



Titularizadora
COLOMBIANA



ENTERPRISE SUSTAINABILITY REPORT

2020



...ABOUT THIS REPORT...

Honoring the commitment to managing the Sustainability and durability of companies, Titularizadora Colombiana has been releasing a sustainability report since 2014, which comprises overall core contents about the ethical, economic, labor, social and environmental realms emerged from the strategies undertaken by the management in that regard. As a contributing element of the financial system, we have decided to adopt the best practices in the disclosure of the sustainability results using the scheme developed by the Global Reporting Institute (GRI) in its consolidated set of GRI standards.

We are conducting a massive data building that we will be adjusting as we submit the sustainability report, taking on right now the commitment to continuous improvement through materiality analyses and stakeholder management which have become the pillar of Titularizadora Colombiana.

"This report has been prepared in accordance with the GRI Standards – Core Option."



INTRODUCTION

Year 2020 was marked by a challenging scenario due to the public health emergency caused by COVID-19 around the world. At a macroeconomic level, the growth fall, the unemployment rate increment, the poverty rate increase, the raw material price collapse, and the fiscal accounts deterioration were just a few of the elements that flavored the environment and pressed the materialization of certain risks inherent to loan portfolios, financial assets and real estate portfolios.

Nevertheless, the underlying assets managed by Titularizadora Colombiana showed quite a favorable performance during the fiscal year. Although almost two thirds of the securitized portfolios entered into the temporary relief mode in March and April, the expiration of those benefits in the last trimester led to a recovery near the levels preceding the pandemic both in collection flows and in the levels of maturity default of the loans. This news is relevant as it reflects the quality of the origination and servicing standards of other Colombian credit institutions, included in the entities' risk management policies and the financial regulation resulting out of the economic crises undergone by the country in the past. In addition, the good performance of the loans allowed the *Universalidades'* securities to maintain perfect record in payment of their obligations. All the credit ratings of the securities held by the institutional market have remained in top levels throughout the year. In general, loan securitization has constituted a vehicle that has helped not only to promote the financial deepening of households (mortgage and consumption loans), but also to consolidate a social asset of a great value: the financial stability.

The assets managed in real estate securitization showed a positive performance both in individual valuation and in the generation of leases. As of the year closing, the asset value exceeded by 6.5% the value in December 2019, whereas the levels of contractual flow collection neared 100% of the total. This situation enabled TIN Securities to improve in 2020 the performance in profitability and flow stability at the national level as against other alternatives of like real estate investment.



ORGANIZATION PROFILE

Titularizadora Colombiana started operations in 2001 as the axis of the mortgage sector modernization after the 1999 crisis. All through the years of operation, Titularizadora has provided for the financing of mortgage loans for a total value exceeding COP 24 trillion and a serviced balance of COP 4.4 trillion ending 2020; in addition, Titularizadora has conducted a continuous process improvement by developing products backed by loans with drafts, and re-discount, vehicle and real estate backed loans, which were issued in October of 2018, marking thereby the start of the real estate era in Titularizadora Colombiana.

Year 2020 started very busy for issues, the first issue by the stock exchange (*Bolsa de Valores de Colombia*) in January with the securitization of consumption loans with drafts originated by Compensar (COP 88 billion) and then the issue of the second tranche of TIN securities (COP 105 billion) in February. Furthermore, the first mortgage loan securitization was accomplished in Dominican Republic for circa USD 20 million in 2020.

Because of the market volatility observed upon the arrival of the pandemic, the investor market was watchful of the evolution of economic indicators, in particular of reliefs and delinquency indicators of the issues and in general of the loan portfolio, but with caution in face of the increase in exposure by a new issue; therefore, no mortgage backed securities were issued in 2020.

Titularizadora Colombiana keeps a long term vision regarding the mortgage system. Not only it requires further deepening, but also diversity of actors with well-segmented market niches, which enable encompassing a broader number of homes under better credit conditions. All these activities have occurred in a common frame of responsibility for the origination and servicing of the mortgages mentioned above.

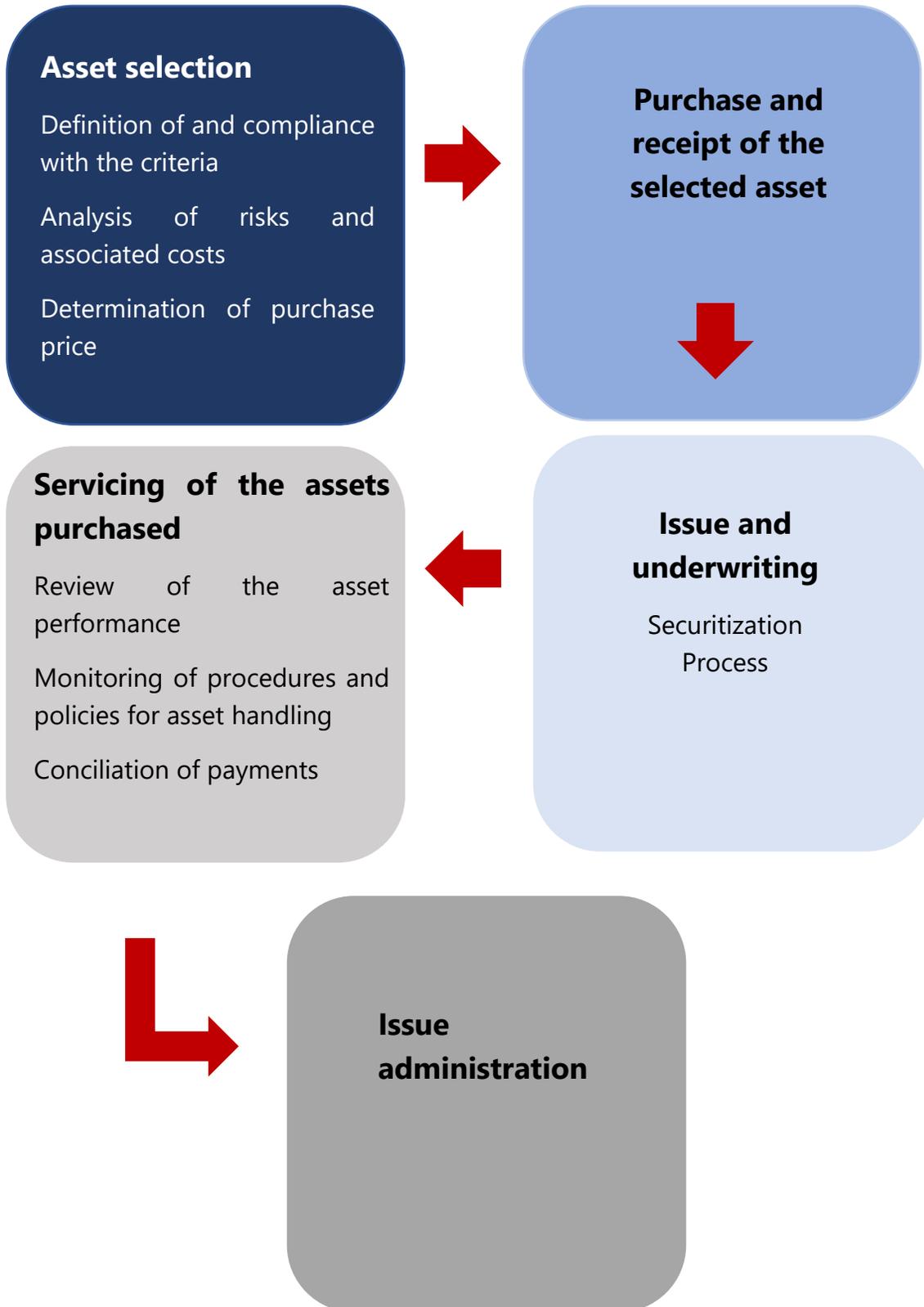
(102-1) Name of the organization

Titularizadora Colombiana S.A.

(102-2) Activities, brands, products, and services



Primary services:





Primary products:

TIPS

Credit-backed securities backed by the highest quality mortgage loan portfolio. As of 2020, 53 issues of this asset have been made with mortgage loans in pesos and UVRs.

Credit-backed securities backed by non-performing mortgage loan portfolio. In the history of Titularizadora, 3 issues backed by this type of asset have been made.

TECH

TIS

Credit-backed securities backed by mortgage loans from a cooperative originator.

Credit-backed securities backed by rediscount loan portfolio. In the history of Titularizadora, 1 issue backed by this type of asset has been made.

TER

TIL

Credit-backed securities backed by consumption loans with drafts portfolio. In the history of Titularizadora, 4 issues backed by this type of asset have been made.

Equity securities backed by real estate assets, offices and commercial premises under stabilized lease contracts. In the history of Titularizadora, 2 tranches have been issued.

TIN

TIV

Credit-backed securities backed by vehicle loan portfolio. In the history of Titularizadora, 2 issues backed by this type of asset have been made.



(102-3) Location of headquarters

Carrera 9A No. 99-02 Of. 702

(102-4) Location of operations

Colombia – Dominican Republic

(102-5) Ownership and legal form

Sociedad Anonima (type of company limited by shares)

(102-6) Markets served

Titularizadora Colombiana was created with the purpose of mobilizing resources of the financial system aimed at boosting the mortgage sector in Colombia. Over the years of operation and upon the experience gained as managers of assets and promoters of capital markets deepening, we have achieved our market share in the following markets:



Our customers originators:





(102-7) Scale of the organization

DESCRIPTION	
Total Number of Employees	70
Total Number of Operations	1 - Colombia
Net Profit (millions)	6,762
Total Capitalization (millions)	59,855

Our mission

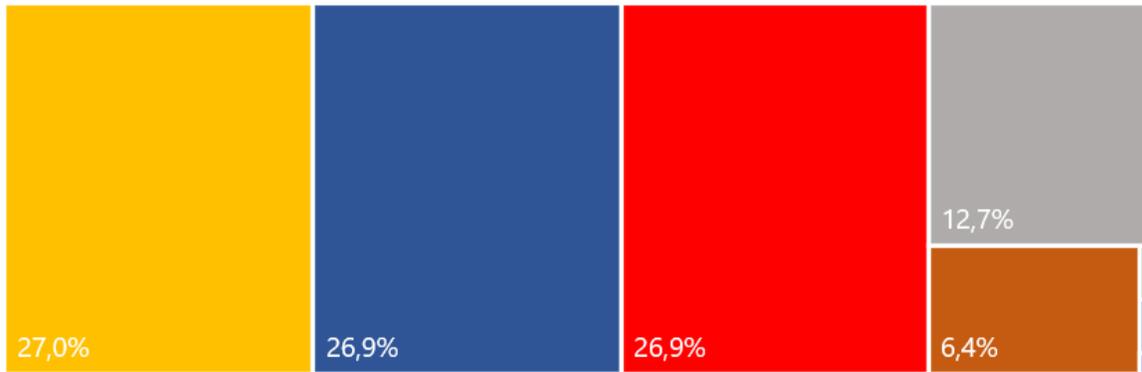
Match mid- and long-term financing needs of the diverse economic activities and the capital markets, with transparency and efficiency through the securitization of assets.

Our vision

Manage COP 15 trillion underlying assets of diverse economic sectors in Colombia and other countries in 2025.



Shareholders:



- Bancolombia S.A.
- Banco Davivienda S.A.
- Banco Colpatría S.A.
- Compañía Inversora Colmena S.A.
- Banco Caja Social S.A.
- Banco Comercial AV Villas S.A.
- Compañía de Seguros Bolívar S.A.
- Seguros de Vida Alfa S.A.

Balance sheet main figures:

ASSETS	
138,8	2020
147,5	2019
-6,0	Variación

Ending December 2020, Titularizadora Colombiana's total assets amounted to COP 138.85 billion, a 6% reduction with respect to 2019 closing. Assets mainly comprise Financial investment assets (68%), trade creditors (3%), investment properties (17%), cash equivalent (5%), and assets kept for sale (3%).

The chief variation of accounts as against the previous year is observed in the trade creditors due to the decrease in funding of initial expenses from securing new businesses of the *Universalidades*; the reduction of the item described above and of cash equivalent

LIABILITIES	
9,7	2020
12,2	2019
-20,0	Variación

The company leverage at the fiscal period closing is 7%.

The primary liabilities correspond to the obligation recognized for IFRS 16 leases.

The highest variation with respect to the previous year is the payment of the income tax and amortization for recognition of the IFRS 16.



is explained by the growth of financial investment assets.

