total issued amount exceeding \$27 trillion pesos, making it the largest issuer in the Colombian securities market.

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## Glossary

Term	Definition
<b>ALCO</b>	Refers to the Asset-Liability Committee (ALCO), a group responsible for overseeing the management of the Company's assets and liabilities.
<b>AON</b>	A strategic partner of Titularizadora in the development of the sustainability report. It is a firm specialized in risk management, insurance and reinsurance consulting, human resources solutions, and outsourcing services.
<b>API</b>	Application Programming Interface (API) is a piece of code that enables different applications to communicate with each other and share information and functionalities.
<b>ASG</b>	Refers to Environmental, Social, and Governance (ESG) factors.
<b>Bid-to-cover</b>	It is a ratio used to measure the demand for a particular security during offerings and auctions.
<b>BRP</b>	Assets received as payment for loans, either through adjudication in an auction or directly from the debtor, in accordance with the rules established in the Administration Agreements.
<b>CFEN</b>	Refers to the Net Stable Funding Ratio (NSFR).
<b>FRECH Coverage</b>	It is the conditional coverage granted by the National Government to borrowers using FRECH resources to promote individual housing financing, in accordance with FRECH regulations. This consists of a financial swap calculated on the interest rate agreed upon in mortgage loans for new housing, under the conditions and requirements specified in FRECH regulations.
<b>Code of Good Governance</b>	It is Titularizadora's Code of Good Governance, including any adjustments and modifications made over time, which can be consulted on the website <a href="http://www.titularizadora.com">www.titularizadora.com</a>
<b>Non-VIS Loans</b>	Non-VIS Mortgage Loans are mortgage loans denominated in UVR or Colombian Pesos with a fixed interest rate throughout their term that (i) meet the conditions of Article 17 of Law 546 of 1999 and its regulatory provisions, granted for the financing of housing other than social interest housing (as defined by Law 388 of 1997, Law 546 of 1999, Decree 4429 of 2005, and Decree 2190 of 2009, or any regulations that incorporate them), and (ii)

	in the case of Mortgage Loans with FRECH Coverage and Additional Coverage, they comply with (x) the conditions defined in FRECH Regulations and (y) those established by the respective Authorized Seller for granting Additional Coverage.
<b>VIS Loans</b>	VIS Mortgage Loans are mortgage loans denominated in UVR or Colombian Pesos, granted for the financing of subsidized social interest housing, meeting the conditions established in Article 17 of Law 546 of 1999 and its regulatory provisions, as well as the requirements for obtaining the family housing subsidy, as defined by Law 388 of 1997, Law 546 of 1999, Decree 4429 of 2005, and Decree 2190 of 2009, or any regulations that modify or replace them, including VIS Loans with FNG Guarantee, where applicable.
<b>Mortgage Loans</b>	Mortgage Loans collectively refer to VIS and Non-VIS Mortgage Loans, including those with and without FRECH Coverage, as applicable, as well as Mortgage Loans, Linked Loans, and VIS Loans with FNG Guarantee, where applicable, including Mortgage Guarantees, as well as Mortgage Loans received by the Universal Entity because of the Substitution of Mortgage Loans.
<b>Linked Loans</b>	They are mortgage loans denominated in UVR or Colombian Pesos, granted to borrowers of Non-VIS or VIS Loans exclusively as part of the debt relief process defined in Decrees 2331 of 1998 and 688 of 1999, or any regulations incorporating them, as well as in External Circular 011 of 1999 issued by Fogafín, that meet the following conditions: (i) they have been granted by the respective Authorized Seller or are owned by the latter after being acquired from Fogafín, (ii) they are secured by the same Mortgage Guarantee as the corresponding Non-VIS or VIS Loan, and (iii) they are not in judicial collection proceedings.
<b>DEI</b>	Refers to Diversity, Equity, and Inclusion (DEI).
<b>Issuance</b>	It refers to the process of issuing Securities exclusively backed by the Universal Entity, which have identical characteristics and are intended to be subscribed and placed into circulation in the securities market as part of the Issuance and Placement Program.
<b>Endpoint</b>	It is a computing device that communicates through a network to which it is connected. It typically refers to everyday devices such as desktops and laptop computers.

<b>Bylaws</b>	They are the Corporate Bylaws of Titularizadora, including any adjustments and modifications made over time, which can be consulted on the website <a href="http://www.titularizadora.com">www.titularizadora.com</a>
<b><i>Ethical Hacking</i></b>	It is the practice of conducting security assessments using the same techniques as hackers but with the proper approval and authorization of the organization being tested.
<b>Issuance Date</b>	It corresponds to the date of formalization of the Public Offering through the submission of the final Prospectus to the National Registry of Securities and Issuers (RNVE) and the BVC, in accordance with the provisions of Decree 2555 of 2010.
<b>FRECH</b>	Reserve Fund for the Stabilization of the Mortgage Portfolio, as defined in Article 48 of Law 546 of 1999, administered by the Banco de la República under the terms established by the National Government.
<b>Mortgage Collateral</b>	It is the mortgage line established by the Debtor to secure the repayment of Mortgage Loans.
<b>GRI</b>	The Global Reporting Initiative (GRI) is an international non-governmental organization aimed at promoting Sustainability Reports as a tool for planning, measuring, evaluating, and communicating an organization's progress and impact on social, economic, and environmental aspects. The GRI Standards are international best practices designed to inform the public about a variety of economic, environmental, and social impacts.
<b>IBR</b>	It is a short-term benchmark interest rate denominated in Colombian pesos, reflecting the rate at which banks are willing to offer or attract funds in the money market.
<b><i>Loan To Value (LTV)</i></b>	The Loan-to-Value ratio (LTV) is a metric commonly used in mortgage transactions to measure the percentage between the loan amount and the value of the property used as collateral.
<b>Primary Market</b>	It is the market where securities registered in the RNVE, in accordance with Part 5, Book 2, Title 1 of Decree 2555, are traded and offered to the public.
<b>Secondary Market</b>	It is the market where previously issued securities are traded and held by investors.
<b>Issuance Amount</b>	It corresponds to the value for which the issuance of securities will be carried out, considering the results of the placement mechanisms of the First and Second Lot.
<b>NO VIS</b>	Housing that does not belong to the social interest sector.

<b>ODS</b>	It stands for Sustainable Development Goals (SDGs) and is defined by the UN.
<b>Selection Parameters</b>	These are the characteristics and conditions that Mortgage Loans must meet to be acquired by the Titularizadora from the Authorized Seller.
<b>PCN</b>	It refers to the Business Continuity Plan.
<b>PRI</b>	The Principles for Responsible Investment is an investor initiative in partnership with the United Nations Environment Program Finance Initiative and the United Nations Global Compact. It aims to establish a global financial system that works collaboratively to create sustainable markets, contributing to a more prosperous world for all.
<b>SARL</b>	It refers to the Liquidity Risk Management System, a set of policies, procedures, and controls that enable the organization to manage liquidity risk.
<b>SASB</b>	<i>The Sustainability Accounting Standards Board (SASB)</i> is a nonprofit organization dedicated to developing sustainability reporting standards. SASB Standards provide a framework for companies to report on sustainability-related risks and opportunities in a way that is financially relevant and material.
<b>SCI</b>	<p>The Internal Control System is the set of policies, principles, standards, procedures, and verification and evaluation mechanisms implemented by the Company. It involves the participation of governance and control bodies, as well as all employees, to provide a reasonable degree of assurance in achieving its strategic objectives. At a minimum, it aims to:</p> <ul style="list-style-type: none"> <li>• Improve efficiency in operational activities.</li> <li>• Prevent and mitigate the occurrence of internal and external fraud.</li> <li>• Ensure effective risk management.</li> <li>• Enhance the reliability and timeliness of generated information.</li> <li>• Comply with applicable regulations.</li> <li>• Protect the organization's assets.</li> <li>• Prevent and mitigate the occurrence of corruption.</li> </ul>
<b>SDNC</b>	It refers to a Non-Conformity Situation of the Loans, as defined in the Master Purchase Agreements and Purchase Agreements.
<b>SGC</b>	Stands for Quality Management System (Sistema de Gestión de Calidad).

<b>SGSI</b>	It refers to the Information Security and Cybersecurity Management System.
<b>SIEM</b>	System for Information and Event Management. It is a security solution that helps organizations detect and respond to threats.
<b>SMMLV</b>	It refers to the SMMLV (Salario Mínimo Mensual Legal Vigente).
<b>Substitution of Mortgage Loans</b>	Obligation of the Authorized Seller under the Master Sale Agreements when the Mortgage Loans do not meet the Selection Parameters defined by the Titularizadora.
<b>PP Portfolio Rate</b>	It is the weighted average rate of Mortgage Loans at the end of each month.
<b>TECH</b>	Securities backed by non-performing mortgage loans (delinquency over 120 days) originated from Banking Entities. Their yield comes from cash flows generated through asset recovery (auctions, assets received as payment, restructurings). These securities are rated AAA and traded on the Colombian Stock Exchange.
<b>TER</b>	The securities are backed by secured credit obligations originated by second-tier banks. The securities are linked to the Consumer Price Index (CPI).
<b>TIL</b>	Securities backed by consumer loan portfolios discounted through payroll deduction, denominated in pesos, and originated by Banking and Non-Banking Originators.
<b>TILIS</b>	Securities backed by unrestricted consumer loan portfolios, denominated in pesos, and originated by Banking and Non-Banking Originators.
<b>TIN</b>	The TIN program is an investment program aimed at the securitization of real estate assets, allowing investors to be part of a group of investors in participating securities backed by premium real estate properties.
<b>TIPS</b>	Securities backed by mortgage loan portfolios denominated in Pesos or Real Value Units (UVR) and offered with maturities of 5, 10, 13, and 15 years, originated by Banking Entities. They are typically rated AAA and traded on the Colombian Stock Exchange.
<b>IRR</b>	It stands for Internal Rate of Return (IRR).
<b>TIS</b>	Securities backed by mortgage loan portfolios denominated in Pesos, issued at a fixed rate, and offered with 10-year



	maturities. The underlying assets are disbursed by Non-Banking Originators supervised by the Colombian Financial Superintendency. The issuances are structured with investment-grade ratings and are traded on the Colombian Stock Exchange.
<b>TIV</b>	Securities backed by vehicle loans classified as ordinary loans, granted to individuals by Banking and Non-Banking Originators.
<b>UVR</b>	It stands for Real Value Unit
<b>VIP</b>	Priority Social Interest Housing
<b>VIS</b>	Social Interest Housing (VIS) meets minimum habitability standards.
<b>Renovation VIS</b>	Social Interest Housing (VIS) with credit renewal.
<b>Warehousing</b>	It refers to the early purchase of loan portfolios, which involves collecting a significant volume of Eligible Loans to reach the required amount for securitization in the public market. It also refers to the purchase of securities to boost issuance placement and increase the profitability of the investment portfolio.

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## Part one – General Aspects of the Operation

### I. Description of the Business Purpose

#### **(I) Evolution of the Business Plan**

The short-term evolution focused on reactivating the securitization of higher-value mortgage portfolios and further developing issuances backed by consumer loan portfolios, primarily vehicle loans. The improvement in market conditions, the Central Bank's policy adjustment with the gradual reduction of interest rates, and investors' need for diversification fostered the development of various loan securitizations. In addition to the seven (7) issuances carried out in 2024, two (2) mortgage loan portfolio purchase operations were conducted through the Warehousing mechanism. With these operations, the Titularizadora strengthened its position as the most relevant player in the Colombian capital market.

In the medium term, the opportunities arising from regulatory changes will allow originators to manage balance sheet risks more efficiently through securitization. Within this same timeframe, the Company plans to expand into the securitization of other consumer loan portfolios and develop new issuances that incorporate ESG criteria, generating significant social and environmental impacts.

The Company will continue to strengthen the Warehousing model as a strategy to facilitate issuance placement and optimize equity returns, whether through the purchase of loan portfolios or securities. The Warehousing mechanism enhances efficiency in seizing market opportunities while providing liquidity to originators regardless of the issuance date, always with the objective of securitization.

#### **(II) Income-producing Economic Activities**

The Company's primary source of revenue comes from asset securitization, including the structuring and management of issuances. However, income from the investment portfolio has become a key factor in diversifying revenue streams and optimizing equity returns. Likewise, the Warehousing mechanism has been implemented as a strategy to generate profitability and facilitate securitization.

#### **(III) Competitive Market Conditions**

During 2024, local economic conditions showed a clear improvement, and signs of recovery compared to the performance of 2023.

This context, combined with growing investor appetite, boosted the activity of private debt placements on the Colombian Stock Exchange (BVC), although still below 2021

levels. In 2024, Titularizadora capitalized on market opportunities by offering issuances with attractive rates, high ratings, and solid structures to diversify investors' portfolios. Meanwhile, originators benefited from a favorable funding source that not only provided immediate liquidity but also had a positive impact on their financial statements and served as a value-generating alternative for balance sheet management.

#### **(IV) New Products**

Titularizadora has centered its strategy on a client-focused approach. In response to the needs arising from the implementation of Basel III, regulatory requirements for compliance with key indicators, and the ongoing uncertainty in the capital markets, securitization structures and mechanisms have evolved to efficiently adapt to the needs of originators.

For investors, Titularizadora has focused on offering products that diversify portfolios. Securities derived from securitization processes allow investments in various assets through solid structures with credit enhancements, offering different series with varying maturities and risk ratings that align with investors' preferences and risk appetite. Additionally, a robust master servicing model ensures guarantees and transparency for all related parties. These elements enhance the benefits of securitization for both originators and investors.

Furthermore, among new products, the development of thematic securitizations stands out, enabling both originators and investors to allocate resources that strengthen their sustainability strategies and generate environmental and social impacts aligned with the Sustainable Development Goals (SDGs) and other initiatives.

Finally, the securitization of performing and non-performing consumer loan portfolios, as well as portfolios with different levels of delinquency, aims to maximize the utilization of assets for securitization and offer a broader range of alternatives for both originators and investors.

- **MORTGAGE AND HOUSING LEASING PORTFOLIO FOR BANKING AND NON-BANKING ORIGINATORS**

With the most favorable market conditions and clear objectives, the Company carried out three securitizations backed by mortgage portfolios in pesos, totaling \$834 billion. Among the key highlights, housing leasing contracts were securitized for the first time in the country, marking a significant advancement in product development. Additionally, BBVA was reactivated as an originator, and the originator base was expanded with the inclusion of new banking entities, which will support new issuances in 2025.

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- **BANK AND NON-BANK VEHICLE LOAN ORIGINATORS**

In 2024, Titularizadora placed four (4) issuances backed by vehicle loan portfolios on the market, totaling \$455 billion. Of these, two (2) were carried out by banks, with particular emphasis on the first securitization conducted by Banco Santander Negocios Colombia S.A., which marked the 80th issuance in the history of Titularizadora Colombiana.

As a result, the Company has completed a total of 10 vehicle loan portfolio issuances in the market, generating over one trillion pesos in funding for originators.

In 2025, Titularizadora will continue to deepen its involvement in vehicle loan securitization, strengthening the system's capacity and offering new alternatives tailored to the needs of both long-standing originators who trust the Company's track record and new key players in the sector.

#### **(V) Intellectual Property Compliance Status**

Additionally, in compliance with the requirements of Article 1, Section 4 of Law 603 of 2000, which amended Article 47 of Law 222 of 1995, and regarding intellectual property and copyright, Titularizadora Colombiana S.A. - Hitos declares that it complies with and adheres to the regulations and policies on intellectual property and copyright concerning the various services and products necessary or inherent to the performance of its activities.

#### **(VI) Seasonality of Revenue**

In this section we clarify that Titularizadora's revenues are not cyclical, seasonal or occasional, because the source of its revenues is not of such nature.

#### **(VII) Intellectual Property List**

In compliance with intellectual property regulations, Titularizadora has duly registered or deposited its trademarks and other distinctive signs with the Superintendence of Industry and Commerce (SIC). As the current holder, it enjoys the exclusive right to use these distinctive signs, which identify its products and services in the market. These include: (I) the registration of the trade name "Titularizadora Colombiana S.A."; (II) the commercial slogan "una casa para todos"; and (III) nominative or mixed trademarks representing the various products in Titularizadora's portfolio (TIPS, TECH, TIS, TIL, TER, TIF, TIN, TIV, TILIS, HITOS).

Additionally, the Company holds the exclusive economic rights to the HITOS development and its components, for which all necessary procedures were completed before the National Copyright Office.

Within this framework, Titularizadora manages the protection of its distinctive signs through their registration or deposit with the SIC and ensures the timely renewal of trademark registrations to prevent expiration. Likewise, considering the risk of infringement actions, the Company has implemented necessary controls to prevent unauthorized use of its distinctive signs by third parties. Through diligent monitoring and periodic review of the Industrial Property Gazette issued by the SIC, Titularizadora verifies that no third parties attempt to register similar distinctive signs that could cause confusion regarding their products and services. When necessary, the Company also files opposition with the SIC against trademark registration requests that may be similar or misleading to third parties.

## **(VIII) Human Resources**

### **1. Work Model and Productivity.**

In 2024, the hybrid work model was consolidated, offering three attendance modalities and five different schedules. This flexibility has been key to enhancing employees' quality of life and improving productivity. The 40-hour workweek was maintained, with daily shifts of eight (8) hours and a one-hour break, ensuring a balance between operational efficiency and employee well-being.

### **2. Occupational Health and Safety.**

Through the Occupational Health and Safety Management System (SG-SST), programs on Healthy Lifestyles, Mental Health, and Epidemiological Surveillance were strengthened. The sociodemographic profile was updated to prioritize health and well-being initiatives, with highlights including Health Week, featuring activities such as dance therapy, yoga sessions, and disease prevention training. Additionally, the application of the psychosocial risk assessment battery indicated a low-risk level, demonstrating Titularizadora's commitment to employees' mental health. Workplace inspections were also conducted in collaboration with the occupational risk administrator (ARL), allowing for the identification of improvements to be implemented in 2025.

### **3. Training and Leadership.**

The development of human talent was a strategic pillar in 2024. The Company implemented the *Yo Líder* program, an individual and group coaching process aimed at transforming leadership culture, fostering effective habits, and strengthening interpersonal relationships. Additionally, Titularizadora invested \$320 million in technical, formal, and skills development training in partnership with nationally certified institutions.

#### **4. Organizational Culture and Innovation.**

In 2024, the Company strengthened digital transformation, project management, and work-life balance through initiatives such as the implementation of the *Core HITOS+* application. Online training was promoted, and virtual programs were developed for employees and their families, ensuring the continuous updating of skills in an ever-evolving environment.

#### **5. Work Environment and Open Communication.**

The "*Un Café con Propósito*" program continued, providing a quarterly dialogue space between employees and the Executive Leadership. Through this active listening mechanism, improvements were implemented by the risk and quality departments, strengthening trust and fostering a sense of belonging.

#### **6. Human Rights: Diversity, Equity, and Inclusion.**

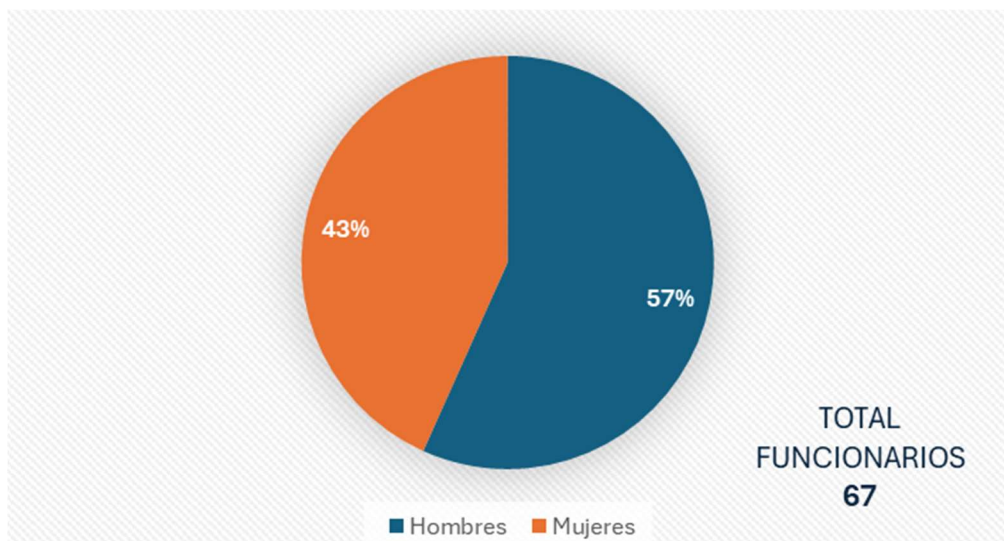
In 2024, Titularizadora reaffirmed its commitment to Human Rights and Diversity, Equity, and Inclusion (DEI), aligning with national and international standards. Comprehensive policies were implemented to prevent discrimination, promote accessibility, and ensure an inclusive environment. Key actions included:

- Inclusive recruitment practices.
- Leadership training with a focus on equity.
- Creation of mechanisms to prevent and address workplace and sexual harassment.
- Strengthening fundamental labor rights, gender equity, and inclusive language.

Overall, the achievements of 2024 in human resource management reflect Titularizadora's strategic focus on employee well-being, digital transformation, continuous training, and the consolidation of an organizational culture rooted in transparency, equity, and respect. The Company will continue advancing these pillars to ensure sustainability and growth in the medium and long term.

The total number of employees, as well as its variation, is summarized in the chart below:

FIGURE 15. NUMBER OF EMPLOYEES 2024



NOTE: (INCLUDES INTERNS, SENA, AND FIXED-TERM EMPLOYEES)

In 2024, Titularizadora had a total of 67 employees, with 29 women and 38 men. In 2023, the total number of employees was 68, representing a decrease of one (1) employee and a variation of -1.47%.

#### (VIII) Quality Management.

The primary objective of the Company's Quality Management System (QMS) is to maximize the efficiency of products and services, delivering value to clients and all stakeholders. This is achieved through the process of standardization and optimization, reducing errors, and identifying opportunities for improvement.

In September, the external audit for the ISO 9001:2015 follow-up visit was conducted by the certification body ICONTEC for the 2024 period. As a result of this evaluation, the audit concluded that the Company has established and maintained its management system in accordance with the requirements of the standard and its own organizational needs, demonstrating compliance and system effectiveness in meeting stakeholder requirements and emphasizing continuous improvement. No findings were reported, and several strengths were identified. Below are some of the most relevant:

- Under the Reto 2027K initiative, the new strategic planning process is helping to optimize the internal structure and workflows while improving the company's ability to adapt to emerging changes, including technological advancements, new work methodologies, communication systems, and talent acquisition strategies.
- The development of strategies addressing climate change and their alignment with the Sustainable Development Goals.

- Operational control for managing the underlying assets through the HITOS information system.
- Organizational participation spaces between leaders and employees to foster effective communication. These spaces facilitated the exchange of ideas and opinions, strengthening team cohesion and promoting a collaborative work environment.
- The methodology for measuring customer satisfaction includes various tools and techniques, along with actions being implemented to enhance their perception. The goal is to optimize the customer experience and foster stronger, long-lasting relationships.
- The ongoing training plan (covering new technologies, artificial intelligence, and resilience) aims to strengthen employees' skills and facilitate knowledge sharing. The goal is to enhance team performance and ensure continuous learning within the organization.

#### (IX) Behavior of the Issues and Loan portfolios.

At the end of 2024, the credit asset portfolio consists of mortgage loans, consumer loans with payroll deduction, commercial loans, and vehicle loans.

##### • MORTGAGE LOANS

By the end of December 2024, the securitized loan portfolio balance stood at \$2.40 trillion pesos, distributed across 25 issuances totaling \$2.36 trillion pesos and 48,620 individual housing loans. Additionally, by the end of 2024, the Titularizadora held two (2) loan portfolios in Warehousing, comprising 802 loans worth \$46,828 million pesos, with the objective of securitizing them in 2025. Of the total mortgage portfolio balance, 79% corresponds to Non-VIS loans, while 21% consists of VIS loans.

14% of the housing loan portfolio is covered by FRECH. This coverage is a benefit provided by the national government to subsidize a percentage of the agreed-upon interest rate on loans, in accordance with the conditions established by law. Loans with FRECH coverage have maintained a solid performance.

The mortgage portfolio by issuance is distributed as follows:

**Chart 10. Breakdown of Loans by Type of Principal Balance at *Decembre 31, 2024***  
 (\$Millions)

ISSUE	UVR	%	PESOS	%	Overall Total
PESOS N-7			24,255	1%	24,255
PESOS N-9			48,193	3%	48,193



PESOS N-10			26,021	2%	26,021
PESOS N-11			30,932	2%	30,932
PESOS N-12			51,013	3%	51,013
PESOS N-13			59,305	4%	59,305
PESOS N-14			65,390	4%	65,390
PESOS N-15			71,527	4%	71,527
PESOS N-16			66,621	4%	66,621
PESOS N-17			56,563	3%	56,563
PESOS N-18			108,957	7%	108,957
PESOS N-19			125,309	8%	125,309
PESOS N-20			135,122	8%	135,122
PESOS N-21			159,796	10%	159,796
PESOS N-22			183,862	11%	183,862
PESOS N-23			162,713	10%	162,713
PESOS N-24			245,655	15%	245,655
PESOS H-1			6,508	0%	6,508
PESOS H-2			17,324	1%	17,324
UVR U-1	82,612	11%			82,612
UVR U-2	82,955	11%			82,955
UVR U-3	171,327	22%			171,327
UVR U-4	171,483	22%			171,483
UVR U-5	171,530	23%			171,530
UVR U-6	37,497	5%			37,497
WAREHOUSING	46,828	6%			46,828
<b>TOTAL</b>	<b>764,232</b>	<b>100%</b>	<b>1,645,066</b>	<b>100%</b>	<b>2,409,297</b>

Source: Prepared by TC

By the end of 2024, the loan-to-value (LTV) ratio remains at favorable levels. 80% of the portfolio maintains an LTV ratio below 50%, 18% falls between 50% and 70%, and only 2% exceeds 70%.

**Chart 11. Balance of LTV TIPS Issuances Principal Balances AT DECEMBER 31, 2024 (\$MM)**

LTV Range	Balance	%
0%-50%	1,931	80%
50%-70%	429	18%
>70%	49	2%
<b>Total Loan Portfolio</b>	<b>2,409</b>	<b>100%</b>

Source: Prepared by TC

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- **CONSUMER PAYROLL LOANS**

By the end of 2024, the payroll-deductible consumer loan portfolio closes with a principal balance of 4 billion pesos, represented by 940 loans. The distribution by company type within operational agreements is 38.69% in the private sector, 3.94% in the public sector, and 0.02% in mixed companies. At year-end, 57.35% of the loans have transitioned to Ex-Payroll Loan due to the portfolio's maturity for this payroll loan issuance, which concludes in 2025.

- **VEHICLE LOANS**

By the end of December 2024, the vehicle loan portfolio balance reached 610 billion pesos, driven by the issuance of four securitizations for this asset type during the year. This balance is represented by 12,982 loans originated by Finanzauto S.A. (with active issuances since September 2019), Banco Santander de Negocios Colombia S.A. (November 2024), and Banco Finandina S.A. BIC (with active issuances since November 2023). Of these loans, 77% are for private vehicles, while 23% correspond to public service vehicles.

- **COMMERCIAL LOANS**

The commercial loan portfolio closes in 2024 with a balance of 15 billion pesos, represented by five rediscount loans managed by FINDETER. Its performance has aligned with projections for the TER IPC R-1 issuance.

