

GLOSSARY
INDUSTRY TERMS

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- **Active Interest Rate:** The lending rate offered by intermediaries in the Colombian financial system. It includes ordinary loan portfolios, credit cards, and preferential rate loans.
- **Amortization:** Gradual reduction of debt through periodic payments on the principal borrowed.
- **Amount:** The value in currency units or the amount of a transaction.
- **Anticipated Interest Rate:** The interest rate that, once agreed upon, is paid or charged at the beginning of each period.
- **Audit:** Professional review of a company's documents and information carried out by an external entity, based on which an independent opinion is issued on the books and reports of the company and their consistency with generally accepted accounting principles.
- **Authorized Capital:** The capital of a company that has been approved by the General Shareholders' Meeting and officially registered as the future target of the company.
- **Basic Legal Circular:** It is External Circular 029 of 2014 issued by the Banking Superintendence (now the Financial Superintendence of Colombia - SFC), including its modifications and additions.
- **BDBR:** Board of Directors of the Central Bank of Colombia (Banco de la República).
- **Book Entry:** Electronic representation of a holder's rights to a security in the accounting record maintained by a centralized securities depository.
- **Business Group:** A concept defined by law to determine when companies constitute the same group. In addition to the relationship of subordination, it includes unity of purpose and direction. Corficolombiana is part of the Luis Carlos Sarmiento Gutierrez Business Group.
- **Cash Payment:** A transaction in which a person makes an immediate payment in bills and coins.
- **Central Bank of Colombia (BR):** Banco de la República.

- **Certificate of Deposit (CD):** It is a certificate received for deposits of money. The terms can range from 30 days onwards, with the most common being 30, 60, 90, 180, and 360 days. They can be issued by commercial banks, financial corporations, and commercial financing companies. The interest rate for the deposit is determined by the amount, term, and market conditions at the time of issuance. They are nominative and cannot be redeemed before maturity.
- **Colombian Stock Exchange (BVC):** A joint-stock company whose purpose is the organization, regulation, and operation of commercial establishments and electronic systems intended for the negotiation of all kinds of securities, currencies, and other goods capable of being traded in accordance with the laws and regulations governing the capital market.
- **Common Stock:** Tradable participation value representing a proportional part of a company's equity. It grants certain rights and obligations to the holder, including the right to receive dividends and the right to vote in the General Shareholders' Meeting.
- **Complaint or Claim:** The expression of dissatisfaction by a financial consumer regarding a purchased, offered, or provided product or service by the supervised entity, brought to the attention of the Supervisory Entity, the Financial Consumer Advocate, the Financial Superintendence of Colombia, or other competent institutions, as applicable.
- **Constant Value Unit:** It is a unit of measure for the evolution of its value in the Colombian legal currency, based on the variation of the consumer price index and recognizing the variation in the purchasing power of the Colombian legal currency.
- **Consumer Price Index (CPI):** Variation between one month and another in the prices of final goods and services for typical consumption, including educational services, healthcare, food, fuel, among others.
- **Cost to Close Public Debt Positions:** The potential cost of closing open positions of the treasury, including the liquidity of the security in the securities market.
- **Credit Value Adjustment (CVA):** The adjustment in the valuation of a derivative due to counterparty risks.
- **Currency:** A medium of exchange for a unit of value, defined by reference to the geographic location of the responsible monetary authorities.

- **CVaR (Conditional Value at Risk):** It is a trigger for compliance with the entity's VaR limit, as it is a risk measure that considers the magnitude of losses exceeding VaR. CVaR is defined as the expected value of losses exceeding VaR.
- **Debit Valuation Adjustment (DVA):** The adjustment in the valuation of a derivative due to the issuer's own risks.
- **Default:** Delay or failure to fulfill an obligation. Delay in meeting a credit or insurance obligation.
- **Dividend Accrual:** The accrual of dividends takes place from the moment the General Shareholders' Meeting decides to declare and order their payment. From that moment, the obligation arises for the company, with the corresponding right of the shareholders to receive them in the form (cash or shares) and on the date determined by the General Shareholders' Meeting.
- **Due Dividends:** These are dividends that the shareholder can demand immediately, either because the general meeting did not set a deadline for their payment or because the set deadline has expired, making their collection appropriate. The demandability of dividends does not affect the shareholder's right to claim them if they do not attend the designated day for their payment.
- **DV01 (Dollar Value of 1 basis point - 1 basis point sensitivity):** It is the change in the market value of a fixed-income portfolio or derivative resulting from a 1 basis point change in the discount rate.
- **Effective Interest Rate:** The annual expression of the nominal interest depending on the frequency with which the latter is paid. It implies reinvestment or capitalization of interest.
- **Emission Offset:** A mechanism to reduce the equivalent amount of greenhouse gases emitted into the atmosphere by human activity through participation in Clean Development Projects. These projects are selected to provide socio-economic benefits in the communities where they are implemented and facilitate the transfer of clean technologies from developed countries to countries in the Global South, thereby contributing to their sustainable development.
- **Equity Value or Intrinsic Value:** It is the ratio between the Equity of the Issuer and the number of shares in circulation. This result shows the relationship between the company's assets and the value of the share.
- **Exchange Rate:** The exchange rate is the price relationship between two currencies, determined by supply and demand. In other words, it is what would have to be paid in one currency (e.g., Colombian peso) to acquire another currency (e.g., US dollar).