EQUITY

129,1	2020
135,3	2019
-5,0	Variación

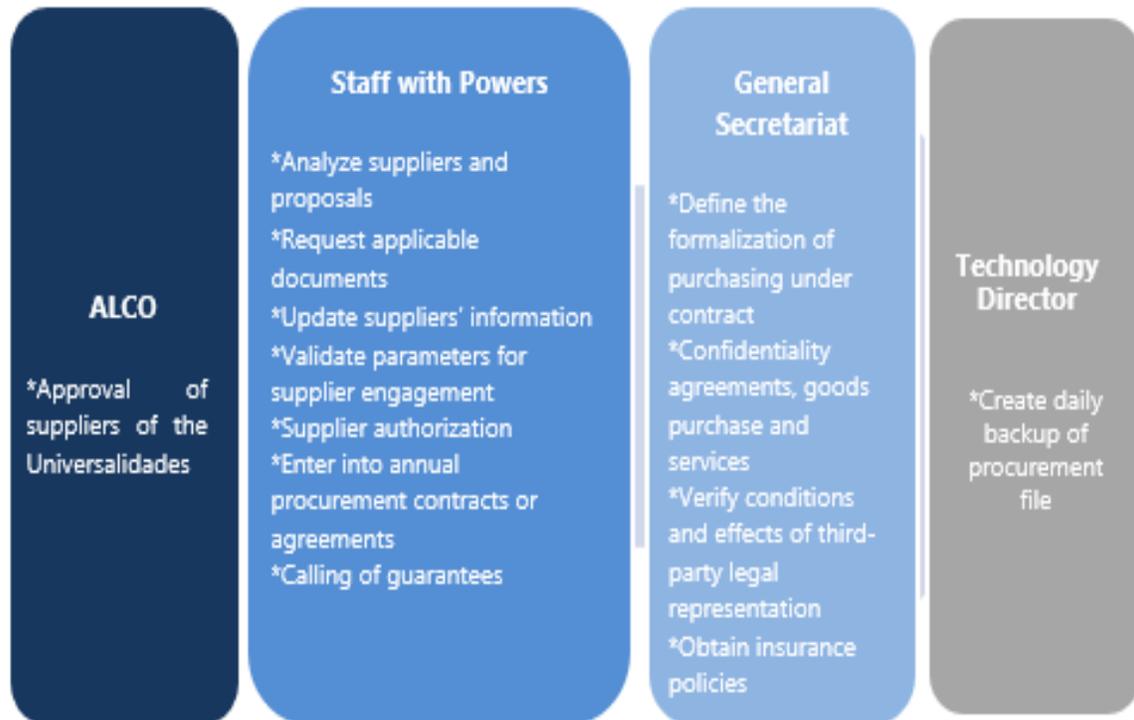
Titularizadora Colombiana's equity decreased by 5% with respect to the previous year as a result of the lesser value of earnings of this fiscal year as compared to the 2019 fiscal year. The company closed 2020 with a COP 129.09 billion worth equity.

(102-8) Information on employees

	Permanent Contract	Temporary Contract	SENA and interns	Full time	Part time
	34	2	4	40	0
	30	0	0	30	0

(102-9) Supply chain

Responsibilities in supplier selection, management, and monitoring as well as compliance with the relationship with providers are estimated in the MANUAL OF PROCUREMENT AND CONTRACTS FOR SERVICES. The areas of the organization are interlocking as to the definition of activities and scopes in the procurement and suppliers process to provide it with support all over the supply chain.



Source: Titularizadora Colombiana.

As of the 2020 closing, Titularizadora Colombiana has 171 suppliers consolidated in the service categories listed below. It is important to mention that the supply chain is comprised of local and foreign suppliers and its billing amounted to COP 96 billion last year.



SERVICE / PRODUCT	SUPPLIER
Consulting	External / Local
Technology	External / Local
Trusts	External / Local
Food	External / Local
Funds	External / Local
Photocopies	External / Local
Rating agencies	External / Local
Stock exchange	External / Local
Insurance Brokers	External / Local
Realtors	External / Local
Law firms	External / Local
Clubs	External / Local
Chamber of Commerce	External / Local
Cleaning and stationery	External / Local
Management	External / Local
Communications	External / Local
Audits	External / Local
Foundations	External / Local
Flower shops	External / Local
Printer	External / Local
Security	External / Local
Lessees	External / Local
Human Resources	External / Local
Institutes	External / Local
Publishers	External / Local
Restaurants	External / Local
Custody	External / Local
Brokers	External / Local
Liqueurs	External / Local
Sports	External / Local
Notaries	External / Local
Repairs	External / Local
Insurers	External / Local
Mail	External / Local
Vehicle maintenance	External / Local
Transportation	External / Local
Due Diligence	External / Local
Valuation services	External / Local
Associations	External / Local
Professional services	External / Local
Software	External / International



(102-10) Significant changes to the organization and its supply chain

During 2020 no significant changes were made to the organization or the supply chain.

(102-11) Precautionary principle

Titularizadora Colombiana does not apply the precautionary principle on a strict basis because of the compliance with the UN Rio Declaration on Environment and Development. Company's own initiatives are applied in parallel towards the consideration of environmental effects and additional costs the company could incur by failing to avoid or mitigate these risks.

(102-12) External Initiatives / (102-13) Membership of Associations



Titularizadora Colombiana is a member of Asobancaria — *Asociación Bancaria y de Entidades Financieras de Colombia*—the guild that represents the Colombian financial sector due to its role as one of the most relevant

entities in the non-banking financial service sector in the country. In this regard, the Company proves its commitment to the promotion of public confidence in the financial sector, to the expansion of the population knowledge of the financial activities, and to the modernization of the structure of this sector in Colombia by means of steps taken by the guild. The Company takes active part in seminars, meetings, and board meetings held by Asobancaria and also keeps constant communication with the organization to the effect of analyzing the regulatory changes, impacts, and implementation.

Furthermore, Titularizadora supports the finance sector guild activities through Asofondos, Asofiduciaria, and ANIF associations.

Sustainability committee

The Sustainability Committee is the result of an initiative from Asobancaria for the promotion of best practices in the following matters:

- Green protocol
 - Financial innovation
- Financial training
 - *Mesa de Paz* (Peace bureau): financial education and inclusion, social investment, labor inclusion.
- Enterprise sustainability
 - Supplier Management
 - Human Talent Management



- Targeted Social Investment: the new economic climate arising from the social changes related to the peace agreements renders indispensable the management of displaced and reintegrated populations that most likely will become users of the financial system and products, which in turn must develop strategies for risk measurement, credit allocation and education programs to address the needs of this population in particular.
- Forum for the discussion of sustainability best practices. There are financial entities with sustainability programs in place, information to enrich the building of methodologies in entities with incipient memories in that topic.

BVC (Colombian Stock Exchange) Issuers Committee

Titularizadora is an active member of the Committee of Issuers of the Colombian Stock Exchange (BVC - *Bolsa de Valores de Colombia*) through the Secretary General and the Director of Investments and Market Development. This Committee helps (i) keep an open forum for debate with the issuers regarding the fixed income and fixed rate markets, (ii) improve market practices as to the issuers of securities, and (iii) conduct monitoring and submit proposals with respect to regulatory matters.

Certifications

ISO 9001:2015 Quality Certification – Master Servicing

The Quality Management System is a management tool to focus efforts on pursuing excellence through continuous improvement supported by process and procedure standardization and focus on the stakeholders.



The approach it provides of the Master Servicing of issues especially includes:

- ◆ To monitor the issue operators by controlling the mitigation of operating risk and credit risk.
- ◆ To comply with the conditions contained in the issues' prospectus.
- ◆ To disseminate the performance of the issues on a timely and reliable basis

The activities in 2020 focused on ensuring process efficacy, efficiency, and continuity thus achieving the ISO 9001:2015 recertification from the certifying entity ICONTEC for the 2020-2022 period.



Voluntary commitments

IR Issuer Recognition– BVC



The adoption of best practices in the matter of information disclosure and the relationship with investors has been certified by the *Bolsa de Valores de Colombia* (BVC) by granting the IR Issuer Recognition to, and supporting the business activity of Titularizadora Colombiana.

The chief requirements for access to the IR Issuer Recognition are:

- ◆ Disclose information in addition to the information normally demanded, in English and in Spanish on the website, and keep it timely up to date.
- ◆ Publish regularly the financial statements (balance sheet and income statement) and the information about the issues.
- ◆ Provide a representative to address the inquiries from investors, both in Spanish and in English.

The adoption of the best practices in the matter of information to and relationship with investors enables our investors to have sufficient and timely data available as they make investment decisions and contributes to improve the capital markets standards in Colombia.

Renowned and Recurrent Issuer – *Superintendencia Financiera de*



Titularizadora Colombiana has obtained the certification of renowned and recurrent issuer that the *Superintendencia Financiera de Colombia* issued upon the fulfillment of the criteria described in Basic Legal Circular, Part III, Title I, Chapter II, item 6 of the

Superintendencia Financiera de Colombia.

Rating 2020



The periodic review of the Technical Committee of BRC Investor Services S.A. SCV confirmed the 'AAA' counterparty risk rating for Titularizadora Colombiana S.A. The Technical Committee made this decision on February 4, 2020 as recorded in the Minutes of the Meeting No. 1695.



(102-14) Statement from senior decision makers

Letter from the President



Titularizadora Colombiana was born as an innovative response from the Colombian bank sector to ensure the dream of "A house for everybody." In these 20 years of existence, mortgage-backed securitization has been the transforming pivot of the mortgage system in the country. Thanks to the company development, an increasing number of Colombian families have been able to purchase their own home at low and stable interest rates, thereby being able to save more than COP 2.5 trillion per year. This achievement has been recognized internationally to the point that several countries in the region are working on emulating it.

The commitment of our shareholders, of Titularizadora Colombiana's proud

employees and my own is to continue working toward the modernization and sustainability of the home purchase financing system. It requires that we continue strengthening the trust among all the actors in the mortgage industry chain of value by a responsible and prudent management of the resources that the investors entrust to us and by the creation of added value to the originators and the best loan conditions to the borrowers. These individual benefits must be recognized only in the context of a deep respect for the environment, labor rights, professional ethics, and social solidarity.

Accordingly, the systemic role of securitization entails potential benefits to the financing of other economic activities in Colombia. Therefore, Titularizadora Colombiana has expanded its product portfolio seeking to reach new markets with the aim of contributing wholly to the economic development of Colombia. Overall, we believe that only by working towards the excellence, we can continue contributing our bit to turning Colombia into an exemplary country with equal opportunities for all.

Alberto Gutierrez Bernal
President



Sustainability Model

The business social function forms part of our corporate DNA. All the initiatives pay special attention to their potential impact on the society in general and on our stakeholders in particular. We work to maximize the favorable effects that our activities could have on the wellbeing of all our related parties.

Our vision on corporate social responsibility is understood from the notion of enterprise sustainability. The actions we perform daily are oriented to build a virtuous cycle of human development, cooperation and social multiplication, based not only on the static value distribution to non related social groups.

Aiming to fulfill our mission, we Titularizadora Colombiana are committed to a model of business sustainability and creation of value that articulates ethical, financial, labor, social and environmental dimensions to the benefit of the community, the shareholders, the employees, the investors, the suppliers, the guilds, the State, and the environment.

In 2020 we abode by the parameters established by the GRI. Upon studying the standard, reviewing the information available and designating staff responsible for data collection as necessary to meet the requirements, we have walked a long road that provided us with tools for learning out of our organization from the sustainability perspective, leaving us challenges about components constantly changing and moving to the speed of our originators, investors, employees and the other actors that make our company's continuity possible. We are sure that each Sustainability Report extensively collects the advances of Titularizadora Colombiana and that our commitment to sustainability will enable us to gradually develop every aspect proposed by the standard.

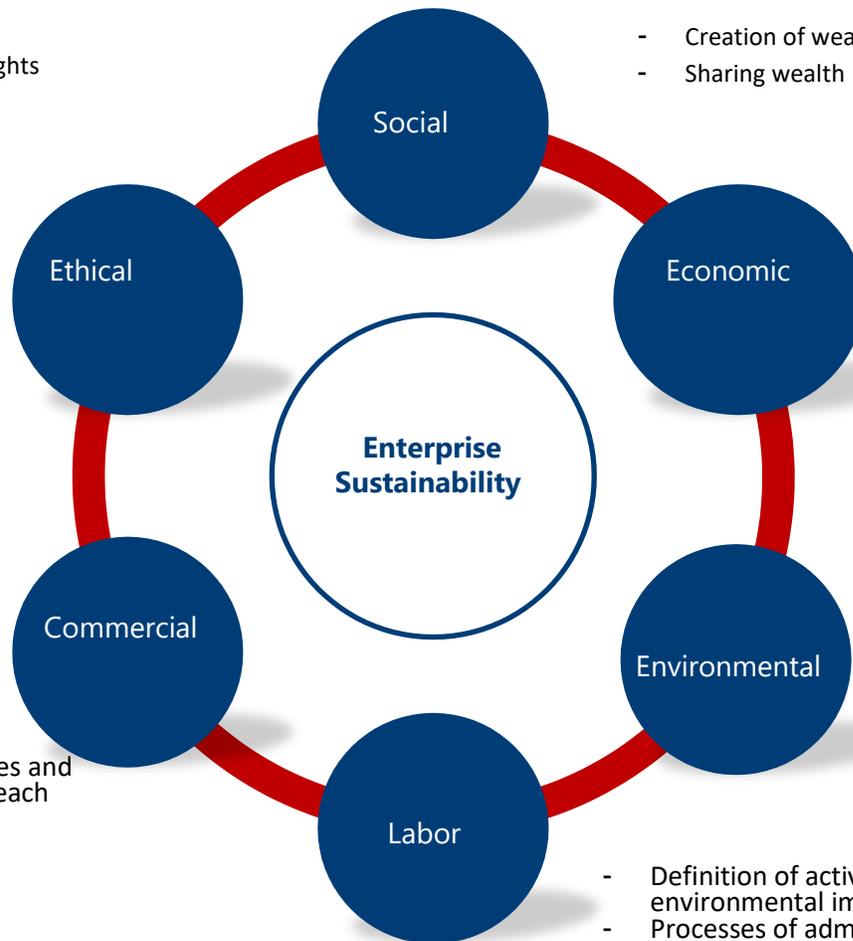
The information recorded herein was prepared with the cooperation of each area director who provided the necessary and sufficient data for building an initial approach to the sustainability report requirements; the president's assistant; and the analysts that consolidated the information.