**(X) Loan Prepayments**

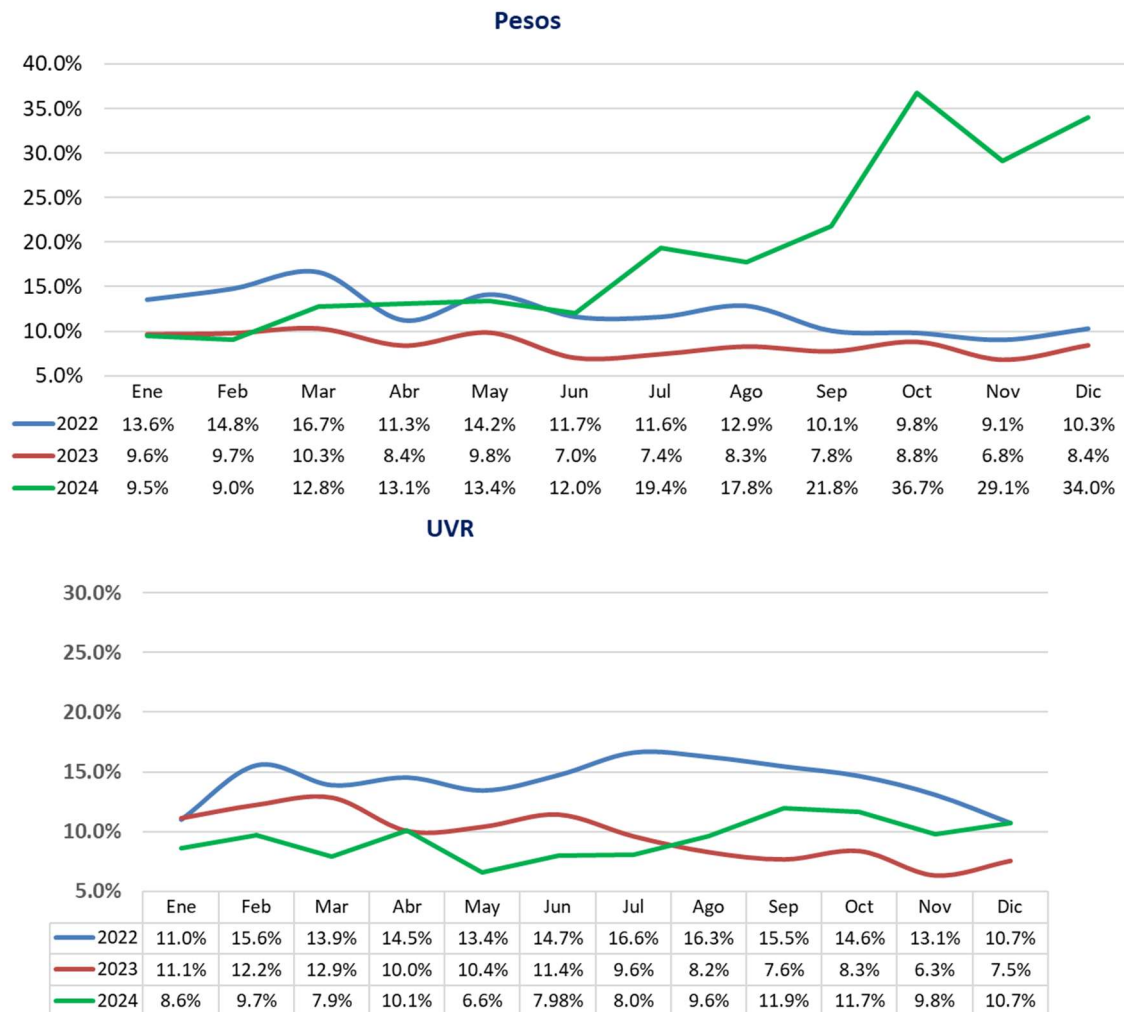
"Prepayment" refers to the full or partial early repayment of the principal balance of loans in the securitized portfolio. It is measured through an annualized index, which compares the prepaid principal amount to the initial loan principal at the beginning of the period.

- **MORTGAGE LOANS**

On average, the prepayment index for peso-denominated issuances during the year was 19%, higher than approximately 10% observed over the past two years. This trend was driven by the fact that mortgage loan purchases for the most recent issuances were made with loans carrying a weighted average interest rate of 15.79%, in a year when market rates for loan disbursements and portfolio buybacks were lower in the second half.

For UVR-denominated loans, the prepayment level increased in 2024 compared to 2023, reaching an average index of 9.4%. This was largely influenced by borrower behavior in response to inflation.

FIGURE 16. EVOLUTION OF MORTGAGE PORTFOLIO PREPAYMENT .

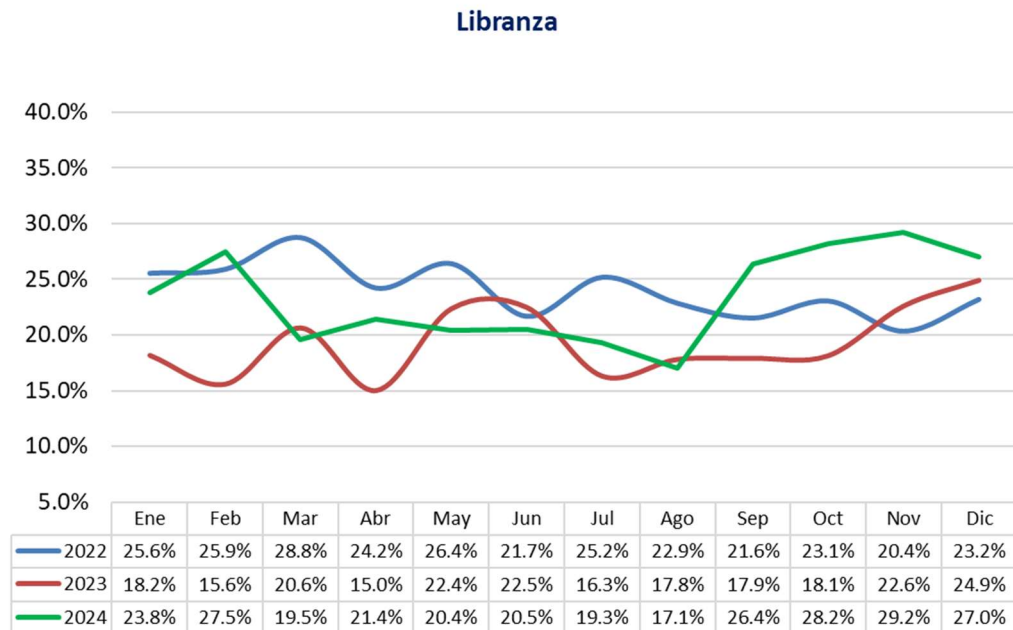


Source: Prepared by TC

- **CONSUMER PAYROLL LOANS**

For this portfolio, the annualized average prepayment level was 23.4%, higher than the 19.3% recorded in the previous year. This trend aligns with projected models and reflects the maturity of this issuance, which is set to conclude in the first half of 2025.

FIGURE 17. EVOLUTION OF THE PREPAYMENT OF THE PAYROLL LOAN CONSUMER PORTFOLIO

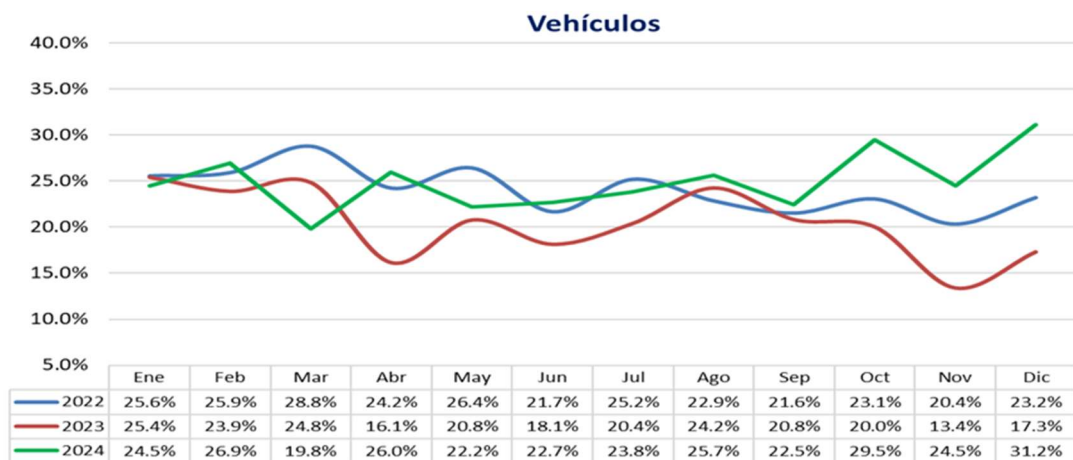


Source: Prepared by TC

- **VEHICLE LOANS**

For this portfolio, the observed prepayment level averaged 24.9% in 2024, exceeding the 20.4% recorded in 2023. This increase was influenced by recent loan purchases with interest rates above 25% in a market where lower rates were available for portfolio buybacks.

FIGURE 18. EVOLUTION OF THE PREPAYMENT OF THE VEHICLE LOAN PORTFOLIO



Source: Prepared by TC

## (XI) Loan prepayments

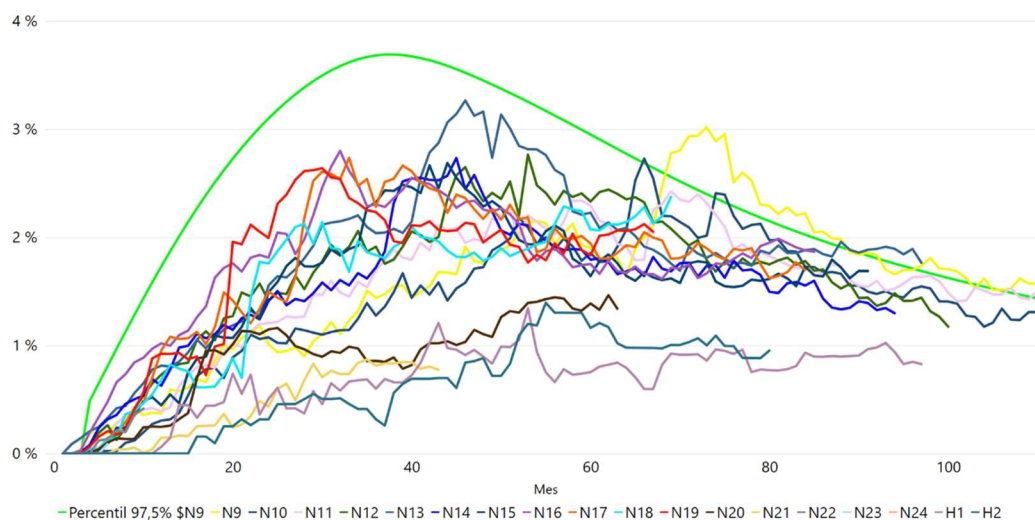
- MORTGAGE LOANS

As of December 2024, the securitized portfolio recorded a 5.5% decrease in past-due loans over 120 days compared to the same period the previous year.

This result reflects a proactive collection management approach, incorporating tailored strategies based on each client's risk level, the strategic use of multiple contact channels, and the responsible application of normalization tools. The quality of payment arrangement structuring has enabled a faster recovery within the securitized portfolio compared to the non-securitized sector.

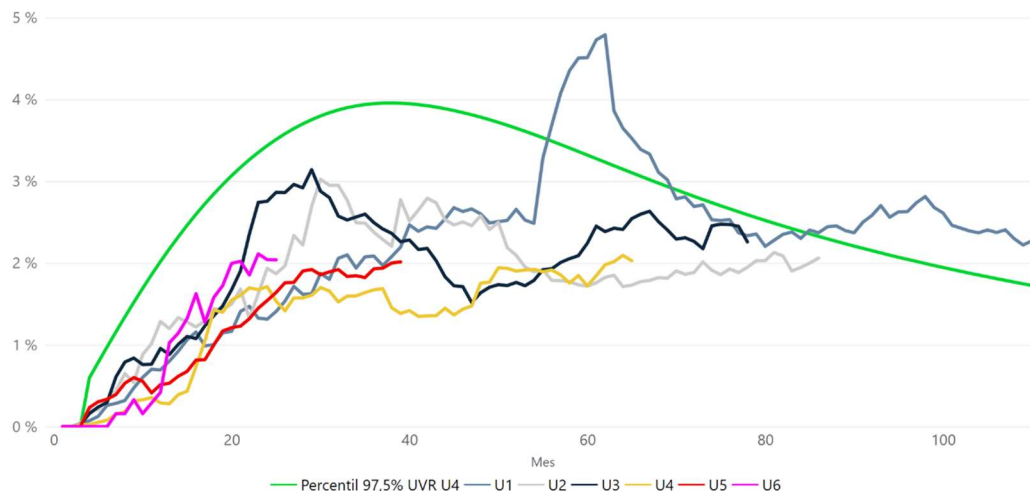
The following charts illustrate the strong performance of the securitized portfolio, remaining below the projected maximum deterioration scenario for each month of the issuances' term, both in Pesos and UVR. This has contributed to maintaining the highest credit rating for TIPS, underscoring the outstanding performance of the securitized portfolio in 2024.

FIGURE 19. BASELINE SCENARIO OF HARVEST OVERDUE >120 DAYS – ISSUANCES PESOS



SOURCE: PREPARED BY TC

FIGURE 20. BASELINE SCENARIO OF HARVESTS OVERDUE >120 DÍAS – ISSUANCES UVR

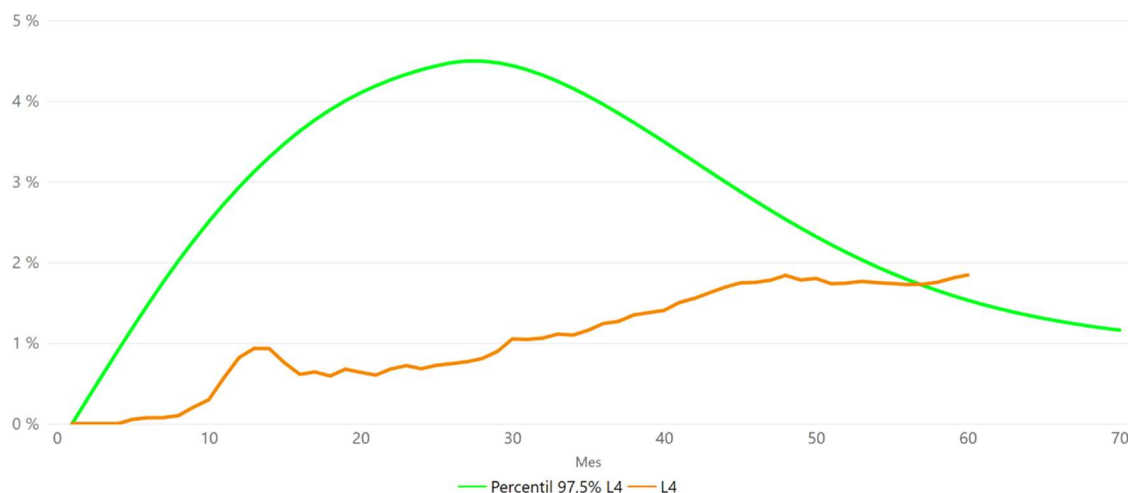


Source: Prepared by TC

- CONSUMER PAYROLL LOANS

By the end of 2024, the securitized payroll-deductible consumer loan portfolio demonstrated strong payment performance, keeping past-due loans over 90 days stable and within the projected maximum delinquency scenarios for each issuance.

FIGURE 21. EVOLUTION OF DELINQUENCY GREATER THAN 90 DAYS TIL COLOMBIAN PESOS ON THE BALANCE AS OF THE ISSUANCE DATE - WITH RECOVERY .

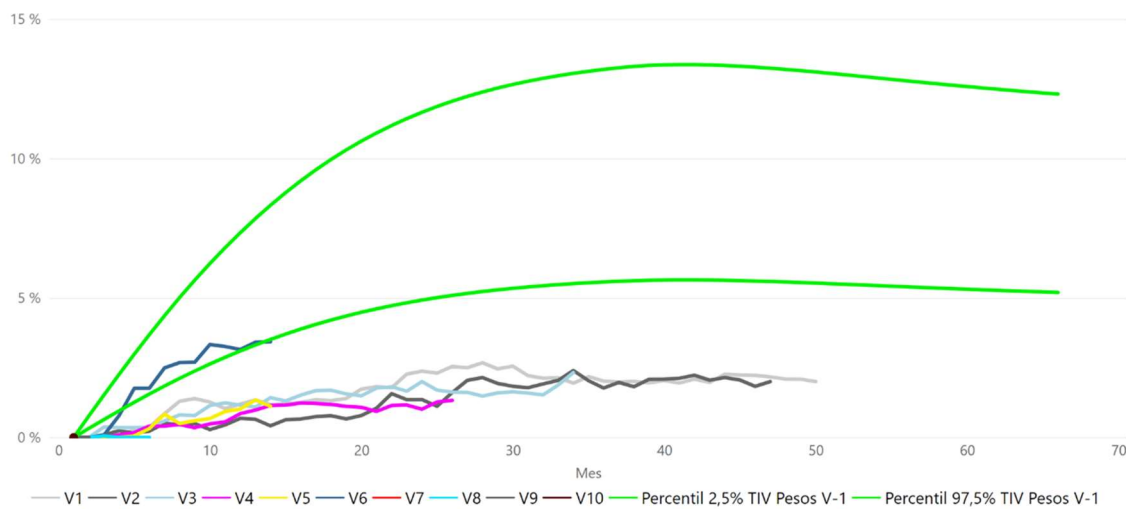


SOURCE: PREPARED BY TC

- **VEHICLE LOANS**

By the end of 2024, the securitized vehicle loan portfolio exhibited excellent payment performance, keeping delinquency levels below the expected minimum and without impacting the principal payments of the associated securities.

**FIGURE 22. EVOLUTION OF DELINQUENCY GREATER THAN 90 DAYS TIV COLOMBIAN PESOS ON THE BALANCE AS OF THE ISSUANCE DATE – WITH RECOVERY.**



SOURCE: PREPARED BY TC

- **COMMERCIAL LOANS**

By the end of 2024, the securitized commercial loan portfolio recorded optimal performance levels for TER R-1.

**Chart 12. MORA TER R-1 (COP MILLION)**

Overdue rate TER R-1		
Overdue Range	No. of loans	Balance
Current	5	15,243
From 31 to 60	-	-
From 61 to 90	-	-
From 91 to 120	-	-
Over 120	-	-
<b>Total</b>	<b>5</b>	<b>15,243</b>

SOURCE: PREPARED BY TC

## (XII) Assets Received in Lieu of Payment

Assets Received in Payment arise from the total or partial settlement of a loan, either at the request of the debtor (payment-in-kind) or through judicial processes (auction, adjudication, or insolvency agreement).

In the mortgage portfolio at the close of 2024, Titularizadora reports an inventory of seven (7) properties with a book value of COP 645 million, distributed by issuance as follows:

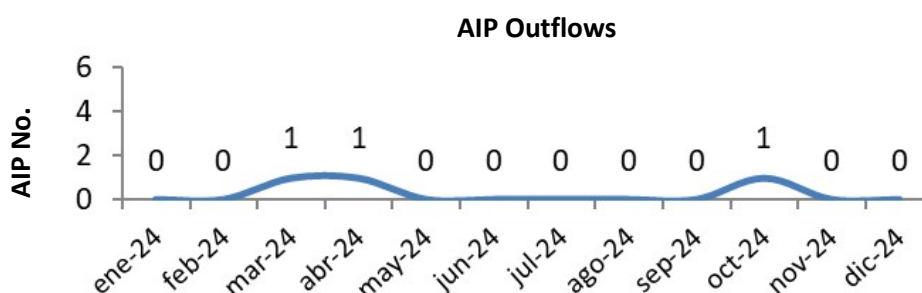
CHART 13. AIP by Issuances (COP MILLION).

ISSUE	AIP NUMBER	VALUE
UVR U-1	1	94
PESOS N-9	2	141
PESOS N-11	1	164
PESOS N-12	2	173
PESOS N-14	1	73
<b>Total</b>	<b>7</b>	<b>645</b>

SOURCE: PREPARED BY TC

The commercialization of the mortgage portfolio of Assets Received in Payment exhibited standard behavior; during the year, three (3) properties were sold.

FIGURE 23. PERFORMANCE OF AIP SALES- AIP OUTFLOWS IN 2024



SOURCE: PREPARED BY TC

In the vehicle portfolio at the close of 2024, Titularizadora reports an inventory of fifty-eight (58) vehicles with a book value of COP 3,232 million.

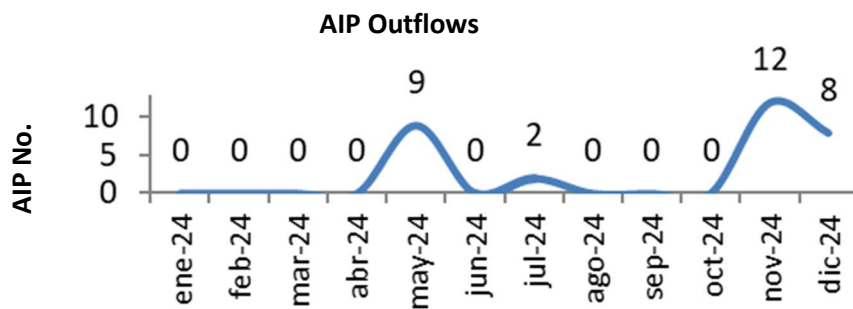


CHART 14. Consumer Loans AIP by issue (COP MILLON)

ISSUE	AIP NUMBER	VALUE
TIV V-2	3	86
TIV V-3	3	113
TIV V-4	5	228
TIV V-5	1	85
TIV V-6	44	2,653
TIV V-8	2	66
<b>Total</b>	<b>58</b>	<b>3,232</b>

SOURCE: PREPARED BY TC

FIGURE 24. PERFORMANCE OF AIP SALES- AIP OUTFLOWS IN 2024



SOURCE: PREPARED BY TC

The commercialization of the consumer vehicle portfolio of Assets Received in Payment recorded the sale of thirty-one (31) vehicles in 2024.

### (XIII) Securitized Loan Managers

- **MORTGAGE LOANS**

The distribution of the portfolio by administrators for the Mortgage issuances as of December 2024 was as follows:

CHART 15. Mortgage Loan Managers. Amounts in millions of pesos

MANAGER	PRINCIPAL	NUMBER OF LOANS	% PRINCIPAL
BANCO DAVIVIENDA S.A	1,423	26,454	59%
BANCO CAJA SOCIAL	315	9,937	13%
BANCOLOMBIA	246	3,613	10%
BBVA COLOMBIA	189	2,192	8%
FONDO NACIONAL DEL AHORRO	116	4,206	5%
CREDIFAMILIA COMPANIA DE FINANCIAMIENTO S.A.	84	1,694	3%
CONFIAR - Cooperativa Financiera	24	1,166	1%
ITAU CORPBANCA COLOMBIA S. A	13	160	1%
<b>Total Loan Portfolio</b>	<b>2,409</b>	<b>49,422</b>	<b>100%</b>

\*INCLUDES WAREHOUSING

SOURCE: PREPARED BY TC

Regarding the performance and management of the administrators, all of them, without exception, demonstrate good operational indicators, service levels, and compliance with the standards established in the initial certification for this type of process.

- **CONSUMER PAYROLL LOANS**

As of the close of December 2024, the Payroll-Deduction Consumer portfolio was managed by a single entity for one issuance:

CHART 16. Consumer Payroll Loan Managers. AMOUNTS IN MILLIONS OF PESOS

MANAGER NAME	PRINCIPAL	NUMBER LOANS	% PRINCIPAL
COMPENSAR	4,983	940	100%

SOURCE: PREPARED BY TC

Regarding the performance and management of this administrator, it remains within the established standards and levels, considering the results of the indicators defined for portfolio management processes.

- **SECURITIZED COMMERCIAL LOANS**

The performance and management of the administrator of the "FINDETER" Commercial portfolio remain within the standards and levels established at the time of certification, based on the results of the performance indicators obtained for portfolio management processes.

**CHART 17. Commercial Portfolio Administrators. AMOUNTS IN MILLIONS OF PESOS**

MANAGER NAME	PRINCIPAL	NUMBER LOANS	% PRINCIPAL
FINDETER	15,243	5	100%

SOURCE: PREPARED BY TC

- **SECURITIZED VEHICLE LOANS**

The administration of the securitized portfolio carried out by Finanzauto S.A., Banco Finandina S.A. BIC, and Banco Santander de Negocios Colombia S.A. meets the defined management standards according to the performance indicators and remains within the levels established at the time of initial certification.

As of December 2024, the distribution by administrator for nine (9) issuances of securities backed by vehicle loans was as follows:

**CHART 18. Securitized Vehicle Loan Managers. AMOUNTS IN MM OF PESOS**

MANAGER	PRINCIPAL	NUMBER OF LOANS	% PRINCIPAL
FINANZAUTO S.A	274	6,470	45%
BANCO FINANDINA S.A. BIC	218	4,452	36%
BANCO SANTANDER DE NEGOCIOS COLOMBIA S.A.	118	2,060	19%
<b>Total Loan Portfolio</b>	<b>610</b>	<b>12,982</b>	<b>100%</b>

SOURCE: PREPARED BY TC

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- **INTERNAL MASTER ADMINISTRATION PROCESSES**

The Titularizadora comprehensively manages 40 issuances and 13 portfolio administrators across various sectors, including mortgage, commercial, consumer, vehicles, and one real estate portfolio administrator, achieving positive results for 2024. This process takes place within a framework of measurement, control, and monitoring that meets the established standards for each type of asset. Additionally, continuous improvement processes have been implemented, optimizing control activities, increasing the use of technology, and simplifying tasks, thereby maintaining operational risk at controlled levels.

By the end of 2024, certification processes were successfully advanced with two new originators for vehicle loans (Banco Santander de Negocios Colombia S.A.) and mortgage loans (Banco Coomeva S.A.).

#### **(XIV) Real Estate Securitization TIN**

The portfolio at the close of 2024 consists of 96 properties distributed across 20 cities and municipalities in Colombia, with a value of COP 541,560 million.

The prospectus establishes concentration limits based on geographic location, tenants, property type, and the tenants' economic sectors, aimed at mitigating specific industry contingencies during adverse economic periods.

The current real estate portfolio complies with the established limits. Additionally, the program has 7 years (extended from 5 to 7 years during the 2023 TIN ordinary assembly) to achieve the tenant concentration limits, which is being accomplished through acquisitions in tranche 3 and acquisitions planned for future tranches.

Considering the concentration limits established in the investment policy section of the Prospectus, the following charts are presented according to the criteria described below:

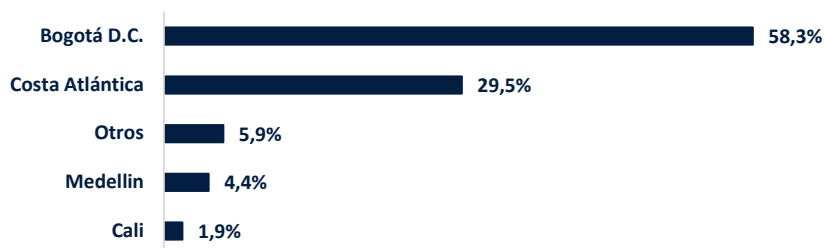
**Concentration of Assets by Geographic Location:** For geographic area concentration purposes, the following limits shall apply:

- Regarding geographic concentration in metropolitan areas, the Portfolio will allocate a significant percentage of its investments to cities with populations exceeding 1 million people (Bogotá, Medellín, Cali, and Barranquilla), while a smaller percentage will be dedicated to cities with populations between 300,000 and 1,000,000 inhabitants. Real Estate Assets and Fiduciary Rights may be acquired in cities with fewer than 300,000 inhabitants only with prior explicit authorization from the Advisory Committee. For investments in other cities, the

Advisory Committee shall have the authority to expressly authorize, in advance, investments up to fifteen percent (15%) of the total value of Real Estate Assets and Fiduciary Rights.

Consequently, the stabilization of the portfolio by geographic location complies with the guidelines previously mentioned.

FIGURE 25. CONCENTRATION OF ASSETS BY GEOGRAPHIC LOCATION TIN.