- **Financial Analysis:** It is a set of principles, techniques, and procedures used to transform the information reflected in financial statements into processed information usable for economic decision-making, such as new investments, company mergers, credit granting, etc.
- **Financial Consumer Protection Office:** An institution aimed at the special protection of financial consumers, which must exercise the functions granted to it by law with autonomy and independence (Article 13 of Law 1328 of 2009). The Financial Consumer Protection Office does not have the character of a public function (Article 15 of Law 1328 of 2009).
- **Financing:** Provision of money when and where it is needed.
- **Fixed Income:** Investments that allow for the anticipation of the conditions of term and return for the purchase or sale of securities.
- **Fixed Term Deposit (FTD):** It is a variable interest rate calculated based on the weighted average of effective interest rates for 90-day deposits from banks, financial corporations, and commercial financing companies. It is certified weekly by the Central Bank or the entity that may replace it. The DTF rate is understood as a nominal annual rate in advance. If the DTF rate ceases to be certified or is modified, the equivalent rate determined by the Central Bank or the entity assuming its functions will be applied.
- **FOGAFIN (National Financial Guarantee Fund):** A National Government institution that protects the trust of depositors and creditors of Financial Institutions in Colombia. Up to a certain amount, FOGAFIN guarantees deposits made in Financial Institutions that contribute to the Fund.
- **FX:** Foreign Exchange Market Intermediaries.
- **IBR:** It is the reference interest rate of the Colombian interbank market. It is a short-term interest rate for the Colombian peso, which reflects the price at which participants in its formation scheme are willing to offer or raise funds in the money market.
- **IFRS:** Refers to International Financial Reporting Standards, as adopted in Colombia by Law 1314 of 2009.
- **Illiquidity:** Lack of sufficient cash to ensure normal economic activities and their previous development.
- **Indicator:** Numeric index indicating the evolution of a significant economic or financial magnitude for the general economic policy management and analysis of results.

- **Inflation:** It is the net variation of the Consumer Price Index (IPC) certified by the National Administrative Department of Statistics (DANE) for the last twelve months, expressed as an effective annual rate. For the purposes of this Information Prospectus, the terms Inflation and IPC are synonymous.
- **Inflation:** Measures the growth of the general price level in the economy. Inflation is calculated monthly by the National Administrative Department of Statistics (DANE) based on the prices of a basic basket of goods and services consumed by middle- and low-income families. The Consumer Price Index (CPI) is calculated based on this basket, and inflation corresponds to the periodic variation of this index.
- **Interest Rate:** It is the percentage expression of interest applied to a capital. Interest rates can be expressed in nominal or effective terms. Nominal rates are those in which interest payments are not compounded, while effective rates correspond to the annual interest rates equivalent to the compounding of periodic interest, whether in advance or arrears. The effective interest rate is the appropriate instrument for measuring and comparing the performance of different investment alternatives. Nominal rates can have monthly, quarterly, semiannual, or any other specified periodicity.
- **Interest:** The cost paid to a third party for using their monetary resources. It is the remuneration for the use of money.
- **International Monetary Fund (IMF):** An international financial institution created in 1946 to stabilize the international monetary system. Its main functions include monitoring member countries' exchange rate policies and providing resources to support their adjustment policies and stabilization programs.
- **Investment Grade:** A rating is considered to be within the investment grade when the securities to which it applies do not represent a significant risk of default on their obligations to buyers. Issuances under this grade are considered to have low default risks. It is understood that prudent investment is being made within this grade.
- **Investment:** The allocation of economic resources with the objective of obtaining profits over a certain period.
- **Investor:** A person or entity that invests their money in a security or any alternative that generates future returns.
- **Law of Circulation:** Mechanism or form through which ownership of a security is transferred. There are three forms: i) Bearer: by mere delivery; ii) Order: through endorsement and delivery; and iii) Registered: through endorsement, delivery, and registration with the issuer.

- **Marketability:** Measure of the liquidity degree of a stock in a Stock Exchange.
- **MAT (Management Action Trigger):** The maximum loss that the Corporation or subsidiary is willing to assume, taking into account the entity's capital and solvency capacity.
- **Matured Interest Rate:** The interest rate that, once agreed upon, is paid, or charged at the end of each period.
- **Monopoly:** A market controlled by a single seller facing a large number of buyers.
- **National Registry of Securities and Issuers (RNVE):** A registry where classes and types of securities, as well as their issuers and their issuances, are recorded. Its operation is assigned to the Financial Superintendence of Colombia, which is responsible for ensuring the organization, quality, sufficiency, and updating of the information it contains.
- **Negotiable Instrument:** A negotiable instrument that evidences the rights of its legitimate holder and the obligations of the issuer. It incorporates credit rights, participation, transfer, or representation of goods.
- **Nominal Interest Rate:** The interest rate or yield that the issuer pays to the investor for a security periodically (monthly, quarterly, or annually), without considering the reinvestment of interest.
- **Nominal Value:** The amount of money represented in the security at the time of issuance, which is detailed in the representative certificate of ordinary and preferred shares. In the case of Corfi Colombiana S.A.'s Ordinary and Preferred Shares, the nominal value established in the Bylaws is ten pesos (\$10) per share.
- **Outstanding Shares:** Shares issued and held by shareholders for free trading.
- **Paid-up Capital:** It is the portion of the subscribed capital that shareholders of the company have fully paid, and therefore, it has entered the company's coffers.
- **PP:** Proprietary Position.
- **Preferred Stock:** Shares with preferred dividends and no voting rights, registered, freely tradable, granting the holder i) the right to receive a Preferred Minimum Dividend, which will be paid in preference to the dividends corresponding to common shares, ii) in case of dissolution, the right to

preferential reimbursement of contributions once external liabilities are paid, and iii) other rights established for this type of share by law, the Bylaws of the issuing company, and the Regulations.