- Training to borrowers

- Legality
- Transparency
- Respect human rights
- Corporate values

- Creation of wealth - value
- Sharing wealth



- Business practices and knowledge outreach
- Customers
- Intermediaries
- Suppliers
- Guilds
- Asobancaria
- Stock Exchange
- Exchange Market Self regulator
- Government
- Superfinanciera
- Ministry of Housing
- Ministry of Finance
- ANI-FDM

- Integrated development
- Personal wellbeing
- Ethical practice

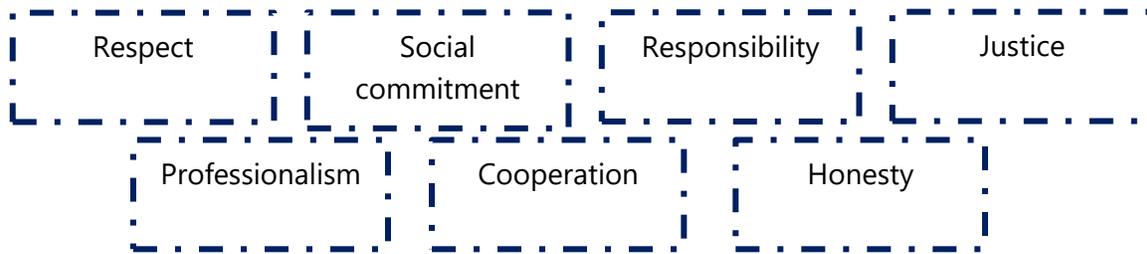
- Definition of activities with environmental impact
- Processes of administration of environmental factors

(102-16) Values, principles, standards, and norms of conduct

The operation of Titularizadora Colombiana is interlocked by the corporate values which define the relationships with our stakeholders and which have allowed us to stand out not only because of our know how of our operations but also for the transparency and dedication in their performance. In 2020, we conducted activities aimed to reinforce the mutual commitment meant by belonging to Titularizadora Colombiana and the great



commitment we have to our company, the collaborators and all the parties related to our operations.

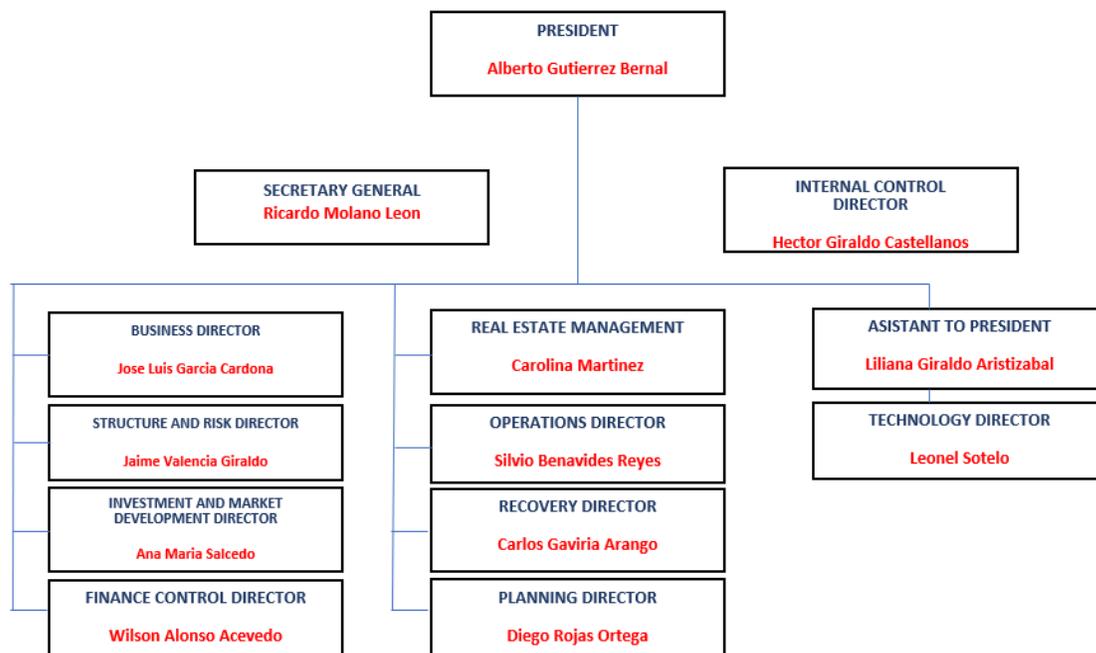


(102-18) Governance structure

Titularizadora Colombiana is staffed with highly specialized professionals, with the firm purpose of making of the mortgage loan securitization the main source of financing homeownership.

All the areas in the company are led by professionals widely experienced in the financing industry. The company works upon strict efficiency principles supported by a leading edge technology platform.

Excellence and high ethical standards are the main foundation of the performance of a team that wishes to contribute to improving living conditions in Colombia.





(102-22) Composition of the highest governance body and its committees

Board of Directors – Principal Directors



Efrain Forero

President
Banco Davivienda

Jose Humberto Acosta

Finance Vice President
Bancolombia



Diego Fernando Prieto

President
Banco Caja Social



Juan Camilo Angel

President
Banco AV Villas



Beatriz Elena Arbelaez Martinez

Consultant





Board of Directors– Delegate Directors



Hernan Alzate

Treasury Vice President
Bancolombia

Alvaro Carrillo

Corporate Executive VP
Banco Davivienda



Oscar Eduardo Gomez

Legal VP
C.I. Prodeco S.A.



Nicolas Garcia Trujillo

Enterprise VP
Fundación Social



Jaime Upegui

President
ScotiaBank

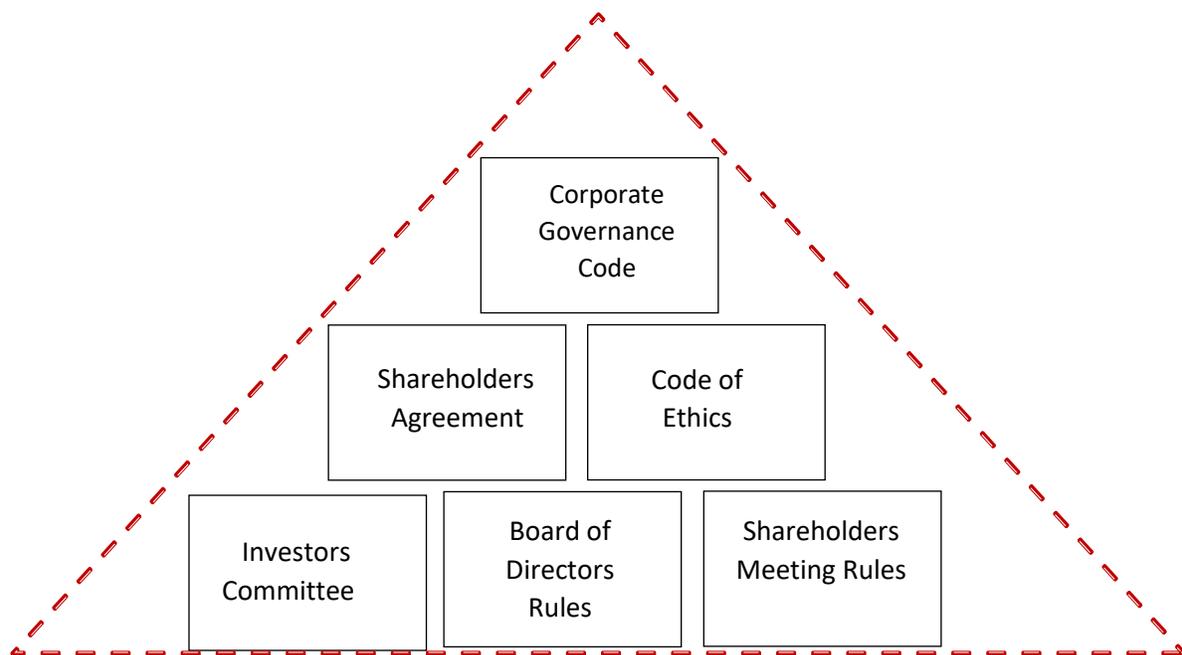




Corporate Governance

In the 19 years the organization has been active, the quality of processes, operations, information and methodologies has been of the utmost priority not only for the Directors and senior management but also for all the members of Titularizadora Colombiana, which they have wished to transmit to all the stakeholders through the creation of Corporate Governance elements that endorse the company values and principles.

In 2020, no change was made to the Corporate Governance of Titularizadora Colombiana that could entail the alteration in the composition of their committees or the addition of another one with functions not included in the description below.





Board of Directors' Support Committees

◆ Audit Committee

Comprised of three (3) members of the Board of Directors, with attendance to its meetings of the Company's President, the Internal Control Director and the Statutory Auditor. Its main task is to monitor Titularizadora's internal control system procedures ensuring that they take into account all the risks arising from the operation of each process, and to safeguard the integrity, reliability, and transparency of the financial information prepared by the company, and the appropriate disclosure of such information according to the applicable laws and regulations. The committee operation is governed by the applicable regulations and by its Internal Rules which provide the committee's objectives, functions and responsibilities.

◆ Investment Committee

The Investment Committee is comprised of three (3) members of the Board of Directors, the Company's President, and the Director of Investment and Market Development. Its main functions are to supervise the compliance with the policies on management and administration of the Company's liquid assets as well as to define portfolio investment policies and risk coverage strategies, trading, and general outline on the investments for treasury operations and counterparty limits, in accordance with the Company's risk assessment criteria. Regarding the liquidity risk, the corresponding liquidity contingency plans proposed by Management must be reviewed as well as the annual stress testings must be studied and discussed.

◆ Appointments, Compensation, and Ethics Committee

The Appointments, Compensation and Ethics Committee is comprised of the Company's President and two (2) Directors. Main functions are: (i) to state the criteria and propose and review the compensation for the Board of Directors, the Senior Management and the Company; (ii) to check the evaluation of Board, Senior Management, and nominees to Board's Secretary and Senior Management as per the request of the Board of Directors and provide the corresponding recommendations; and (iii) to make recommendations about any complaint situation.

◆ Corporate Governance Committee

The Corporate Governance Committee is comprised of the Company's President and two (2) Directors. Main functions include: (i) to assist the Board of Directors in overseeing the compliance with and implementation of the general corporate governance standards and



(ii) to prepare the annual report on corporate governance to be submitted to the Board of Directors for consideration.

Real Estate Committee

The Real Estate Committee is comprised of three (3) Directors and the Company's President. Its main job is supporting the Board in the analysis of the real estate businesses to be submitted to the Board of Directors for consideration for the approval thereof.

Other Committees

Asset and Liability Management Committee (ALCO)

Comprised of the Company President, Secretary General, Operations Director, Structure and Risk Director, and Investment and Market Development Director. Main functions include: (i) to assess and determine the level of risk tolerance of the Company; (ii) to analyze and report on the risks of interest rate, currency, and mismatch, and the basis risk; (iii) to consider the strategies and actions to be taken toward the achievement of the financial and business goals set out by the Company; (iv) to assess the liquidity risk of the company and the issues, by monitoring the periodic indicators, evaluating contingency plans if required, and being aware of the result of the annual stress testing; and (v) to set the price for mortgage loan purchases and guarantee granting. All the decisions taken by this committee will be recorded on a special book of minutes of the meetings to be established for such purpose.

Operations Committee

Comprised of the Company President, Operations Director VP, SARO Official and Internal Control Director, the Operations Committee main function is following up and monitoring the operating risk management system, supervising the appropriate application of operational policies, issuing an opinion about the reports submitted by the Operational Risk Official, and analyzing the implementation of SARO phases and elements.

(102-23) Chair of the highest governance body

Efrain Forero – Banco Davivienda President

(102-24) Nomination and selection of the highest governance body

The election of members of the top governance body of the Company is conducted by the General Shareholders Meeting of Titularizadora in accordance with the majority set forth in the Articles of Association of the Company. Nevertheless, before reaching this instance there is a very active and important participation by the Appointment, Compensation and Ethics



Committee which is in charge of the assessment of nominees to confirm that the nominees have not fallen within any grounds for disqualification and/or incompatibility and that the criteria set forth in the succession policy of the Board of Directors are met. In addition, we must specify that all the Directors are independent under Law 964 of 2005 article 44 and under article 2.15 of the Corporate Governance Code.

(102-25) Conflicts of interest

Titularizadora Corporate Governance Code establishes specific procedures that must be followed at the time conflicts of interest arise. Furthermore, this Code provides a specific definition of what must be understood as a situation of conflicts of interest.

(102-26) Role of the highest governance body in setting goals, values and strategy

On an annual basis, the Company President and the Board of Directors Chair jointly prepare a document whereby they set an annual work plan for the Board of Directors, which includes the main topics to be addressed at the meetings and the objectives of the Company.

(102-28) Evaluation of the highest governance body's performance

Once a year the Board of Directors conducts an evaluation of their collective activities as a decision-making body in accord with the mechanism determined for such purpose, which may range between the self-assessment and an external advisor assessment.

(102-32) Role of the highest governance body in sustainability reporting

The Board of Directors does not take part in the preparation of the sustainability report of the Company.

(102-34) Nature and total number of critical concerns

No critical concerns arose which needed to be presented to the top governance body.