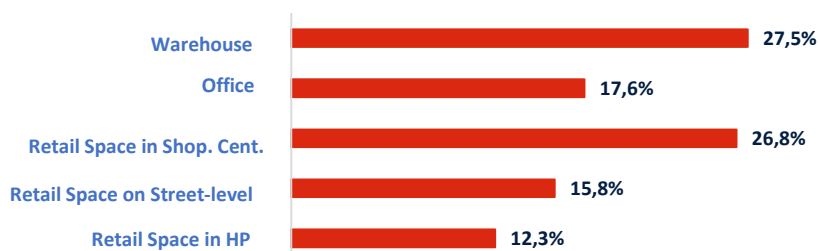


SOURCE: PREPARED BY TC

#### Concentration of Assets by Type of Real Estate Assets:

Regarding the concentration of the Portfolio in specific types of Real Estate Assets and Fiduciary Rights—namely commercial, industrial, and office—their value may not exceed sixty percent (60%) of the total value of Real Estate Assets and Fiduciary Rights. Consequently, the stabilization of the portfolio by type of real estate asset complies with the guidelines established in the prospectus.

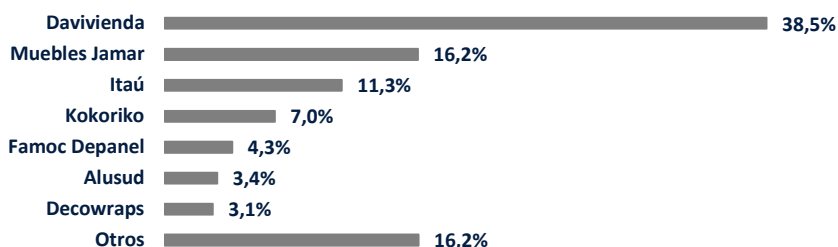
FIGURE 26. CONCENTRATION OF ASSETS BY TYPE OF REAL ESTATE ASSETS TIN



SOURCE: PREPARED BY TC

**Lessee Concentration:** A single tenant and its Related Companies may not represent more than thirty percent (30%) of the income of the Trust during any calendar year.

FIGURE 27. ASSET CONCENTRATION BY LESSEE. TIN

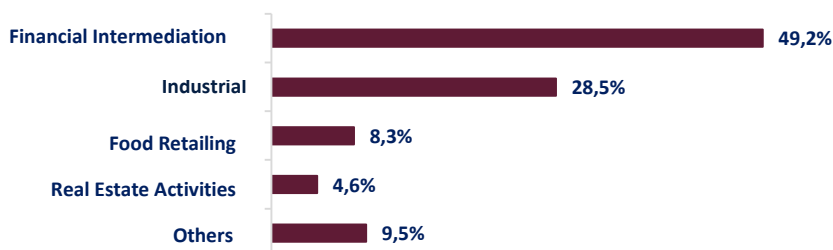


SOURCE: PREPARED BY TC

As shown in Graph 27, although the maximum tenant exposure is 38.5%, the vehicle has up to seven (7) years from the first issuance (October 2018) to reach the proposed exposure limit of 30%.

**Concentration by Economic Sector:** The value of Real Estate Assets and properties underlying Trust Rights belonging to the same Economic Sector as the tenants may not exceed fifty percent (50%) of the total value of Real Estate Assets and Trust Rights.

FIGURE 28. ASSETS CONCENTRATION BY ECONOMIC SECTOR. TIN



SOURCE: PREPARED BY TC

Thus, the stabilization of the portfolio regarding concentration by economic sector complies with the guidelines established in the prospectus.

#### QUALITY AND CHARACTERISTICS OF THE THIRD TRANCHE ASSETS

The assets included in the third tranche comply with the Investment Policies of the vehicle, both in terms of their use (commercial and industrial) and the tenant profile comprising the portfolio.





As of December 2024, the portfolio has an economic occupancy rate of 97.41%, with a weighted average lease term of 4.21 years.

- **BUSINESS MANAGEMENT**

During 2024, a total of 478 real estate business opportunities were received and evaluated by the Real Estate Management team and the Real Estate Manager. Out of this number, four (4) business opportunities were presented to the Internal Committee, which includes the participation of Titularizadora's Presidency. Due to the current market environment concerning interest rates and market appetite, acquisitions were suspended for the year 2024.

Some acquisitions have been limited due to the vehicle's current indebtedness (24.73%), leaving only 10.27% available for future acquisitions. At the extraordinary meeting held in December 2024, the debt limit was reduced and adjusted as follows: The financial indebtedness that the Trust may incur will depend on the size and growth of the Portfolio. Thus, if the total value of Real Estate Assets and Trust Rights is equal to or less than one trillion five hundred billion pesos (COP 1,500,000,000,000), financial indebtedness will have a limit of 35% of their value. Conversely, if the total value of Real Estate Assets and Trust Rights exceeds one trillion five hundred billion pesos (COP 1,500,000,000,000), financial indebtedness will have a limit of 30% of their value. Once the third issuance is completed, the TIN Trust will have increased borrowing capacity, enabling the closing of ongoing transactions.

**CHART 19. Deal Management. TIN.**

# Proyectos analizados	Total				
					
Negocios Potenciales	<b>478</b>	347	26	104	1
Comité Interno	<b>4</b>	1	0	3	0
Comité Asesor	<b>3</b>	0	0	3	0
Junta Directiva	<b>0</b>	0	0	0	0
Debida Diligencia	<b>0</b>	0	0	0	0
Cierre de Adquisiciones	<b>0</b>				

NOTE: MIXED: REAL ESTATE DEALS, COMPRISED OF AN ASSET PORTFOLIO WITH MORE THAN ONE TYPE OF PROPERTY .

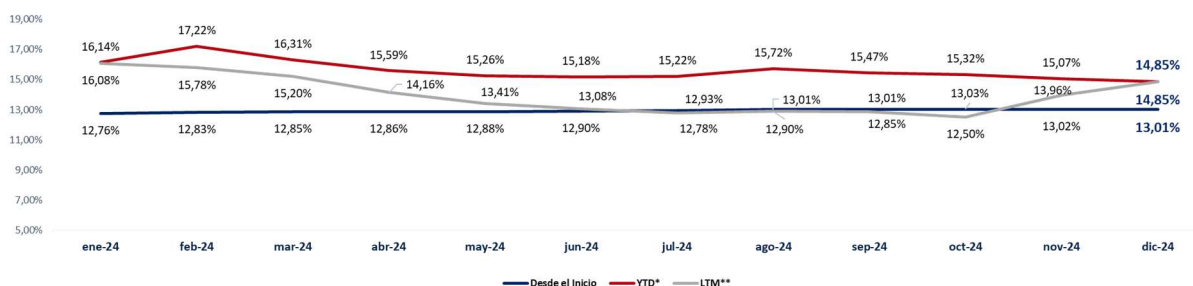
SOURCE: PREPARED BY TC

- RETURN

As of December 31, 2024, the value per security for the investor reached COP 7,796,570 compared to COP 7,089,575.52 reported as of December 31, 2023, indicating an increase of 9.97%. For 2024, the twelve-month profitability of the Trust, including distributed returns, was 14.85% EAR, composed of 64.6% from appreciation and 35.4% from cash flow. It is worth noting that since the inception of the TIN Trust until December 31, 2024, cumulative profitability was 13.01% EAR, composed of 56.6% appreciation and 43.4% cash flow.

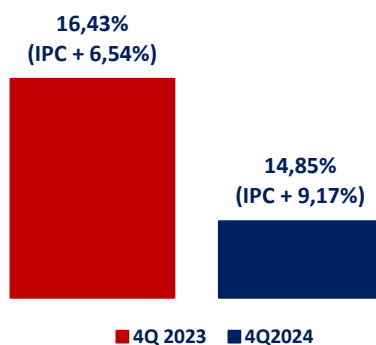
The following graphs illustrate the profitability performance for the year 2024 and its composition:

FIGURE 29. BEHAVIOR OF SECURITY PROFITABILITY



SOURCE: PREPARED BY TC.

FIGURE 30. BEHAVIOR OF PROFITABILITY TIN.



SOURCE: PREPARED BY TC

- BEHAVIOR OF THE SECONDARY MARKET

As of December 31, 2024, four (4) TIN transactions were executed in the secondary market for a total amount of COP 153,057,104. During 2024, TIN had a weighted average market trading price of 76.44%. At the end of 2024, the valuation price of the security, according to pricing providers, was 99.29% (Precia) and 98.36% (PiP).



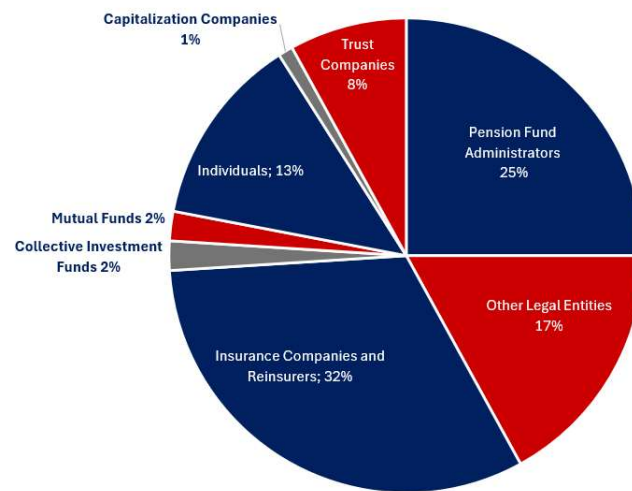
FIGURE 31. MONTHLY TRADED AMOUNTS EVOLUTION



SOURCE: PREPARED BY TC

The TIN Trust has 488 investors. Investor participation by amount is as follows:

FIGURE 32. COMPOSITION OF THE TIN AGGREGATE BY INVESTOR TYPE



SOURCE: PREPARED BY TC

## (XV) Relevant Technological Aspects

- INFORMATION SECURITY AND CYBERSECURITY

Titularizadora has information management and administration policies compliant with current regulatory guidelines and aligned with ISO 27001 best security practices.

The Information Security and Cybersecurity Management System (ISMS) strategy has been established with the goal of strengthening controls to protect information assets, preserving their confidentiality, integrity, and availability.

As part of the continuous improvement and maturity evolution of the ISMS, the following activities carried out in 2024 are highlighted:

#### **Protection**

- Ongoing review and enhancement of controls according to the ISO 27001 standard, now updated to its 2022 version. .
- Renewal of the cybersecurity insurance policy.

Implementation of programs to enhance security culture. **Control and Monitoring**

- Monitoring of information assets through SIEM.
- Management of security incidents and requests. During the year, no incidents occurred with a material impact related to information security and cybersecurity.
- Implementation of a new Endpoint Protection solution: enhancing threat detection and response capabilities.
- In 2024, continuous monitoring of information assets was further enhanced by implementing an additional tool alongside SIEM, which continuously updates detected vulnerabilities, provides a security rating, and benchmarks the Company against industry peers, facilitating continuous improvement.

#### **Specific security tests conducted included:**

- Ethical Hacking.
- Vulnerability assessments.
- Simulation of a cyber crisis scenario.
- These tests not only help identify weaknesses but also enhance the knowledge of users and stakeholders, particularly strengthening infrastructure and facilitating the adoption of improved security controls.

#### **• TECHNOLOGICAL DEVELOPMENT AND EVOLUTION**

Within Titularizadora's commitment to innovation, operational efficiency, and digital transformation, technological evolution continued throughout 2024. During this period, strategic improvements were implemented to strengthen infrastructure, optimize processes, and ensure continuity and security of technological services.

#### **• Projects and Initiatives**

In the process of ensuring technology services and aligning with innovation and digital transformation plans, several key projects and initiatives have been carried out:

- **Wireless Network Infrastructure Modernization:** Replacement and optimization of office access points were carried out, improving wireless network coverage, stability, and management capabilities. This upgrade enhances technological infrastructure management, enabling more efficient and secure administration.
  - **Implementation of a new Endpoint Protection solution:** An advanced Endpoint protection solution was adopted, elevating the Company's security level. This improvement provides enhanced threat detection and response capabilities, reducing operational risks and strengthening security posture against potential cyber-attacks.
  - **Implementation of the Derivatives Module:** A specialized module for derivatives management was deployed within the portfolio management platform. This implementation has enabled efficient handling of these financial instruments, optimizing traceability and improving operational control.
  - **Acquisition of equipment and licenses for backup platform renewal:** To ensure information resilience and business continuity, equipment and licenses were acquired to modernize the backup platform. This upgrade enhanced the speed, efficiency, and reliability of backup and disaster recovery processes, ensuring critical data integrity. The implementation will continue in 2025.
  - **Process Automation:** Solutions were implemented to automate various processes, reducing manual intervention. This initiative has significantly decreased the time and resources required for tasks such as reviewing and approving supplier invoices, measuring employee performance, and generating financial reports, while also improving the accuracy and reliability of the results.

- **Indicators and Performance**

Throughout 2024, the technology area's performance indicators have remained within agreed service levels. Notably, due to implemented security measures and the diligence of the team, there have been no recorded incidents related to information loss or unauthorized modifications.

In summary, 2024 has been a period of significant technological progress for Titularizadora, driven by the execution of strategic projects and achievement of innovation and digital transformation objectives.

Looking ahead, the Company reaffirms its commitment to technological evolution and continuous improvement, aiming to further support its growth in an increasingly dynamic and competitive business environment.

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## (XVI) Relevant Legal and Regulatory Aspects

### A. REGULATORY ASPECTS

- **Regulatory Update on Collective Investment Funds and Securitization Processes**

On March 5, 2024, the Ministry of Finance issued Decree 265 of 2024, amending Decree 2555 of 2010 regarding collective investment funds, foreign securities quotation systems, mortgage asset securitization companies, among other provisions.

- (i) When one percent (1%) of the assets under management (AUM) of the trust universes managed by the securitization company exceeds the minimum capital reported in 2024, the capital update must correspond to the difference between one percent (1%) of the trust universes managed by the securitization company and the minimum capital reported in the previous year.
- (ii) When one percent (1%) of the AUM of the trust universes managed by the securitization company does not exceed the minimum capital reported for the previous year, the minimum capital amount reported in the previous year remains unchanged.

Article 24, in turn, modifies the rules regarding the denomination of the issuance amount of mortgage-backed securities, which was previously tied to the denomination of the underlying asset. This amendment allows the securitization company to structure issuances independently of the denomination of the underlying asset, enabling the use of mixed portfolios and adapting the structure of the securities to market demand, even when the denomination of the acquired portfolio differs from that of the issued securities.

Similarly, Article 25 introduces changes to the securitization processes with automatic registration. Now, information on an issuance with a book-building process can be submitted to the RNVE with a longer lead time than the five days previously required by regulations. This change provides greater flexibility in advancing securitization processes, aligning them with the practices of other types of securities issuers, allowing for a timelier response to market windows.

- **Law 2381 of 2024 – "By which the Comprehensive Social Protection System for Old Age, Disability, and Common-Origin Death is established, and other provisions are enacted."**

The Pension Reform (Law 2381 of 2024), published in the Official Gazette on July 16, 2024, aims to establish and implement the Comprehensive Social Protection System for Old Age, ensuring coverage for Colombians residing both in the country and abroad. It will take effect on July 1, 2025. This new structure is based on a four-pillar system: (i) Solidarity Pillar; (ii) Semi-Contributory Pillar; (iii) Contributory Pillar; and (iv) Voluntary

Individual Savings Pillar. Additionally, the reform highlights that contributions on income up to 2.3 minimum wages will go to Colpensiones, while any amount exceeding this threshold will be allocated to the private pension fund of the contributor's choice. Consequently, individuals under the Contributory Pillar, upon retirement, will receive a public pension with a state subsidy only for that first portion, while the remainder will be governed by private pension fund regulations. Finally, the reform establishes the Savings Fund, which serves as the primary financial backing for the Contributory Pillar and will be used to finance pensions under the Pay-As-You-Go (PAYG) component of the Contributory Pillar. This fund will be managed by the Central Bank of Colombia (Banco de la República), and its resources will be strictly reserved for pension payments, with no allowance for other expenditures. Thus, the scope of the Pension Reform is particularly relevant to the capital markets, given the significant role pension funds play as key market investors.

- **Promotion of Liquidity Mechanisms in the Capital Market**

On October 3, 2024, the Ministry of Finance and Public Credit issued Decree 1239 of 2024 to promote liquidity mechanisms and encourage securities issuance in the capital market. The decree introduces adjustments to liquidity mechanisms, including modifications to liquidity providers, short selling, recurring securities lending and financing, advisory activities, and OTC transactions between related parties. Additionally, to foster securities issuance, it eases the rules for obtaining authorization for issuance and placement programs, acquiring the status of a known or recurring issuer, and issuing bonds by credit institutions. These measures aim to streamline processes for issuers to access the market, take advantage of specific funding windows, and develop new financial products, ultimately benefiting the capital market.

- **Transactions Between Credit Institutions and Their Related Parties**

On November 8, 2024, the Ministry of Finance and Public Credit issued Decree 1358 of 2024 to define the criteria for determining related parties to credit institutions and establish mechanisms for the proper identification, monitoring, control, management, and disclosure of conflicts of interest that may arise from transactions between these institutions and their related parties. In this regard, the decree highlights: (i) the definition of criteria to determine the status of related parties to credit institutions, specifying that securitization companies and their underlying assets are among the entities and investment vehicles that will not be considered related parties, given the existence of regulations, policies, and procedures that mitigate conflicts of interest or ensure their proper management; (ii) the establishment of minimum content requirements for the general policies that credit institutions must define to properly identify, disclose, manage, and control conflicts of interest arising or that may arise from transactions with their related parties, as well as the exposures assumed between the institution and its related parties; and (iii) the restriction that credit institutions may not have exposures to their

related parties, directly or indirectly, that, individually or collectively, exceed 25% of the institution's equity base.

- **Open Finance System**

In December 2024, the Ministry of Finance and Public Credit issued a draft decree modifying Decree 2555 of 2010 regarding the Open Finance System, establishing a mandatory regulatory framework. With the aim of facilitating access to information and promoting financial inclusion, innovation, and competition, the draft decree addresses aspects such as (i) scope, objectives, and principles of the Open Finance System; (ii) extent of mandatory compliance; (iii) roles and responsibilities of participants; (iv) access costs; (v) principle of reciprocity; (vi) governance framework; (vii) participant directory; (viii) activities of trusted third parties; and (ix) system monitoring and tracking indicators. Regarding the transition period, the decree stipulates that, from the date of its publication, the Financial Superintendence of Colombia (SFC) will have nine months to issue standards for information exchange on demand deposit products, and twelve months to define the work schedule for data standardization, the implementation of the participant directory, and the definition of system monitoring indicators.

- **Corporate Aspect**

The application of Decree 398 of 2020 has continued, remaining in effect even after the end of the health emergency. This decree regulates virtual meetings for shareholders' assemblies, boards of directors, and other corporate bodies, and it was considered for holding the meetings of the Company's various corporate bodies throughout 2024.

Finally, the following External Circulars issued by the Financial Superintendence of Colombia (SFC) in 2024 have been related to the Company's activities:

- Regarding credit portfolios and with the aim of aligning with international standards, the Financial Superintendence of Colombia (SFC) issued External Circular 003 of 2024, establishing guidelines for managing limits on large exposures and risk concentration for credit institutions, as well as individual credit limits for other supervised entities. Notably, the circular introduces a new chapter in the Basic Accounting and Financial Circular titled "Standards for the Identification and Management of Large Exposures and Risk Concentration for Credit Institutions, and Individual Credit Limits for Other Supervised Entities", providing specific instructions on risk concentration management in accordance with Decree 1533 of 2022, along with the implementation of new reporting templates for individual and consolidated information. The application of this new regulatory framework will be mandatory from August 2025, with the option for early implementation.
- Regarding the development of Open Finance in Colombia, the Financial Superintendence of Colombia (SFC) issued External Circular 004 of 2024, providing guidelines on open finance and the commercialization of technology and

infrastructure to third parties, aiming to drive innovation, transformation, and financial inclusion. It is worth noting that Decree 1297 of 2022, which amended Decree 2555 of 2010 concerning open finance regulation, assigned the SFC the responsibility of defining technological, security, and other necessary standards for the development of open financial architecture in Colombia. In compliance with this mandate, the SFC introduced new chapters in the Basic Legal Circular and issued instructions to: (i) define the technological, security, and other necessary standards for the development of open finance under interoperability conditions, which must be met by third-party data recipients, with supervised entities being responsible for ensuring these third parties comply with all regulatory requirements; (ii) establish the obligations that supervised entities must fulfill to ensure that financial consumer data is processed securely, transparently, and efficiently; and (iii) determine the guidelines that supervised entities must follow when commercializing with third parties the technology and infrastructure used for their services and related activities. To this end, supervised entities must establish robust policies for carrying out such activities, as well as for evaluating and managing all risks associated with the commercialization of their technology and infrastructure.

- With the objective of advancing the deepening of the capital market, the Financial Superintendence of Colombia (SFC) issued External Circular 010 of 2024, establishing guidelines to facilitate the entry of new investors and participants into the system. In this regard, key aspects include: (i) the Circular modifies the requirements for applying the simplified customer due diligence procedure for low-value capital market products, as follows: (a) it extends the scope of the simplified onboarding process to include low-value investments in any type of security, not just stocks, as initially planned, now covering bonds and other financial instruments to prevent arbitrage between different capital market products; (b) it adjusts the current limits for low-value transactions in securities, mutual funds (FIC), and voluntary pension funds (FVP), reducing the cap from 66,000 UVR to 25 legal monthly minimum wages (SMLMV), with the possibility of raising the threshold to 40 SMLMV under certain conditions while maintaining risk management standards for anti-money laundering and counter-terrorism financing (AML/CTF); and (ii) the Circular updates the guidelines for electronic order routing systems in securities trading, encouraging the use of self-management mechanisms for investments, thereby reducing unnecessary burdens and enabling a faster and more efficient onboarding process for new investors in the market.

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## **B. Legal Aspects**

- **Country Code Survey**

Regarding legal aspects, Titularizadora submitted the Corporate Governance Best Practices Implementation Report for the year 2024 and implemented during this period the applicable good governance standards, in accordance with the recommendations of the new Country Code (Código País), the Corporate Bylaws, and the Company's Code of Good Governance.

- **Known and Recurring Issuer**

In December 2024, the Financial Superintendence of Colombia (SFC) granted Titularizadora the status of Known and Recurring Issuer (ECR) after meeting the requirements outlined in Numeral 6, Chapter II, Title I, Part III of the Basic Legal Circular, in accordance with Official Letter 2024145459-005-000 issued by the Financial Superintendence of Colombia on December 9, 2024.

- **Investor Relations**

Due to the adoption of best practices in information disclosure and investor relations, Titularizadora has been certified by the Colombian Stock Exchange (Bolsa de Valores de Colombia - BVC) with the IR Recognition for Fixed Income and Participation Securities, a recognition that remained in effect throughout 2024 because of the company's compliance with the requirements established in the Unified Circular of the Colombian Stock Exchange.

- **Free Circulation of Invoices**

For the purposes of complying with Paragraph 2 of Article 788 of the Commercial Code (added by Article 87 of Law 1676 of 2013), it is expressly stated that the free circulation of invoices issued by sellers or suppliers was not obstructed.

- **Expected Evolution**

Regarding Numeral 2 of Law 603 of 2000, Titularizadora will continue, over the next year, to consolidate the objectives and goals defined by its Board of Directors, allowing it to further strengthen its commitment to asset mobilization for the country's growth while maintaining its position as a solid, efficient, and leading entity within the financial system.

## **II. Litigation, and Judicial and Administrative Proceedings.**

Regarding the existence and/or status of litigation, judicial, and administrative proceedings involving Titularizadora that could materially impact its operations, financial



situation, and/or changes to its financial position, we report that at December 31, 2024, we are not aware of the existence of any litigation or judicial or administrative proceedings in favor or against Titularizadora.

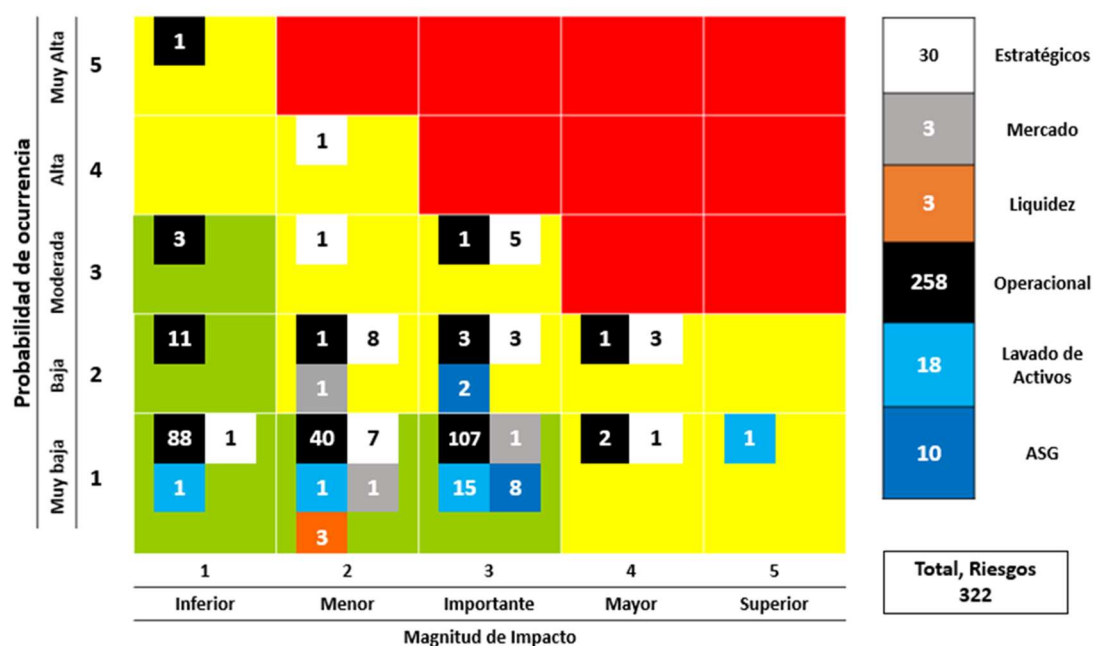
- **Legal Contingencies**

Regarding the legal contingencies of the Company during 2024, it should be noted that no such contingencies were reported.

### III. Relevant Risks and Mitigation Mechanisms

For each of the identified risks, the necessary control measures are maintained and applied, ensuring that they remain within the acceptance levels established by the Company.

FIGURE 33. RISK MAP OF TITULARIZADORA COLOMBIANA S.A.



SOURCE: DOCUMENTATION TC- CUT-OFF DATE: DEC/24

#### Operating Risk management

Strategic Risk is defined as events that could threaten the achievement of the planned goals of Titularizadora. None of these risks materialized in 2024.