- **Primary Market:** Refers to the market where securities are initially issued or brought to the market for the first time. Companies and investors resort to this market to raise funds and make their investments, respectively.
- **Profitability:** The relationship between the profit provided by a security and the capital invested in its acquisition.
- **Public Offering:** The manifestation by the issuer directed at unspecified persons or one hundred or more specified persons, with the purpose of subscribing, selling, or acquiring securities issued in series or in bulk, which grant their holders rights of credit, participation, and transfer or represent goods, in accordance with Article 6.1.1.1.1 of Decree 2555 of 2010.
- **Quoted Value in the Stock Market:** Securities that have been listed on a Stock Exchange.
- **Real Interest Rate:** The interest rate that discounts the effect of inflation.
- **Registered Stock:** Stock issued in the name of its owner. Its transfer must be recorded in a register called a shareholder registry book, maintained by the issuer or the Issuance Administrator.
- **Relevant Information:** Every issuer of securities registered in the National Registry of Securities and Issuers must communicate to the market, through the Financial Superintendence, any situation related to it or its issuance that would have been taken into account by a prudent and diligent expert when buying, selling, or holding Corficolombiana securities.
- **Return:** The gain in money, goods, or services obtained by an individual or company from their industrial, agricultural, professional, or commercial or civil transactions.
- **Rise/Increase:** Tendency towards the elevation of prices of goods or money.
- **Risk:** The degree of variability or contingency of the return on an investment. In general terms, higher risk is expected to yield higher investment returns. There are various types of risks: market risk, solvency risk, legal risk, liquidity risk, exchange rate risk, and interest rate risk.
- **RWAs:** Risk-Weighted Assets.

- **SAC:** The Financial Consumer Service System that supervised entities must have for adequate public attention, including, at a minimum: a) policies, procedures, and controls to promote financial education for financial consumers and staff training; b) mechanisms for complying with consumer protection principles; c) mechanisms for providing adequate information; d) procedures for handling complaints; and e) mechanisms for producing complaint statistics to establish improvement actions (Article 8 of Law 1328 of 2009). The SAC must develop the stages of identification, measurement, control, and monitoring of events for ensuring attention and respect for financial consumers of supervised entities.
- **Secondary Market:** Refers to the buying and selling of securities that are already issued and in circulation. It provides liquidity to security owners and takes place among investors.
- **Securities Rating:** It is a professional opinion produced by a rating agency regarding the issuer's ability to timely repay the principal and interest of its obligations. Rating agencies develop studies, analysis, and evaluations of issuers to reach this opinion. Securities rating is the result of the need to provide investors with new tools for informed decision-making.
- **Stock Market:** The following activities are carried out in the securities market: a) Issuance and offering of securities; b) Securities intermediation; c) Administration of collective portfolios (investment funds, mutual funds, common funds, and special common funds); d) Deposit and administration of securities; e) Administration of trading or registration systems for securities, futures, options, and other derivatives; f) Clearing and settlement of securities; g) Risk rating; h) Self-regulation referred to in Law 964 of 2005; i) Supply of information to the securities market, including its collection and processing, and j) Other activities provided for by law or determined by the National Government, as long as they involve the management, utilization, or investment of resources collected from the public through securities.
- **Stock:** Tradable ownership value representing a proportional part of the equity of a company. It grants rights to its holders, which can be exercised collectively and/or individually.
- **Subscribed Capital:** It is the portion of the authorized share capital of a company that subscribers to shares have committed to pay within a specified period.
- **Superintendencia Financiera de Colombia (SFC):** A technical body attached to the Ministry of Finance and Public Credit, which, according to the law, exercises inspection, surveillance, and control over entities engaged in financial, stock market, insurance, and any other activities related to the management, utilization, or investment of resources collected from the public. Its purpose is to preserve

stability, security, and confidence in the Colombian financial system, as well as to promote, organize, and develop the Colombian stock market and protect investors, savers, and policyholders.

- **Tax:** Mandatory collection made by the State or local communities regarding the resources of economic agents, without a specific allocation to a precise expense.
- **TE:** Technical Equity.
- **User:** A natural or legal person who, without being a client, uses the services of a supervised entity. (Definition established in paragraph b of Article 2 of Law 1328 of 2009).
- **VaR:** Value at Risk.
- **VeR:** Market Value at Risk.
- **Source of Terms:** Superintendencia Financiera de Colombia and Corficolombiana S.A. website

SUSTAINABILITY TERMS

- **2030 Agenda:** In 2015, the United Nations approved the 2030 Agenda for Sustainable Development as a roadmap that places people, the planet, prosperity, and partnerships for development at its core. It consists of 17 Sustainable Development Goals (SDGs) that guide the work of the United Nations until 2030.
- **Accessibility:** The characteristic that environments, products, and services must have in order to allow all individuals to access, use, and enjoy them optimally.
- **Activist:** A person who engages in sustained activities over time with the intention of achieving social, environmental, or political change, expressing support for a particular stance within a specific dispute.
- **Added Value:** An extra characteristic that an organization, product, or service offers with the purpose of generating greater value within the perception of its stakeholders.
- **Afforestation:** The process of planting trees in lands where there was no forest before.
- **Alternative Energy:** Energy sources that can substitute current energy sources, either due to their lower environmental impact or their renewable potential.
- **Altruism:** Selfless attention through which an organization seeks the well-being of others, even at its own expense.
- **Anthropocentrism:** A philosophical conception that places human beings at the center of all things and as the ultimate purpose of creation.
- **Anti-corruption:** The fight against the abuse of entrusted power for personal gain. It is one of the principles of the United Nations Global Compact that commits participants to refrain from bribery, extortion, and other forms of corruption, as well as to develop specific policies and programs for transparency.
- **Aquaculture:** The technique used to direct and promote the reproduction of fish, shellfish, and algae in water.
- **Aquifer:** Permeable rocky terrain located beneath the surface where groundwater accumulates and flows through.