(102-35) Remuneration policies / (102-36) Process for determination of remuneration

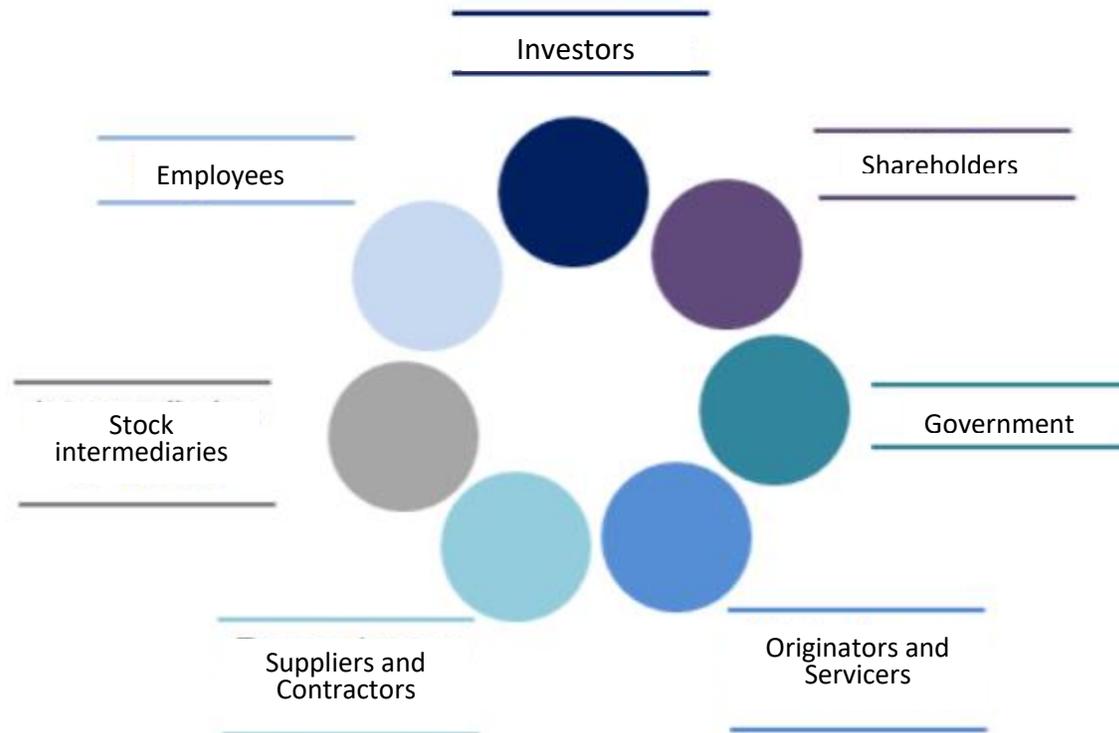
Titularizadora Colombiana has an Appointment, Compensation and Ethics Committee which according to the provisions of article 2.1.3.3. of the Corporate Governance Code has functions that include specifying the parameters of, proposing and reviewing the remuneration of the members of the Board of Directors and the Senior Management.



(102-37) Stakeholders' involvement in remuneration

There is no involvement of stakeholders in the determination of remuneration policy

(102-40) List of stakeholder groups



(102-41) Collective bargaining agreements

No employees of Titularizadora Colombiana are under any collective bargaining agreement.

(102-42) Identifying and selecting stakeholders

Stakeholders	Description	Composition
Investors	Individuals or legal entities that purchase the securities resulting from securitization processes.	<ul style="list-style-type: none">▪ Pension Funds▪ Credit Institutions▪ Insurers and savings capitalization b▪ Other Institutional Investors▪ Individuals and Customers



Shareholder	Entities that own shares in and to the capital of the Company.	<ul style="list-style-type: none">▪ Bancolombia▪ Banco Davivienda▪ Banco Caja Social▪ Banco AV Villas▪ Scotiabank Colpatría▪ Compañía Inversora Colmena S.A.▪ Compañía de Seguros Bolívar▪ Compañía de Seguros de Vida Alfa
State	Government entities and Supervisory, regulatory and control bodies	<ul style="list-style-type: none">▪ Finance Superintendence▪ Ministry of Housing▪ DIAN▪ Other State entities
Originators and Servicers	Entities that originate and/or service financial assets that can be securitized.	Financial and non-financial institutions.
Suppliers and contractors	A person or organization who provides a good or service for the Company operation and businesses	<ul style="list-style-type: none">▪ External consultants▪ Other suppliers of goods▪ Other suppliers of services
Stock intermediaries	Entities engaged in the brokerage of stock and in other stock intermediary activities	<ul style="list-style-type: none">▪ Companiesxxx Stock Brokers▪ Other Stock intermediaries
Employees	People in a job relationship with the Company who have commitments to quality and values.	<ul style="list-style-type: none">▪ Employees▪ Trainees▪ Interns



(102-43) / (102-44) Approach to stakeholder engagement / Key topics and concerns raised

Stakeholders	Expectations and relevant opinions	Measurement methodology
Investors	<ul style="list-style-type: none">Disclose timely and sufficient information for managing the investment, including the financial statements.Have a representative.Guarantee the characteristics of the securities issued.Deliver on payment of capital yields.	<ul style="list-style-type: none">Satisfaction survey (3 years)Visits and TrainingThrough inversionistas@titularizadora.comParticipation in the Annual TIN Bondholders MeetingConference call for presentation of half-year results for TIN
Shareholder	Fulfillment of the profitability, objectives, and strategies; strategic plans; information availability.	<ul style="list-style-type: none">Board of DirectorsStrategic Planning Committees
State	Participation in forums about policy, sector committees, sector studies, information availability, financial statements, tax payment	Attendance to forums of discussion of public policy, compliance of surveillance and control entities.
Originators and Servicers	Certification and recertification, master servicing efficiently performed with controls on the asset and monitoring of the servicer.	Service agreements, management indicators, control
Suppliers and contractors	Legalization and full performance of the contracts conditions. Validation of requirements as to legal and tax obligations and to the asset laundering and terrorism financing risk obligations.	<ul style="list-style-type: none">Contract renewal, assessment of the commercial relationship satisfaction.Through Contact us at www.titularizadora.com
Stock intermediaries	<ul style="list-style-type: none">Efficient communicationAvailability of information about issues and securitiesDevelopment of markets and larger offerings of securitiesTraining	<ul style="list-style-type: none">Periodic review of the underwriters' systems.Satisfaction survey (3 years)Through inversionistas@titularizadora.com



Employees

A favorable working environment, salary recognition, opportunities of personal and professional growth, promotion of innovation in posts and areas.

- Satisfaction survey.
- INNOVA program.

For the purposes of this Sustainability Report, we have the participation of (i) Investors, (ii) Shareholders, (iii) Originators and Servicers, and (iv) Employees, due to the progress in the matter of identified key topics that the Company has made an effort to address.

Employees

Ending December 2020, Titularizadora Colombiana has 70 employees distributed as follows:

Collaborators by type of contract	Male	Female
Collaborators under direct indefinite-term contract	38	30
Collaborators under direct fix-term contract	2	0
Total under direct contract	40	30
Collaborators under contract of provision of services		
Outsourced collaborators		1
Collaborators under temporary contract		
Collaborators under apprenticeship contract with SENA	3	
Collaborators under student internship contract	1	

Source: Titularizadora Colombiana

Our employees constitute the vehicle to implement the company strategy, to provide the best service to our customers and investors, to perform the plans of continuous improvement and innovation which pursue maintaining the quality standards and the reduction of error margins implicit in our daily operations. That is why we have permanent and open communication channels and we are committed to our staff's continuous learning and training by fostering various courses and refresh seminars.

ORGANIZATIONAL SUSTAINABILITY

The company's plan of organizational culture seeks to foster the productivity and the personal life work-life balance in the terms of the equality and inclusion and the business social responsibility, and thus since the end of 2018 and through 2019 and 2020 the company implemented the **INNOVA Program "where your job and contributions become visible,"** which is the base of the digital transformation aimed to update and build up with productivity the balance of personal life and work life, the management by project, and the innovation in the light of the new trends.



During 2020, the purpose of the program foundation of the cultural transformation was to get to challenge personal and institutional paradigms, to take changing risks individually, in positions, in areas and the company in general aiming to make the job and the contributions become visible and to enter the digital transformation era. By training, following up, and advisory of experts in agile methodologies and digital transformation, 8 out of the ideas proposed by the employees were designed, executed, and implemented which impacted directly the business and 22 ideas which resulted in improvements in the areas and their processes.

Aiming to contribute to the personal life and work-life balance **Innova** implemented the flexible hours, one Friday a month with shortened hours and a 30 minute reduction in the daily work hours. Beginning in March 2020, under the historic juncture of the pandemic, teleworking was implemented maintaining the standards of productivity, connectivity and efficiency.

In addition, strategies that promoted an adequate time management, a higher commitment and simultaneously provided for the balance of social and work lives, were implemented. The above jointly with the wellbeing plan, the activities and benefits involving family and providing for mental and physical health constituted the strategies implemented that no doubt had a positive effect in the organization culture and in adapting to teleworking in the pandemic conditions.

TRAINING AND TEACHING

Annual Training Plan

In 2020, 72% of the company employees attended or received training, including the financial support for external training programs and seminars, conferences and short courses in update, deepening or informative topics. The execution of the annual plan had a total investment of **COP 78,000,533**

Levels	2020 Collaborators		Total hours of training approximately	
	Male	Female	Male	Female
President	1	0		
Level 2 executives (vice presidents, managers or directors)	6	8	415	372



Level 3 and 4 executives (mid-level management: chiefs of area, coordinators)	2	1	210	185
Professionals and analysts	22	14	2150	1933
Assistants, tellers, secretaries and other direct collaborators	1	4	162	244
TOTAL	31	27	2937	2734

Performance Management System

One hundred percent of the employees under indefinite term employment contract receive a quarterly evaluation and a year evaluation for completing and reviewing of the goals for the next evaluation period. All the employees jointly with their direct supervisors must determine on an annual basis the goals to work on and commit them to the company platform for performance management.

Investors

Our commitment to this segment in 2020 was aimed to provide sufficient and timely information to the investors of the outstanding issues, thus enabling them to manage their investment and take decisions about the issues particularly arising from grace periods permitted by the Superintendencia Financiera due to the Covid-19 Pandemic and the uncertainty generated thereby regarding the collection for the issues and the potential use of the liquidity guarantee. Thereby, being close to the market allowed us to answer to their concerns and evaluate the convenience of approaching the market with new issues.

Owing to the difficulty to release issues all through the year, the activities with investors focused on keeping a direct and timely communication with investors (both risk and loan management areas), underwriters, and research areas, with the purpose of communicating the impact and risks generated in the issues by the pandemic historic juncture, as well as the mitigation mechanisms of the financial structure. Over the year, information was shared as to the favorable evolution of reliefs, collection, and indicators of outstanding issues, by way of a detailed monthly report, one to one meetings with various entities in several opportunities, and a virtual event that allowed comparing the current crisis with the UPAC crisis of the end of the 90s. Furthermore, deepening workshops were conducted in financial structure (portfolio valuation, eligibility, credit enhancement mechanisms, etc.) and in the certification of originators, which let us explain the favorable performance of the issues despite the stress generated by the economic situation undergone for most of last year.



In connection with the TIN equity securities, the Annual Bondholders Meeting was convened in accordance to the provisions of the Prospectus and a virtual ordinary meeting was held in October. At the meeting, the Master Servicer submitted to the Meeting for approval: (i) an annual report on the fiscal period status, (ii) a management report of the *Universalidad* for the previous year, and (iii) the corporate governance report. The Bondholders were also presented for information purposes with the Strategic Plan and other topics relevant to the securitization process. Two half-year presentations of the conduit's results were given in February 2020 and August 2020 to show the main indicators evolution and the real estate market outlook.

Investors relationship management is also supported by the Issuers IR Recognition granted by the Colombian Stock Exchange BVC since 2013, which certifies the adoption of best practices for information disclosure and relationship with investors. During 2020 the company obtained the recertification from the BVC upon compliance with the criteria determined in the Recognition, the main aspects of which are:

- ◆ Disclose information in addition to the information normally demanded, in English and in Spanish on the website, and keep it timely up to date.
- ◆ Publish regularly the financial statements (balance sheet and income statement) and the information about the issues.
- ◆ Provide a representative to address the inquiries from investors, both in Spanish and in English.

The adoption of the best practices in the matter of information and relationship with investors has enabled our investors to have sufficient and timely data available at the time they make investment decisions and contributes to improve the capital markets standards in Colombia.

The activities with the Investors in 2020 was oriented to the sale of the TIL Pesos L-4 issue in January and of TIN issue Tranche 2 in February, and the rest of the year it was oriented to inform the market of the indicators evolution, to evaluate the convenience of new issues, and to reinforce the benefits of the financial structure in the economic climate arising out of the pandemic.

Shareholders

Our commitment to shareholders in 2020 was oriented towards the timely delivery of information as requested, with the highest possible precision, accuracy and relevance for processing the making of decisions. Furthermore, during the previous year we prioritized the results that shareholders expected as to the financial indicators and the budget



implementation where a permanent monitoring of the financial headings of the Company became essential.

Titularizadora Dominicana



In 2020 took place the first mortgage-backed securitization in the Dominican Republic for a value of circa USD 20 million that included the sale of mortgage loans by the *Banco Hipotecario Dominicano – BHD Leon* and the *Asociación Nacional de Ahorros y Préstamos- ALNAP*, which were certified as originators and servicers of securitized loans and which will be performing the master servicing with Titularizadora Dominicana S.A. using the HITOS software. As of the closing of December 2020, Titularizadora Colombiana S.A. remains a shareholder of this company in the Dominican Republic.