**CHART 20. STRATEGIC RISK MAP**

Category	Effect	Processes Impacted by Risk	Mitigating factors
Underlying Assets Loan Portfolio Securitization	Impairment of the quality of the portfolios, lower number of placements, possible impairment in the time of recovery of collateral	Portfolio Monitoring / Structuring / Financial Resource Management	Las acciones de mitigación se relacionan específicamente en los riesgos analizados en la matriz subsiguiente
Underlying Assets in Real Estate Securitization	Impact on rent payments, reduction in cash flows due to grace periods and relief measures, asset depreciation, contract renegotiation, increased vacancy rates, business freezes, structural effects on long-term demand, shifts in real estate market preferences, and inadequate management of the vehicle's debt structure.	Real Estate Management	
Originators	Impact on originators' balance sheets, reduced appetite for securitization.	Structuring / Strategic Planning	
Capital Market	Investor appetite for securitizations, increase in risk premiums on securities.	Financial Resources / Issuance Placement / Structuring / Strategic Planning	
Risk Management	Country Risk, ESG Risks	Strategic Planning	
Outstanding Issuances	<b>Loan Securitizations:</b> Potential materialization of credit risk, decline in the valuation of residuals. <b>Real Estate Securitization:</b> Reduction in the secondary market for securities,	Portfolio Monitoring / Issuance Placement	

	decrease in the value of securities.	
Efficiency	Non-competitive securitization costs, inefficiencies in management.	Structuring / Strategic Planning / Budget
Corporate Profitability	Decrease in business volume, depreciation of the investment portfolio, insufficiency of the required minimum capital, vacancy of owned properties.	Portfolio Monitoring / Issuance Placement / Structuring / Strategic Planning

SOURCE: PREPARED BY TC

FIGURE 34. RISK MATRIX

Institutional Objective	Strategy	Long-Term Goal	Risk Code	Risk	Risk Category	Processes Impacted by Risk (according to the value chain)	Risk qualification					Mitigation Elements	Residual Risk Rating					Monitoring		
							Impact	Probability	Risk Score	Qualitative Impact	Qualitative Probability		Interest Criticality Level	Impact	Probability	Residual Risk Score	Qualitative Impact		Qualitative Probability	Residual Criticality Level
Growth (G)	Mortgage Securitization	COP 6.4 trillion in mortgage assets under management by 2027	C-1	Lower appetite from originators for securitization: *Capital market volatility *Mortgage securities placement rates *Reduction in mortgage lending *Deterioration in portfolio quality indicators *Availability of non-traditional funding alternatives	Financial	*Structuring *Financial Resource Management	4,00	3,00	12	Higher	Moderate	High	1. Securitization as a balance sheet management tool for originators (MSFR) 2. Securitizations as High-Quality Liquid Assets (HQLA) 3. External credit enhancements: public guarantees 4. Promotion of securitizations with public sector originators 5. Development of alternative products: ESG or structures isolating specific risks 6. New value proposition initiative for large banking originators 7. Portfolio consolidation on Titularizadora's balance sheet	3,00	2,00	6	Important	Low	Medium	1. Analysis of securitization of on-balance sheet assets (Balance Sheet Management) 2. Analysis of alternatives for accessing international investors. Engagement with multilateral banks 3. Proactive commercial management 4. Financial analysis and impacts on originators' funding and liquidity indicators
			C-2	*Economic and sector-specific slowdown *Deterioration of macroeconomic indicators (inflation, unemployment, low growth, among others)	Financial	- Structuring - Financial Resource Management	4,00	3,00	12	Higher	Moderate	High	1. Diversification of securitized assets 2. Internationalization 3. Promotion of public policy for mortgage interest rate hedging 4. Securitization of non-performing loan portfolios - TECH 5. Alternative issuances 6. Exploration of new structures 7. Derivatives	3	3	3	Important	Moderate	Medium	1. Analysis of commercial portfolios, real estate assets under development, and future cash flows 2. Preparation of technical documents 3. Engagement with originators; medium-term issuances 4. Analysis of new structuring trends to mitigate cyclical market effects
			C-3	Liquidity risk for outstanding issuances: Non-payment of expenses and interest on mortgage securities	Operational	- Structuring - Financial Resource Management - Securities Administration - Portfolio Monitoring	3,00	1,00	3	Important	Very Low	Low	1. Daily monitoring of portfolio performance 2. Expansion of credit enhancements: temporary additional liquidity coverage 3. Implementation of partial coverage mechanism	2	1	2	Minor	Very Low	Low	1. Strategy for approval of new credit enhancements; Funding of credit enhancements 2. Liquid position in portfolio
			C-4	Reduced appetite from institutional investors due to: *Mortgage risk *Interest rate competition from other private debt instruments with similar maturity and rating *Increasing market interest rates *Low market liquidity *Uncertainty surrounding reform outcomes - Pension reform *Uncertainty regarding the bidding process for managing public pension resources	Financial	- Structuring - Financial Resource Management	4,00	3,00	12	Higher	Moderate	High	1. Communication strategy with investors regarding the performance of securitized mortgage portfolios and mortgage securities 2. Redefinition of credit selection criteria 3. Innovation in financial structures: ESG or risk-isolating structures; funding percentage to the originator, or portfolio purchase price 4. Initiative with international investors; strategy for making securities accessible to the retail segment; information ecosystem for institutional investors 5. Market maker/liquidity provider study	4	2	8	Higher	Low	Medium	1. Individual meetings and seminars 2. Portfolio performance analysis 3. Analysis of external and internal credit enhancements; engagement with credit rating agencies 4. Evaluation of optimal internationalization alternatives 5. Analysis of new structuring trends to counteract market economic-cycle effects

Institutional Objective	Strategy	Long-Term Goal	Risk Grade	Risk	Risk Category	Processes Impacted by Risk (according to the value chain)	Risk Classification					Inherent Criticality Level	Mitigation Elements	Residual Risk Rating					Monitoring	
							Impact	Probability	Risk Score	Qualitative Impact	Quantitative Probability			Impact	Probability	Residual Risk Score	Qualitative Impact	Quantitative Probability		Residual Criticality Level
Growth (G)	Real Estate Securitization	COP 15 trillion in real estate assets under management by 2027	C-5	Non-payment of leases	Financial	- Estructuración - Administración de Recursos Financieros	4,00	1,00	4	Higher	Very Low	Medium	1. Concentration on financially solvent tenants 2. Active cash management of the investment vehicle	2	1	2	Minor	Very Low	Low	1. Monthly analysis of tenants' underlying business performance 2. Prioritization of expenses
			C-6	Asset Depreciation	Financial	Real Estate	5,00	2,00	10	Superior	Low	High	1. Non-materialization of losses 2. Purchase opportunities 3. Asset valuation methodology	2	1	2	Minor	Very Low	Low	1. Growth in the logistics segment 2. Sale & Lease-Back acquisitions focusing on tenant financial solvency 3. Methodologies heavily weighted toward cash flow analysis
			C-7	Contract Renegotiation, Early Terminations	Operational	Real Estate	3,00	2,00	6	Important	Low	Medium	1. Active commercial promotion of vacant properties 2. Contract adjustments conditional upon improvements in market conditions	2	1	2	Minor	Very Low	Low	1. Approach to substitute tenants
			C-8	Demand for Commercial Real Estate Spaces	Operational	Real Estate	4,00	2,00	8	Higher	Low	Medium	1. Analysis of tenants' financial situation and underlying businesses 2. Refocusing on alternative assets	3	2	6	Important	Low	Medium	1. Methodology for periodic monitoring of tenants and economic activities 2. Medium- and long-term analysis of real estate sector trends
			C-9	Low investor appetite due to: *Lower profitability compared to other investment alternatives *Increase in market interest rates *Impact of market-based valuation methodology *Shift toward equity trading platforms *Real estate sector conditions *Performance of other real estate funds and its effect on the securities market	External	- Structuring - Financial Resource Management - Securities Administration - Portfolio Monitoring	4,00	4,00	16	Higher	High	High	1. Communication strategy with investors regarding the performance of the vehicle's real estate assets 2. Deepening engagement with retail investors 3. Differentiation strategy for the vehicle compared to other real estate funds 4. Exploration of alternative real estate vehicles (multifamily, distressed assets, construction loans, securitization of real estate cash flows) 5. Exploration of new issuance formats 6. Assessment of international markets 7. Fee structure aligned with investor interests	3	3	9	Important	Moderate	Medium	1. Individual meetings and seminars 2. Strategy analysis
			C-10	Debt management amid rising interest rates	Financial	- Structuring - Financial Resource Management - Securities Administration	3,00	5,00	15	Important	Very High	High	1. Fixed-rate debt strategy in response to rising interest rate environment. 2. Divestments to reduce debt levels 3. Synthetic loans	2	4	8	Minor	High	Medium	1. Strategy analysis 2. Engagement with other financial intermediaries

Institutional Objective	Strategy	Long-Term Goal	Risk Code	Risk	Risk Category	Processes Impacted by Risk (according to the value chain)	Risk calibration					Inherent Criticality Level	Mitigation Elements	Residual Risk Rating					Monitoring	
							Impact	Probability	Risk Score	Qualitative Impact	Qualitative Probability			Impact	Probability	Residual Risk Score	Qualitative Impact	Qualitative Probability		Residual Criticality Level
Growth (G)	Securitization of Other Portfolios	COP 2.1 trillion in assets under management in other portfolios by 2027	C-11	Decreased interest from originators in securitization	Financial	Strategic Planning / Placement Market / Structuring	2,00	4,00	8	Minor	High	Medium	1. Structuring initiatives for consumer loan portfolios with banking originators 2. Development of issuances backed by commercial portfolios and future cash flows 3. Initiative for a new value proposition targeting large banking originators 4. Initiative to develop key value proposition elements for medium-sized, non-regulated, public, and fintech financial originators, with standardized products tailored to their needs	2	2	4	Minor	Low	Medium	1. Commercial engagement with banking institutions 2. Securitization of consumer loan portfolios as a balance sheet management alternative to meet NSFR, LCR, and Solvency indicators 3. Strategic alliances
			C-12	Deterioration of underlying assets and loan portfolios	Financial	Portfolio Monitoring Asset Recovery / Investor Relations	3,00	3,00	9	Important	Moderate	Medium	1. Temporary suspension of revolving mechanisms for outstanding issuances 2. Adjustments to portfolio selection criteria for revolving purchases and new securitizations 3. Daily monitoring of underlying asset performance in current securitizations 4. Asset and originator segmentation strategy based on risk and performance	2	2	4	Minor	Low	Medium	1. Portfolio analysis 2. Segmentation studies and engagement with originators
			C-13	Decline in investor appetite due to: *Securitizations of other portfolios *Issuance size *Interest rate competition from other private debt instruments with similar maturity and rating *Rising market interest rates *Low market liquidity *Uncertainty surrounding reform outcomes *Deterioration in macroeconomic conditions	Financial	- Financial Resource Management / Strategic Planning / Placement	3,00	2,00	6	Important	Low	Medium	1. Investor communication strategy 2. Deepening of private placements 3. International investors 4. Investments with ESG content or new structures aligned with international practices	2	2	4	Minor	Low	Medium	1. Individual meetings and seminars 2. Engagement with alternative investors 3. Strategy analysis 4. Analysis of global trends in this type of investment, aiming for local implementation
	Development of the Mortgage Securities Market	Dynamism in the secondary market for senior and subordinated securities	C-14	Increase in the liquidity premium of mortgage-backed securities (TIFs)	Financial	- Financial Resource Management	2,00	4,00	8	Minor	High	Medium	1. Ranking of underwriters in secondary market trading 2. Liquidity for retail investors through TC's investment portfolio 3. Liquidity provider study	2	3	6	Minor	Moderate	Medium	Secondary market monitoring
			C-15	Lower attractiveness due to retention of subordinated tranches	Financial	- Structuring - Financial Resource Management	3,00	2,00	6	Important	Low	Medium	1. International or local investors 2. Exploration of new structures	2	2	4	Minor	Low	Medium	Exploration of the international market

Institutional Objective	Strategy	Long-Term Goal	Risk Code	Risk	Risk Category	Processes Impacted by Risk (according to the value chain)	Risk Qualification						Mitigation Elements	Residual Risk Rating						Monitoring
							Impact	Probability	Risk Score	Qualitative Impact	Qualitative Probability	Inherent Criticality Level		Impact	Probability	Residual Risk Score	Qualitative Impact	Qualitative Probability	Residual Criticality Level	
Risk Management (RM)	Optimization of financial structuring	Maximization of the placed portion of issuances in the market	GR-1	Lower attractiveness due to retention of subordinated tranches	Financial	- Structuring - Portfolio Monitoring - Asset Recovery	3,00	3,00	9	Important	Moderate	Medium	1.Direct engagement with credit rating agencies to adjust rating methodologies 2.Increase availability of information on debtor performance 3.Securitization structures for originators' balance sheet management	2	2	4	Minor	Low	Medium	1.Adjustments to risk assessment methodologies 2.Strengthening relationships with institutional investors' risk departments 3.Development of new structures
		Improvement of the originators' business case	GR-2	Lower placement of securitizations	Financial	- Financial Resource Management - Structuring	4,00	4,00	16	Higher	High	High	1.Transformation of the business case (reweighting securitization benefits) 2.Sale of subordinated securities 3.Presentation of improvements in funding and liquidity indicators resulting from securitization 4.Investments with innovative content aligned with international practices to attract new investors	3	3	9	Important	Moderate	Medium	1.Redefinition of the business case 2.Approval of valuation methodology by pricing providers and engagement with investors and originators 3.Approaches to improve the NSFR indicator in line with SFC adjustments 4.Issuances with high standards of innovation aligned with international best practices
		Country Risk	GR-3	Country risk supported by: *Sovereign debt default *Colombia's credit rating downgrade *Drastic changes in economic policy *Legal and tax instability *Structural reforms (labor, pension, healthcare)	External	- Structuring - Financial Resource Management / Strategic Planning / Placement - Securities Administration - Portfolio Monitoring	5,00	3,00	15	Superior	Moderate	High	1.Internationalization 2.Monitoring of variables by national and international experts 3.Strong equity backing through liquid positions 4.Ample credit lines with the financial sector	4	2	8	Higher	Low	Medium	1.Analysis of alternatives for accessing international investors; engagement with multilateral banks 2.Issuances with high standards of innovation aligned with international best practices
		ESG Risks	GR-4	Risks such as: *Climate change *Earthquake *Pandemic *Corruption *Inadequate labor practices *Social unrest	External	- Structuring - Financial Resource Management - Securities Administration - Portfolio Monitoring	4,00	2,00	8	Higher	Low	Medium	1.Development of sustainability policy and strategy 2.Innovation in ESG-aligned structures 3.Emergency management plan 4.Contingency procedure 5.Implementation of the "Piensa Verde" program 6.Titularizadora is a PRI signatory 7.ESG reporting	3	2	6	Important	Low	Medium	1.Strengthening of the sustainability culture within the company 2.Adoption of international best practices 3.Continuous improvement of the contingency process 4.Drills and training for natural disaster preparedness 5.Reporting and monitoring according to selected methodologies

Institutional Objectives	Strategy	Long-Term Goal	Risk Code	Risk	Risk Category	Processes Impacted by Risk (according to the value chain)	Risk Qualification					Mitigation Elements	Residual Risk Rating					Monitoring		
							Impact	Probability	Risk Score	Qualitative Impact	Qualitative Probability		Inherent Criticality Level	Impact	Probability	Residual Risk Score	Qualitative Impact		Qualitative Probability	Residual Criticality Level
Efficiency (E)	Optimize the cost of the securitization process	All-in securitization on cost competitive with alternative funding sources	E-1	Non-competitive securitization cost	Operational	All Core (Mission-Critical) and Support Processes	5,00	3,00	15	Superior	Moderate	High	1.Senior securities segmented by duration to maximize demand 2. Secondary market issuances 3. Product structuring factory leveraging technological tools and a robust team	3	3	9	Important	Moderate	Medium	Cost-benefit analysis of securitization vs. deposit funding for NSFR compliance
			E-2	Decline in the operational management quality of the issuances	Operational	- Portfolio Monitoring - Asset Recovery	3,00	1,00	3	Important	Very Low	Low	1. Definition and implementation of control policies and procedures across the organization 2. Standardized, documented processes with application of the QMS - ISO 9001 3. "Titularizar Experience" Initiative: Improvement of internal processes	2	1	2	Minor	Very Low	Low	1. Optimization of the Due Diligence process without compromising the quality of the underlying asset 2. Continuous strengthening of standards and policies for securitization structuring and management
	Development of general standards for the mortgage industry	Standardization and Best Practices	E-3	Fragmentation among managing entities in the implementation of practices and processes suggested by TC	Operational	- Portfolio Monitoring - Asset Recovery	2,00	2,00	4	Minor	Low	Medium	1. Execution of certification and recertification processes for entities 2. Self-management platform initiative for originators	1	1	1	Inferior	Very Low	Low	Redefinition of the recertification process for servicers/managers
	Internal Operational Efficiency	75% Total Expenses / Operating Income by 2027	E-4	Inefficiencies in management, budgeting, and cost control within both TC and the trusts Decrease in operating income	Operational	- Financial Resource Management - Procurement and Services Management - Budget Management	4,00	4,00	16	Higher	High	High	1. Promote high-volume, long-duration issuances. Focus efforts on viable, high-income projects 2. Define and implement control policies and procedures across the organization 3. Monthly monitoring of budget execution 4. Establishment and application of development and performance evaluation policies 5. Standardized, documented processes with implementation of the QMS - ISO 9001	3	3	9	Important	Moderate	Medium	1. Strengthening of mortgage securitization, other portfolios, and growth of real estate securitization (long duration and high fees) 2. Redefinition of expense controls and budget monitoring 3. Monthly review of budget execution by area 4. Strengthening of the performance monitoring system 5. Continuous enhancement of standards and policies for securitization structuring and management



Institutional Objective	Strategy	Long-Term Goal	Risk Code	Risk	Risk Category	Processes Impacted by Risk (according to the value chain)	Risk Qualification					Mitigation Elements	Residual Risk Rating					Monitoring		
							Impact	Probability	Risk Score	Qualitative Impact	Qualitative Probability		Impact	Probability	Residual Risk Score	Qualitative Impact	Qualitative Probability			
Institutional Strengthening (I)	Human Resource Development	Trained human resources aligned with current trends. Highly motivated. Goal-oriented.	I-1	* Limited budget for training plans * Loss of key personnel * Lack of communication and unclear prioritization	Operational	- Structuring - Securities Administration - Portfolio Monitoring - Financial Resource Management	2,00	3,00	6	Minor	Moderate	Medium	1. Job rotation among staff within departments 2. Definition and implementation of succession plans for all critical company positions 3. Application of policies and procedures for process documentation 4. Establishment and implementation of policies for development, performance evaluation, and talent retention 5. Continuous training goals 6. Change Management Initiative: Culture, Leadership, Communication, Capabilities	2	2	4	Minor	Low	Medium	1. Strengthening of the network of management and capital-raising partners. Empowerment of roles with substitute-ready profiles 2. Compensation study and update of non-salary benefits 3. Continuous education training goals by area 4. Formal training program
	Technology and Internal Control	Continuous Improvement	I-2	Limited budget for new technology projects and automation of internal control testing	Financial	- Structuring - Securities Administration - Portfolio Monitoring - Financial Resource Management	3,00	3,00	9	Important	Moderate	Medium	1. Staff in technology and internal control areas with adequate knowledge of the company's processes and activities 2. Process automation initiative	2	2	4	Minor	Low	Medium	1. Monitoring of automation initiatives and progress of projects
	Legal	Development of a flexible system with risk control and transparency	I-3	Non-compliance with laws and regulations	Operational	Legal Management	5,00	1,00	5	Superior	Very Low	Medium	1. Regulatory updates and specialized legal advisory	2	1	2	Minor	Very Low	Low	1. Weekly monitoring of regulatory changes

Institutional Objective	Strategy	Long-Term Goal	Risk Code	Risk	Risk Category	Processes Impacted by Risk (according to the value chain)	Risk Qualification					Inherent Criticality Level	Mitigation Elements	Residual Risk Rating					Monitoring	
							Impact	Probability	Risk Score	Qualitative Impact	Quantitative Probability			Impact	Probability	Residual Risk Score	Qualitative Impact	Quantitative Probability		Residual Criticality Level
Profitability (R)	Shareholder Profitability	ROE > 11.1%	R-1	Lack of issuances Reduction in fees Inefficiencies in management, budgeting, and cost control	Operational	• Financial Resource Management • Budget Management	5,00	3,00	15	Superior	Moderate	High	1.Strategy to reactivate the securitization market 2.Maximize issuance volumes and duration in deal structures 3.Focus efforts on viable, high-income projects 4.Definition and implementation of control policies and procedures across the organization 5.Monthly monitoring of budget execution 6.Ongoing optimization and updating of processes 7.Carry out issuances aligned with the most attractive international trends for investors (e.g. ESG) 8.SODIAC initiative to rapidly evaluate new securitization business opportunities 9.Data Analytics Lab initiative to diversify revenue sources	4	2	8	Higher	Low	Medium	1.Commercial engagement with originators and investors 2.Strengthening of mortgage securitization and growth of real estate securitization (long duration and high fees) 3.Focus on assets with critical mass and market demand 4.Strengthening of the performance monitoring system 5.Ongoing enhancement of standards and policies for securitization structuring and management 6.Update of issuance structures to make them more attractive to investors (e.g. ESG)
	Capital Use Optimization	Alternative Uses of Capital	R-2	Low Portfolio Profitability	Financial	• Financial Resource Management	3,00	2,00	6	Important	Low	Medium	1.Capital utilization for new products and business opportunities 2.Monitoring and tracking of strategic planning scenarios to identify business opportunities 3.Research and development of new products 4.Implementation of policies for generating new revenue streams 5.Asset diversification 6.Investment diversification strategy 7.Initiative to implement derivatives for portfolio risk management	2	1	2	Minor	Very Low	Low	1.Non-materialization of losses 2.Purchase of assets for on-balance-sheet securitization; analysis of subordinated tranches acquisitions 3.Strategic planning chapter focused on securitization innovations 4.Ongoing review of new structures and underlying assets 5.Analysis of capabilities and hidden assets
			R-3	Minimum capital adequacy / arbitrage with other entities authorized to securitize	Financial	• Financial Resource Management • Budget Management • Financial Control • Legal Management	4,00	3,00	12	Higher	Moderate	High	1.Profit retention 2.Capitalization request to shareholders 3.Possibility of releasing retained earnings in ORI 4.Monitoring of securitization targets 5.Strategies to enhance return on equity	4	1	4	Higher	Very Low	Medium	1.Ongoing monitoring of the indicator 2.Strategic planning chapter focused on securitization innovations 3.Continuous review of new structures and underlying assets 4.Active management of the investment portfolio 5.Office sale strategy 6.Asset reuse/activation
			R-4	Riesgo de Mercado	Operational	• Financial Resource Management • Budget Management • Financial Control	3,00	3,00	9	Important	Moderate	Medium	1.Definition and implementation of Market Risk Management Systems 2.Definition and enforcement of control policies and procedures across the organization 3.Ongoing monitoring of Efficiency, EVA, and ROE indicators 4.Analysis of the implementation of derivative financial instruments for hedging	2	2	4	Minor	Low	Medium	1.Non-materialization of losses 2.Staff training 3.Strengthening of market risk control and analysis 4.Monthly monitoring of financial indicators in ALCO Committee and Board of Directors 5.Analysis of the derivatives market potential to benefit TC
				STRATEGIC RISK PROFILE				3,15	2,15	15				3,00	1,50	5				

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## Operational Risk Management

The operational risk management of Titularizadora is aligned with its strategy, the guidelines of the Financial Superintendence of Colombia (SFC), and industry best practices. It is a core component of the governance model and integrated across all company processes.

In 2024, Titularizadora's operational risk profile stood at 2.04, which corresponds to a "Low Risk" level in residual risk, demonstrating effective management and compliance with the risk appetite profile established by the Board of Directors.

Regarding business continuity planning, efforts this year have been focused on enhancing the company's ability to respond to potential disruptions in critical operations. In line with this strategy, a series of actions within the Business Continuity Plan (BCP) have been implemented.

Additionally, planned tests were conducted on the systems supporting master administration, covering various scenarios, including internet service provider failures, database restoration, and cyberattack simulations. This initiative assessed recovery capabilities and strengthened emergency response protocols.

Through contingency testing, areas for process and procedural improvements were identified. Work plans have been developed to address these opportunities, aiming to optimize recovery capacity and enhance corporate resilience.

Finally, a procedure for managing Operational Risk Events is in place, ensuring compliance with current regulations and facilitating future risk prevention through lessons learned.

During 2024, thirty-one (31) operational risk events occurred, related to execution and process administration errors, technological failures, workplace relationships, and occupational safety. Risk treatment plans have led to progress in risk mitigation, continuous improvement, and increased maturity of the risk management system.

## Management Report on the Prevention and Control of Money Laundering and Terrorism Financing– SARLAFT

In 2024, no situations or incidents related to Money Laundering and Terrorism Financing (ML/TF) were reported, demonstrating effective risk management. Prevention and control mechanisms were rigorously applied, with a particular focus on ensuring compliance and mitigating potential risks:

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- Key anti-money laundering (AML) risk prevention activities applied in securitization processes.
  - Strengthening controls in third-party onboarding.
  - Annual confirmation and validation of regulatory compliance by issuance placement agents.
  - Semi-annual assessment of ML/TF risks and joint review with process leaders exposed to higher risk, ensuring proper risk classification. Additionally, control measures for risk mitigation were outlined, and residual risk levels were validated to ensure they remain within the acceptance thresholds set by the Company.
  - Annual review of compliance by originating entities and loan portfolio administrators.
  - Timely submission of regulatory reports to UIAF and response to oversight authorities' requests related to ML/TF.
  - Review of supplier requirements during onboarding.

The main risks identified by Titularizadora related to Money Laundering and Terrorism Financing (ML/TF) are associated with the product risk factor, which includes engagement in operations with Debtors, Investors, or Third Parties listed on restrictive lists, as well as the securitization of real estate properties involved in money laundering activities or subject to asset forfeiture proceedings.

These risks are periodically monitored, and controls have been effectively applied, ensuring that risks remain within the levels defined by the Board of Directors. As of the end of 2024, the organization's ML/TF risk profile was 2.8, which corresponds to a "Low Risk" level.

### **ESG Risk Management**

With the aim of strengthening risk management and enhancing the Company's sustainability strategy across all its dimensions, in 2024, the ESG (Environmental, Social, and Governance) risk matrix was developed. Its primary objective was to identify, assess, and manage potential positive or negative impacts that these factors may have on the organization, ensuring long-term sustainability while maintaining responsible and ethical operations

In this regard, during 2024, no situations or incidents related to ESG risks were reported. The risk matrix, approved by the Risk Committee and Board of Directors, includes ten (10) associated risks, related to:

1. Events related to the exclusion list.
2. Material topics are managed through self-directed initiatives by different areas.
3. Sustainability policies and commitments.
4. Regulatory matters.

## Market Risk and Liquidity Management

- **Market Risk**

Market risk is understood as the possibility of incurring losses, reducing the financial margin, and/or decreasing the economic value of equity due to changes in the price of financial instruments in which positions are held, either on or off the balance sheet. These price changes may result from fluctuations in interest rates, exchange rates, and other key micro and macroeconomic variables that influence the economic value of such instruments.

The activities through which market risks are assumed in Titularizadora are divided into:

1. **Trading:** Includes the buying and selling of fixed-income products, foreign currencies, and derivatives, primarily. The Investments area is responsible for taking positions in trading instruments, which are recorded in the treasury book.
2. **Balance management:** Includes the efficient management of Titularizadora's assets and liabilities due to the mismatch between their maturities and repricing. The Asset and Liability Management Committee (ALCO) is responsible for balance sheet management, ensuring the stability of the financial margin, the economic value of Titularizadora, and maintaining adequate liquidity and solvency levels. Titularizadora holds non-trading instruments, which are recorded as available-for-sale and held-to-maturity assets.

At Titularizadora, market risks are identified, measured, monitored, controlled, and communicated to enable timely and appropriate decision-making for their mitigation. The risk-return profiles are managed in alignment with the Company's policies, ensuring that expected losses remain within acceptable tolerance levels.

The guidelines, policies, and methodologies for market risk management are approved by the Board of Directors, ensuring consistency and alignment with the Company's risk appetite. The Board of Directors and Senior Management at Titularizadora have formalized the policies, procedures, strategies, and rules for market risk management, which are included in the Financial Resource Management Macroprocess of the Quality Management System. This manual defines internal responsibilities within the Company and outlines interactions with other areas to ensure an effective market risk management framework.