- **Audit:** A review that evaluates the compliance with regulatory frameworks to which an organization is obligated or voluntarily subjected.
- **Basic Sanitation:** Low-cost technology used to hygienically eliminate excreta and wastewater.
- **Biodegradable:** A product or substance that can decompose or break down into the chemical elements that compose it due to the action of biological agents and under natural environmental conditions.
- **Biodiversity:** The diversity of plants and animals within a region, including terrestrial and aquatic ecosystems, as well as the ecological complexes of which they are a part.
- **Biofuel:** Any fuel obtained from the processing of plant biomass, which is much less polluting than fossil fuels.
- **Business Ethics:** A set of values, norms, and principles that a company adopts, allowing for the evaluation of its behavior both internally and externally.
- **Business Social Responsibility:** Unlike CSR, this term refers specifically to social responsibility managed solely by companies, excluding other types of organizations.
- **Child Labor:** The International Labour Organization conventions recommend a minimum age for admission to employment or work, which should not be less than the age for completing compulsory schooling, and in any case, not less than 15 years of age.
- **Circular Economy:** A strategy that aims to reduce the inflow of virgin materials and the production of waste by closing the economic and ecological loops of resources.
- **Climate change:** The alteration of the climate compared to the historical climate on a global or regional scale.
- **Climate Justice:** Active approach to addressing the challenges of global warming as an ethical and political problem.
- **Code of conduct:** A voluntarily drafted document by an organization that outlines the principles it commits to uphold, which may also extend to suppliers, subcontractors, and third parties.
- **Collective action:** A practice that arises from the voluntary formation of groups of individuals who join to achieve common goals that would otherwise be unattainable.

- **Collective bargaining agreement:** A contract established between labor unions in a particular sector of activity and the employer, which regulates working conditions and defines rules regarding the relationship between both parties.
- **Collective Bargaining:** A voluntary process carried out between workers' associations and employers' associations with the aim of reaching an agreement on the labor conditions within the sector covered by the negotiation.
- **Common good:** That which benefits all citizens.
- **Community development:** A process in which members of a community come together and organize to take collective actions and generate solutions to common problems.
- **Competitive Advantage:** A characteristic of an organization that sets it apart from others, placing it in a better position to compete.
- **Competitiveness:** For a company, achieving profitability equal to or greater than its rivals in the market. It is based on the company's ability to meet the needs and expectations of the customers or citizens it serves in its target market, in line with its specific mission. Competitiveness is related to the globalization of products and services, and the end-users shape the course of a competitive company by purchasing its products.
- **Consumer addiction:** Lack of impulse control manifested by continuously making purchases, mostly of unnecessary or superfluous products.
- **Cooperation for development:** A set of actions carried out by public and private organizations that promote social, environmental, and economic progress worldwide.
- **Corporate citizenship:** The active commitment undertaken by organizations through the execution of actions that go beyond the scope of commercial laws, considering their stakeholders as social entities involved in the development and care of the environment.
- **Corporate culture:** The set of beliefs, values, and practices held by the members of an organization.
- **Corporate Governance:** The set of rules, norms, and commitments that regulate the design, integration, and behavior of the governing bodies of an organization.

- **Corporate Social Responsibility (CSR):** Set of actions that an organization strategically executes and communicates through discourse, after voluntarily assuming the active commitment to contribute to the well-being of the local and global environment, integrating the perspectives of its stakeholders, involving its sphere of influence, ensuring the sustainability of its corporate model, and achieving continuous improvement in its social, environmental, and economic performance.
- **Corporate Volunteering:** A set of activities promoted and supported by an organization that aims to involve and engage its employees through the dedication of their time, skills, and talent to causes and projects that seek to benefit the community.
- **Corrective action:** A practice adopted to eliminate the causes of a detected nonconformity, preventing its recurrence.
- **Cultural diversity:** The multiplicity of ways in which cultures are expressed by groups and societies.
- **Decent Work:** Employment in accordance with international standards, ensuring that work is conducted under conditions of freedom, equality, security, and human dignity.
- **Deforestation:** The process of clearing forests or forested areas, primarily caused by human activity.
- **Development partnerships:** Temporary partnership between two or more organizations to carry out a specific social responsibility action that cannot be achieved by a single organization.
- **Disability:** Long-term physical, mental, intellectual, or sensory impairments that may hinder a person's full and effective participation in society on an equal basis with others.
- **Discrimination:** The act of treating a person, group, or collective as inferior based on external factors. It refers to different, arbitrary, unjust, and unreasonable actions imposed by a situation that is systematic and rooted in social and cultural prejudices against individuals or groups of people.
- **Diversity:** The manifestation of different geographic origins, ethnic groups, languages, religious beliefs, social structures, and any attribute of human society.
- **Donation:** The act of giving funds or other material goods, usually for charitable reasons.
- **Dow Jones Sustainability Index (DJSI):** The oldest sustainability measurement index and currently one of the most widely used due to the depth of its analysis. It was established in 1999 as a collaboration

between Dow Jones Indexes (New York Stock Exchange), STOXX Ltd., and the SAM assessment agency. DJSI serves as an evaluator of companies' management and their social, economic, and environmental impact, based on multiple indicators. Through these indicators and sectoral comparisons, companies receive an overall score that helps them identify their contribution to sustainable development through their practices and improve their commitment to Corporate Responsibility.

