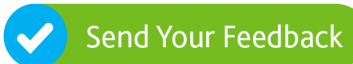


ASSESSMENT

11 December 2023



Analyst Contacts

Gonzalo Marambio
 Sustainable Finance Analyst
 gonzalo.marambio@moodys.com

Donovan Hotz
 Sustainable Finance Associate
 donovan.hotz@moodys.com

Matthew Kuchtyak
 VP-Sustainable Finance
 matthew.kuchtyak@moodys.com

Rahul Ghosh
 MD-Sustainable Finance
 rahul.ghosh@moodys.com

Government of Colombia

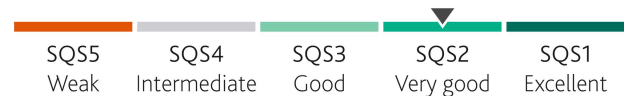
Second Party Opinion – Green, Social and Sustainable Bond Framework Assigned SQS2 Sustainability Quality Score

Summary

We have assigned an SQS2 sustainability quality score (very good) to the Government of Colombia's Green, Social and Sustainable Bond Framework. The government has established its use-of-proceeds framework with the aim of financing environmental projects across eight eligible environmental categories. Green bonds to be issued will finance eligible expenditures identified in the 2023 budget year (from January 1st to December 31st), covering four of the eight green eligible categories of the framework. The framework is aligned with the four core components of the International Capital Market Association's (ICMA) Green Bond Principles 2021 (with June 2022 Appendix 1). The framework demonstrates a high contribution to sustainability.

Sustainability quality score

SQS2



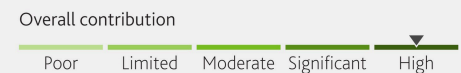
Alignment with principles USE OF PROCEEDS



FACTORS ALIGNMENT



Contribution to sustainability



Expected impact Relevance and magnitude

ADJUSTMENTS

ESG risk management No adjustment
 Coherence No adjustment

Scope

We have provided a Second Party Opinion (SPO) on the sustainability credentials of Colombia's Green, Social and Sustainable Bond Framework published in August 2022, including the framework's alignment with the ICMA's Green Bond Principles (GBP) 2021 (with June 2022 Appendix 1). Under its framework, Colombia – acting through the Ministry of Finance and Public Credit (or MHCP, Ministerio de Hacienda y Crédito Público) – plans to issue use-of-proceeds green bonds, with the aim of financing projects comprising four of the eight eligible green categories in the framework. For more detail on the eligible project categories, please see Appendix 2.

Our assessment is based on the published version of Colombia's Green, Social and Sustainable Bond Framework 2022, as well as the list of eligible expenditures identified in the 2023 budget year that the government expects to finance. Our opinion reflects our point-in-time assessment of the details contained in this version of the framework, as well as other public and non-public information provided by the government.

We produced this SPO based on our [Framework to Provide Second Party Opinions on Sustainable Debt](#), published in October 2022.

Issuer profile

Colombia is located in the northwestern part of South America. As of 2023, the country has an estimated population of approximately 52 million. Colombia also has the fourth largest economy in Latin America, with a nominal gross domestic product of \$344 billion in 2022.

Colombia's exposure to environmental includes exposure to physical climate risk in the form of flooding and extreme precipitation that can affect the agricultural sector. Additionally, given the high share of hydrocarbon exports, Colombia is exposed to carbon transition risks over the longer term. Deforestation is an issue due to agricultural and forestry activities.

Colombia's exposure to social risks includes high levels of rural-urban income inequality. In addition, Colombia faces moderate social challenges in the provision and quality of education, housing, health and safety and access to basic services, particularly in remote regions.

Strengths

- » Experienced sustainable bond issuer with a track record of issuing bonds under its framework since 2021 and adhering to its post-issuance reporting commitments
- » Excellent transparency around eligible projects to be financed annually under each year's budget
- » Evaluation and selection of eligible projects follow a clear and structured process leveraging relevant expertise

Challenges

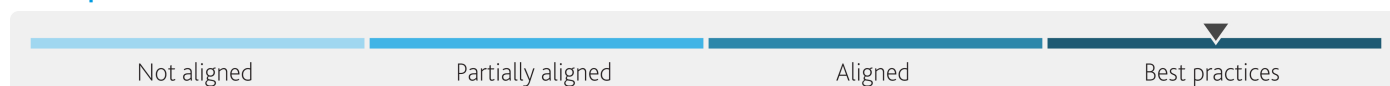
- » Eligible projects under some categories do not follow best-in-class criteria and thresholds
- » No commitment to externally verify the impact indicators of green projects in post-issuance reporting

Alignment with principles

Colombia's Green, Social and Sustainable Bond Framework is aligned with the four pillars of the ICMA's Green Bond Principles 2021 (including the June 2022 Appendix 1):

- Green Bond Principles (GBP)
- Social Bond Principles (SBP)
- Green Loan Principles (GLP)
- Social Loan Principles (SLP)
- Sustainability-Linked Bond Principles (SLBP)
- Sustainability Linked Loan Principles (SLLP)

Use of proceeds



Clarity of the eligible categories – BEST PRACTICES

The Government of Colombia's framework includes details on eligible environmental projects comprising four eligible green categories. The framework outlines the eligible categories and exclusion criteria in broad terms. However, the government provides more specific details on an annual basis by identifying a set of project expenditures eligible for financing in the upcoming budget year. For green bonds financing expenditures identified in the 2023 budget year, the government has clearly identified a portfolio of eligible green expenditures, and these projects have been established in line with the definitions of green projects outlined in the GBP. All eligible environmental projects will be located in Colombia.