The clear separation of functions between business areas and the risk area, which is responsible for identifying, measuring, analyzing, controlling, and reporting market risks, ensures independence and autonomy for proper risk control. Meanwhile, the Internal

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Control Department periodically evaluates whether risk measurement and control procedures and methodologies are correctly applied, in accordance with current regulations and internal guidelines set by the Board of Directors and Senior Management. The Structuring and Risk Management Department at Titularizadora is responsible for: (a) Identifying, measuring, monitoring, analyzing, and controlling market risk inherent to the Company's operations. (b) Analyzing Titularizadora's exposure under stress scenarios and ensuring compliance with established risk measurement policies. (c) Assessing valuation methodologies for financial instruments provided by price vendors. (d) Reporting any non-compliance with the defined risk management policies to Senior Management and the Board of Directors. (e) Providing daily reports to Senior Management on market risk exposure for the investment portfolio. (f) Proposing policies to the Board of Directors and Senior Management to ensure effective market risk management. Likewise, Titularizadora has implemented a new product approval process, designed to ensure that each area within the entity is fully prepared to integrate the new product into its procedures, that all associated risks are considered, and that the necessary approvals from the Board of Directors and Senior Management are obtained prior to engaging in product transactions. In this context, Titularizadora has structured its Treasury Risk procedures in accordance with both international and Colombian market standards, enabling it to:

- Conduct daily back-testing to validate the performance of the market risk model used.
- Measure market risk exposure and profit & loss (P&L) at market prices daily for treasury books.
- Titularizadora has clearly segregated the functions of the treasury areas: Front, Middle, and Back Office.

At Titularizadora, two Value at Risk (VaR) methodologies are used for market risk management and control in trading activities: the standard methodology established by the Financial Superintendence of Colombia (SFC) and an internal methodology based on historical simulation. The standard methodology, as defined in Chapter XXXI of the CBCF issued by the SFC, is based on the model recommended by the 2005 Basel Committee Capital Accord Amendment to incorporate market risk.

The internal methodology based on historical simulation uses a 99% confidence level, a 10-day holding period, and a time window of 1,004 daily data points, collected backward from the VaR calculation reference date. This methodology aligns with the following aspects:

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#### - Holding Period

The internal methodology based on historical simulation uses a 99% confidence level, a 10-day holding period, and a time window of 1,004 daily data points, collected backward from the VaR calculation reference date. This methodology aligns with the following aspects:

- Position Size
- Daily trading volume of the securities that make up the position.

According to this definition, Titularizadora has established the holding period based on the following parameters:

- Nature of the Portfolio.
- Internal limits for each position.
- Daily market volume.
- Position limit/daily market volume ratio.

For market risk Value at Risk (VaR) calculation, Titularizadora considers holding periods. However, according to the Quantitative Standards defined for the submission of Internal Models, as outlined in Chapter XXXI of the Basic Accounting and Financial Circular (CBCF) of the SFC, the model must use price changes over a 10-business-day period. Therefore, a 10-day holding period will be applied for the TIPS Portfolio in VaR estimation.

#### - Statistical Parameters

To estimate statistical parameters, the model used by Titularizadora incorporates a moving window of at least 1,004 data points. The number of effective market observations depends on the specific financial product.

In cases where sufficient historical data for VaR estimation is not available, synthetic series have been created. These synthetic series are generated using the Cholesky decomposition of the covariance matrix, an algorithm that preserves the following sample properties when generating the series:

- Generates random numbers while preserving the original correlation structure.
- Creates a sample that approximately follows the same distribution as the original.

#### - Confidence Level

Titularizadora adopts the standard confidence level of the Colombian market, which is set at 99%.

Additionally, extreme scenario measurements or stress tests are conducted to estimate potential losses that may not occur frequently but are possible by replicating past crises or simulating hypothetical events. Back-testing is also performed to assess the accuracy of loss forecasts compared to actual results, allowing for model adjustments if necessary.

The hierarchical structure of market risk exposure limits in trading activities ensures that risk is not concentrated in specific asset groups while maximizing the diversification effect of portfolios. These limits are defined by product or by risk-taking responsibilities, with most set as maximum VaR values for each portfolio. Additional risk controls include loss alerts, stop-loss mechanisms, and sensitivity limits, particularly for derivatives portfolios. The Board of Directors approves these limits based on equity size, market complexity and volatility, and risk appetite, ensuring they align with the company's risk strategy. Limits are monitored daily, and any breaches or violations are reported to the Credit Risk Committee to maintain effective risk oversight.

As part of the market risk control and monitoring processes, daily and monthly reports are prepared, incorporating an analysis of risk measures and allowing for tracking market risk exposure levels, legal limits, and internal limits established for Titularizadora. These reports serve as key inputs for decision-making in the various committees and governance bodies of the company. According to the internal model, the following is a quantitative table for Value at Risk (VaR) at year-end for 2024 and 2023 (in Colombian pesos). In 2024, none of these risks materialized.

**CHART 21. MARKET RISK REPORT**

VaR	2023	2024
Money Market	-560.636	-969.151
Indexed private debt	-343.170.047	-
Fixed-rate private debt	-1.600.035.361	-1.252.758.251
Fixed rate public debt	-16.816.149	-539.948.982
Public debt in UVR	-19.118.150	-6.354.470
Pesos/TECH	-2.146.993.120	-730.806.116
TIPS UVR	-	-579.959.099
TOTAL	-4.149.693.462	-3.110.796.070

Source: Prepared by TC



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- **Liquidity Risk**

Liquidity risk is understood as the contingency of being unable to fully, timely, and efficiently meet expected and unexpected cash flows, both current and future, without disrupting daily operations or affecting the entity's financial condition. This contingency (funding liquidity risk) arises from the insufficiency of available liquid assets and/or the need to assume unusually high funding costs. In 2024, this risk did not materialize for the Company.

The materialization of this risk creates liquidity needs for entities, potentially forcing them to liquidate asset positions to cover shortfalls, which, in turn, may lead to selling assets below their recorded value, resulting in losses.

To prevent such situations, the Financial Superintendence of Colombia (SFC) requires entities exposed to this risk to develop and implement a Liquidity Risk Management System (SARL), enabling them to identify, measure, control, and monitor liquidity risk effectively. This system must allow entities to make timely decisions for proper risk mitigation and should be tailored to the structure, complexity, nature, and size of each entity. Additionally, both the SFC and financial institutions must consider the role each entity plays in the financial system and its systemic importance.

Regarding liquidity risk, three (3) risks are identified in the general risk matrix, of which two (2) have a high impact but a very low probability of occurrence. The Company's liquidity risk policies and processes are also formally documented.

The SARL for Titularizadora and its Universalities is documented and incorporates liquidity management strategies, integrating stress testing, alerts, and contingency plans. For liquidity monitoring and control, the SFC's standard model is used. The Company maintains high liquidity positions, considering market risk-adjusted assets and projections for the 1-30 day and 31-90-day bands, with this information presented monthly to the ALCO (Asset and Liability Committee).

CHART 22.IRL- TITULARIZADORA COLOMBIANA – DECEMBER 31, 2023 Y 2024

IRL RATIO	Band 1 - 7d	Band 7 - 15d	Band 1 - 30d	Band 31 - 90d
Noviembre	237.5%	249.1%	▲ 204.8%	▼ 121.3%
Diciembre	223.2%	249.2%	▲ 118.0%	▼ 100.8%

IRL RATIO	Band 1 - 7d	Band 7 - 15d	Band 1 - 30d	Band 31 - 90d
Noviembre	18.836%	11.574%	329.4%	445.9%
Diciembre	30.032%	15.885%	▲ 4.610%	▲ 4.996%

Source: Prepared by TC

For the monitoring and control of the SARL for Universalities, collection indicators are developed and presented to ALCO, comparing Universalities' collections against historical collection data and each issuance's expenses to monitor their liquidity levels. This information is recorded as an annex in ALCO meeting minutes.

The Company's solvency ratio at year-end 2024 and 2023 was 88% and 98%, respectively, demonstrating Titularizadora's strong ability to meet its financial commitments without disrupting daily operations. The variation in the solvency ratio is mainly due to the acquisition of a loan portfolio under the Warehousing operation with Credifamilia in 2024, totaling COP 49 billion at year-end.

### Internal Control System– ICS

The Internal Control System (SCI) defined by Titularizadora fully complies with the regulatory and legal requirements established by the Financial Superintendence of Colombia (SFC) and is structured around the policies, principles, regulations, and procedures set by the Board of Directors. The SCI is continuously updated and formalized in each of its components, ensuring its sustained application supports corporate objectives and goals, facilitates operational processes, and provides a framework for employee conduct.

In 2024, the SCI met both the Company's internal control objectives and regulatory requirements, with rigorous implementation across all areas and processes. Feedback from various internal and external sources allowed for performance evaluation, leading to the implementation of new strategies and optimization plans to further strengthen the system.

Specifically, and in accordance with the requirements of External Circular 008 of 2023, Management reviewed, adjusted, and updated policies, procedures, and other documents in 2024, as required by the Circular, to ensure that the Company's Internal Control System (SCI) remains compliant with current regulations.

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Titularizadora carried out specific activities for each component of the SCI. Among the key actions taken in 2024, the following stand out:

- **CONTROL ENVIRONMENT**

The Board of Directors conducted periodic monitoring of the Company's goals and strategic plans, ensuring that commercial initiatives, new business ventures, and proposals from Management were developed under the principles of ethics and transparency, underwent prior evaluation and analysis within the entity, and were reviewed by the committees established by the Board to support its governance. During 2024, the Board followed up on the implementation of the Company's strategic planning, analyzed and evaluated the performance of initiatives aligned with the 2027k Plan's strategic objectives, and remained informed about the progress and execution of activities within the plan.

The Board was informed about the application of investment management policies, assessed compensation parameters for senior management, verified the Board member evaluation process, supervised compliance with corporate governance standards, risk management, and regulatory requirements, and received regular updates from the committees supporting its governance, including reports on the Internal Control System (SCI) and actions taken for its continuous improvement.

During 2024, as part of the work plan to implement External Circular 008 of 2023, the Board reviewed and approved updates made by Management to the Code of Ethics and Conduct, human resources policies, Board member induction and training programs, information security policies, communication policies, and committee regulations that support its governance.

Regarding fraud risk management, special attention was given to the operation of the Transparency Channel, as well as guidance from a specialized provider supporting the administration of the platform. Periodic process reviews ensured that manuals remained up to date, documentation of key activities and controls was strengthened, and all requirements of the Company's Quality Management System were met.

The organizational structure remains updated and aligned with business requirements. The roles and responsibilities of each position are clearly defined, formalized, and regularly updated. Employee training and development programs were carried out according to the 2024 plan, and the performance management system was applied to all employees.

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- **RISK MANAGEMENT**

The Company has policies, procedures, and manuals that regulate and define the processes for managing strategic, liquidity, market, credit, operational, and money laundering and terrorism financing (ML/TF) risks. Each of these risk management systems is designed to prevent, mitigate, or reduce the probability of occurrence and the potential impact of risk events at both the business and operational levels.

Risk management has an adequate organizational structure for administering the inherent risks of the securitization process. This management is fundamentally supported by the existence of various specialized committees, which assist the Board of Directors in the evaluation and monitoring of these risks.

Regarding risk management functions and activities, the Board Risk Committee led the periodic evaluation of compliance with policies and procedures required for the measurement and control of market, credit, liquidity, operational, and money laundering and terrorism financing (ML/TF) risks. Additionally, the committee remained informed about the actions taken by Management to keep risks within the levels and limits established by the Board of Directors, as well as the control activities carried out by the second line of defense within the Internal Control System (SCI).

The risk management systems applied by the Company, following its methodological framework, enable timely identification, assessment, and evaluation of current risks, as well as the implementation of mitigation measures necessary to keep risk levels within the tolerance limits set by the Board of Directors.

- **CONTROL ACTIVITIES**

During 2024, reviews and updates were carried out on the Company's process manuals, as part of the methodological deployment of the quality management system. The self-assessment conducted by process leaders enables the identification, adjustment, and formalization of control mechanisms, ensuring their proper application across all Titularizadora's activities.

In accordance with the Company's requirements, updates and adjustments were made to the applications supporting the management of securitized assets, investment portfolio management, and the recording and generation of accounting and financial information. Throughout the process, it was ensured that general technology controls guaranteed sufficiency, accuracy, authorization, and validity of data capture and processing. Both internal evaluations and those conducted by regulatory entities reported satisfactory results.

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The work plans for technology management, cybersecurity, and information security were successfully executed, allowing for periodic verification of the control framework required for these elements. Due to their importance throughout the year, these areas were subject to independent reviews to assess compliance with applicable policies and regulations. The evaluations demonstrated an adequate level of maturity in the Company's practices regarding existing standards and requirements.

The general technology, application, accounting, and financial management controls remained in effect throughout the year and were included in both self-assessment and external evaluation processes, confirming their proper performance.

- **INFORMATION AND COMMUNICATION**

Titularizadora has information management and administration policies aligned with the internal control model and implemented through best-practice-based processes, ensuring compliance with regulatory guidelines.

Additionally, through the Information Security and Cybersecurity Management System (SGSI), the Company has established the goal of strengthening information protection, ensuring confidentiality, integrity, and availability. Given the importance of protecting information and managing cyber risk, Titularizadora allocates resources to enhance security controls, offering transparency and security to its clients and stakeholders, particularly through its web portal.

In 2024, updates and adjustments were made to the information and communication policy, incorporating the elements and requirements defined in External Circular 008 of 2023. Security tests such as Social Engineering, Ethical Hacking, Vulnerability Assessments, and a Cyber Crisis Scenario Simulation were conducted. These tests helped strengthen infrastructure and security culture, allowing for the timely identification and management of weaknesses.

- **MONITORING**

The ongoing supervision carried out by process owners and the periodic monitoring by the Presidency allowed for the verification of the Internal Control System's performance quality, as well as the validation of compliance with control objectives.

Among the monitoring results conducted by process leaders are continuous improvement indicators and compliance with action plans established within the quality management system. At the end of the year, the results indicated adequate performance. Corrective and

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improvement actions, derived from process evaluations, were subject to ongoing monitoring and oversight, not only at the departmental level but also by the Quality Committee.

Regarding the independent monitoring and evaluation of the Internal Control System (SCI), this was conducted based on the review approaches provided by the statutory auditor, the external audit assessing the SCI applicable to the Universalities managed by the Company, and the Internal Control Department in its role as the third line of defense.

The oversight bodies mentioned above adhered to their 2024 work plans, which were previously approved by the Audit Committee, ensuring specific monitoring of SCI's performance and providing periodic reports to Management. Additionally, expert providers were engaged to support the review of technology, information security, and cybersecurity processes.

The Audit Committee, in its regular sessions, reviewed the methodologies, plans, and scope of assessments established by the Statutory Auditor, External Audit, and Internal Control Department. Additionally, the evaluation process and its results were shared with the Audit Committee, which provided feedback on the action plans defined by Management, remained informed about the progress in implementing recommendations, and presented periodic reports to the Board of Directors on the topics and aspects evaluated.

## Part Two- Securities Market and Financial Performance

### I. Performance of the Securities in the Trading Systems

This section states that, since Titularizadora does not have bonds or shares listed on trading systems, no performance metrics or traded volumes are highlighted in this section.

### II. Shareholdings in Titularizadora

- **Shareholders and Beneficiaries**

Titularizadora has a total of eight (8) shareholders holding registered and common shares, of which four (4) shareholders each hold a stake equal to or greater than 10% of the Company's share capital, as detailed below:

**CHART 23. SHAREHOLDINGS.**

Decembre 2024	Total
Bancolombia S.A.	26,98%
Banco Caja Social S.A.	26,85%
Banco Davivienda S.A.	26,85%
Banco Comercial AV Villas S.A.	12,65%
Scotiabank Colpatria S.A.	6,35%
Compañía de Seguros Bolívar S.A.	0,13%
Compañía Inversora Colmena S.A.	0,13%
Seguros de Vida Alfa S.A.	0,05%

Source: Prepared by TC

The Annual Corporate Governance Report, included in this document, provides detailed information on the Company's ownership structure, current shareholding composition, and dividend distribution for the reporting period.

- **BANCOLOMBIA S.A.**

Bancolombia S.A. is a banking institution listed on the Colombian Stock Exchange (BVC) and the New York Stock Exchange (NYSE), holding a 26.98% stake in Titularizadora's share capital. Bancolombia is part of the Sura – Bancolombia financial conglomerate. According to Bancolombia's publicly available information, as of September 2024, the following are the shareholders of the Bank with a stake equal to or greater than 10% of its share capital:

CHART 24. BANCOLOMBIA'S SHARE OF TC'S CAPITAL.

Bancolombia S.A.				
%Shareholdings in Titularizadora:			26,98%	
Class of Shares:			Ordinary	
Shareholders of Bancolombia				
Name	Ordinary Shares	Preferred Shares	Total Shares	% Share of total
Grupo de Inversiones Suramericana S.A.	235,012,336	0	235,012,336	24.43%
Fondo Bancolombia ADR Program	0	123,869,932	123,869,932	12.88%

Source: <https://www.grupobancolombia.com/relacion-inversionistas/inversionistas/estructura-accionaria>

- **BANCO DAVIVIENDA S.A.**

Banco Davivienda S.A. is a banking institution that holds a 26.85% stake in Titularizadora's share capital and is part of the Bolívar S.A. financial conglomerate. According to Banco Davivienda's publicly available information, as of December 2024, the following are the shareholders with a stake equal to or greater than 10% of its share capital:

CHART 25. DAVIVIENDA'S SHARE OF TC'S CAPITAL.

Davivienda S.A.				
%Shareholdings in Titularizadora:			26,85%	
Class of Shares:			Ordinary	
Shareholders of Davivienda				
Name	Ordinary Shares	Preferred Shares	Total Shares	% Share of total
Inversora Anagrama Inveranagrama S.A.S.	69.522.054	3.104.021	72.626.075	14,89%
Inversiones Financieras Bolívar S.A.S	69.423.123	3.140.078	72.563.201	14,88%
Compañía de Seguros Bolívar S.A.	51.146.408	411.476	51.557.884	10,57%
Grupo Bolívar S.A.	50.932.548	400.684	51.333.232	10,53%

Source: <https://ir.davivienda.com/acciones/>



- **BANCO CAJA SOCIAL S.A.**

Banco Caja Social S.A. is a banking institution that holds a 26.85% stake in Titularizadora's share capital and is part of the Fundación Social financial conglomerate. According to Banco Caja Social's publicly available information, as of September 2024, the following are the shareholders with a stake equal to or greater than 10% of their share capital:

**CHART 26. SHAREHOLDING OF BCS OF SHARE OF TC'S CAPITAL.**

Banco Caja Social S.A.			
%Shareholdings in Titularizadora:		26,85%	
Class of Shares:		Ordinary	
Shareholders of Banco Caja Social			
Name	Ordinary Shares	Total Shares	% Share of total
Inversora Fundación Grupo Social S.A.S*	127,218,180	127,218,180	62.16%

Source: Interim Period Condensed Separate Financial Statements- For the periods ended on September 30, 2024, December 31 and September 30, 2023.

\*Majority shareholder that is part of the Fundación Social Business Group.

- **BANCO COMERCIAL AV VILLAS S.A.**

Banco Comercial AV Villas S.A. is a banking institution that holds a 12.65% stake in Titularizadora's share capital and is part of the Aval Financial Conglomerate. According to Banco AV Villas' publicly available information, as of December 2024, the following are the shareholders with a stake equal to or greater than 10% of its share capital:

**CHART 27. SHAREHOLDING OF AV VILLAS' OF SHARE OF TC'S CAPITAL.**

Banco Comercial AV Villas S.A.				
%Shareholdings in Titularizadora:			12,65%	
Class of Shares:			Ordinary	
Accionistas de Banco AV Villas				
Name	Ordinary Shares	Preferred Shares	Total Shares	% Share of total
Grupo Aval Acciones y Valores S.A.*	179,198,996	260,561	179,459,557	79.86%
Redifin S.A.*	29,723,060	0	29,723,060	13.23%

Source: <https://www.avillas.com.co/productos-en-oficina/acerca-de-avillas/#gobierno-corporativo>

\*Both majority shareholders are part of the Sarmiento Angulo Business Group.

### III. Financial information for the year, and comparisons with the previous year

The year-end financial statements, audited by the Statutory Auditor, are included in **Annex No. 1** of this report.

### IV. Analysis of the Operating Results and Financial Position

#### A. Material Variations in Operating Results

The key balance sheet figures showed the following performance:

ASSETS	
\$243,02	2024
\$220,67	2023
10,12%	Change

As of December 2024, Titularizadora's total assets amounted to \$243.02 million, reflecting a 10.12% growth compared to year-end 2023. The asset composition primarily consists of Investment Financial Assets (48.98%), Loan Portfolio (19.07%), Trade Receivables (12.37%), Investment Properties (10.07%), Cash Equivalents (5.80%), and Property, Plant, and Equipment (3.07%).

The main account variations compared to the previous year are observed in Investment Financial Assets, driven by the Company's investment and divestment strategy, which involves the purchase and sale of securities within its portfolio. Additionally, there was a significant variation in total assets due to the acquisition of the Loan Portfolio under the Warehousing structure with originator

LIABILITIES	
\$89,08	2024
\$81,96	2023
8,68%	Change

As of December 31, 2024, the Company's liabilities primarily consist of financial obligations (73.58%), outstanding securities denominated as BOCEAS (12.55%), current taxes such as income tax, VAT, and ICA (5.34%), and deferred income tax recognized in accordance with IAS 12 on income taxes (4.79%).

The main variation in figures compared to 2023 is due to new loans obtained from national financial institutions in 2024, which were used to acquire a loan portfolio from Credifamilia. Additionally, there was a decrease in liabilities due to the maturity of Convertible Bonds in December 2024, totaling COP \$3.499 billion.

Credifamilia and an increase in accounts receivable and trade debtors, resulting from structuring and management fees earned from the seven issuances carried out in 2024 compared to 2023.

#### EQUITY

\$153,94	2024
\$138,70	2023
10,98%	Change

Titularizadora's equity increased by 10.98% compared to the previous year, driven by higher earnings in 2024 and the capitalization of convertible obligations into shares upon their maturity at year-end, totaling COP \$3.405 billion. The Company closed in 2024 with total equity of COP \$153.94 million.

The detailed breakdown of the material variations in operating results for the main indicators can be found in the notes to the financial statements attached.

- INCOME STATEMENT**

At year-end 2024, operating revenue accounted for 96% of total revenue, primarily derived from (i) structuring, administration, guarantee, certification, and placement fees from issuances totaling COP \$21.534 billion, (ii) financial income from investment portfolio returns amounting to COP \$26.989 billion, and (iii) Warehousing revenue of COP \$1.718 billion. The other income, totaling COP \$3.455 billion, mainly came from rental income.

The Company's total expenses amounted to COP \$32.963 billion, with financial expenses reaching COP \$9.583 billion and administrative expenses totaling COP \$23.379 billion, which represented 70.93% of total expenses. Net income for 2024 stood at COP \$12.228 billion.

- FINANCIAL AND OPERATING RATIOS**

The Return on Equity (ROE) stood at 7.9% as of December 2024, compared to 6.2% at year-end 2023. Meanwhile, net income increased from COP \$8.560 billion in 2023 to COP \$12.228 billion at the end of 2024. This variation in indicators is primarily due to the reactivation of mortgage and vehicle loan securitizations carried out in 2024.

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Regarding the efficiency ratio, it stood at 46% as of December 2024.

- **CERTIFICATIONS OF THE FINANCIAL STATEMENTS ON DECEMBER 31, 2024**

In compliance with Article 46 of Law 964 of 2005, Titularizadora has established, implemented, and evaluated the disclosure and control procedures and systems to ensure that financial information is presented accurately in the preparation of financial statements and other public reports. The financial statements are free from faults, inaccuracies or errors that would prevent knowing the Company's true financial position and the operations it performs.

## **B. Material Changes in Solvency and Liquidity**

The Company's solvency ratios at the end of December 2024 and 2023 were 88% and 98%, respectively, demonstrating a high capacity to meet financial commitments without disrupting daily operations. The variation is primarily due to the acquisition of a loan portfolio in 2024 under the Warehousing structure with originator Credifamilia. Regarding liquidity, the IRL indicator for the 30-day band increased significantly from 118% in 2023 to 4,610% in 2024, driven by the renewal of loans used for Warehousing operations.

## **C. Outlook and Potentially Material Uncertainties**

For the new housing market, sales are expected to decrease by 3.7% in 2025. This projection assumes that households will face greater challenges in securing financial closure due to a reduction in government subsidies, which would be reflected in credit dynamics. However, this effect is expected to be offset by lower interest rates offered by credit institutions. This effort by the banking sector strengthens securitization (both mortgage and non-mortgage assets) as a funding alternative, allowing for risk diversification and balance sheet optimization.

Regarding the credit portfolio stock, a gradual recovery is expected following the contraction experienced in 2023. This shift in trend is driven by growth in the commercial loan portfolio and an expansion in the housing loan portfolio, which are key factors supporting the recovery. In this context, the *Pacto por el Crédito*, an agreement between the National Government, Asobancaria, and the private sector, has played a crucial role in strengthening financing for priority sectors, supported by resilient sectoral indicators. Overall, an improvement in market conditions and access to financing under more favorable terms is anticipated, facilitating financial closure for new business opportunities.

Meanwhile, securitization structures responded adequately to prepayment and delinquency events, reflecting investor confidence and transparency. In 2025, stress scenarios are expected to be less severe.

Real estate securitization, despite potential impacts from increased tenant defaults or property vacancies, effectively managed risks and maintained strong performance. Additionally, the results of the real estate vehicle were driven by a reduction in financing costs and, more broadly, by effective debt management. In 2025, TIN is expected to remain an attractive investment alternative and gain greater momentum.

Meanwhile, the volume of assets under management increased due to the greater activity in securitizations. However, prepayments driven by falling interest rates pose a challenge to further asset growth.

The execution of new issuances could benefit from the growing appetite of institutional investors for long-term instruments that enable portfolio diversification, driven by the decline in credit institutions' funding rates (i.e., the decrease in the real interest rate of the economy) and reduced market uncertainty.

#### D. Material Off-balance-sheet Transactions

On December 31, 2024, there were no off-balance-sheet transactions.

### V. Quantitative and Qualitative Analysis of Market Risk

#### A. Quantitative Analysis of Market Risk

The following section identifies the instruments exposed to market risk and their classification (Neg: Marketable, DPV: Available-for-Sale, Vto: Held-to-Maturity). Additionally, a column is provided indicating the market risk factor to which these instruments are exposed, as well as their key conditions.

**CHART 28. INSTRUMENTS AND EXPOSURES**

	2024 Portfolio Assets				
	1Y	1Y-3Y	3Y-5Y	OVER 5Y	Total Classification
<b>Risk Factor</b>	N/A	Interest rate	Interest rate	Interest rate	
<b>Available</b>		\$ 14.748.828.217,00	\$ 24.948.028.786,00	\$ 12.096.093.634,00	\$ 51.792.950.637,00
<b>Negotiable</b>		\$ 18.843.864.062,00	\$ 22.664.543.240,00	\$ 9.369.065.373,00	\$ 50.877.472.675,00
<b>Maturity</b>	\$ 10.854.067.879,00				\$ 10.854.067.879,00
<b>Total Assets</b>	\$ 10.854.067.879,00	\$ 33.592.692.279,00	\$ 47.612.572.026,00	\$ 21.465.159.007,00	\$ 113.524.491.191,00

Source: Prepared by TC

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## B. Qualitative Analysis of Market Risk

Market risks are included in the risk map, as shown in Figure 34. Likewise, for each identified risk, the necessary control measures are maintained and applied, ensuring they remain within the acceptance levels established by the Company.

For market risk, three qualitative risks were classified in the Minor and Significant impact matrix, with low and very low probabilities of occurrence, considering the documented processes and established controls. A Value at Risk (VaR) limit has been approved for the Company's investments, which remain below 5% of equity.

The disclosure of the criteria, policies, and procedures used for the evaluation, management, measurement, and control of risks associated with Titularizadora S.A.'s business is included in the Note on Risk Management and Administration within the financial statements.

For available-for-sale investments, while they are included within the 5% Value at Risk (VaR) limit and valued at market prices, negative valuations (losses) would be recorded in Other Comprehensive Income (ORI), reducing equity through unrealized losses rather than impacting net income for the period. For held-to-maturity investments, when utilized, they would not be valued at market prices but rather accrued at the purchase Internal Rate of Return (IRR).