Originators and Servicers

With respect to the Originators and Servicers, improvements continue as to the efficiency by reducing times and resources in prefeasibility assessment, extending thereby the number of entities studied and accepted for new securitizations. Accompaniments were conducted for stabilizing the operation after applying the reliefs ruled by the Government in 2020. In general, the performance evaluation of bank and non-banking servicers remain the same in 2020.

(102-45) Entities included in the consolidated financial statements

Titularizadora Colombiana does not release consolidated financial statements.

(102-46) Definition of report content and topic boundaries

The core content of the report resulted from the determination and activities of stakeholders in 2017, which impacted or were impacted considerably by the operation of Titularizadora Colombiana.

- ◆ Definition of stakeholders: description and composition.
- ◆ Definition of expectations and relevant opinions: measurement methodologies.
- ◆ Estimate of available information and strategies for securing unavailable data.
- ◆ Evaluation of available information.
- ◆ Definition of material topics.
- ◆ Allocation of material topics per responsible area.
- ◆ Management of material topics.
- ◆ Presentation of conclusions and progress.



◆ Preparation of the Sustainability Report.

(102-47) List of material topics



(102-48) Restatement of information

The information contained in this report has not been subject to any change because of the restatement thereof.

(102-49) Changes in reporting

No significant changes have occurred with respect to the periods addressed in previous reports as to the list of material topics and boundaries of the topics.

(102-50) Reporting period

The information supplied in this report corresponds to the period between January and December of 2020

(102-51) Date of most recent report

May 2020 including information for the period between January and December 2019.



(102-52) Reporting cycle

Annual

(102-53) Contact point for questions regarding the report

- ◆ Liliana Giraldo / Asistant to President / lgiraldo@titularizadora.com
- ◆ Diego Rojas / Planning Director / drojas@titularizadora.com
- ◆ Natalia Ossa / Economics Analyst / nossa@titularizadora.com

(102-54) Statement of reporting in accordance with the GRI Standards

"This report has been prepared in accordance with the GRI Standards – Core Option."

(102-56) External assurance

This report has not been verified by an external entity.

(103-1) Explanation of the material topic and its boundary

Human talent management	Human resources are the foundation and priority to the specificity of the operation conducted by Titularizadora Colombiana. The surroundings observation and evaluation translated into training and updates turns into the foundation for the management of new products and business segments.
Procurement and provider management	Supplier and procurement management is intended to be aligned with the ISO 9001 standard scope on quality in order to build on the applicable requirements of the standard.



Sustainability Model

Titularizadora Colombiana started the process of inclusion of sustainability topics in the committees as suggested by Asobancaria, for which purpose the internal processing of a sustainability model is indispensable, to be shared and supported by all the company to achieve the best practices from our operation and industry.

Profitability management

Fulfillment of the expectations regarding business, budgets, and financial commitments taken on during the fiscal year. Evaluation and observation of the market dynamics for business alternative proposals aligned with the industry requirements and the economic times.

Reaffirmation of principles and values

A material subject for Titularizadora Colombiana will always be the reaffirmation of principles and values that define as an entity our actions and renowned standing in the financial sector.

International consolidation

A strategic priority of the company is the expansion of markets where securitization is still in incipient development phases, which has led to the proposed incursion in the Central American and Caribbean markets.

Quality management

In adhering to the ISO 9001 quality standard we accepted the permanent commitment to improvement of processes and operations in such a way that we guarantee the efficiency, efficacy, transparency, accuracy and validity of the information we provide to our stakeholders; thereby, quality management has become a focal point for business sustainability.



(103-2) The management approach and its components

Human talent management

Management	Organizational atmosphere survey – Well-being – Weekly virtual follow-up to the activities per areas. Goals aimed to enterprise sustainability reinforcement by means of strategies of work productivity monitoring and control, organizational culture booster, forums for stating job, personal, and technological needs.
Purpose	Leverage positive impacts of the human talent management in the Company.
Policies	
Commitments	Initiatives of the organization for the continuous improvement of the quality of the job conditions, the relationship with the employees, and the wages policy.
Goals and targets	Annual fulfillment after conducting the survey.
Responsibilities	Assistant to the President – HR Analyst
Resources	Human – Technological
Complaint and/or claim mechanisms	Provide continuity to the communication channels with management and those responsible of the activity.
Actions	Prioritized according to resource availability and impact on the operation.

Procurement and supplier management

Management	Manual of supplier selection – ALCO Committee – Staff with powers – General Secretariat – Director of Technology
Purpose	Avoid or mitigate negative impacts on the procurement and suppliers management.
Policies	Procurement Manual – Supplier selection process– ALCO Committee – Employees with powers – General Secretariat – Technology Director.
Commitments	Compliant with ISO 9001
Goals and targets	Annual fulfillment after conducting the evaluation of the quality auditor.
Responsibilities	Assistant to President – Administrative Analyst – Analyst of Projects and Processes.
Resources	Human – Technological – Financial
Grievance mechanisms	Providers evaluation



Actions	Creation and tracking of commitments.
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Sustainability model

Management	Sustainability Report – Improvement campaigns
Purpose	Leverage positive impacts of the application of GRI standards in the organization.
Policies	Aligning with issuers renowned in the stock exchange and in Asobancaria.
Commitments	Compliance with GRI Standard
Goals and targets	Annual improvement in submitting the sustainability report by adjusting the information due to the development of the notion in the organization.
Responsibilities	Assistant to President
Resources	Human
Grievance mechanisms	Publication of and compliance with the manual
Actions	Dissemination of the sustainability report, continuous improvement in the impact of processes in the organization, awareness campaigns.

Profitability management

Management	Monthly meeting of the Board of Directors – Follow-up of figures vs. budget – Executive Committee – Business Committee – Investors Committee
Purpose	Leverage positive impacts and mitigate negative impacts related to the strategic management of the company.
Policies	Board of Directors
Commitments	Honoring agreements and commitments made to shareholders.
Goals and targets	Monthly tracking of the financial results of the company, thus taking actions to align the results with the annual commitments made to the shareholders.
Responsibilities	Executive Committee – President's Office
Resources	Human – Financial
Grievance mechanisms	Board of Directors – Strategic Planning meetings.
Actions	Short-, mid- and long-term actions depending on the impact of the strategy to be implemented.



Reaffirmation of principles and values

Management	Internal work rules. The reinforcement of the principles and values of the company are included in the internal communication campaign.
Purpose	Maintain the work relationships and the job environment.
Policies	Executive Committee – President’s Office – Assistant to President – Well-being Committee – Workplace Harassment Committee
Commitments	Compliance with the directive, continuous improvement of labor relationships
Goals and targets	Maintaining labor relationships. Annual commitments made to the shareholders.
Responsibilities	Executive Committee – President’s Office
Resources	Human – Financial
Grievance mechanisms	Transparency Channel – Well-being Committee – Workplace Harassment Committee – COPASSTT (Joint Committee of Health and Safety at Work)
Actions	Short- or mid-term actions to avoid or mitigate the negative impacts associated with this topic.

International consolidation

Management	Monthly meeting of the Board of Directors – Executive Committee
Purpose	Leverage the market opportunities at other scenarios where securitization would result in a product attractive to the economy.
Policies	Executive Committee – President’s Office – Board of Directors
Commitments	Business Strategy – Prefeasibility Evaluation – Issues
Goals and targets	Development of securitization in potential markets
Responsibilities	Executive Committee – President’s Office
Resources	Human – Financial
Grievance mechanisms	Executive Committee
Actions	Mid- and long-term actions to take advantage of the undeveloped securitization market opportunities.