- **Ecological Footprint:** An indicator used to understand the impact of specific lifestyles on the environment.
- **Economic growth:** The increase in income or the value of final goods and services produced by an economy in a specific period.
- **Eco-Stations (Puntos Limpios):** Facilities designed to receive certain types of pre-selected waste that, due to their large volume or hazardous nature, should not be disposed of with regular household waste.
- **Ecosystem:** A biological system composed of a community of living organisms and the natural environment in which they inhabit.
- **Employment access:** The right to access a job and perform it in accordance with current legislation.
- **Endangered Species:** When all living members of an animal or plant species are at risk of extinction, which can be due to direct predation or the disappearance of a resource on which their life depends, either by human action or changes in their habitat due to natural disasters or climate variations.
- **Energy Efficiency:** The reduction of energy consumption without the need to eliminate energy services or decrease the quality of life, while ensuring sustainable supply.
- **Energy savings:** Reducing energy consumption by eliminating services, reducing production, or reducing the quality of life.
- **Environment:** The set of physical, chemical, biological, and social components capable of causing direct or indirect effects on living beings and human activities.
- **Environmental accident:** A sudden event of natural or human origin that has a negative impact on the environment.
- **Environmental balance:** A document that expresses the natural environmental assets and liabilities at a given moment.

- **Environmental degradation:** The progressive deterioration of the environment due to resource depletion.
- **Environmental disaster:** A human-caused event or circumstance that directly or indirectly affects the environment.
- **Environmental Impact:** Alteration in the environment that occurs as a direct or indirect consequence of human activity.
- **Environmental Responsibility:** Set of actions aimed at greater resource productivity, ecological efficiency, cleaner production, organizational governance, life cycle management systems, and business design that consider environmental care.
- **Environmental Risk:** Possibility of environmental damage resulting from a natural phenomenon or human action.
- **Equality:** The right of individuals to receive fair and equitable treatment compared to others.
- **Equator Principles:** Guidelines adopted by ten leading banks from seven countries in 2003. They were voluntarily developed and adopted by banks for managing social and environmental issues related to the financing of development projects. The principles are globally applied to project financing across all industry sectors, including mining, oil, gas, and forestry.
- **Equity:** The quality of giving each person what they deserve based on their merits or conditions.
- **Ethical banking:** A set of financial institutions whose products are not solely conditioned by the criterion of maximum profit and speculation. Also known as social banking or alternative banking.
- **Ethical code:** A regulatory framework of policies and rules established by the organization itself to achieve certain forms of behavior from its members.
- **Fair trade:** An alternative trade system promoted by the United Nations and social and political movements that seeks a voluntary and fair commercial relationship between producers and consumers, placing the rights of people and the environment at the center of economic activity.
- **Financial Resources:** Those that constitute the set of cash and assets with a certain degree of liquidity.
- **Financial Risk:** Uncertainty in the performance of an investment due to changes occurring in the sector where it operates.

- **Food Security:** Availability of sufficient, safe, and nutritious food to meet the nutritional needs for a healthy and active life.
- **Forced Labor:** Any work or service exacted from a person under the menace of any penalty and for which the person has not offered themselves voluntarily.
- **Formal Employment:** Employment formalized by a work contract between the employee and the employer, conforming to legal requirements.
- **Foundation:** An organization characterized by pursuing non-profit purposes of general interest for a generic collective.
- **Freedom of Association:** The right of employees to associate freely, without interference from the employing organization, in deciding to join a union.
- **Gender Equality:** The principle of equal rights, responsibilities, and opportunities that should be afforded to women and men, treating them with the same respect in all areas of daily life.
- **Gender pay gap:** The difference in wages between a man and a woman, despite both performing the same job.
- **Global public good:** A good that offers benefits to all people and regions of the world.
- **Global Reporting Initiative (GRI):** An organization established in 1997 by the Coalition for Environmentally Responsible Economies and the United Nations Environment Programme. Its methodology proposes the development of CSR reports considering achievements and challenges based on a materiality analysis of a company's or institution's impacts.
- **Global warming:** The long-term increase in the average temperature of the Earth's atmosphere and oceans.
- **Great Place to Work:** A workplace where, as stated in the annual ranking conducted by the consulting firm with the same name, "you can trust the people you work for, take pride in what you do, and enjoy the company of the people you work with." The quality of work environments is evaluated based mainly on three connected relationships: the relationship between employees and managers, the relationship between employees and their work/company, and the relationship between employees themselves.