## VI. Material Transactions with Related Parties

In accordance with Article 1, numeral 3 of Law 603 of 2000, Note No. 24 of the financial statements details the transactions carried out by Titularizadora with its shareholders and administrators.

## VII. Description and evaluation of the controls and procedures used by the issuer to register, process and analyze the information required to comply with the obligation to submit the end-of-year report to the RNVE in a timely manner.

On this matter, **Annex No. 2** of this report includes the relevant details:

- i. The certification was issued by the legal representative of Titularizadora, confirming that the information includes all material aspects of the business.
- ii. A report signed by the legal representative of Titularizadora on the results of the evaluation of the internal control systems and the procedures for controlling and disclosing financial information, in compliance with Article 47 of Law 964 of 2005,

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while considering the exceptions outlined in Article 48 of the same law.

- iii. A certification issued by the statutory auditor, confirming the effectiveness of controls over financial information reporting.

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## Part Three – Sustainability and Responsible Investment Practices

### I. CORPORATE GOVERNANCE ANALYSIS

#### CORPORATE GOVERNANCE REPORT JANUARY – DECEMBER 2024

Titularizadora Colombiana has prepared this Corporate Governance Report for the year 2024 to provide information on the functioning of the Company's governance model and highlight the most relevant corporate developments during the analyzed period. The content of this report complies with (i) Measure 33.3 of the Code of Best Corporate Practices – Código País, established through External Circular 028 of 2014, and (ii) Section 7.4.1.3.1 of External Circular 012 of 2022 on the Periodic Year-End Report, both issued by the Financial Superintendence of Colombia.

#### INTRODUCTION

Since its inception, Titularizadora has aimed to implement appropriate corporate governance standards, considering its nature and specific conditions as an issuer, ensuring that shareholders and investors have access to the tools, mechanisms, and information necessary to fully understand the Company's performance and the universalities under its management. Our Corporate Governance Model includes policies, principles, and mechanisms that enable proper disclosure and transparency regarding the Company's operations and the actions of its administrators, ensuring that Titularizadora adheres to best practices and high governance standards for the development of its activities.

Among the documents that form part of our Corporate Governance framework, we consider the following to be particularly relevant:

- Corporate Bylaws.
- Code of Good Governance.
- Shareholders' Agreement.
- Corporate Anti-Corruption Policy.
- Regulations of the General Shareholders' Meeting.
- Regulations of the Board of Directors.
- Code of Ethics.

Additionally, Titularizadora has adopted the Corporate Governance best practice recommendations outlined in the Code of Best Corporate Practices – Código País, which are reported annually to the market in the Código País report. These documents are available



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for consultation on the institutional website at [www.titularizadora.com](http://www.titularizadora.com).

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- **Transparency Channel**

Titularizadora provides its shareholders, employees, clients, suppliers, and other stakeholders with the Transparency Channel, a secure tool that ensures anonymity and allows for reporting potential violations of the Corporate Governance Code, Code of Ethics, and alleged incidents of fraud or corruption occurring within the Company. Throughout 2024, special attention was given to maintaining the availability and use of the channel, ensuring timely responses to received communications.

For more details, visit: [Transparency Channel | Titularizadora Colombiana](#).

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- Finally, it is important to highlight that, as part of its active role in the capital market, Titularizadora was granted the status of Known and Recurring Issuer (ECR) in December 2024, after meeting the regulatory requirements established by the Financial Superintendence of Colombia, as communicated on December 9, 2024.

**Emisor Conocido y Recurrente**



Within this framework, this report outlines how corporate governance activities were carried out during 2024, detailing key aspects related to: (i) the Company's ownership structure; (ii) the General Shareholders' Meeting; (iii) the Company's management structure; (iv) the risk management system; (v) the internal control system; (vi) conflicts of interest and related-party transactions; (vii) investor relations; (viii) relationship with the statutory auditor; (ix) the Corporate Best Practices Implementation Report; and (x) modifications to corporate documents.

## **I. OWNERSHIP STRUCTURE OF THE COMPANY**

The capital and structure of Titularizadora, its shareholding composition, and the types of shares held by the Company in 2024 were as follows:

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## 1. Company Capital

The subscribed and paid-in capital of the Company at year-end 2024 amounted to COP \$67,883,133,000, represented by a total of 67,883,133 registered and common shares, each of which enjoys the same rights. The Corporate Bylaws and the Code of Good Governance outline the rights and obligations that these shares grant to Titularizadora's shareholders.

In this regard, it is specified that Titularizadora does not have different classes of shares or shareholder categories, as stated in its corporate documents (Article Six of the Corporate Bylaws).

In this regard, during the Extraordinary Shareholders' Meeting held on May 30, 2024, the distribution of undistributed earnings from 2021, 2022, and 2023 was approved, with 100% of the profits paid in Titularizadora shares. The total number of distributed shares amounted to 6,505,116, with a per-share value of COP \$2,357.79, resulting in a total value of COP \$15,337,697,453.64. These shares were proportionally allocated among all shareholders based on their ownership stake.

Additionally, on December 15, 2024, the mandatory convertible bonds (BOCEAS) issued through a private offering among shareholders in December 2023 reached maturity. As a result of their redemption, the corresponding conversion was executed, leading to the issuance of 1,522,642 common shares of the Company, each with a nominal value of COP \$1,000.00, totaling COP \$1,522,642,000. These shares were proportionally distributed among all shareholders, ensuring that no changes occurred in their ownership percentages.

As a result of the increase in subscribed and paid-in capital due to the aforementioned transactions, as of December 31, 2024, the Company's capital figures were updated as follows:

**CHART 29.SHARE CAPITAL OF TITULARIZADORA COLOMBIANA S.A.**

YEAR	AUTHORIZED CAPITAL	SUBSCRIBED CAPITAL	PAID-IN CAPITAL
2023	\$80.252.796.000.00	\$59.855.375.000.00	\$59.855.375.000.00
2024	\$80.252.796.000.00	\$67.883.133.000.00	\$67.883.133.000.00

Source: Prepared by TC

## 2. Shareholdings Structure

### a. Shareholders

Titularizadora's shareholders consist of eight (8) financial institutions, insurance companies, or affiliated entities, all of which are Colombian and have extensive experience and recognition in the local and regional markets. These shareholders maintain continuous and active interaction with the Board of Directors and Senior Management of the Company.

As detailed in the previous section, during 2024, the Extraordinary Shareholders' Meeting on May 30 approved the distribution of undistributed earnings from previous years through payment in shares, resulting in the issuance of 6,505,116 shares. Subsequently, on December 15, the conversion of Mandatory Convertible Bonds (BOCEAS) took place, leading to the issuance of 1,522,642 common shares. It is important to note that neither of these transactions resulted in changes to the Company's shareholders or their ownership percentages.

In this regard, as of December 31, 2024, Titularizadora's shareholders held the following number of common shares and corresponding ownership percentages in the Company:

**CHART 30. SHAREHOLDINGS IN TITULARIZADORA COLOMBIANA S.A.**

Shareholder	No. of shares	Total Shareholding %
Bancolombia S.A.	18.317.724	26,98%
Banco Caja Social S.A.	18.228.442	26,85%
Banco Davivienda S.A.	18.228.442	26,85%
Banco Comercial AV Villas S.A.	8.585.538	12,65%
Scotiabank Colpatria S.A.	4.310.071	6,35%
Compañía de Seguros Bolívar S.A.	89.281	0,13%
Compañía Inversora Colmena S.A.	89.281	0,13%
Compañía de Seguros de Vida Alfa S.A.	34.354	0,05%
<b>Total</b>	<b>67.883.133</b>	<b>100.00%</b>

Source: Prepared by TC

### b. Shares Owned by Managers

None of the Board members or Administrators of Titularizadora hold shares in the Company. According to Section b. of numeral 7.7 of the Code of Good Governance, there are restrictions preventing Directors or Administrators from acquiring shares or securities issued by the Company.

The current capital structure, shareholding composition, and other related aspects, along with periodic updates when applicable, are publicly available for interested parties on the corporate website: [www.titularizadora.com](http://www.titularizadora.com).

### **c. Shareholder Agreement**

Titularizadora has a Shareholders' Agreement in effect since 2001, with the participation of all the Company's shareholders. This agreement defines the responsibilities of shareholders, as well as the structure, operation, and general corporate governance parameters of Titularizadora. The Shareholders' Agreement is publicly available for investors on the corporate website: [www.titularizadora.com](http://www.titularizadora.com).

Throughout 2024, the Company ensured the application of various corporate governance documents, integrating them into the development of its activities and processes to maintain compliance and alignment with governance best practices.

## **II. GENERAL MEETING OF SHAREHOLDERS**

The Corporate Governance structure of Titularizadora is led by the General Shareholders' Meeting, the highest governing body, composed of the Company's shareholders, enabling them to exercise control over the Company's direction. Throughout 2024, the General Shareholders' Meetings were held in accordance with the Company's Bylaws, the Code of Good Governance, and other relevant regulations that define the functioning and conduct of these sessions.

The following outlines the key aspects of the General Shareholders' Meetings held during 2024:

### **1. Ordinary Meetings**

#### **a. Summons**

The Ordinary General Shareholders' Meeting was held on March 22, 2024, following a written notice sent to each shareholder on February 29, 2024, both physically and via email. The notice was issued by the Company's President, in compliance with the requirements outlined in the corporate documents, as well as the provisions of the Commercial Code and other relevant regulations.

With the notice of the meeting, shareholders were provided with: (i) the proposed agenda, listing each topic to be discussed; (ii) the Agreement Proposals for each agenda item to be

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considered by the General Shareholders' Meeting; and (iii) two models of special powers of attorney—one granting the proxy broad authority to participate and vote on the proposals presented, and another allowing shareholders to specifically instruct their proxies on how to vote based on the Agreement Proposals received. Additionally, shareholders were given access to the required information to exercise their right of inspection, in accordance with applicable regulations.

Additionally, the notice of the meeting stated that shareholders could submit new Agreement Proposals to the Company's President within five (5) calendar days following the receipt of the notice, along with the corresponding justification. In this regard, it is noted that no new Agreement Proposals were received within the specified deadline.

Finally, the notice of the meeting informed shareholders that, in accordance with Article 21 of the Corporate Bylaws and Section 1.3.2. of the Company's Code of Good Governance, they had the right to propose the inclusion of one or more discussion points in the meeting agenda. Shareholders could submit their proposals to the Company's President within five (5) calendar days following the receipt of the notice, accompanied by the corresponding justification. In this regard, it is noted that no requests were received from shareholders to introduce additional discussion points to the agenda.

#### **b. Attendance**

The Ordinary General Shareholders' Meeting was held on March 22, 2024, within the timeframe established in Article 20 of the Corporate Bylaws and the Commercial Code. The meeting was attended by all shareholders of Titularizadora, representing a total of 59,855,375 shares, equivalent to 100% of the subscribed capital of the Company at the time of the meeting.

The Representatives of the Holders of mortgage-backed and non-mortgage-backed securities issued by Titularizadora were also invited to the Ordinary General Shareholders' Meeting. The following fiduciary entities attended: Alianza Fiduciaria S.A., Itaú Fiduciaria S.A., Renta 4 Global Fiduciaria S.A., and Credicorp Capital Fiduciaria S.A. Additionally, the statutory auditor of the Company, Deloitte & Touche LTDA., was summoned and attended the meeting.

The Ordinary General Shareholders' Meeting was held virtually via Microsoft Teams, in accordance with Law 222 of 1995 and Decree 398 of 2020, which regulates the conduct of non-presential meetings for shareholder assemblies, boards of partners, and board of directors' meetings. During the meeting, all necessary information was provided to shareholders to facilitate informed decision-making.

### **c. Main Decisions of the General Meeting**

The General Shareholders' Meeting of Titularizadora reviewed and unanimously approved the following matters within its scope of authority during the 2024 Ordinary Meeting:

- Year-End Management Report, which included the Corporate Governance Report for the 2023 period.
- Report on the activities of the Audit Committee and the performance of the Internal Control System.
- Statutory Auditor's Opinion.
- Basic Financial Statements as of December 31, 2023.
- Profit Distribution Proposal.
- Modification in the Composition of the Board of Directors.
- Authorization for the Board of Directors to make donations.

#### **▪ Dividend Distribution**

For informational purposes, it is noted that as of the General Shareholders' Meeting date, it was approved to retain the total available profits from 2023, amounting to COP \$7,703,909,539, as retained earnings in Titularizadora's equity for future distributions.

### **d. Relevant Information**

The notice of the meeting and the decisions made by the General Shareholders' Meeting were duly published as material information, in accordance with the provisions of Article 5.2.4.3.1 of Decree 2555 of 2010.

## **2. Extraordinary Meetings**

The Extraordinary General Shareholders' Meetings were held on May 30, September 23, and November 28, 2024, in compliance with corporate documents, the Commercial Code, and other relevant regulations, under the following terms:

- **Session of May 30, 2024:**

The Extraordinary Shareholders' Meeting was held virtually via Microsoft Teams, in accordance with Law 222 of 1995 and Decree 398 of 2020, which regulates the conduct of non-presential meetings for shareholder assemblies.

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**a. Summons**

The Extraordinary General Shareholders' Meeting was held on May 30, 2024, following a written notice sent to each shareholder on May 17, 2024, both physically and via email. The notice was issued by the Company's President, in compliance with the requirements outlined in the corporate documents, as well as the provisions of the Commercial Code and other relevant regulations.

**b. Attendance**

On May 30, 2024, the Extraordinary General Shareholders' Meeting was held virtually, in full compliance with Article 24 of the Corporate Bylaws and the Commercial Code. The meeting was attended by all shareholders of Titularizadora, representing a total of 59,855,375 shares, equivalent to 100% of the subscribed capital of the Company at the time of the session.

The Legal Representatives of the Holders of mortgage-backed and non-mortgage-backed securities issued by Titularizadora were also invited to the Extraordinary General Shareholders' Meeting. The following fiduciary entities attended: Alianza Fiduciaria S.A., Itaú Fiduciaria S.A., Fiduciaria Scotiabank Colpatría S.A., Renta 4 Global Fiduciaria S.A., and Credicorp Capital Fiduciaria S.A.

**c. Main Decisions of the General Meeting**

During the 2024 Extraordinary General Shareholders' Meeting, shareholders reviewed and considered the various agenda items proposed for the session. Below is a summary of the key decisions approved by the Assembly:

- The Assembly approved the distribution of undistributed earnings from 2021, 2022, and 2023, with 100% of the profits paid in Titularizadora shares, totaling COP \$15,337,697,453.64. Additionally, the Company's Management was delegated the responsibility to execute all necessary actions and procedures to carry out the dividend payment in shares, in accordance with the approved terms.
- The Assembly accepted the resignation of Dr. Diana Patricia Ordoñez from her position as an alternate member in the fifth seat of the Board of Directors and appointed Dr. Sergio Iván Olarte as her replacement in the same position.

All matters submitted for consideration by the General Shareholders' Meeting were unanimously approved by the attendees, representing 100% of the Company's outstanding

shares. The decisions were made within the scope of the Assembly's authority, in full compliance with applicable legal and statutory regulations.

#### d. Relevant Information

The notice of the meeting and the decisions made by the General Shareholders' Meeting were duly published as material information, in accordance with the provisions of Article 5.2.4.3.1 of Decree 2555 of 2010.

- **Extraordinary General Shareholders' Meeting – September 23, 2024**

An Extraordinary General Shareholders' Meeting was held remotely, with written consent from the shareholders, in accordance with the provisions of the Corporate Bylaws and Law 222 of 1995.

#### a. Attendance

On August 26, 2024, a communication was sent to shareholders, presenting the Extraordinary General Shareholders' Meeting with (i) the proposal to accept the resignation of Dr. Juan Camilo Ángel from the fifth principal seat on the Board of Directors and (ii) the proposal to appoint Dr. Gerardo Alfredo Hernández Correa as his replacement. All shareholders expressed their votes in writing within one month of receiving the initial communication in which the Company shared the proposals for the Assembly's consideration. The process was completed on September 23, 2024, with the following outcome:

**CHART 31. COMPOSITION OF THE BOARD OF DIRECTORS OF TITULARIZADORA COLOMBIANA S.A.**

Shareholder Name	Date of Communication Receipt	Shares Represented	%
Bancolombia S.A.	3/09/2024	17.906.851	26,98%
Banco Davivienda S.A.	29/08/2024	17.819.571	26,85%
Banco Caja Social S.A.	30/08/2024	17.819.571	26,85%
Banco Comercial AV Villas S.A.	27/08/2024	8.392.961	12,65%
Banco Scotiabank Colpatria S.A.	28/08/2024	4.213.395	6.35%
Compañía de Seguros Bolívar S.A.	6/09/2024	87.279	0.13%
Compañía Inversora Colmena S.A.	23/09/2024	87.279	0.13%
Seguros de Vida Alfa S.A.	27/08/2024	33.584	0.05%
<b>Total</b>		<b>66.360.491</b>	<b>100.00%</b>



## b. Key Decisions of the Assembly

Through written votes, the proposals presented to the shareholders were unanimously approved, with 100% of the Company's outstanding shares voting in favor. These proposals included (i) the acceptance of Dr. Juan Camilo Ángel's resignation from the fifth principal seat on the Board of Directors and (ii) the appointment of Dr. Gerardo Alfredo Hernández Correa as a member of the Board of Directors to fill the vacant fifth principal seat.

## c. Relevant Information

The decisions made by the General Shareholders' Meeting were duly published as material information, in accordance with the provisions of Article 5.2.4.3.1 of Decree 2555 of 2010.

- **Extraordinary General Shareholders' Meeting – November 28, 2024.**

An Extraordinary General Shareholders' Meeting was held remotely, with written consent from the shareholders, in accordance with the provisions of the Corporate Bylaws and Law 222 of 1995.

## a. Attendance

On October 29, 2024, a communication was sent to shareholders, presenting the Extraordinary General Shareholders' Meeting with (i) the proposal to accept the resignation of Dr. Sergio Iván Olarte Armenta from the fifth alternate seat on the Board of Directors and (ii) the proposal to appoint Dr. Jorge Umaña Camacho as his replacement. All shareholders expressed their votes in writing within one month of receiving the initial communication in which the Company shared the proposals for the Assembly's consideration. The process was completed on November 28, 2024, with the following outcome:

**CHART 32. VOTING COMPOSITION OF THE BOARD OF DIRECTORS – TITULARIZADORA COLOMBIANA S.A.**

Shareholder Name	Date of Communication Receipt	Shares Represented	%
Bancolombia S.A.	31/10/2024	17.906.851	26,98%
Banco Davivienda S.A.	31/10/2024	17.819.571	26,85%
Banco Caja Social S.A.	5/11/2024	17.819.571	26,85%
Banco Comercial AV Villas S.A.	28/11/2024	8.392.961	12,65%
Banco Scotiabank Colpatria S.A.	31/10/2024	4.213.395	6,35%
Compañía de Seguros Bolívar S.A.	12/11/2024	87.279	0,13%
Compañía Inversora Colmena S.A.	14/11/2024	87.279	0,13%
Seguros de Vida Alfa S.A.	29/10/2024	33.584	0,05%
<b>Total</b>		<b>66.360.491</b>	<b>100,00%</b>

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**b. Main Decisions of the General Meeting**

Through written votes, the proposals presented to the shareholders were unanimously approved, representing 100% of the Company's outstanding shares. These proposals included: (i) the acceptance of the resignation of Dr. Sergio Iván Olarte Armenta from the fifth alternate seat on the Board of Directors, and (ii) the appointment of Dr. Jorge Umaña Camacho as a member of the Board of Directors to fill the fifth alternate seat.

**c. Relevant Information**

The decisions made by the General Shareholders' Meeting were duly published as material information, in accordance with the provisions of Article 5.2.4.3.1 of Decree 2555 of 2010.

**3. Mechanisms for Communicating with Shareholders**

Shareholder requests are handled through the Shareholder Services Office, managed by the Company's General Secretariat, which is responsible for responding to inquiries in accordance with Chapter 8 of the Code of Good Governance. In this regard, shareholders may contact the Company through any of the following channels:

**CHART 33. SHAREHOLDER RELATIONS OFFICE**

SHAREHOLDER RELATIONS OFFICE	
Department:	General Secretary's Office
Address:	Calle 72 No. 7-64 Oficina 401 – Bogotá D.C.
Telephone number:	6183030 ext. 200
Fax:	6183018
E-mail:	<a href="mailto:accionistas@titularizadora.com">accionistas@titularizadora.com</a>

During 2024, the channels established in the Code of Good Governance were available to shareholders; however, no formal requests related to the Company's Corporate Governance were received through the channels provided for this purpose.

Additionally, in order to ensure access to information and timely communication with shareholders, Titularizadora's website includes a Corporate Governance section, available in Spanish and English, featuring relevant content such as financial and non-financial information, governing bodies, corporate documents, and other materials of interest. This information was updated throughout 2024.

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### III. MANAGEMENT STRUCTURE OF THE COMPANY

#### 1. Board of Directors

The Board of Directors is the highest governing body of Titularizadora, responsible for protecting and maximizing the Company's equity, guiding the corporate strategy, and overseeing the performance of management in compliance with the mandate entrusted by the shareholders. In this regard, the Directors are responsible for a range of duties, primarily focused on making the necessary decisions to fulfill the Company's corporate purpose, verifying the existence and effectiveness of internal controls, determining the Company's general policies—particularly those related to the financial management of inherent risks and internal control—as well as monitoring these aspects and guiding and following up on business strategy, all in accordance with the Corporate Bylaws and applicable legal provisions.

The functions of the Board of Directors are clearly defined in Article 30 of the Company's Bylaws, a document that is available for consultation on Titularizadora's website: [www.titularizadora.com](http://www.titularizadora.com)

#### a. Members of the Board of Directors

The Board of Directors of Titularizadora is composed of five (5) principal members and five (5) alternate members, who were appointed by the Ordinary General Shareholders' Meeting for a two-year term (2023–2025). The appointment process was carried out in accordance with the Company's corporate documents, including the Board formation procedure guided by the Nominations, Compensation, and Ethics Committee, in line with the Board Succession Policy and the provisions of Section 2.1.2, letter C of the Code of Good Governance.

All five principal and five alternate members of Titularizadora's Board of Directors are classified as independent, and none are employed by the Company. This is in accordance with Article 44 of Law 964 of 2005 and Article 2.1.5 of the Code of Good Governance, which set out the independence criteria adopted by Titularizadora for the appointments of Directors and members of supporting committees. It is worth noting that, as an additional independence criterion, Titularizadora has established that the requirements under Article 44 of Law 964 of 2005 must be assessed not only in relation to the designated member but also their family affiliates, defined as their spouse and relatives up to the second degree of consanguinity, second of affinity, and first civil degree. In this regard, the Company complies with the independence threshold required by Article 44 concerning the Board's composition.

As of December 31, 2024, Titularizadora's Board of Directors was composed as follows:

**CHART 34. BOARD OF DIRECTORS OF TITULARIZADORA COLOMBIANA S.A.**

Line	Principal Member	Date first appointed	Alternate Member	Date first appointed	Attendance by line 2024 <sup>1</sup> (%)
1	Felipe Ramírez Amaya <sup>2</sup>	2024	Catalina Tobón Rivera <sup>3</sup>	2024	100%
2	Pedro Uribe Torres	2023	Daniel Cortes McAllister <sup>4</sup>	2024	83%
3	Beatriz Arbeláez Martínez	2020	Oscar Eduardo Gómez C	2014	100%
4	Diego Prieto Rivera	2013	Nicolás García Trujillo	2020	92%
5	Gerardo Hernández Correa <sup>5</sup>	2024	Jorge Umaña Camacho <sup>6</sup>	2024	70%
<b>Chairman of the Board</b>					
Pedro Alejandro Uribe Torres					
<b>Secretary of the Board</b>					
Ricardo Molano León					

**Source: Prepared by TC**

Regarding the Chairmanship of the Board of Directors, it is relevant to note that the role was held by Dr. Efraín Forero; however, following Dr. Forero's resignation from the Board, effective August 15, 2024, the Chairmanship was assumed by Dr. Pedro Uribe, by unanimous decision of the Board members. Meanwhile, the role of Board Secretary was performed by Dr. Ricardo Molano León, General Secretary of Titularizadora.

Regarding the functions performed by the Chairman of the Board of Directors during 2024,

<sup>1</sup> This information was gathered starting from the first Board of Directors meeting held in January 2024 and considers all meetings held throughout the year, considering attendance by seat and confirming that the appointed members were duly sworn in by the Financial Superintendence of Colombia.

<sup>2</sup> Dr. Felipe Ramírez was appointed to replace Dr. José Humberto Acosta. The SFC's Possession Committee authorized his appointment during a session held on May 16, 2024, from which date he began attending Board of Directors meetings in his capacity as a principal member.

<sup>3</sup> Dr. Catalina Tobón was appointed to replace Dr. Hernán Álzate. The SFC's Possession Committee authorized her appointment during a session held on June 4, 2024, from which date she began attending Board of Directors meetings in her capacity as an alternate member.

<sup>4</sup> Dr. Daniel Cortés was appointed to replace Dr. Pedro Uribe, who assumed the second principal seat on the Board of Directors. The SFC's Possession Committee authorized his appointment during a session held on June 18, 2024, from which date he began attending Board of Directors meetings as an alternate member.

<sup>5</sup> Dr. Gerardo Hernández was appointed to replace Dr. Juan Camilo Ángel. The SFC's Possession Committee authorized his appointment during a session held on November 7, 2024, from which date he began attending Board of Directors meetings as a principal member.

<sup>6</sup> Dr. Jorge Umaña was appointed to replace Dr. Sergio Olarte. His appointment was pending approval by the SFC as of December 31, 2024. The SFC's Possession Committee authorized his appointment during a session held on January 9, 2025, from which date he began attending Board of Directors meetings as an alternate member.

a key highlight was the development of a work plan for the year 2024 in coordination with the President of the Company. Likewise, the Chairman of the Board carried out the duties and activities set forth in Article 34 of the Corporate Bylaws.

On another note, regarding the duties carried out by the Secretary of the Board of Directors during 2024, it should be noted that the Secretary ensured that meeting notices were issued in compliance with legal and statutory provisions, distributed the available information related to the topics under discussion, prepared the minutes of the meetings, and, when necessary, certified copies and decisions made by the Board.

Within this framework, the Board meeting schedule was duly followed, along with the corresponding convocation process. Likewise, the methodology established for the meetings and the parameters for setting the agendas, as agreed upon in the annual work plan, were properly implemented.

#### **b. Board of Directors Meetings**

During 2024, the Board of Directors of Titularizadora held a total of twelve (12) meetings, as detailed below:

**CHART 35. BOARD OF DIRECTORS MEETINGS -TITULARIZADORA COLOMBIANA S.A.**

Date	Type of Meeting	Minute No.
January 25, 2024	Not On-site	261
February 22, 2024	Not On-site	262
March 21, 2024	Hybrid	263
April 18, 2024	Not On-site	264
May 16, 2024	Not On-site	265
June 20, 2024	Hybrid	266
July 18, 2024	Not On-site	267
August 15, 2024	Not On-site	268
September 19, 2024	Not On-site	269
October 17, 2024	Not On-site	270
November 21, 2024	Not On-site	271
December 12, 2024	On-site	272

**Source: Prepared by TC**

All Board of Directors sessions had the required quorum to deliberate and make decisions. The corresponding decisions were made unanimously by all attendees.

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During the Board of Directors meetings, the following topics were discussed: (i) the Company's financial information; (ii) issuance plans and results; (iii) the performance of outstanding issuances; (iv) risk management reports; (v) trends in local and international markets; (vi) performance of the mortgage and real estate sectors; (vii) information to be presented at the ordinary shareholders' meeting; and (viii) political and economic outlook, among other matters related to the Company.

Strategic matters were also discussed, including: (i) monitoring of key financial goals and indicators; (ii) investor market development; (iii) strategic planning and progress on the 2022–2027 plan; (iv) sustainability strategy; (v) political and economic developments in the financial market; and (vi) liquidity and promotion of issuances in the capital market, among other topics.