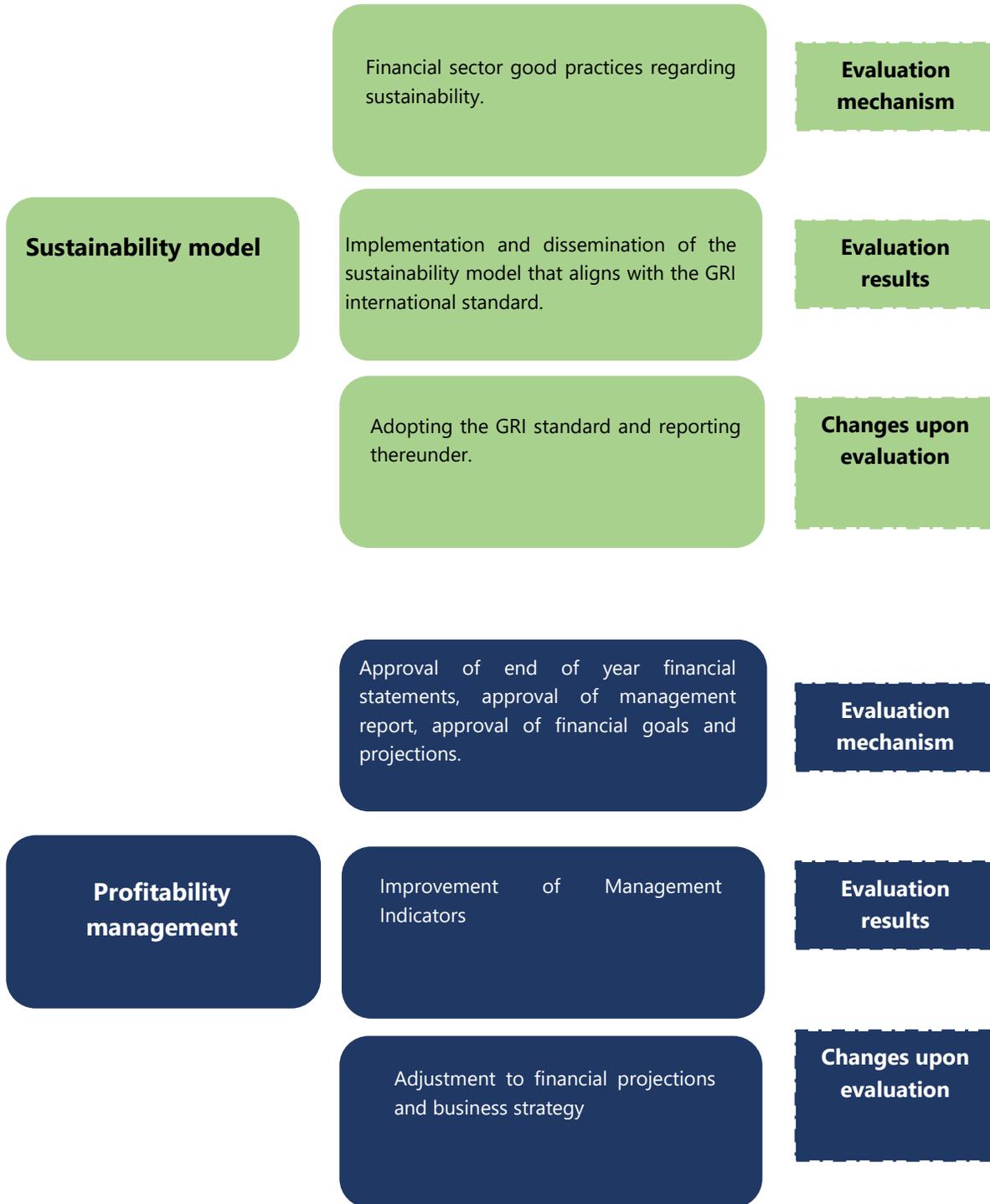
Quality management

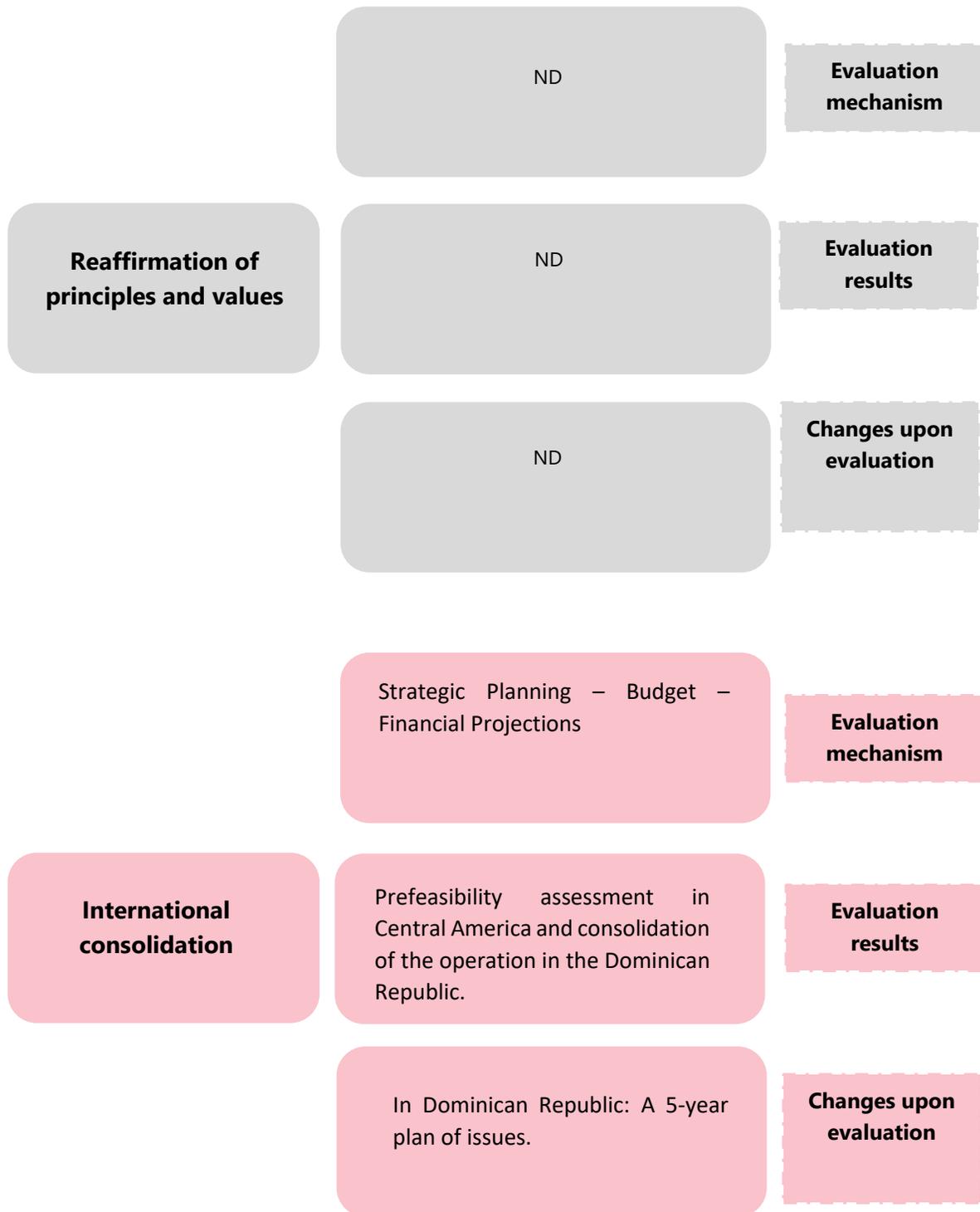
Management	Quality Committee
Purpose	Guarantees the fulfillment of the requirements of the ISO 9001:2015 standard and purposes of the organization in order to meet the stakeholders' needs.
Policies	Policy of quality and processes.
Commitments	Audit and improve continuously processes and operations – Aligning with the standard.
Goals and targets	Update and maintain the compliance with the standard's and the organization's requirements. Audit and improve continuously the organization's processes and procedures. Close the gaps specified by audit in each period. Keep the ISO 9001 quality certification in order to meet the needs of our stakeholders.
Responsibilities	Quality Committee- President's Office
Resources	Human
Grievance mechanisms	Quality Committee
Actions	Monitoring, measurement, and analysis of the process management. Continuously improve by managing the findings detected through the sources of improvement. Tracking of the fulfillment of stakeholders' needs.



(103-3) Evaluation of the management approach

	<p>Organizational atmosphere survey – Transparency Channel – Well-being Committee – Workplace Harassment Committee – COPASST (Joint Committee of Health and Safety at Work) – Weekly virtual follow-up of the teams' activities.</p> <p>The company has a Performance Management System in place, on a third-party application that allows for a quarterly and an annual evaluation of the activities, improvement and work and personal performance.</p>	Evaluation Mechanism
Human talent management	No novelties were reported in 2020 for the measurement indicators of human talent management.	Evaluation results
	ND	Changes upon evaluation
	Annual evaluation of providers.	Evaluation mechanism
Procurement and supplier	As of this date no novelties reported	Evaluation results
	Tracking of the requirements.	Changes upon evaluation







ECONOMIC STANDARD

(201-1) Direct economic value generated and distributed.

The economic value as generated and distributed by Titularizadora Colombiana in 2020 is described below (figures in COP million):

Direct Economic Value Generated (revenues)	COP 27,022
Operational costs	COP 4,216
Benefits for Employees	COP 4,190
Salaries	COP 6,701
Payments to Providers of Capital	COP 45
Fiscal Payments (Taxes)	COP 2,667

(201-2) Financial implications and other risks and opportunities due to climate change.

Titularizadora Colombiana has not detected any risk or opportunity arising from the climate change; due to the operation being conducted directly by the company, no direct impact is evidenced beyond what is derived from the operation of loan originators who are the asset servicers.

(201-3) Obligations in the defined benefit plan and other retirement plans.

Titularizadora Colombiana has no pension plans or programs that consider any retirement events for employees, which back the planning process upon the end of their job life.



(201-4) Financial assistance received from government.

N/A

(202-1) Ratios of standard entry level wage by gender compared to local minimum wage.

N/A

(202-2) Proportion of senior management hired from the local community.

Titularizadora Colombiana's only operation consists in the activities conducted in Bogota at their premises on Carrera 9A #99-02 Office 702, defined as a significant operation. One hundred percent of the senior management hired by the company belong to the local community understood as Colombian citizens resident in the city of Bogota who meet the criteria and conditions necessary for performing the roles of their job description.

(203-1) Infrastructure investments and services supported.

During 2020 Titularizadora Colombiana did not make any investments in infrastructure of the type of transportation networks, public utilities, social facilities, etc, which have had neither a positive nor a negative impact on their stakeholders or that have transferred any value to the company operations

(203-2) Significant indirect economic impacts.

- ◆ Employment generation.
- ◆ Production chain activity by means of the demand for supplies from the providers.
- ◆ Allows meeting the financing needs of the originators through the investors' demand for securities in the capital markets.
- ◆ It reflects in a higher availability of resources for originators aiming at providing a high loan offering.

(204-1) Proportion of spending on local suppliers.

The company has 169 local suppliers representing 99.9% of the payments made over 2020.



(205-1) Operations assessed for risks related to corruption.

0

(205-2) Communication and training in anti-corruption policies and procedures.

Titularizadora Colombiana does not have code or policy whereby it declares its commitment to fight against corruption.

(205-3) Confirmed incidents of corruption and actions taken.

0

(206-1) Legal actions for anti-competitive behavior, anti-trust, and monopoly practices.

In 2020, Titularizadora Colombiana did not bring any legal action in connection with unfair competition anti-competitive behavior and monopoly practices.

(207-1) Approach to taxes.

Titularizadora Colombiana assesses and files the tax returns in accordance with the local or national applicable laws and regulations. Titularizadora does not have a tax strategy defined or approved by any corporate governance body.

(207-2) Tax governance, control and risk management.

N/A

(207-3) Stakeholder engagement and management of tax related concerns.

N/A

(207-4) Country by country reporting.



Titularizadora Colombiana does not release consolidated financial statements. For all purposes, the tax jurisdiction is in Colombia and is exercised by the *Administración de Impuestos y Aduanas Nacionales* DIAN (National agency of taxes and customs).

(301-1) Materials used by weight or volume.

Titularizadora Colombiana demanded sheets of paper for printing. Nevertheless, the demand of input materials in general diminished significantly due to the pandemic.

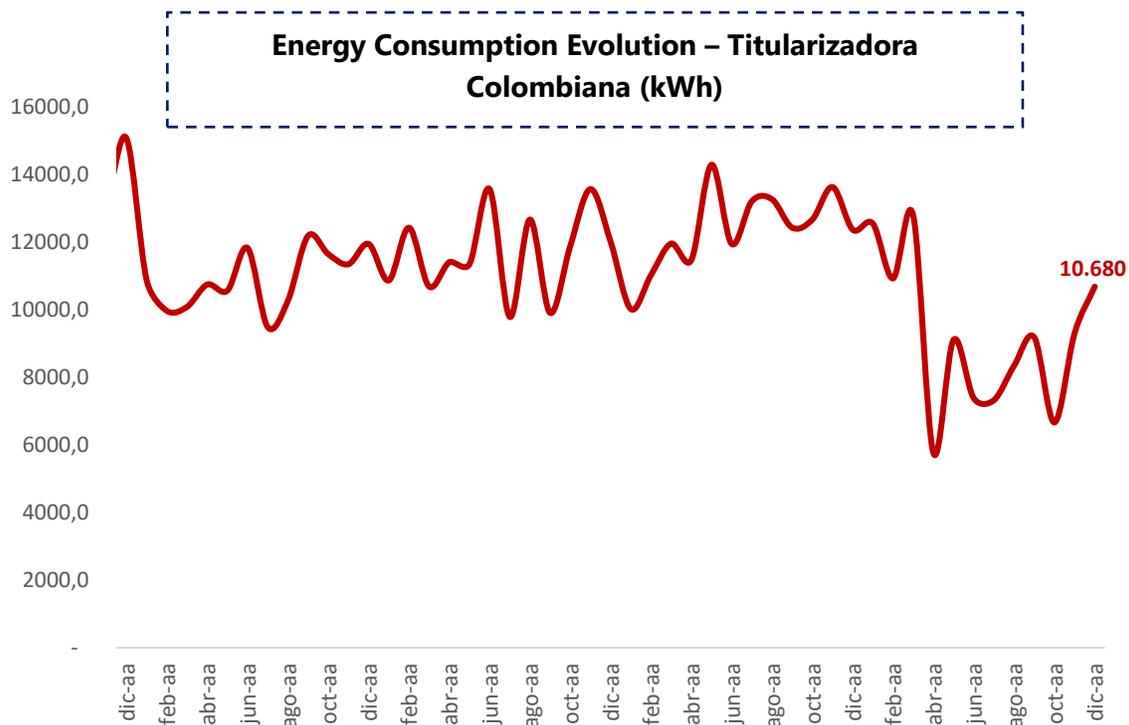
(301-2) Recycled input materials.

Due to the pandemic, no disposables for recycling resulted.

(301-3) Reclaimed products and their packaging materials.

N/A

(302-1) Energy consumption within the organization.



Source: Titularizadora Colombiana

Electrical power consumption measured in kWh as of 2020 closing was 109,965 kWh.



(302-2) Energy consumption outside of the organization.

ND

(302-3) Energy intensity.

ND

(302-4) Reduction of energy consumption.

Energy consumption was 148,185 kWh in 2019, and 109,965 kWh in 2020. This is the result of the working from home or teleworking implemented because of the COVID-19 pandemic.

(302-5) Reductions in energy requirements of products and services.

The reduction in the energy requirement in 2020 is the result of the teleworking implemented because of the COVID-19 pandemic.

(303-1) Interaction with water as a shared resource.

Titularizadora Colombiana employs water sources for consumption and use inside the company premises; no industrial or productive processes are conducted that could indicate a different purpose. Accordingly, no disposition of recycled or reclaimed water is carried out.

(303-2) Management of water discharge related impacts.

N/A

(303-3) Water withdrawal.

N/A

(303-4) Water discharge.

N/A

(303-5) Water consumption.



With respect to water consumption, as Títularizadora Colombiana premises are located in a joint real estate ownership, no detail is available about individual water consumption, and the payment for the property management includes a consumption value corresponding to each private unit assessed according to the joint ownership ratio.

(304-1) Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

Títularizadora Colombiana is not located inside of the protected areas.

(304-2) Significant impacts of activities, products, and services on biodiversity.

Due to Títularizadora Colombiana premises location and commercial activity, the company does not impact biodiversity significantly.

(304-3) Habitats protected or restored.

Títularizadora Colombiana has not joined any association or third party for protecting or restoring areas of habitats.

(304-4) IUCN Red List species and national conservation list species with habitats in areas affected by operations.

N/A

(305-1) Direct GHG emissions.

Owing to the nature of Títularizadora Colombiana's business, its activity does not entail direct GHG emissions.

(305-2) Energy indirect GHG emissions from energy generation.

N/A

(305-3) Other indirect GHG emissions.

N/A



(305-4) GHG emissions intensity.

N/A

(305-5) Reduction of GHG emissions.

N/A

(305-6) Emissions of ozone-depleting substances.

N/A

(305-7) Nitrogen oxides, sulfur oxides, and other significant air emissions.

N/A

(306-1) Water discharge by quality and destination.

N/A

(306-2) Waste by type and disposal method.

Owing to the pandemic, no waste for recycling was generated.

(306-3) Significant spills.

N/A

(306-4) Transport of hazardous waste.

N/A

(306-5) Water bodies affected by water discharges and/or runoff.

N/A

(306-1) Waste generation and significant impacts related to waste.

Water discharge corresponds to domestic water volume (used in the company premises)



(306-2) Management of significant impacts related to waste.

N/A

(306-3) Waste generated.

N/A

(306-4) Waste not intended for disposal.

N/A

(306-5) Waste intended for disposal

N/A

(307-1) Non-compliance with environmental laws and regulations.

In 2020, Títularizadora Colombiana was not imposed any fines or penalties for failure to comply with the environmental laws and regulations.

(308-1) New suppliers that were screened using environmental criteria

Since 2018, Títularizadora Colombiana included in the provider engagement form a statement of Enterprise Sustainability to disclose the information listed below which is essential to the alignment and identification of patterns corresponding to the GRI Standard requirements regarding providers:

- ✦ My organization has in place a management system for health and safety in the workplace.
- ✦ My organization complies with the minimum payments to the social security and salaries, and does not employ any minors.
- ✦ My organization has a percentage of engagement of female head of households or personnel in a situation of vulnerability (disabled, displaced, amongst others).
- ✦ My organization creates recycling campaigns and energy and water saving campaigns.

(308-2) Negative environmental impacts in the supply chain and actions taken.

Ending 2020, Títularizadora Colombiana has set environmental criteria for supplier selection or management of associated risks, recorded on the third party engagement form which is updated on an annual basis to track our suppliers' status.



(401-1) New employee hires and employee turnover.

Retirements:

	2015	2016	2017	2018	2019	2020
Male	3	3	11	3	6	2
Female	2	1	11	2	0	2
Total	5	4	22	5	6	4

New hires:

	2015	2016	2017	2018	2019	2020
Male	4	5	6	3	2	6
Female	1	1	5	0	6	1
Total	5	6	11	3	8	7

Turnover: ((Hires + Retirements)/2)*100

	2018	2019	2020
Male	8%	11%	10%
Female	5%	9%	5%
Total	7%	10%	8%

(401-2) Fringe benefits provided to full-time employees that are not provided to temporary or part-time employees.

