

DAVIVIENDA AND IFC CLOSE A USD 300 MILLION AGREEMENT TO PROMOTE GENDER INCLUSION AND OTHER SUSTAINABLE PROJECTS IN COLOMBIA

- The 'Casita Roja' reaffirms its commitment to financially include more women through financing of low-income and priority housing, entrepreneurship, and climate-smart projects.

September 19, 2023. The agreement between these two entities, with over four decades of close collaboration, will contribute to the sustainable growth of the country by financing projects that will promote economic prosperity and social inclusion (especially for women), as well as the transition towards a country with lower greenhouse gas emissions (GHG), greater resource efficiency in terms of energy and water, and greater climate resilience.

In this way, **Banco Davivienda** and **IFC** aim to help close the gender gap in access to financial services for women, which, according to the latest Financial Inclusion Report from *Banca de las Oportunidades* and the Financial Superintendence of Colombia (SFC), women's access to financial services stands at 88.7%, equivalent to 6.9 percentage points below men's access. In terms of access to housing, the same report indicates that while 52 out of every 10,000 female inhabitants have housing loans, the figure for men is 57.

These resources are also expected to facilitate conditions for more women to own businesses and strengthen existing businesses. *"We want to continue contributing to women playing an increasingly prominent role in building the country's business sector and generating employment, which also has significant benefits for their autonomy and the well-being of themselves and their families"*, said Javier Suárez, Davivienda's CEO.

This commitment is relevant in a context where, according to the DANE's¹ 2021 Microbusiness Survey, the proportion of businesses owned by women is 37%, compared to 63% for men. Additionally, businesses led by women have fewer years of existence than those led by men. While 51.3% of businesses owned by men have been operating for more than 10 years, this figure is only 31.8% for businesses owned by women.

In addition to financing, the agreement includes advisory services provided by IFC to Davivienda to support the bank in strengthening its Diversity, Equity, and Inclusion strategy, aiming to identify opportunities that facilitate access to financial services for more people with disabilities and the LGBTI community.

"IFC's investment will contribute to reducing gender gaps and inequality, a key strategic objective for us in Latin America and the Caribbean", said Elizabeth Martínez de Marcano, IFC Director for Colombia, Mexico, Central America, and the Caribbean. *"This IFC loan also includes an advisory component on financial inclusion for minority groups, particularly the LGBTI community in Colombia and people with disabilities. We believe this project will substantially promote the inclusion of these historically underserved sectors by the banking industry"*, Martínez de Marcano added.

¹ DANE: Colombia's National Planning Department

Additionally, the agreement includes financing for renewable energy, energy and water efficiency, sustainable construction and agriculture projects, which will help achieve the country's goals of reducing greenhouse gas emissions by 51% by 2030, ultimately reaching net-zero emissions by 2050.

How to access this type of financing?

Under this agreement, one of the requirements for women seeking to own low-income housing (VIS) is to be head of household. On the other hand, women who own small and medium-sized businesses (SMEs) wishing to access this financing can, among other criteria, demonstrate that their ownership participation is at least 51%.

Companies interested in accessing green financing can leverage projects aimed at, among other things, adopting technologies for clean energy generation, reducing water and energy consumption, utilizing sustainable materials, and adopting certified sustainable practices for construction, as well as developing climate-smart agriculture projects.

"We celebrate partnerships like the one we are signing today with IFC, as they allow us to mobilize resources and actions toward closing the access gaps for women and other underserved populations, as well as supporting our clients in their sustainable transformation projects, reaffirming our commitment: the world is our home, let's make it thriving, inclusive, and green", concluded Javier Suárez.

About IFC

The International Finance Corporation (IFC), a member of the World Bank Group, is the leading international development institution focused on the private sector in emerging markets. It operates in more than 100 countries and uses its capital, expertise, and influence to create markets and opportunities in developing countries. In 2023, IFC committed a record amount of USD 43.7 billion to private enterprises and financial institutions in developing countries, aiming to leverage the private sector's capacity to help end extreme poverty and promote shared prosperity as economies address the simultaneous impacts of global crises. For more information, visit www.ifc.org.

About Davivienda

At Davivienda we believe in a financial world that simplifies life for people, communities, businesses, and cities. As a result, today we are a team of more than 18 thousand people in Colombia, Panama, Costa Rica, Honduras, El Salvador and Miami, innovating, investing in knowledge, talent, and technology, partnering and seeking best practices around the world. We do all this in order to give everyday solutions and exclusive offers to around 22.7 million customers, supporting financial inclusion and sustainable development. We are currently the second largest bank by portfolio in Colombia, with a network over 670 branches and more than 2,800 ATMs in Colombia and in our international subsidiaries. We are proud to be one of the companies of Grupo Bolívar. *Financial Superintendence of Colombia. (Figures as of June, 2023)*