In 2024, the Company's Statutory Auditor presented a report to the Board regarding (i) the Anti-Money Laundering and Counter-Terrorism Financing Risk Management System (SARLAFT); (ii) the Operational Risk Management System (SARE); and (iii) the Market Risk Management System. It was reported that, after evaluating compliance with the established policies and procedures, no materially significant issues were identified that would require further analysis.

### **c. Professional Profiles and Experience**

For Titularizadora, it is essential that individuals appointed as members of the Board of Directors possess the professional competencies, track records, and experience required for the effective fulfillment of the Company's corporate purpose and the proper functioning of its corporate governance. Accordingly, the members of the Board of Directors have extensive experience in executive roles, along with relevant knowledge and leadership in activities and economic sectors aligned with the Company's purpose.

Below is a summary of the profiles of the members of the Board of Directors:

## PRINCIPAL MEMBERS

### FELIPE RAMIREZ AMAYA

Financial Vice President

Bancolombia S.A.

Economist from Universidad del Rosario, with a master's in quantitative finance from the same university and a master's in management from Universidad de los Andes. With over 20 years of experience in the financial sector, he has held several positions within Bancolombia, including Senior Trader VP of Treasury, Desk Head, and Desk Manager. He currently serves as Vice President of Treasury at Bancolombia and was a Board Member of the Colombian Foreign Exchange Clearing House (Cámara de Compensación de Divisas de Colombia S.A.)

### PEDRO ALEJANDRO URIBE TORRES

Executive Vice President of Corporate Banking

Banco Davivienda S.A.

Industrial Engineer from Universidad de los Andes, with a Specialization in Finance from the same university and an Executive master's in business management (MEDEX) from INALDE – Universidad de La Sabana. He also completed the Advanced MEDEX Program at INALDE. With extensive experience in the financial and banking sector, he has held various positions at Banco Davivienda, including Executive Vice President of International Banking, Vice President of Payment Methods, Vice President of Risk and Financial Control, and Vice President of Planning and Risk, among others. He currently serves as Executive Vice President of Corporate Banking at Banco Davivienda, and is also a Board Member of Capitalizadora Bolívar S.A., Seguros Comerciales Bolívar S.A., Corredores Davivienda S.A., Fiduciaria Davivienda S.A., and Titularizadora Colombiana S.A.

## ALTERNATE MEMBERS

### CATALINA TOBÓN RIVERA

Director of Investor Relations

Bancolombia S.A.

Business Administrator from Universidad de La Sabana, with a master's in business economics from City University London and a master's in business management from INALDE. With over 20 years of experience in the financial sector, she has held various positions at Bancolombia, including Corporate Banking Account Manager, Manager of Foreign Subsidiaries Development, Manager of Structured Operations and Loan Portfolio Acquisition, and Director of International Banking. Since 2022, she has served as Director of Investor Relations and Capital Markets in Bancolombia. She is currently a Board Member of Titularizadora Colombiana S.A.

### DANIEL CORTES MCALLISTER

Executive Vice President of Treasury and Wealth  
Management

Banco Davivienda S.A.

Business Administrator and Accountant from the University of Pennsylvania, with over 20 years of experience in the financial sector. He has held executive positions at Bank of America, Banco Santander Colombia, Santander Central Hispano (Madrid), BBVA, Davivienda, Citibank Colombia, and Old Mutual Skandia, where he served as President. He currently holds the position of Executive Vice President of Treasury and Wealth Management at Banco Davivienda. He is also a Board Member of Seguros Comerciales Bolívar S.A., Capitalizadora Bolívar S.A., Corredores Davivienda S.A., Fiduciaria Davivienda S.A., and Titularizadora Colombiana S.A.

**BEATRIZ ELENA ARBELÁEZ MARTÍNEZ**

Financial Vice president  
Transportadora de Gas Internacional

Economist from Universidad Externado de Colombia, with a Specialization in Planning and Administration of Regional Development from Universidad de los Andes, a master's in finance from the University of Strathclyde, and a Master's in National Security and Defense from the Escuela Superior de Guerra. She has held roles such as Head of the Budget Programming and Control Division at the National Planning Department, Director General of Economic Regulation and Advisor to the Public Credit Directorate at the Ministry of Finance, Deputy Financial Director of FOGAFIN, Vice President of Finance at Bancafé, Vice President of Financing and Investments at Colpensiones, Vice President of Finance at Bancóldex, and Secretary of Finance for the District of Bogotá, among others. Since September 2022, she has served as Vice President of Finance at Transportadora de Gas Internacional (TGI). She currently sits on the Board of Directors of the Club de Banqueros y Empresarios and Titularizadora Colombiana S.A.

**DIEGO FERNANDO PRIETO RIVERA**

President  
Banco Caja Social S.A.

Economist from Pontificia Universidad Javeriana. Throughout his professional career, he has held positions such as Regional Manager for Bogotá at Caja Social de Ahorros, General Manager of FINANDINA, General Director at Franklin Covey, Commercial Vice President, and Vice President of the Corporate and Construction Business at Banco Caja Social. Since 2012, he has served as President of Banco Caja Social. He has also served as a Board Member of various companies within the business group led by Fundación Grupo Social. Currently, he is a Board Member of the Colombian Stock Exchange (Bolsa de Valores de Colombia), the Central Securities Depository of Colombia (Deceval), the Colombian Banking Association (Asobancaria), and Titularizadora Colombiana S.A.

**OSCAR EDUARDO GÓMEZ COLMENARES**

Legal Vice President  
C.I. Prodeco S.A.

Lawyer from Pontificia Universidad Javeriana, with a specialization in Tax Law from Universidad del Rosario, an LL.M. in International Business Law and an MSc in Law and Accounting from the London School of Economics, as well as a Management Program for Lawyers from Yale School of Management. He has served as Associate at Arthur Andersen Co., General Secretary at Porvenir Leasing, Senior Manager of the Legal Department at Ernst & Young Colombia, and General Secretary at Titularizadora Colombiana S.A. He currently holds the position of Legal Vice President at Grupo Prodeco. He is also a Board Member of Ferrocarriles del Norte de Colombia S.A. – Fenoco S.A., C.I. Prodeco S.A., Sociedad Portuaria Puerto Nuevo S.A. – PNSA, and Titularizadora Colombiana S.A.

**NICOLÁS GARCÍA TRUJILLO**

Executive Vice President  
Fundación Grupo Social

Industrial Engineer from Universidad de los Andes, with a master's degree in Economic Engineering (EES) from Stanford University in California. Throughout his professional career, he has served as Associate and Project Manager at McKinsey & Co., Founding Partner of StratCo Consultores Asociados S.A., and Partner at Matrix Consulting. He has been a professor of Business Strategy at the Faculty of Industrial Engineering at Universidad de los Andes, a thesis advisor for the MBA program at Universidad Javeriana, and a professor of Doing Business in Latin America and the Caribbean in the MBA program at CESA. He currently serves as Executive Vice President at Fundación Grupo Social. He is also a member of the Board of Directors of Banco Caja Social, Colmena Seguros Generales, Colmena Seguros de Vida, and Titularizadora Colombiana S.A.



**GERARDO ALFREDO HERNÁNDEZ CORREA**

President  
Banco AV Villas S.A.

Lawyer from Universidad de los Andes, with a specialization in Administrative Law from Universidad del Rosario and a Postgraduate degree in Economics from The New School for Social Research in New York. Over the course of his professional career, he has held positions including Advisor to the Executive Director for Colombia and Peru at the IDB, Vice Minister of Labor and Social Security, Executive Manager and Secretary of the Board of Directors of the Central Bank of Colombia, Financial Superintendent of Colombia, Co-Director of the Board of Directors of the Central Bank, and Legal Vice President of Banco de Bogotá. Since 2024, he has served as President of Banco AV Villas. He is currently a Board Member of the Central Counterparty Risk Chamber of Colombia (CRCC) and Titularizadora Colombiana S.A.

**JORGE ARTURO UMAÑA CAMACHO**

Financial Vice president  
Banco Scotiabank Colpatría S.A.

Business Administration graduate from the College of Higher Studies in Administration – CESA, with a master's degree in applied finance from Universidad de los Andes – Chile. With over 20 years of experience in the financial sector, he has held positions including Head of Markets at Banco Santander (Chile), Financial Management Manager at CorpBanca, Director – Financial Institutions Coverage for Colombia, Peru & CAC at BNP Paribas, and Director – DCM & IR Latam at Bayport Colombia. At Scotiabank Colpatría, he has served as Manager of Market Strategy and Execution – ALM Treasury, Treasury Manager, and currently as Acting Chief Financial Officer. He is currently a member of the Board of Directors of Titularizadora Colombiana S.A.

The Board of Directors' Regulations, the Succession Policy, and the Directors' profiles are published on Titularizadora's website: [www.titularizadora.com](http://www.titularizadora.com).

**d. Remuneration and Incentives Scheme**

The Board of Directors' compensation consists of a fixed component paid as fees for members' attendance at Board or Support Committee meetings. This compensation is submitted to the Shareholders' Assembly for approval and is determined by it. Currently, the Board's compensation complies with the parameters established in the Remuneration Policy and the Code of Good Governance and does not include any variable components linked to the company's performance. Likewise, although the Company's Bylaws and the Board Remuneration Policy provide for the possibility of differentiated treatment for the Chair of the Board, at present, the Chair does not receive differentiated compensation for performing this role.

In 2024, the total amount paid to the Directors for their participation in Board meetings was two hundred ten million nine hundred thirty-seven thousand five hundred Colombian pesos (COP \$210,937,500), and for their attendance at various Board Committees, the amount was twenty-nine million Colombian pesos (COP \$29,000,000).

The Board of Directors' Remuneration Policy is published on Titularizadora's website: [www.titularizadora.com](http://www.titularizadora.com).

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**e. Evaluation processes of the Board of Directors and its Support Committees.**

In accordance with the provisions of Titularizadora's Code of Good Governance, the Board of Directors conducts an annual evaluation of its performance as a collective body. In 2024, the Board carried out an evaluation of its activities through a self-assessment process, allowing its members to provide their opinions and insights regarding the performance of the Board and its Committees.

This process, which yielded satisfactory results, highlighted Directors' appreciation for the well-structured agenda, active member participation, diversity of perspectives, and strong analytical capacity. The effectiveness of the Committees in streamlining decision-making and the commitment of all members to the Company's strategic objectives were also underscored. The evaluation results are shared with the Corporate Governance Committee and the Board of Directors to support the implementation of actions aimed at strengthening and improving the performance of this governing body.

**f. External Advisors of the Board of Directors**

Article 28 of the Company's Bylaws establishes the possibility for the Board of Directors to have an advisor to support the development of the Company's strategic and technical plan. Likewise, Section 2.1.3 of Titularizadora's Code of Good Governance provides that members of the Board and its Committees are entitled to seek the advice of experts to support the Board's activities and provide services requested by the Board in the exercise of its duties.

In 2024, the Board of Directors of Titularizadora did not engage or request external advisory services in the performance of its duties.

**g. Relevant Information**

The decisions of the Board of Directors on corporate governance matters were duly disclosed in accordance with the provisions of Article 5.2.4.3.1 of Decree 2555 of 2010.

**h. Policies Approved by the Board of Directors**

In 2024, the Board of Directors reviewed and approved various matters related to the following policies:

- As part of the implementation of External Circular 008 of 2023 on the Internal Control System, the Board reviewed and approved: (i) the updated Code of Ethics and Conduct; (ii) adjustments to the Information Security and Cybersecurity Policies; (iii) the

regulations of the six Board Support Committees; (iv) the Board of Directors' Induction and Training Policy; (v) the Human Resources Policy; and (vi) the Company's Information and Communication Policy.

- The amendment to Titularizadora's Investment and Investment Classification Policy regarding the limit on tradable investments.

## 2. Board of Directors Support Committees

### a. Structure

The Board of Directors of Titularizadora currently has six (6) committees composed of Board members that support and assist in its management, namely:

**CHART 36. MEMBERS OF THE BOARD COMMITTEES OF TITULARIZADORA COLOMBIANA S.A.**

Structure	Members of the Board of Directors	Members of Management
<b>Audit Committee</b>	Beatriz Elena Arbeláez Martínez Catalina Tobón Rivera <sup>7</sup> Pedro Alejandro Uribe Torres	-----
<b>Investment Committee</b>	Felipe Ramírez Amaya <sup>8</sup> Beatriz Arbeláez Martínez Daniel Cortés McAllister <sup>9</sup>	Andrés Lozano Umaña Juan Pablo Herrera Ana María Salcedo Ospina
<b>Appointments, Compensation and Ethics Committee</b>	Felipe Ramírez Amaya <sup>10</sup> Pedro Alejandro Uribe Torres <sup>11</sup>	Andrés Lozano Umaña

<sup>7</sup> Dr. Catalina Tobón was appointed as a new member of the Audit Committee, replacing Dr. Hernán Alzate, in accordance with the decisions made by Titularizadora's Board of Directors at its meeting held on June 20, 2024.

<sup>8</sup> Dr. Felipe Ramírez was appointed as a new member of the Investment Committee, replacing Dr. Hernán Alzate, in accordance with the decisions made by Titularizadora's Board of Directors at its meeting held on June 20, 2024.

<sup>9</sup> Dr. Daniel Cortés was appointed as a new member of the Investment Committee, replacing Dr. Pedro Uribe, in accordance with the decisions made by Titularizadora's Board of Directors at its meeting held on June 20, 2024.

<sup>10</sup> Dr. Felipe Ramírez was appointed as a new member of the Nominations, Compensation, and Ethics Committee, replacing Dr. José Humberto Acosta, in accordance with the decisions made by Titularizadora's Board of Directors at its meeting held on June 20, 2024.

<sup>11</sup> Dr. Pedro Uribe was appointed as a new member of the Nominations, Compensation, and Ethics Committee, replacing Dr. Efraín Forero, in accordance with the decisions made by Titularizadora's Board of Directors at its meeting held on May 16, 2024.

Corporate Governance Committee	Catalina Tobón Rivera <sup>12</sup> Diego Fernando Prieto Rivera	Andrés Lozano Umaña
Risk Committee	Daniel Cortes McAllister <sup>13</sup> Nicolás García Trujillo	Andrés Lozano Umaña
Real Estate Board Committee	Beatriz Elena Arbeláez Martínez <sup>14</sup> Pedro Alejandro Uribe Torres Diego Fernando Prieto Rivera	Andrés Lozano Umaña

The function of the committee is to deepen the analysis, oversight, and development of the policies established by the Board of Directors in the critical areas assigned to them. Their main duties and responsibilities are set out in the Code of Good Governance and in their respective internal regulations.

Likewise, the committees carried out their responsibilities and activities in accordance with the functions assigned to them, as set out in their internal regulations and in Chapter 2 of the Code of Good Governance.

## b. Course of Meetings

The internal regulations of each Board Committee establish the frequency of meetings, without prejudice to the possibility of convening additional sessions when deemed necessary. Below is a breakdown of the meetings held in accordance with their respective regulations, along with the attendance of committee members:

**CHART 37. ATTENDANCE TO MEETINGS OF THE BOARD COMMITTEES TITULARIZADORA COLOMBIANA S.A.**

Committee	Meeting Date	Committee Members who Attended the Meetings
Audit Committee	January 17, 2024	Hernán Alzate Arias Beatriz Arbeláez Martínez Pedro Uribe Torres

<sup>12</sup> Dr. Catalina Tobón was appointed as a new member of the Corporate Governance Committee, replacing Dr. José Humberto Acosta, in accordance with the decisions made by Titularizadora's Board of Directors at its meeting held on June 20, 2024.

<sup>13</sup> Dr. Daniel Cortés was appointed as a new member of the Risk Committee, replacing Dr. Diana Ordoñez, in accordance with the decisions made by Titularizadora's Board of Directors at its meeting held on October 17, 2024.

<sup>14</sup> Dr. Beatriz Arbeláez Martínez was appointed as a new member of the Real Estate Board Committee, replacing Dr. Juan Camilo Ángel, in accordance with the decisions made by Titularizadora's Board of Directors at its meeting held on November 21, 2024.

	February 22, 2024	Beatriz Arbeláez Martínez Pedro Uribe Torres
	April 15, 2024	Beatriz Arbeláez Martínez Pedro Uribe Torres
	May 15, 2024	Beatriz Arbeláez Martínez Pedro Uribe Torres
	June 18, 2024	Beatriz Arbeláez Martínez Pedro Uribe Torres
	August 13, 2024	Beatriz Arbeláez Martínez Catalina Tobón Rivera Pedro Uribe Torres
	October 9, 2024	Beatriz Arbeláez Martínez Pedro Uribe Torres
	November 18, 2024	Beatriz Arbeláez Martínez Catalina Tobón Rivera
	December 5, 2024	Beatriz Arbeláez Martínez Catalina Tobón Rivera Pedro Uribe Torres
Investment Committee	May 30, 2024	Beatriz Elena Arbeláez Pedro Uribe Torres
	October 28, 2024	Felipe Ramírez Amaya Beatriz Arbeláez Martínez Daniel Cortes McAllister
	November 19, 2024	Felipe Ramírez Amaya Beatriz Arbeláez Martínez Daniel Cortes McAllister
Real Estate Board Committee	July 15, 2024	Diego Fernando Prieto Pedro Uribe Torres Andrés Lozano Umaña
Risk Committee	April 9, 2024	Nicolás García Trujillo Andrés Lozano Umaña
	July 16, 2024	Nicolás García Trujillo Andrés Lozano Umaña
	October 16, 2024	Nicolás García Trujillo Andrés Lozano Umaña
Corporate Governance Committee	February 16, 2024	José Humberto Acosta Diego Fernando Prieto Andrés Lozano Umaña
Appointments, Compensation and Ethics Committee	February 15, 2024	Efraín Forero Fonseca José Humberto Acosta Andrés Lozano Umaña
	February 21, 2024	

	July 2, 2024	Felipe Ramírez Amaya Pedro Uribe Torres Andrés Lozano Umaña
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Source: Prepared by TC

All Board Committee meetings had the necessary quorum to deliberate and make decisions.

#### (i) Audit Committee

**Objective:** To assess compliance with the policies and procedures that form part of the elements of the Internal Control System, and to ensure the integrity, reliability, and transparency of the financial information prepared by the Company, as well as its proper disclosure in accordance with applicable laws and regulations.

The Audit Committee met nine (9) times in 2024. The main topics addressed included: (i) analysis of the financial statements for the 2023 year-end; (ii) review of the market, liquidity, operational, and anti-money laundering and counter-terrorism financing risk profiles; (iii) review and approval of the 2024 audit and statutory audit plans; (iv) review of the results of internal audits conducted by the Internal Control area; (v) analysis of reports and recommendations presented by the statutory auditor and the external auditor of the universalities; (vi) follow-up on the progress of improvement plans defined by process owners; (vii) monitoring of the actions taken by Management to update the Internal Control System in accordance with the requirements of External Circular 008 of 2023, which included updates to the Audit Committee's regulations, the Internal Control System manual, the Code of Ethics and Conduct, the Human Resources Policy, and the Information Security Policy; (viii) review of requests from oversight bodies and the Company's appropriate responses; and (ix) follow-up on the progress of the Hitos+ update project.

The Internal Regulations of this Committee are published on the Company's website: [www.titularizadora.com](http://www.titularizadora.com).

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## (ii) Investment Committee

**Objective:** To oversee compliance with the policies related to the management and administration of the Company's liquid assets, define portfolio investment policies and risk hedging, trading strategies, and investment guidelines for treasury operations and counterparty limits, in accordance with the Company's risk assessment criteria. Additionally, regarding liquidity risk, the Committee must review the liquidity contingency plans proposed by Management and review and discuss the annual stress tests.

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The Investment Committee met three (3) times during 2024. The main topics discussed at these meetings included: (i) composition and performance of the proprietary portfolio and its mark-to-market valuation, including the evolution of the portfolio's investment classification, performance versus the defined benchmark, ESG-labeled assets in the portfolio, warehousing results, among others; (ii) review of proposed amendments to investment policy limits; (iii) review of credit and counterparty limits; (iv) progress of the hedging instruments project; (v) warehousing operations of assets; and (vi) request for a debt quota.

## (iii) Real Estate Board Committee

**Objective:** To support the Board in analyzing real estate transactions that will be submitted for the Board of Directors' approval.

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The Real Estate Board Committee met once (1) in 2024. Its main activity consisted of supporting the review of transactions previously assessed by the Real Estate Advisory Committee, with the purpose of recommending them for evaluation and decision by the Board of Directors. Specifically, the Committee reviewed: the divestment of real estate assets, amendments to the TIN Prospectus regarding Asset Type and Leverage limits, changes to the commission structure, and the migration of TIN to the equity trading segment.

## (iv) Corporate Governance Committee

**Objective:** To assist the Board in overseeing the implementation and compliance with general good governance standards, as well as to review any material claims from shareholders or investors who believe the Company is not adhering to such standards, and to provide the corresponding recommendations for response.

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The Corporate Governance Committee met on February 16, 2024. The main topics discussed by the Committee were: (i) review and approval of the 2023 Corporate Governance Report;

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(ii) matters related to the Financial Superintendency; (iii) review of the 2023 Código País Report; (iv) amendments to the Corporate Governance Code; and (v) evaluation of the Board of Directors.

**(v) Appointments, Compensation and Ethics Committee**

**Objective:** To establish parameters, propose and review the remuneration of the Board and Senior Management; verify the evaluation process of the Board and candidates for the Company's President when requested by the Board of Directors and make the corresponding recommendations; issue recommendations regarding any complaints; and lead the annual performance evaluation of the Company's President and review the evaluations of other Senior Management members.

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The Nominations, Compensation, and Ethics Committee met three (3) times during 2024. The main topics discussed by the Committee included: (i) evaluation of the 2023 targets; (ii) validation of Board of Directors candidate profiles; (iii) review of the variable compensation model; and (iv) determination of the 2024 targets, among others.

**(vi) Risk Committee**

**Objective:** To provide support in the approval, monitoring, and control of the policies, guidelines, and strategies for the management and oversight of the Company's risks.

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The Risk Committee met three (3) times during 2024. In these meetings, it monitored the evaluation of the strategic, market, liquidity, operational, and money laundering risks identified by the Company, including the mitigation actions that allow risk levels to remain within the limits defined by the Board of Directors.

Finally, the Committees submit reports on the activities carried out during the year to the Board of Directors, in accordance with the provisions established in the Code of Good Governance.

### **3. Senior Management**

Within the Company, Senior Management is responsible for the day-to-day operations and for the design, execution, and monitoring of the objectives and activities required to implement the business strategy, in accordance with the guidelines established by Titularizadora's Board of Directors.

The Company has a President who serves as its Principal Legal Representative, appointed by



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the Board of Directors, along with two alternates—First and Second—who replace the President in their absence.

Below are the profiles of members of the Company's Senior Management:

**ANDRÉS LOZANO UMAÑA**

Principal Legal Representative

CEO of Titularizadora Colombiana S.A.

Business Administrator from the College of Higher Studies in Administration (CESA), with an Executive MBA from IE Business School in Madrid. Over the course of his professional career, he has served as Vice President of Investments at Colfondos S.A. Pensiones y Cesantías from 2009 to 2021, Senior Treasury Analyst at Valorem S.A., Product Specialist for the Funding Desk at Citibank Colombia, and Trader at Citibank Colombia. He has over 21 years of experience in local and international financial markets, particularly in portfolio management, implementing and evaluating investment strategies in fixed income, equities, currencies, derivatives, and alternative assets.

As President of the Company, he serves as the Principal Legal Representative, responsible for executing the corporate guidelines and strategies approved by the Board of Directors. He is in charge of leading and managing Titularizadora in accordance with the Company's bylaws, internal regulations, and the decisions made by the General Assembly and the Board of Directors.

**JUAN PABLO HERRERA GUTIERREZ**

First Alternate to the CEO

Vice President of Business

Business Administrator from Universidad del Rosario, with a specialization in Finance and Applied Mathematics from Universidad de los Andes and Universidad Sergio Arboleda, respectively, and a master's in business administration (MBA) from Universidad de los Andes. With more than 25 years of experience in national and multinational companies in the financial sector (in areas such as Treasury, Risk Management, and Financial Planning), he previously served as Director of Treasury & ALM at RappiPay and has worked at companies such as KLYM, BBVA Colombia, Banco Santander, the Deposit Guarantee Fund for Financial Institutions, Banco de Bogotá, among others.

As Vice President of Business, he is responsible for planning, directing, controlling, and coordinating the area of new market and product development, both banking and non-banking. He develops the company's commercial strategy in the areas of securitization services and products to meet customer requirements and contributes to the development and growth of the Company. Additionally, he is responsible for promoting, directing, coordinating, and controlling the Company's financial management, the structuring and negotiation of mortgage and non-mortgage portfolios, and treasury management to ensure the best profitability while maintaining an appropriate control of the risks the company and its operations are exposed to.

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**RICARDO MOLANO LEÓN**

Second Alternate to the CEO

General Secretary

Lawyer from Pontificia Universidad Javeriana with a specialization in Financial Legislation from Universidad de los Andes, Master of Laws (LL.M.) from the University of Georgia (USA), and Master of Laws (International Business Law) from KU Leuven (Belgium). With over 20 years of experience in the financial sector, he has worked as Deputy Superintendent for Economic and Accounting Affairs at the Superintendence of Companies, Legal Manager for International Affairs and Special Projects at Bancolombia S.A., Associate Lawyer at Posse Herrera & Ruiz S.A., Researcher at AIA (Association for International Arbitration), Deputy Director of Legal Affairs at the Securities Market Self-Regulator, and Director of Financial Law at Fundación Social, among others.

As Secretary General of Titularizadora, he is responsible for directing, coordinating, and controlling the legal structuring processes and the legal activities related to the management of the issuances derived from the securitization process, with the aim of contributing to the development of profitable products and protecting the securitized assets and the Company's equity. He also advises senior management on the legal aspects of the organization's activities to ensure legality, integrity, legal security, and the good reputation and development of the Company's operations.

The professional profile and experience of the President and legal representatives of the Titularizadora are published on the website [www.titularizadora.com](http://www.titularizadora.com).

**a. Remuneration Scheme for the CEO and Senior Management**

▪ **Remuneration of the CEO**

In accordance with the provisions of section 3.1.1 of the Code of Good Governance, the President's compensation is determined by the Board of Directors based on criteria related to their responsibility and performance. Therefore, it may include a variable portion based on goal achievement and a fixed monthly amount. This variable component of the President's compensation cannot exceed the maximum approved in the remuneration policy established by the Board of Directors. In this context, the variable component is reviewed and approved by the Nominations, Compensation, and Ethics Committee within the framework of the Company's Compensation and Salary Manual.

▪ **Remuneration of Senior Management**

The Company has a Compensation and Salary Manual, under the guidelines of the Board of Directors, applicable to Senior Management, which outlines the criteria for compensation in line with the Company's strategic approach. The remuneration of Senior Management members includes a fixed monthly amount, which is increased annually based on criteria defined by the Board of Directors. In some cases, it may also include an annual variable

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component, which is defined under the guidelines of the Compensation Policy with the participation of the Nominations, Compensation, and Ethics Committee.

#### **b. Evaluation Processes**

The Nominations, Compensation, and Ethics Committee leads the annual performance evaluation of the President of the Company and reviews the evaluations of other Senior Management members. Therefore, it is responsible for verifying the evaluation process of the President and other Senior Management members and making the corresponding recommendations.

#### **c. Senior Management Updates**

On January 25, 2024, the Board of Directors of the Titularizadora approved the appointment of Dr. Juan Pablo Herrera Gutiérrez, who has been serving as Vice President of Business for the Company since November 1, 2023, as First Alternate to the President and Alternate Legal Representative, replacing Dr. Ana María Salcedo Ospina. The SFC's Appointments Committee authorized his appointment in a meeting held on April 4, 2024.