- **Green area:** Land characterized by the presence of vegetation.
- **Green Jobs:** Decent jobs that contribute to the preservation and restoration of the environment, either in traditional sectors or emerging industries.
- **Green purchasing:** The acquisition of environmentally friendly products or services that promote environmental stewardship.
- **Greenhouse Effect:** The phenomenon in which certain gases trap part of the energy emitted by the Earth's surface after being heated by solar radiation, resulting in an increase in temperature.
- **Greenhouse Gas Protocol:** An international instrument used by companies to measure their greenhouse gas emissions. It is utilized by companies of all sizes, including small and medium-sized enterprises, as a means of training and implementing emission quantification, identifying opportunities for reduction, and adopting clean technologies. It is an initiative created by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute.
- **Habitat:** A space that provides optimal conditions for a species to reside and reproduce, perpetuating its presence.
- **Hazardous Waste:** Solids, liquids, and gases that contain substances that, due to their composition or possible mixture, can pose a direct or indirect hazard to the environment.
- **Healthy Lifestyle:** A way of life based on a series of habits that promote physical, mental, and social well-being.
- **Human Resources:** The collective employees of an organization or economic sector.
- **Human rights:** Rights inherent to all human beings, regardless of race, gender, language, religion, political or other opinion, national or social origin, property, birth, or any other status.
- **Human Talent:** Set of factors that individuals contribute to their work, exceeding mere physical execution.
- **Humanitarian aid:** A form of solidarity or cooperation that aims to save lives and alleviate the suffering of a population affected by a specific crisis. Such aid must be provided in accordance with the principles of humanity, impartiality, neutrality, and independence.

- **Inclusion:** An action that aims to integrate a particular group of people who are considered a minority in society.
- **Indicators:** Information that provides insight into the performance or social, environmental, and economic effects of an organization regarding its material aspects.
- **Informal Employment:** Non-formalized work that occurs in sectors of the economy lacking sufficient tax or labor controls.
- **Informal settlement:** A site where an individual or community establishes itself outside the norms established by the authorities responsible for urban planning.
- **Information and Communication Technologies (ICT):** Set of tools and programs that enable access, production, administration, and communication of information through technological supports.
- **Institutional Relations:** Sustained activity that an organization carries out to maintain a certain degree of interaction with external stakeholders.
- **Intangible asset:** An identifiable asset without physical substance that contributes to the market value of an organization or brand, providing a competitive advantage that sets it apart from others.
- **International Labour Organization (ILO):** A global institution founded in 1919 with its headquarters in Geneva, Switzerland. It aims to improve working conditions in member countries by enacting international regulations and conventions on various issues such as wages, minimum working age, freedom of association, etc. Although it operates autonomously, it is the only tripartite agency of the United Nations, bringing together representatives of governments, employers, and workers to jointly develop policies and programs.
- **ISAE 3000:** Standard of the International Auditing and Assurance Standards Board (IAASB) that uses structured and defined audit procedures for non-financial information. ISAE 3000 applies to non-financial information, such as the verification of social and environmental data, and provides an accepted and recognized framework at an international level. Its main value is to provide reliability and confidence in the accuracy of published data.
- **ISO 14000:** International standards published by ISO for the implementation of environmental management systems. Applicable to any type of company or activity. The most well-known is ISO 14001.

- **ISO 14001:** International standard that specifies the requirements for an environmental management system, enabling companies to better manage the environmental impacts of their activities, comply with legal requirements, and facilitate the achievement of environmental objectives.
- **Labor Exploitation:** The abuse committed by an employer against an employee who receives compensation that does not correspond to their role and working hours.
- **Labor Flexibilization:** A set of measures that act on labor rights, often aimed at increasing flexibility for employers.
- **Labor rights:** Principles and legal norms aimed at protecting human labor performed freely, for others, in a dependent relationship, and in exchange for remuneration.
- **Labor Standards:** Fundamental rights of workers derived from the International Labour Organization's Declaration.
- **Landfill:** A modern variant of garbage dumps, which must comply with specific environmental requirements.
- **Literacy:** The process by which a person learns to read and write in a specific language.
- **Material aspects:** Those that reflect the significant social, environmental, and economic impacts of an organization or have notable weight in the assessments and decisions of stakeholders.
- **Materiality:** Principle that the information in a Corporate Responsibility or Sustainability report of an organization should cover those aspects and indicators that reflect significant social, environmental, and economic impacts of the organization or those that could exert substantial influence on the assessments and decisions of its stakeholders. When evaluating adherence to the materiality principle, it is important to seek evidence that: a process is implemented to determine what is material; the process includes an assessment of relevance and importance; the process reasonably represents the viewpoints of stakeholders; the evaluation criteria are clear and understandable; the process has been implemented systematically without omissions and material misinterpretations. To meet these requirements, organizations must have an implemented, credible, and defensible process to determine materiality.
- **Materials Resources:** Set of assets that an organization possesses in order to fulfill its objectives.

- **Maximum Salary:** Maximum legal remuneration that a worker can receive.
- **Millennium Development Goals:** These are eight goals established by the United Nations in 2000 to be achieved within a fifteen-year timeframe. They respond to the world's main development challenges. Goal 1: Eradicate extreme poverty and hunger. Goal 2: Achieve universal primary education. Goal 3: Promote gender equality and empower women. Goal 4: Reduce child mortality. Goal 5: Improve maternal health. Goal 6: Combat HIV/AIDS, malaria, and other diseases. Goal 7: Ensure environmental sustainability. Goal 8: Develop a global partnership for development.
- **Minimum Salary:** Minimum remuneration paid to a worker in a particular country and established by official law.
- **Natural disaster:** Refers to material losses and loss of human lives caused by natural events or phenomena, such as earthquakes, floods, tsunamis, or landslides.
- **Natural Reserve:** Protected area of importance for flora, fauna, or special features that is reserved and managed for conservation and research purposes.
- **Natural Resources:** Collection of elements in nature that contribute to the well-being and development of living beings.
- **Non-renewable Resource:** A natural resource that cannot be produced or regenerated at a rate that can sustain its rate of consumption.
- **Occupational Risk:** Possibility that a worker may suffer a specific accident or illness derived from work.
- **Philanthropy:** A charitable attitude that an organization maintains towards people in its environment and society in general, voluntarily, and selflessly, seeking their well-being.
- **Pollution:** The alteration of the characteristics of the environment as a result of human activities.
- **Preventive action:** A practice aimed at avoiding the occurrence of a nonconformity.
- **Principles for Responsible Investment:** Initiative promoted by the United Nations since 2006, aimed at helping investors identify and invest in organizations with good practices in social responsibility.
- **Principles of the United Nations Global Compact:** There are ten universal principles promoted by the UN Global Compact: Principle 1: Businesses should support and respect the protection of inter-