The benefits for employees under indefinite term employment contract are (i) life insurance, (ii) payroll 100% paid sick leave, (iii) gym subsidy, and (iv) subsidized membership of the employee fund.

(401-3) Parental leave

In 2020, only one collaborator took paternal leave. The terms established by law as to the leaves are honored and supported by the company.

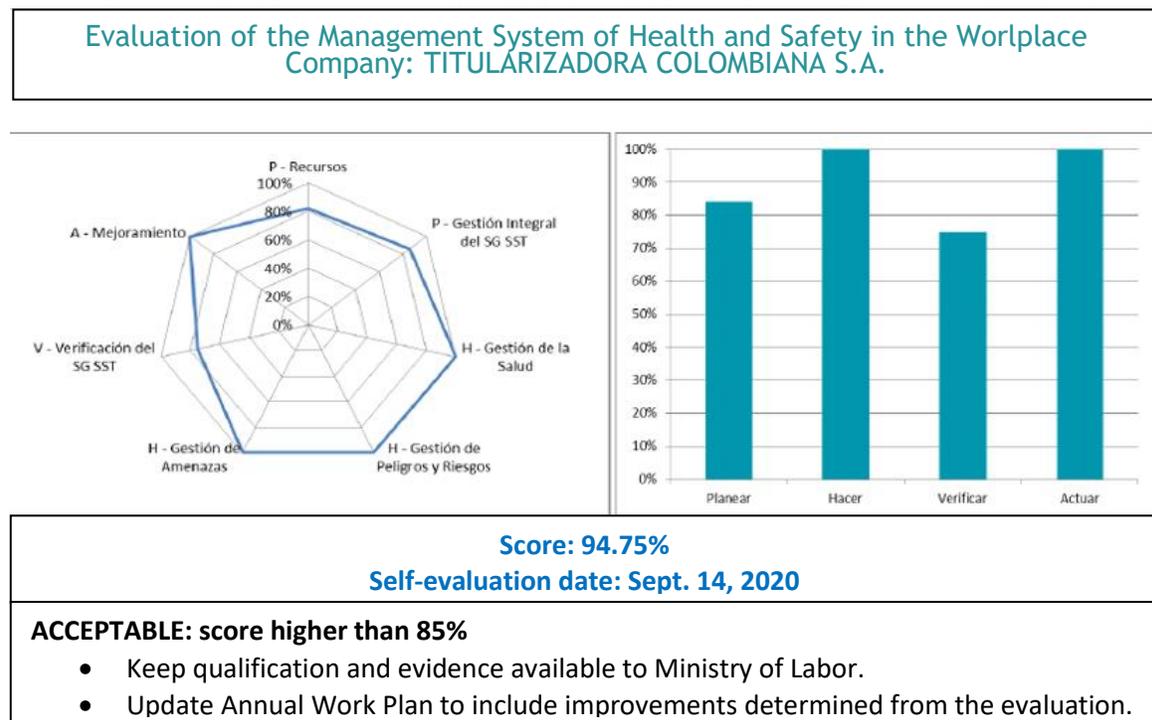
(402-1) Minimum notice period regarding operational changes



It is worth clarifying that Titularizadora Colombiana has no unions; however, any corporate decisions and those impacting employment contracts are informed one month in advance to the employees.

(403-1) Occupational health and safety management system

Titularizadora Colombiana has a workplace health and safety management system SG-SST in place since December 2015. There is a structure supporting the System. The rating of the self-evaluation conducted by the safety management entity ARL shows 94.75% compliance with the minimum standards established in Resolution 0312 of 2019 of the Ministry of Labor.



(403-2) Hazard identification, risk assessment, and incident investigation.

The SG-SST workplace health and safety management system provides that just as an employee identifies any work hazard, the person will report it to any member of the COPASST (Joint Committee of Health and safety at work) that includes a HHRR representative who will process the events as set forth in the SG-SST Manual.



(403-3) Occupational health services

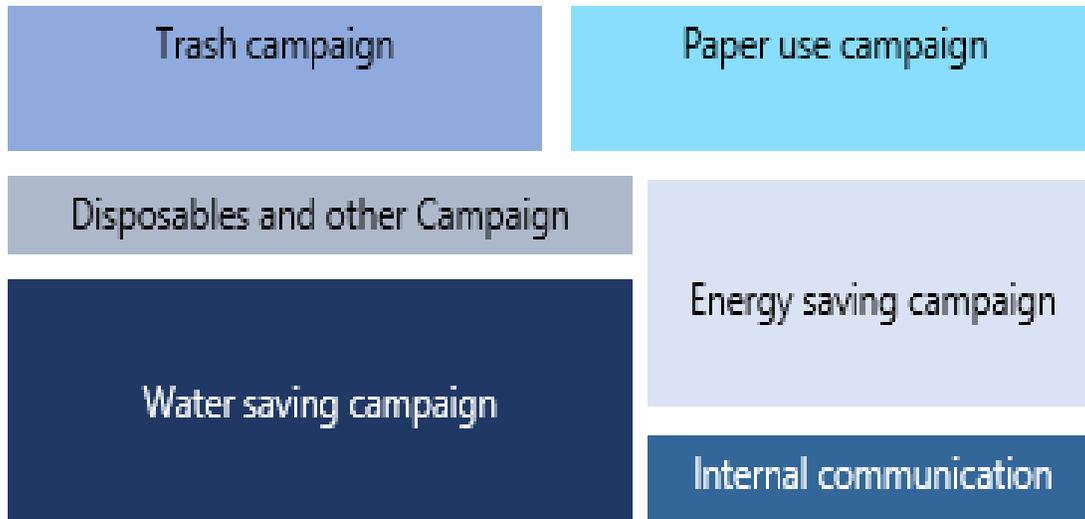
General System Management Report

	Activity	Result
Management System for Health and Safety at Work	Performance of the activities in the schedule of the Annual SG-SST Plan	75% performed
	Compliance indicator of SG-SST Program as certified by the safety management entity ARL	94.75% performed
	External audit and certification of the workplace health and safety management system SG-SST	78 documents verified and approved. Policy updating.
	Job related accidents and illnesses	None recorded.
	Dissemination of weekly and/or monthly information about prevention, topics of interest, emergencies, etc.	THE WHOLE COMPANY, 9 months, 3 messages a day.
	Minor maintenance improvements to work offices and sites arising from the inspection conducted by the COPASST.	14 repairs (electrical, cabling, cleaning, work site arrangement, etc.). Virtual monitoring of workplaces conditions and connectivity in teleworking.
	Emergency prevention campaign at home and at the office.	THE WHOLE COMPANY
	Training in workplace health and safety management system SG-SST	5 members of the COPASST. 12 members of the crews
	Continuity of the active breaks program and the muscle-skeletal care schools (epidemic watch program)	70 staff members
	Purchase of new supplies to complement onsite and portable emergency kits.	12 equipped first-aid kits
	Information to all the company about incidents and job related accidents	THE WHOLE COMPANY
	Strengthening the emergency signaling	ALL THE PHYSICAL AREAS
Campaigns of biosecurity and prevention of biological risks.	THE WHOLE COMPANY	
Training in biological risk prevention, mental health,	THE WHOLE COMPANY	



	environmental responsibility, hearing health.	
	Implementation of protective and biosecurity measures: ozonization disinfection system.	THE WHOLE COMPANY

2020 Campaigns / Environmental strategy



Think green campaign "Leave your footprint on the planet," included:

Oriented to environmental sustainability, the program "*Think green: Committed to sustainability*" was strengthened with various internal communication campaigns to be fulfilled both at home and at the office.





Trash campaign

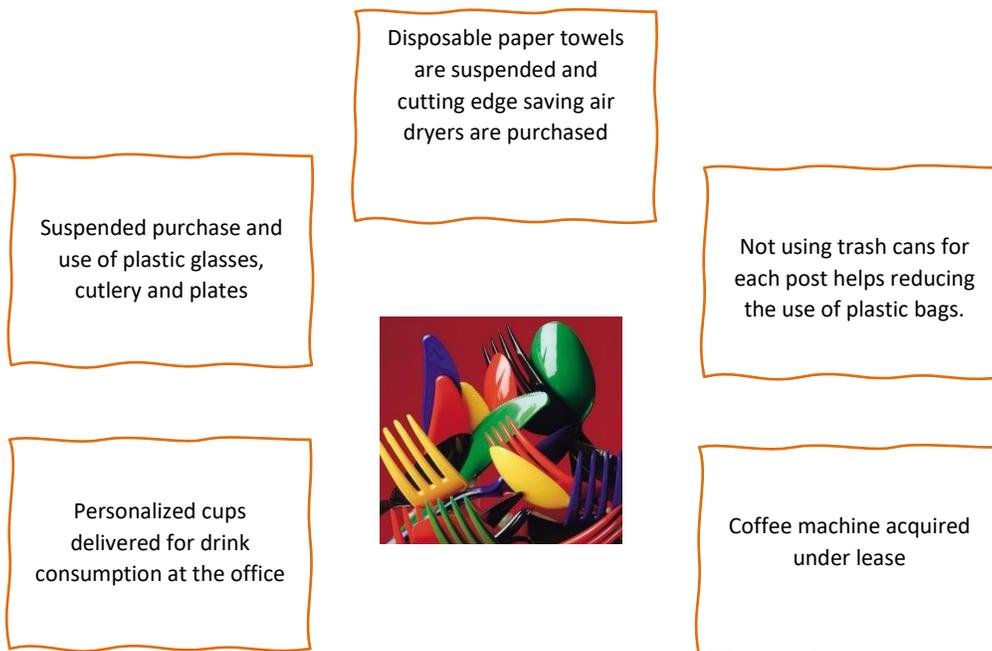


Paper use campaign

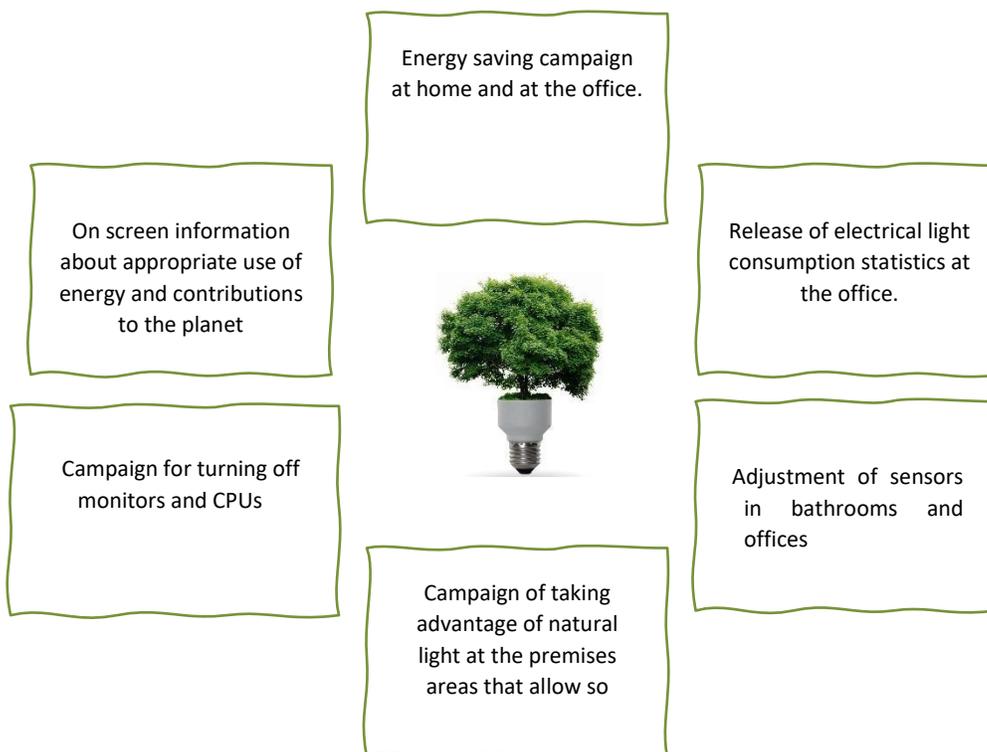




Campaign of disposables and others



Energy saving campaign



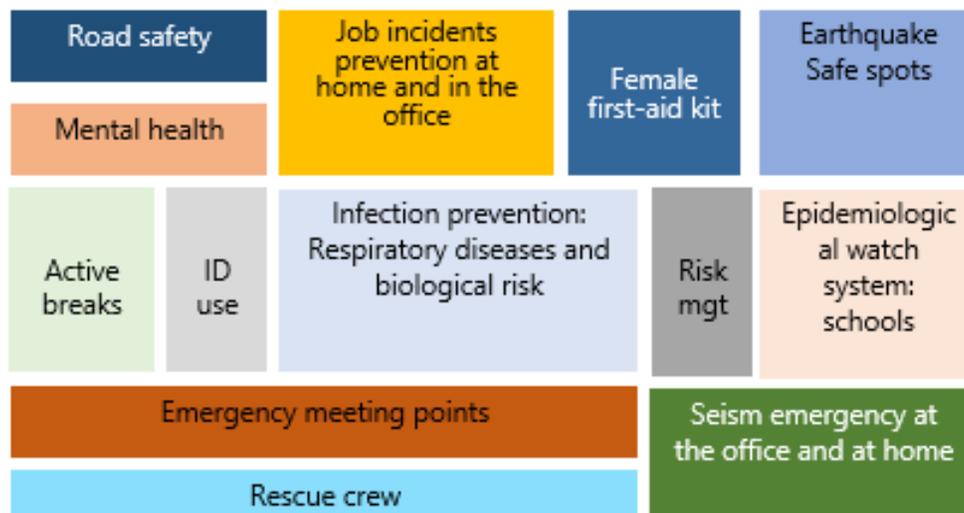


Water saving campaign



(403-4) Worker participation, consultation, and communication on occupational health and safety.