### **IV. RISK MANAGEMENT SYSTEM**

Regarding the functions and activities related to risk management, it is important to mention that both the Risk Committee and the Board of Directors have fully and appropriately carried out their responsibilities regarding the management of the various risks to which the Company is exposed. In this context, and according to the assigned functions, they had the necessary policies, procedures, and organizational structure in place for managing, measuring, and controlling market, credit, liquidity, operational, and anti-money laundering and counter-terrorism financing risks. Additionally, there was the Investment Committee, composed of three independent members of the Board, which meet at least three times a year. This Committee is responsible for evaluating the Company's balance sheet structure, overseeing compliance with policies regarding the management and administration of the Company's liquid assets, establishing risk hedging strategies, evaluating the market and liquidity risk management systems, and approving the methodology for credit and counterparty limits.

In addition, within risk management, the necessary mechanisms are in place to ensure proper management and coverage of the risks associated with the Company and the execution of its corporate purpose. A key tool in this regard is the creation of various specialized committees to support the Board of Directors in evaluating and monitoring these risks, namely: the Operational Committee – SARE and the Asset and Liability Management

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Committee – ALCO.

Throughout 2024, the Titularizadora conducted continuous monitoring of strategic risks, carried out reviews and updates on risk management systems, and specifically continued timely follow-up on alerts and limits defined for market and liquidity risk control, as well as on the behavior of operational risks and anti-money laundering and counter-terrorism financing risks. This enabled the Company to meet the reporting requirements set by the Board of Directors and confirm that the risks were managed appropriately, with risk levels and profiles remaining within the acceptance limits defined by the Board, without the materialization of risks that had a significant impact on the Company.

In particular, the Titularizadora continued applying the methodology defined in the Risk Management System for Entities Exempt from the SIAR (SARE). This allowed for continuous monitoring of operational risks and the existing control measures to mitigate them.

The risk of money laundering and terrorism financing is managed through the Compliance Officer, with the support of various departments and areas within the Company. There is direct and ongoing reporting to the Board of Directors, which is responsible for evaluating and reviewing the actions taken by Titularizadora to maintain money laundering/terrorism financing risk levels within the limits set by the Board itself.

## **V. INTERNAL CONTROL SYSTEM (ICS)**

Throughout 2024, the Company continued the rigorous application of the policies and elements that make up the Internal Control System (SCI), including the risk management implemented by the Company, such as market risk, liquidity risk, credit risk, operational risk, and money laundering and terrorism financing risk.

The 2024 management report includes the main activities carried out within the Company's Internal Control System and outlines the actions and tasks executed in each of the risk management systems. Specifically, it is noted that the Company, in line with the requirements of External Circular 008 of 2023, completed activities aimed at reviewing, adjusting, and updating its current Internal Control System. Additionally, annual reports were issued on the activities conducted by the Audit Committee and the Internal Control Department, within which the proper performance of the SCI is reported. These reports will be presented to the Board of Directors for submission to the General Shareholders' Meeting in 2025.

The financial statements include the disclosure of the policies applied and the risk levels defined by the Board of Directors of Titularizadora Colombiana.

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## VI. CONFLICTS OF INTEREST AND TRANSACTIONS WITH RELATED PARTIES

Given the importance of the decision-making process by shareholders, directors, senior management, and employees of Titularizadora Colombiana, it was deemed necessary for this process to adhere to high corporate governance standards. In this regard, the prevention, management, and disclosure of potential conflicts of interest that may arise within the Company and among different stakeholders during the business are carried out in accordance with the provisions of Titularizadora's Code of Ethics.

In line with this, Titularizadora has defined conduct standards for employees, directors, and shareholders to ensure that decisions are made with the utmost objectivity and in the best interests of the Company. This allows them to identify, disclose, and, where appropriate, manage conflicts of interest that may arise, following the guidelines established in the Code of Ethics.

Regarding this matter, no situations were reported in 2024 that could be considered conflicts of interest in relation to decisions made by the Board of Directors. In this sense, there is a process for disclosing information about conflict-of-interest situations and an obligation for the member or participant in the conflict-of-interest situation to abstain from acting or participating in the relevant decision. Consequently, deliberations and decisions are made by members who are not involved in any conflict of interest.

Concerning transactions with related and affiliated parties, our Code of Good Governance considers as related parties the members of the Board of Directors of Titularizadora, the Company's President, and the vice presidents, as well as any shareholder holding more than fifty percent (50%) of the capital stock or having significant control or influence within the Company, and companies that are subject to Titularizadora's control. In addition, shareholders holding more than ten percent (10%) of the Company's capital and their related parties are considered affiliated parties.

This document includes guidelines for transactions conducted with related and affiliated parties and classifies these transactions as recurrent, non-material, and material, ensuring that proper standards for identification, disclosure, evaluation, and, if necessary, approval are always applied. Furthermore, the Company maintains a map of affiliated and related parties to enable proper control over these transactions.

The notes on the financial statements include details of the transactions carried out by Titularizadora with related or affiliated parties. Additionally, it is specified that during 2024, no material transactions with related and affiliated parties were conducted that fall outside the ordinary course of the Company's business.

## VII. INVESTOR RELATIONS

Regarding its relationship with investors, Titularizadora has fostered, since its inception, an ongoing, efficient, timely, and adequate interaction. In this way, the Company's Code of Good Governance establishes that all investors, including minority and foreign investors, must be ensured equitable treatment through mechanisms that allow them, under equal conditions, to access sufficient information and submit any claims they may have. As an information dissemination mechanism, through the Investor Relations Office—managed by the Company's Investments and Market Development Department—and the corporate website ([www.titularizadora.com](http://www.titularizadora.com)), a constant communication channel has been established to ensure investors are properly informed about financial information of the issuances, the performance of underlying assets, their valuation, risk analysis, relevant information, cash flow projections, and other aspects. This allows investors to manage their investments and make informed decisions.

Additionally, as a mechanism for handling requests, the Code of Good Governance has defined that the Investments and Market Development Department channels and attends to all information requests, inquiries, and claims made by investors. This department must coordinate with other areas or bodies within the Company to ensure a timely response to the needs and requests presented. For this purpose, investors can reach out through any of the following channels:

**CHART 38. INVESTORS RELATIONS OFFICE**

INVESTOR RELATIONS OFFICE	
Department:	Investment and Market Development Department
Address:	Calle 72 No. 7-64 Office 401 – Bogotá D.C.
Telephone number:	6183030
E-mail:	<a href="mailto:inversionistas@titularizadora.com">inversionistas@titularizadora.com</a>

As part of its engagement with investors, Titularizadora has maintained constant communication with its investors through training sessions for placement agents (traders and economic analysts) and investors (Front and Middle Office areas), which are conducted regularly through the Investor Relations Office. Additionally, further engagement is carried out through the Roadshow for each issuance, where the contact with investors is more extensive and specialized. In 2024, the Company actively participated in the Roadshow for seven (7) issuances.

On the other hand, through its website, Titularizadora promptly and accurately disclosed the

financial information related to the Company's current issuances, as well as corporate and issuance documents. Additionally, throughout the year, the favorable evolution of the indicators for the current issuances was shared through one-on-one meetings with various entities on several occasions. In 2024, the Company designed and launched a specific section on its website called TC Analytics, which provides information on the most relevant issuance indicators in a more user-friendly and timely manner, also allowing comparisons between issuances.

In this regard, it is important to mention that, as part of its efforts with investors, Titularizadora has received the IR Fixed Income certification from the Bogotá Stock Exchange for the twelfth consecutive year. Similarly, it received the IR Participation Certificates certification for the third consecutive year. This recognition is granted, among other factors, for having a user-friendly website with information available in both Spanish and English, which can be accessed to learn about relevant topics concerning the Company and the business, such as: i) shareholder composition; ii) Board of Directors composition; iii) financial information of the Company and its issuances; iv) corporate documents; and v) relevant information, among other aspects.

Additionally, for the TIN participation certificates, four (4) quarterly earnings presentations were held via videoconference, directed at current and potential investors, placement agents, and market analysts. These events allowed for the presentation of semi-annual financial results, the evolution of key indicators, and the vehicle's strategy. Likewise, three (3) breakfasts were held with analysts and brokerage firms to disseminate information about the vehicle and market analysis, aiming for greater coverage. The Ordinary General Meeting was held in April, and an Extraordinary General Meeting was held in December.

Furthermore, the issuance documents for Titularizadora's securitization processes that are part of the main market include the figure of the Legal Representative of the Holders of Securities, as described below:

- **Legal Representative of Security Holders**

The Legal Representative of the Securities Holders appointed for each securities issuance is responsible for legally representing the securities holders, and is therefore responsible for carrying out all actions required for the Holders to exercise their rights and defend their common interests, pursuant to the provisions of the rules of each issuance. To this end, he may request and receive relevant information for the issuance on the performance of the managers and Board members, on the main risks of the issuer or of the mass of securitized assets, and on the Company's Internal Control activities. The Legal Representative is also responsible for providing, at the request of the Holders, of

Titularizadora, or the Financial Superintendence, when applicable, any additional reports required to keep the Holders properly informed of the performance and development of the Issuance and Placement Program, as well as any other facts that may affect their rights as Holders.

For the effects of promoting investor relations, Titularizadora has an Investor Committee with the following features:

- **Investor Committee**

Article 33 of the Company Bylaws contemplates the existence of an Investor Committee comprised of representatives of the institutional investor community, whose members are appointed by the Board of Directors of the Company.

As of December 31, 2024, the Investors Committee was composed of:

**CHART 39. INVESTOR COMMITTEE MEMBERS**

INVESTOR COMMITTEE MEMBERS (Investor Representatives)	
Institutional Investor Representatives	Titularizadora's Representatives
Andrés Restrepo Montoya <b>Bolsa de Valores de Colombia</b>	Andrés Lozano Umaña <b>CEO</b>
Gustavo Morales Cobo <b>Fasecolda</b>	
Andrés Mauricio Velasco* <b>Asofondos</b>	
Jonathan Malagón González <b>Asobancaria</b>	
German Arce Zapata <b>Asofiduciarias</b>	

Source: Prepared by TC

\* In 2024, Dr. Andrés Mauricio Velasco became a member of the Investors Committee in his capacity as President of Asofondos, replacing Dr. Santiago Montenegro Trujillo.



During 2024, the Investors Committee of the Titularizadora met on the following occasions:

**CHART 40. MEETINGS OF THE INVESTOR COMMITTEE**

Date	Type of Meeting	Acta No.
February 1, 2024	Not On-site	137
April 3, 2024	Not On-site	138
June 12, 2024	Not On-site	139
Augusts 14, 2024	Not On-site	140
December 4, 2024	Not On-site	141

**Source: Prepared by TC**

This Committee plays an active role that allows it to fulfill its mission of monitoring compliance with the standards outlined in the Code of Good Governance by staying informed about the Company's situation, its issuances, and underlying assets, while maintaining ongoing communication with the Titularizadora.

#### **VIII. STATUTORY AUDITOR**

By means of Act No. 040 from the Ordinary General Shareholders' Meeting of Titularizadora Colombiana S.A. on March 24, 2023, Deloitte & Touche S.A.S. was appointed as the statutory auditor for the period from April 1, 2023, to March 31, 2025, and the amount of fees to be paid for their services was defined. In this regard, during 2024, Deloitte & Touche S.A.S. served as the Company's statutory auditor and external auditor for the Universalities, in accordance with the terms outlined in the issuance documents. The designation process considered all the corporate governance parameters established within the Company.

As compensation for its services, during 2024, the statutory audit firm received one hundred forty-seven million six hundred forty-seven thousand five hundred eighty pesos (COP \$147,647,580) for the audit conducted on the Company, and eight hundred fifty-three million two hundred eighteen thousand four hundred thirty-four pesos (COP \$853,218,434) as fees for the external audit of the Universalities, as stipulated in the issuance documents, in accordance with the fees approved by the General Shareholders' Meeting.

CHART 41. STATUTORY AUDITING FEES

Statutory Auditor (Company)	External Auditing (Aggregates)	Percentage of the firm's total revenues** (Statutory Auditor of Titularizadora)	Percentage of the firm's total revenues** (External Auditor of Titularizadora)
\$147.647.580*	\$853.218.434*	0,108%	0,626%

\* These amounts include VAT

\*\* This corresponds to the percentage that the payments made by Titularizadora represent in the income of the Statutory Auditor, calculated based on the total income reported by the Firm in its 2023 financial statements.

## IX. REPORT ON IMPLEMENTATION OF BEST CORPORATE PRACTICES

In accordance with External Circular 028 of 2014, Titularizadora submitted the "Report on the Implementation of Best Corporate Practices – New Código País" to the Financial Superintendency of Colombia within the term established by the Circular for this purpose. The survey was answered based on the Company's documents and corporate governance practices.

In 2024, the Company implemented 121 of the 148 recommendations set forth by the "Código País," reflecting its commitment to the best corporate governance practices.



The report is published on the Company's website: [www.titularizadora.com](http://www.titularizadora.com).

## X. AMENDMENTS TO THE CORPORATE DOCUMENTS

The Board of Directors of Titularizadora, in its meeting held on February 22, 2024, approved modifications to the Company's Code of Good Governance as follows:

- Modify the composition of the Investment Committees, Asset and Liability Management Committee (ALCO), and Operational Committee (SARO) to include the Vice President of Business.

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- Formalize in the Board's regulations the duty of non-use of the Company's assets for the personal benefit of Directors and the right of Board members to seek the assistance of experts when needed.
  - Adjust the name and composition of the Operational Committee (SARO), which will now be called the Operational Committee (SARE).
  - Separate the Board's Support Committees from those committees integrated by the Company's management.
  - Included in the Code of Ethics rules regarding the granting of incentives to employees, administrators, and third parties, stating that no inappropriate incentives will be granted that promote improper behavior.
  - Include whistleblowing channels and protection for whistleblowers, ensuring no retaliation (Transparency Channel), as part of the reporting of violations of Good Governance, Code of Ethics, and any alleged fraud or corruption within the Company.
  - Include in the employee conduct rules the duty to disclose any personal or family interest they or their relatives (up to the third degree of kinship or affinity) may have with any employee of the Company, including spouses and relatives.
  - Add sustainability to the corporate values of Titularizadora as a key pillar of the Company.

These modifications were approved on February 22, 2024, by the Board of Directors (Act No. 262 of February 22, 2024). No other corporate documents were modified.

The documents are published on Titularizadora's website: [www.titularizadora.com](http://www.titularizadora.com).

## II. PRACTICES, POLICIES, PROCESSES AND INDICATORS RELATED TO ENVIRONMENTAL AND SOCIAL CRITERIA

The strategic plan of Titularizadora is based on principles aimed at enhancing Environmental, Social, and Governance (ESG) matters, as well as the Company's leadership in the development of the securities market. The sustainability strategy continues to strengthen in line with market evolution and the strategic plan.

The strategy is called: "Transforming assets for a sustainable future" and its purpose is "To transform assets for a sustainable future in the financing of various economic activities through the capital markets." The strategy was developed with the support of the identified stakeholders.

FIGURE 35. STAKEHOLDERS



Source: Prepared by TC

The strategy is framed around three (3) strategic pillars and seven (7) material topics. The defined strategic pillars are: Fair and Equitable, Prosperous and Integral, and Environmentally Respectful. Additionally, the strategy impacts nine (9) of the seventeen (17) Sustainable Development Goals (SDGs) set by the United Nations (UN).

- A. Fair and Equitable:** This refers to promoting fair distribution of financial resources. As part of this strategic pillar, there are two (2) material topics:
- **Equity, Diversity, and Inclusion:** Implements policies and practices that promote equal opportunities, value and respect the diversity of individuals, and foster inclusion in all aspects of the work environment.

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- Human Rights: Involves respect for human rights, the implementation of due diligence, promoting participation and dialogue, and ensuring transparency in accountability.

It aims to impact two (2) Sustainable Development Goals (SDGs): #5 "Gender Equality" and #10 "Reduced Inequalities".

**B. Prosperous and Integral:** Refers to achieving responsible economic growth through innovative financial solutions that contribute to prosperous development for all stakeholders. It has four (4) material topics:

- Corporate Governance and Proper Risk Management / Stakeholder Management / Transparency and Disclosure / Ethics, Integrity, and Anti-corruption: Protects shareholders' interests, fosters investor trust, and promotes sustainability, adaptability, and long-term reputation through proper risk management, strong connections, relevant information, and combating any form of corruption.
- Profitable Growth: Generating solid and consistent growth while maintaining adequate profitability and efficient resource management.
- Sustainable Finance: Manages financial resources in a way that promotes long-term sustainability, considering economic, social, and environmental aspects. This approach seeks to align financial objectives with sustainable development, considering the impact of financial decisions on the environment and stakeholders.
- Responsible Investment: Creates a positive impact both financially and in terms of environmental, social, and governance (ESG) factors. By addressing responsible investment as a material topic, the company recognizes the risks and opportunities related to sustainability and makes investment decisions that promote sustainable development.

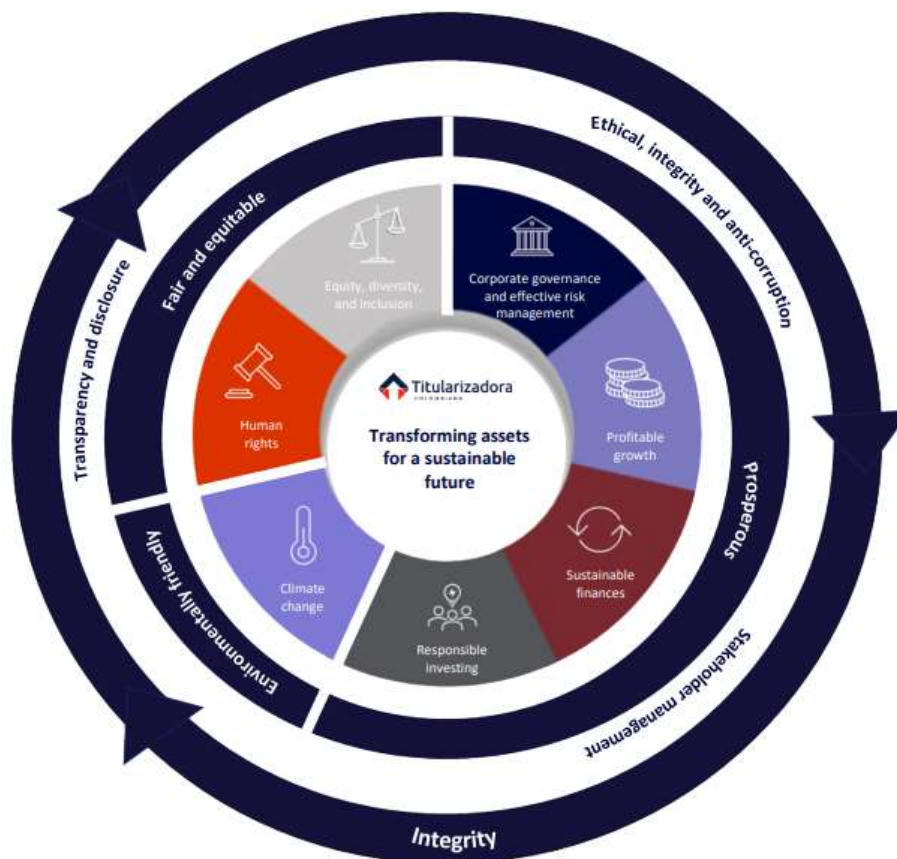
It aims to impact six (6) Sustainable Development Goals (SDGs): #8 "Decent Work and Economic Growth," #9 "Industry, Innovation, and Infrastructure," #11 "Sustainable Cities and Communities," #12 "Responsible Consumption and Production," #16 "Peace, Justice, and Strong Institutions," and #17 "Partnerships for the Goals".

**C. Environmentally Respectful:** The environment is considered in all financial decisions through the material topic:

Climate Change: Recognizes and addresses the risks and opportunities related to the effects of climate change on the economy and society. It is aimed at a low-carbon and climate-resilient economy. It aims to impact one (1) Sustainable Development Goal (SDG): #13 "Climate Action".

Figure 35 summarizes the sustainability strategy of Titularizadora Colombiana.

FIGURE 36. SUSTAINABILITY STRATEGY.



Source: Prepared by Titularizadora

The Sustainability Committee is responsible for building and monitoring the strategy. Its objective is to lead, propose, review, decide, and oversee the policies, guidelines, standards, and procedures related to the management of Titularizadora in sustainability matters. This Committee is composed of six permanent members, including the Vice President of Business as a new member in 2024:

**CHART 42. COMPOSITION OF THE SUSTAINABILITY COMMITTEE**

Business Vice president
Organizational Development and Compliance Manager
Planning Director
Investments and Market Development Director
Business Director
Real Estate Manager

**Source: Prepared by TC**

The functions of the Sustainability Committee include defining and ensuring compliance with the sustainability strategy at Titularizadora, monitoring the progress of the sustainability strategy's implementation, managing required changes, promoting Titularizadora's participation in regulatory requirements, best practices, initiatives, and international sustainability benchmarks, and evaluating the feasibility of issuances with ESG labels, among others.

During 2024, the corporate governance bodies for sustainability monitored the evolution of the sustainability strategy. The management of the Sustainability Committee and all those responsible for the initiatives allowed for the follow-up of the strategy within the Company. The Sustainability Committee met in February and September 2024 to map the progress of sustainability initiatives, track the implementation schedule of Circular 031 of 2021 issued by the SFC, and ensure compliance with PRI commitments. In February, the Committee also analyzed and selected AON as a strategic partner to assist in the construction of the 2023 sustainability report. AON's experience, global reach, and state-of-the-art analytical tools contributed to strengthening Titularizadora's sustainability efforts. In the September Sustainability Committee meeting, the sustainability strategy was reviewed comprehensively, the internal audit work plan on ESG matters and the implementation of CE 031 of 2021 was presented, and proposals for the Company's exclusion list were made.

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Between April and May 2024, the internal audit of the process "ESG Matters – Implementation of Circular 031 of 2021" was carried out. The objective was to assess the activities and procedures carried out by the Company for implementing the Circular and verify the integrity of the information disclosed regarding ESG matters, including climate-related topics. The audit resulted in recommendations and the generation of a corresponding action plan, leading to the development of the sustainability manual, strengthening sustainability policies and commitments, defining the materiality criteria for information disclosure, and reviewing the structure of some strategy indicators. These advancements, in addition to the exclusion list, were discussed in the Sustainability Committee and presented at the Board of Directors' meeting in October 2024.

The sustainability manual documented the Company's ESG strategy and consolidated a structured and transparent approach to managing environmental, social, and governance factors. This document serves as a clear guide for all levels of the organization, ensuring alignment with the nine prioritized Sustainable Development Goals, the seven identified material topics, and the Company's strategic sustainability objectives. It also establishes roles and responsibilities for ESG corporate governance to ensure the effective implementation of sustainable initiatives.

Furthermore, the Board of Directors approved the following Sustainability Policies for the Company:

- a) Titularizadora Colombiana recognizes sustainability as a fundamental pillar for the development and growth of the company, integrating economic, environmental, and social dimensions into all its decisions and activities.
- b) Sustainable policies and procedures are approved by the Board of Directors and aligned with business strategies and the organizational context, ensuring the proper management of impacts and expectations from its stakeholders.
- c) Employees and process owners must ensure the implementation and compliance of sustainability policies, promoting responsible and sustainable practices in all their activities.
- d) Titularizadora Colombiana must evaluate sustainability in all processes, products, services, and key decisions for the company, ensuring a holistic and transversal approach to business management.
- e) Titularizadora Colombiana must have specific action plans for environmental, social, and economic management, including mitigation and adaptation measures in response to potential sustainability risks and opportunities.
- f) Titularizadora Colombiana must implement annual sustainability training plans, fostering an organizational culture committed to sustainable development.



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- g) Titularizadora Colombiana is committed to socializing its sustainable policies with all employees, ensuring knowledge and understanding of these principles throughout the organization.

To monitor the progress of sustainable initiatives, a tracking tool was developed that is self-managed by each area, which facilitates real-time updates on the progress of projects and ensures that information is structured and delivered to the Sustainability Committee. This strengthens data-driven decision-making and fosters a culture of responsibility and commitment throughout the organization.

To contribute to the development of ESG topics in the securities market, in 2024, Titularizadora became part of associations working to position ESG issues in the market. During 2024, Titularizadora participated as a signatory in meetings convened by PRI. The monthly signatory meetings and the practice communities create spaces for collaborative discussions where LATAM signatories with outstanding practices share their experiences and practical approaches, enriching the knowledge of all participants and amplifying responsible investment practices in the market. Additionally, the Colombian Banking and Financial Entities Association (Asobancaria) merged the Green Protocol and Diversity, Equity, and Inclusion Committees to create the Sustainable Finance Committee. Following this merger, the Sustainability Department of the association conducted a survey in which Titularizadora confirmed its participation in the new sustainable finance committee, the social protocol working group, and the green protocol working group. Through this participation, Titularizadora reaffirms its commitment to sustainability issues.

Regarding reporting, Titularizadora published its sustainability report, developed with its strategic partner AON, which was prepared under the GRI standard and included the mapping of SASB indicators. The report covers the progress of the strategy and commitments in each of the material topics identified by stakeholders.

In 2024, the Company also completed its first voluntary report as a signatory of the Principles for Responsible Investment (PRI). Being a signatory to these principles demonstrates a commitment to integrating environmental, social, and governance (ESG) criteria into investment decisions. This not only contributes to a more sustainable and resilient financial system but also improves long-term risk and opportunity management. By adopting these principles, the Company strengthens its reputation, fosters transparency, and aligns its strategy with the expectations of investors and regulators who seek positive impacts on society and the environment.

PRI reports are a fundamental process to ensure transparency and accountability in integrating ESG criteria into investments. Through these reports, as signatories, progress in implementing the Principles for Responsible Investment is evaluated and communicated, areas for improvement are identified, and Titularizadora's commitment to best practices in the sector is demonstrated. Furthermore, the report allows investors

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and other stakeholders to make informed decisions, building trust and strengthening the organization's credibility in the market. Although this first report was voluntary, it provides a clearer view of performance and allows the Company to continue consolidating its commitment to responsible investment, preparing it for future reports and compliance with the international standards required by the organization.

Another achievement in 2024 was the drafting and socialization of the Human Rights Policy, as well as the Diversity, Equity, and Inclusion (DEI) policy mentioned in the human resources section. These policies demonstrate Titularizadora's commitment to managing its material topics and adhering to international standards, ensuring that its operations align with ethical principles and global regulations, adding value to the organizational culture.

The evolution of the sustainability strategy, as well as its updates, was presented to the entire Company in November. Similarly, the Human Rights Policy and the Diversity, Equity, and Inclusion Policy were socialized with all employees.

Internally, the "Piensa Verde" program is in place, where all employees participate in recycling commitments, office supply savings, conscious paper use and printing, with user-level tracking of their consumption. This program also includes campaigns for technological hygiene, such as proper use of personal emails (deleting unnecessary or unwanted emails, etc.). "Zero Paper" campaigns and discouragement of non-recyclable items (single-use plastics) are also promoted.

Titularizadora Colombiana will continue strengthening its sustainability strategy with the highest market standards.

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Part Four – Annexes

Annex No. 1.

End-of-year Financial Statements of Titularizadora Colombiana at December 31, 2024

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**Annex No. 1.1**

**Material changes to the End-of-year Financial Statements of Titularizadora Colombiana at December 31, 2024, between the reporting date and the date on which it was authorized for publication.**

Regarding the financial information with cut-off date at December 31, 2024, we report that no material changes or events took place that should be disclosed to the public, from the end of the reporting period to the date on which they are transmitted to the National Securities and Issuers Registry.

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Annex No.2  
Certifications

- I. The certification issued by the Registered Agent of Titularizadora, which certifies that the information includes all material aspects of the business

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- II. Report by the Registered Agent on the results of the Assessment of the Internal Control System, the control procedures and the disclosure of financial information

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III. Statutory Auditor's report on the effectiveness of the controls over financial information