nationally proclaimed human rights within their sphere of influence. Principle 2: Businesses should make sure they are not complicit in human rights abuses. Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor. Principle 5: Businesses should support the effective abolition of child labor. Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation. Principle 7: Businesses should adopt a precautionary approach to environmental challenges. Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility. Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies. Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

- **Protected area:** A zone that has not been modified by human action and is protected by the state or private organizations.
- **Public affairs:** The management of public affairs involves developing a strategy through which an organization aims to expand its capacity to influence key stakeholders, either to defend its interests or to achieve certain benefits.
- **Public Health:** State and citizen responsibility that addresses the protection of health as an essential, individual, and collective right.
- **Racism:** A doctrine that focuses on the belief that a group of humans with certain biological characteristics is superior to another group with different traits.
- **Recycling:** The process of converting waste materials into new products or raw materials to be reused.
- **Remote Work:** Any work carried out in a non-centralized location.
- **Renewable Energy:** Energy obtained from virtually inexhaustible natural sources, either due to the immense amount of energy they contain or their ability to regenerate through natural means.
- **Renewable Resource:** A natural resource available in different time intervals and can be replenished by natural processes at a rate higher than its consumption rate.
- **Resilience:** The ability to overcome adversity and adapt with positive outcomes.
- **Responsible Advertising:** Using promotions or advertising that respects human dignity, health, and safety in the marketing of products and services, avoiding misleading or inciting dangerous behaviors.

- **Responsible consumption:** The decision-making process in purchasing that includes social and environmental criteria related to the behavior of stakeholders involved in the value chain of the final product or service.
- **Responsible purchasing:** The integration of social, environmental, and ethical aspects into a company's purchasing decisions. Practicing responsible purchasing contributes to achieving broader policy objectives. Some of these include environmentally friendly products, social policies within companies, methods for energy efficiency, or water conservation.
- **Responsible savings:** Practices that an organization adopts to store or safeguard its money in such a way that it is not invested in projects that could harm the environment.
- **Responsible Tourism:** Tourism based on respect for the social and cultural values of host destinations, promoting the use of local services and infrastructure and encouraging environmental conservation.
- **Self-assessment:** The process of systematically monitoring an organization's management practices and performance measurement in order to achieve continuous improvement.
- **Self-consumption of energy:** The production of electrical energy through a private installation of photovoltaic panels on the roof of a dwelling, which aims to meet part of the energy consumption of the occupants.
- **Shareholder:** A person who owns shares in a company, holding a proportional ownership stake in it.
- **SME (Small and Medium-sized Enterprises):** Small and medium-sized enterprises, defined according to Colombian laws as those with a workforce of fewer than 200 employees and total assets of up to 30,000 legal minimum monthly wages.
- **Social action:** The set of humans, material, or financial resources that an organization allocates to projects aimed at benefiting individuals in vulnerable situations.
- **Social agent:** A group, association, or other type of organization that directly or indirectly contributes to the process of socialization.
- **Social benefit:** Special solutions and services with advantageous conditions that organizations offer to their employees.

- **Social capital:** The value of assets owned by an organization and the contributions made by its members or shareholders.
- **Social Exclusion:** Lack of participation of segments of the population in the social and economic life of their respective communities due to the lack of rights, resources, and basic capabilities.
- **Social Investment:** Action aimed at generating social benefits, with the primary beneficiaries being vulnerable populations.
- **Social Justice:** Fundamental principle for peaceful and prosperous coexistence within and between countries, promoting gender equality, the rights of indigenous peoples and migrants, and seeking to eliminate social and economic inequalities.
- **Social well-being:** A combination of factors that enable individuals in society to satisfy their basic needs and, consequently, have optimal levels of quality of life.
- **Socially Responsible Company:** A company that has an active, voluntary, and sustained commitment to improving the social, environmental, and economic environment.
- **Socially Responsible Investment:** Investment made by an organization that considers not only profitability but also social and environmental impact.
- **Stakeholders:** Any group or individual that can affect or be affected by the organization's objectives.
- **Supplier:** An organization or person that provides a product or service. It can be internal or external to the organization, and in a contractual situation, it can also be referred to as a "contractor" or "subcontractor."
- **Sustainability Report:** Also known as a sustainability memorandum or CSR report, it is a publicly available document that companies provide to their internal and external stakeholders about their corporate position and activities in the three dimensions of sustainability: economic, environmental, and social. It is the main communication tool for reporting on an organization's triple bottom line: the economic, environmental, and social dimensions.
- **Sustainability:** A management model based on meeting the needs of present generations without compromising the ability of future generations, while respecting the environment and promoting economic and social progress.