Internal communication



The internal communication plan was executed including: a daily message on prevention and information regarding Covid-19, mental health, healthy lifestyles, ergonomics, family support, working from home, and two daily messages about active breaks, emergencies, environmental sustainability, epidemiological watch system, labor risks, due care when working at home.

COPASST (with representatives of employees and employer) held monthly meetings playing an active role during 2020 by executing the *Plan De Apoyo* (Support plan) for monitoring employee's compliance with the protocols in place.



(403-5) Workers training in occupational health and safety

The training provided to the employees by COLMENA in 2020 is described below:

PROGRAM-COMPONENT	ACTIVITY	No. Hours	No. Hours Fulfilled	Execution %
COVID-19 MASS EVENTS				
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information of tips on Covid-19 prevention when leaving and returning home. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information Invite: Dissemination of flowchart for acting in Covid-19 cases. Yuri Bautista	2	2	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information of <i>Colmena Seguros</i> product compilation. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on biosecurity measures for moving by bicycle or skateboard. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Care roadmap for Covid-19 incidents is forwarded. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on Covid-19 rules and recommendations compilation. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Summary forwarded regarding rules, recommendations, and files created by <i>Colmena Seguros</i> for the care of the Covid-19 public health emergency, an update was made to the view aimed to make search easier. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Advisory Covid- Invite: Copasst operation in Covid-19 times. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Invite: Videoconference Labor Relations Committee in Covid-19 times. "Your work in a friendly place" - Yuri Bautista.	1	1	100%



PROGRAM-COMPONENT	ACTIVITY	No. Hours	No. Hours Fulfilled	Execution %
COVID-19 MASS EVENTS				
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on adapting to work after isolation. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on adapting to work after isolation. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Course of the COVID-19 Epidemiological Surveillance System (SVE). Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on Recommendations for a safe return to work. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Invite: Technical, Medical, and Legal Round tables to address changes to SGSST arising from Covid-19. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on Safe mobility. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information of Legal Context of Safe return to work. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Bulk email with information of Videoconference on Legal Context for Safe Return to Work - Biosecurity Protocols in handling Covid-19. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on Tips for facing the crisis. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information. Recommendations for Covid-19 prevention in older adults. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information of Videoconference on Legal Context for Safe Return to Work - Biosecurity Protocols in handling Covid-19. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Memories of activity: Technical, medical, and legal round tables to address changes to SGSST arising from Covid-19. Yuri Bautista	2	2	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Memories of activity: Technical, medical, and legal round tables to address changes to SGSST arising from Covid-19. Yuri Bautista	2	2	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information of Invite: Covid-19 Epidemiological Surveillance System. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information. Recommendations for COPASST in Covid-19 times. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information. Covid-19 Epidemiological Surveillance System survey. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information of how to be an effective Copasst in Covid-19 times. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on Sleep hygiene. Yuri Bautista	1	1	100%



PROGRAM-COMPONENT	ACTIVITY	No. Hours	No. Hours Fulfilled	Execution %
COVID-19 MASS EVENTS				
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information on Emotional self-regulation. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Information of Psychosocial support line. Yuri Bautista	1	1	100%
GIRE Business Model - GIRE Business Model - Standardization	Covid-19 Advisory. Covid-19 SVE advisory. Lina García	1	1	100%
TOTAL		25	25	100%

PROGRAM-COMPONENT	ACTIVITY	No. Hours	No. Hours Fulfilled	Execution %	CITY
LEGAL AND MANAGEMENT ACCOMPANIMENT LINE					
Line of Legal and Management Accompaniment – SGSST-ILO program – Standardization	Request of virtual advisory in understanding the teleworking program.	2	2	100%	BOGOTÁ D.C.
Line of Legal and Management Accompaniment – SGSST-ILO program – Standardization	Request for advisory in the legal Context for safe return to work focused on biosecurity protocol in Covid-19 handling and risk control.	3	3	100%	BOGOTÁ D.C.
TOTAL		5	5	100%	

PROGRAM-COMPONENT	ACTIVITY	No. Hours	No. Hours Fulfilled	Execution %	CITY
ATEL PREVENTION AND MANAGEMENT SUPPORT LINE					
ATEL Prevention and Management Support Line – Program of Psychosocial Risk Factors – Education	Performing a sketch is required to make <i>Colmena Seguros</i> known and the importance of risk prevention at work. (Ergonomic targeted risk)	2	2	100%	BOGOTÁ D.C.
ATEL Prevention and Management Support Line – Healthy lifestyle Program – Standardization	Advisory is required in preparing the Healthy personal and work lifestyles Program.	4	4	100%	BOGOTÁ D.C.
ATEL Prevention and Management Support Line – Healthy lifestyle Program – Standardization	Lecture on hearing conservation and self-care.	2	2	100%	BOGOTÁ D.C.
ATEL Prevention and Management Support Line – Program of Psychosocial Risk Factors – Education	Training requested in Adapting to work after isolation: Psychosocial guidelines.	2	2	100%	BOGOTÁ D.C.
ATEL Prevention and Management Support Line – Program of Psychosocial Risk Factors – Education	Training requested in Facing infection and the fear thereof.	2	2	100%	BOGOTÁ D.C.
ATEL Prevention and Management Support Line – Program of Psychosocial Risk Factors – Education	Training requested in psychosocial risk factors in the workplace focused on adapting to change - psychosocial risk.	2	2	100%	BOGOTÁ D.C.
ATEL Prevention and Management Support Line – Atenea Program – Education	Training requested in videoconference on industrial hygiene focused on the Personal	2	2	100%	BOGOTÁ D.C.



PROGRAM-COMPONENT	ACTIVITY	No. Hours	No. Hours Fulfilled	Execution %	CITY
ATEL PREVENTION AND MANAGEMENT SUPPORT LINE					
	Protective Equipment (PPE) Matrix for Covid-19.				
ATEL Prevention and Management Support Line – Relations for preventing workplace harassment – Education	Training requested to the Labor Relations Committee in Covid-19 times “your workplace, a friendly place” (psychosocial risk).	2	2	100%	BOGOTÁ D.C.
TOTAL		18	18	100%	

PROGRAM-COMPONENT	ACTIVITY	No. Hours	No. Hours Fulfilled	Execution %	CITY
HOTLINE					
Hotline – Integrated Management Model for Emergencies – Education	First aid training for all personnel. Training first-aiders in the psychology of an emergency.	2	2	100%	BOGOTÁ D.C.
TOTAL		2	2	100%	



COLMENA IN PERSON TRAINING

COLMENA VIRTUAL TRAINING

Participation in virtual events

Topic	Participant
50-hour course - virtual training in the management system of health and safety in the workplace	16
Adapting to work after isolation: psycho-social guideline to return to work life	3
Facing and fear of contagion (personal and family)	1
Leaders and accompaniment to work team	1

Cutoff: December 2020



COLMENA IN PERSON TRAINING

COLMENA VIRTUAL TRAINING

Participation in virtual events

Topic	Participant
Risk prevention when teleworking	1
Safe return to work after isolation due to covid-19	1



(403-6) Promoting worker health

Healthy lifestyle campaigns, soft drink non consumption encouraged, annual occupational physical examination including lab tests and medical examination with ergonomics specialist. A company policy is providing the staff with time for attending doctor appointments.

(403-7) Prevention and mitigation of occupational health and safety impacts in workers directly linked by business relationships.

N/A

(403-8) Workers covered by an occupational health and safety management system.

One hundred percent of the employees are covered by the occupational health and safety management system.

(403-9) Work related injuries

No work related accidents occurred in 2020.

(403-10) Work related ill health

No work related illnesses happened in 2020.

Sick leaves and absenteeism

Medical leaves of absence: SG-SST indicator by leave days: In 2020, 420 sick leave days were reported corresponding to 3990 hours without working.

(404-1) Average hours of training per year per employee.

Total hours of training in 2020:

Level	Men	Women
President		
Vice Presidents, Managers or Directors	415	372
Area Chiefs, Coordinators	210	185



Professionals and Analysts	2150	1933
Assistants, Tellers, Secretaries, Other	162	244
Total	2937	2734

(404-2) Programs for upgrading employee skills and transition assistance programs.

Programs implemented and assistance provided to improve employees skills are oriented to the management of training to provide for the employees educational requirements and necessities. Furthermore, support is provided to planning for pension and job retirement.

(404-3) Percentage of employees receiving regular performance and career development reviews.

One hundred percent of the employees under indefinite term employment contract receive a quarter evaluation and an annual evaluation aimed to conclude and review the goals for the next evaluation period. All the employees jointly with their direct supervisors must determine on an annual basis the goals to work on and commit them to the company performance management platform.

(405-1) Diversity of governance bodies and employees

Employees

Age range	Women	Men
0-30 years	4 (13.3%)	13 (32.5%)
31-50 years	21 (70%)	25 (62.5%)
51 Years or Older	5 (16.7%)	2 (5%)
Total	30	40

(405-2) Ratio of basic salary and remuneration of women to men.

Not any difference exists in the ratio for assigning the basic salary. There is not any difference in the definition of the remuneration based on gender of the employee, equal and fair participation of employees is promoted, the personnel selection definition is linked to the abilities and skills of the employees.



Human talent pull, selection, and retaining policies.

- ✦ Remuneration policy: keep staff salaries at the market average level. There is a Policy in place, communicated to the staff.
- ✦ Promote training and career development (Training Plan). A training and education plan is in place.
- ✦ Selection policy: high level recruitment sources, fulfillment of the process in place.

Human talent committee

Titularizadora Colombiana does not have a human talent committee as of today.

Policies on wellbeing and quality of the job conditions

Wellbeing policies have been established:

- ✦ Upon inquiring on the company financial condition and fulfilling clear reasonableness criteria, a budget allocation will be available to meet the plans.
- ✦ Plans will be communicated to all the staff.
- ✦ In no case the programs will affect the quality and timeliness of the employees' work.
- ✦ All personnel will be encouraged to express their interests and the solutions they believe will fulfill them.
- ✦ All the areas of the company will take part in the preparation of plans and programs.
- ✦ Plans and programs will target all the company employees.
- ✦ The decisions aimed to benefit the COLLECTIVE interest will prevail over individual interests.
- ✦ Social harmony will be promoted in a healthy organizational atmosphere:
 - ✦ Implement plans that contribute to the integrated development and improvement of the quality of (job, personal, family) life.
 - ✦ Promote the knowledge of art and other cultural manifestations.
 - ✦ Promote a healthy lifestyle by way of programs of prevention and sport-recreational practices and programs of occupational health.

Career development for employees

Two employees were promoted in 2020. Salary leveling with reference to the market was carried out for three employees.

(406-1) Incidents of discrimination and corrective actions taken.



No discrimination cases were reported in 2020. Titularizadora has a community committee to channel all the situations relating to workplace harassment and handle the best practices for resolution of that type of conflicts.

(407-1) Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.

N/A

(408-1) Operations and suppliers at significant risk for incidents of child labor.

N/A

(409-1) Operations and suppliers at significant risk for incidents of forced or compulsory labor.

N/A

(410-1) Security personnel trained in human rights policies or procedures.

N/A

(411-1) Incidents of violations involving rights of indigenous peoples

No incidents of violations involving rights of indigenous communities were identified.

(412-1) Operations that were subject to human rights reviews or impact assessments / (412-2) Employee training in human rights policies or procedures / (412-3) Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.

The Company did not enter into any investment agreement or contract containing human rights clauses in 2020.

(413-1) Operations with local community engagement, impact assessments, and development programs.

N/A



(413-2) Operations with significant actual and potential negative impacts on local communities.

N/A

(414-1) New suppliers that were screened using social criteria.

In 2020, 41 new suppliers were screened using social criteria and passed.

(414-2) Negative social impacts in the supply chain and actions taken.

N/A

(415-1) Political contributions to political parties and/or representatives.

During 2020, Titularizadora Colombiana did not make any contributions to political parties and/or representatives.

(416-1) Assessment of the health and safety impacts of product and service categories

Given the nature of the business, the health impacts of the services provided are not subject to assessment.

(416-2) Incidents of noncompliance concerning the health and safety impacts of products and services categories.

No incident of the kind has occurred.

(417-1) Requirements for product and service information and labeling.

Titularizadora Colombiana does not offer services that directly impact the environment, therefore, no information is provided to the customers in that respect.

(417-2) Incidents of noncompliance concerning product and service information and labeling.

No incidents occurred in 2020 of noncompliance with the rules on product and service information, which would lead to any fines or penalties.



(417-3) Incidents of noncompliance concerning marketing communications.

No incidents occurred in 2020 of noncompliance with the rules on advertisement, promotion and sponsorship which would lead to any fines or penalties.

(418-1) Substantiated complaints concerning breaches of customer privacy and losses of customer data

No complaints were received in 2020 regarding breaches of customer privacy.

(419-1) Noncompliance with laws and regulations in the social and economic areas.

In 2020, no fines or non monetary sanctions were incurred for noncompliance with laws and regulations in the social and economic areas.