- **Sustainability:** A management model based on the conscious and responsible use of resources, without depleting or exceeding their capacity for renewal, and without compromising future generations' access to these resources.
- **Sustainable agriculture:** Agriculture that contributes in the long term to improving the environmental quality and basic resources on which agriculture depends.
- **Sustainable architecture:** A type of architectural design that seeks to optimize natural resources and building systems with the aim of minimizing the environmental impact on the community where it is constructed.
- **Sustainable communication:** Communication with objectives based on supporting, facilitating, and promoting sustainable forms of social, environmental, and economic development for communities.
- **Sustainable Development Goals (SDGs):** The United Nations approved the 2030 Agenda for Sustainable Development in 2015, which includes the Sustainable Development Goals. Goal 1: End poverty in all its forms everywhere. Goal 2: End hunger, achieve food security and improved nutrition, and promote sustainable agriculture. Goal 3: Ensure healthy lives and promote well-being for all at all ages. Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. Goal 5: Achieve gender equality and empower all women and girls. Goal 6: Ensure availability and sustainable management of water and sanitation for all. Goal 7: Ensure access to affordable, reliable, sustainable, and modern energy for all. Goal 8: Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation. Goal 10: Reduce inequality within and among countries. Goal 11: Make cities and human settlements inclusive, safe, resilient, and sustainable. Goal 12: Ensure sustainable consumption and production patterns. Goal 13: Take urgent action to combat climate change and its impacts. Goal 14: Conserve and sustainably use the oceans, seas, and marine resources for sustainable development. Goal 15: Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss. Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels. Goal 17: Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.
- **Sustainable development:** Development that focuses solely on natural resources and the environment, aiming to preserve, conserve, and protect them for the benefit of current and future generations. It does not take into account the specific economic and social needs of human beings.

- **Sustainable development:** Development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs, encompassing social, economic, and environmental aspects.
- **Sustainable Economy:** An economy that achieves durability and increases the capital of an organization while considering the social, environmental, and economic aspects of the community in which it operates.
- **Sustainable food:** Dietary practice that respects nature and animal welfare, fostering a model of agricultural and livestock production that meets the needs of current generations without compromising the ability of future generations.
- **Sustainable Management:** The way an organization operates that aims to improve its performance in economic, social, and environmental areas in an integrated and strategic manner.
- **Sustainable Mobility:** Set of actions aimed at ensuring that all citizens travel with the least possible impact on the environment.
- **Talent Retention:** Incorporating an appropriate model into the strategic management of the company that promotes the ability to attract, motivate, and retain the best professionals who add a high percentage of value to the business processes.
- **TCFD- Task Force on Climate-related Financial Disclosures:** The Financial Stability Board (FSB) established the TCFD to develop recommendations on the types of information that companies should disclose to help investors, lenders, and insurers properly assess and price a specific set of climate-related risks.
- **Telecommuting:** A form of remote work in which individuals perform their activities without the need to be physically present in the organization or specific workplace. It is facilitated through the use of information and communication technologies.
- **The Principles for Responsible Investment (UNPRI or PRI):** An international network of financial institutions supported by the United Nations that work together to implement its six aspirational principles, often referred to as “the principles.” Its goal is to understand the implications of sustainability for investors and support signatories in integrating these issues into their ownership practices and investment decision-making. By implementing these principles, signatories contribute to the development of a more sustainable global financial system.

- **Transparency:** Clear and ongoing expression of an organization's behavior regarding the fulfillment of its objectives and relationships with its stakeholders.
- **Triple Bottom Line:** A term related to sustainable activities that refers to the impact an organization has on the three dimensions: social, environmental, and economic.
- **Un Global Compact:** A document established on July 26, 2000, at the UN headquarters in New York, urging businesses to align their activities and needs with the principles and objectives of UN political and institutional action, labor organizations, and civil society.
- **United Nations Global Compact:** The largest voluntary initiative for corporate social responsibility in the world, calling upon the international community, particularly the private sector, to adhere to ten universal principles in the areas of human rights, labor standards, the environment, and anti-corruption.
- **Universal health coverage:** Ensuring that all people receive the health services they need without suffering financial hardship to access them.
- **Value Chain:** Describes the processes within a company through which a product or service passes horizontally throughout its life cycle, from raw material through various stages of transformation to consumption. The value chain is essentially a form of business activity analysis in which a company is broken down into its constituent parts, seeking to identify sources of competitive advantage in value-generating activities.
- **Volunteer:** A person who donates their time, knowledge, or other personal resources to achieve goals that aim for the common good.
- **Vulnerability:** The diminished capacity of an individual to cope with, resist, and recover from the effects of natural hazards or human actions.
- **Waste classification:** According to their state and form, waste is classified as solid, liquid, or gaseous.
- **Waste:** Any material that its producer or owner considers having insufficient value to retain but can be reused or recycled.
- **Water Stress:** A situation that occurs when the demand for water exceeds the available quantity during a certain period or when its use is restricted due to poor quality.

- **Work accident:** A sudden occurrence that happens during or because of work and causes organic injury, functional impairment, disability, or death to the worker.
- **Work climate:** The set of relatively permanent characteristics and attributes of a specific work environment that are perceived or experienced by the people within the organization and directly influence their behavior.
- **Workplace harassment:** Systematic, repeated, or persistent verbal or psychological actions by which a person or a group harasses, offends, humiliates, or intimidates someone in the workplace.
- **Zero waste:** A concept that promotes the reuse of waste that would otherwise be disposed of or incinerated.

*Source of Terms: Global Compact Website/ Sustainable Development Glossary
Corresponsables.com/ Sustainability Glossary*

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