Clarity of the environmental or social objectives – BEST PRACTICES

The government has clearly outlined environmental objectives of the eligible categories and they are coherent with the Sustainable Development Goals (SDGs) and with national taxonomy environmental objectives, where applicable. The objectives are listed in Appendix 2. Each of the financed projects are relevant to their corresponding environmental objectives.

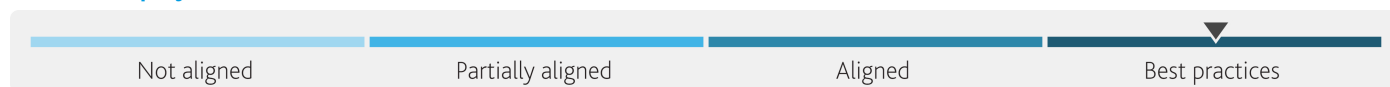
Clarity of expected benefits – BEST PRACTICES

The sovereign has identified clear expected environmental benefits for all eight eligible categories. The benefits are measurable for all categories and will be quantified in post-issuance reporting. All green bonds issued will finance eligible expenditures identified for the 2023 budget year. The government commits to disclose the estimated share of refinancing before each issuance with a lookback period of no more than 24 months prior to the issuance date.

Best practices identified - use of proceeds

- » Eligibility criteria are clearly defined for all project categories
- » Objectives set are defined, relevant and coherent for all project categories
- » Relevant benefits are identified for all project categories
- » Benefits are measurable and quantified for most projects, either ex-ante with clear baselines or with a commitment to do so in future reporting
- » Commitment to transparently disclose the share of proceeds used for refinancing where feasible
- » Commitment to transparently communicate the associated lookback period(s) where feasible

Process for project evaluation and selection



Transparency and quality of process for defining eligible projects – BEST PRACTICES

The Government of Colombia has clearly defined a process for determining project eligibility in the publicly disclosed framework and internal documentation. The process is overseen by the Ministry of Finance, the National Planning Department (DNP) and a green bond working group, with all meetings and decisions documented. The government reports that it will monitor the compliance of selected projects on an annual basis and, in the case a project is no longer compliant, it will either replace the project or employ remediation actions to ensure project compliance.

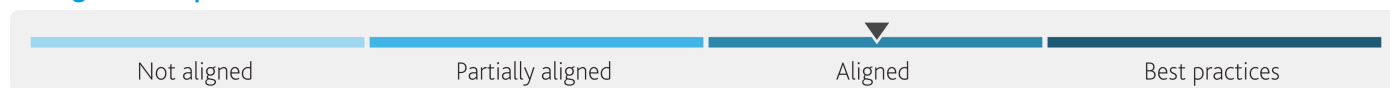
Environmental and social risk mitigation process – BEST PRACTICES

The government has established a comprehensive environmental and social risk mitigation process that includes the monitoring of potential controversies and the identification of environmental and social risks. The government conducts an environmental impact assessment that covers projects financed in accordance with national regulation. Additionally, the DNP has guidelines for project formulation that include environmental and social risk identification and mitigation measures that apply to all projects. The green bond working group will review the portfolio annually for any controversies associated with the projects and will either remediate or replace the project if a controversy is identified.

Best practices identified - process for project evaluation and selection

- » The roles and responsibilities for project evaluation and selection are clearly defined and include relevant expertise
- » There is evidence of continuity in the selection and evaluation process through the life of the financial instrument(s), including compliance verification and procedures to undertake mitigating actions when needed
- » The process for project evaluation and selection is traceable
- » Material environmental and social risks for most project categories are identified
- » Presence of corrective measures to address environmental and social risks across projects
- » ESG controversies are monitored

Management of proceeds



Allocation and tracking of proceeds – BEST PRACTICES

The Government of Colombia has defined a clear process for the management and association of bond proceeds in its publicly disclosed framework. Proceeds will be placed in general treasury and the Ministry of Finance will be responsible for verifying the associated amounts with information provided by the DNP. The Ministry of Finance will track and adjust the assigned amounts within one year of bond issuance. All proceeds will be assigned within the same fiscal year of issuance or in the subsequent fiscal year.

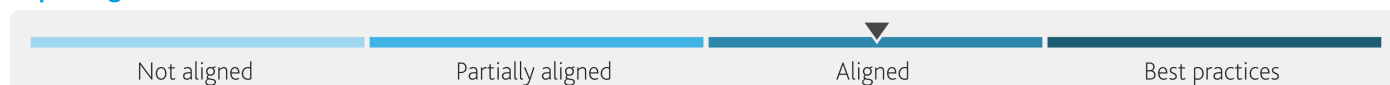
Management of unallocated proceeds – ALIGNED

As disclosed in the framework, the Directorate of Public Credit will manage any temporarily unallocated funds according to its treasury policy. The framework does not include a commitment to avoid temporary investments of unallocated funds into greenhouse gas (GHG) intensive, high environmental impact or controversial activities. In the case of divestment or postponement of a project, the government commits to reallocate funds to another eligible project.

Best practices identified - management of proceeds

- » Broad disclosure of a clearly articulated and comprehensive management of proceeds policy to external stakeholders; bondholders or lenders at a minimum
- » Short allocation period, for example typically less than 24 months
- » Commitment to reallocate proceeds to projects that are compliant with the framework

Reporting



Transparency of reporting – ALIGNED

The Government of Colombia will report annually until full allocation of funds and in the case of material developments. The reports will be publicly disclosed on the Ministry of Finance website. Reporting will include descriptions of eligible categories and funded projects, the amount allocated and the expected sustainable benefits of the eligible projects. The allocation indicators are exhaustive and include the co-financing level for eligible projects. Furthermore, the government has a robust track record of issuing bonds under its framework since 2021 and adhering to its post-issuance reporting commitments.

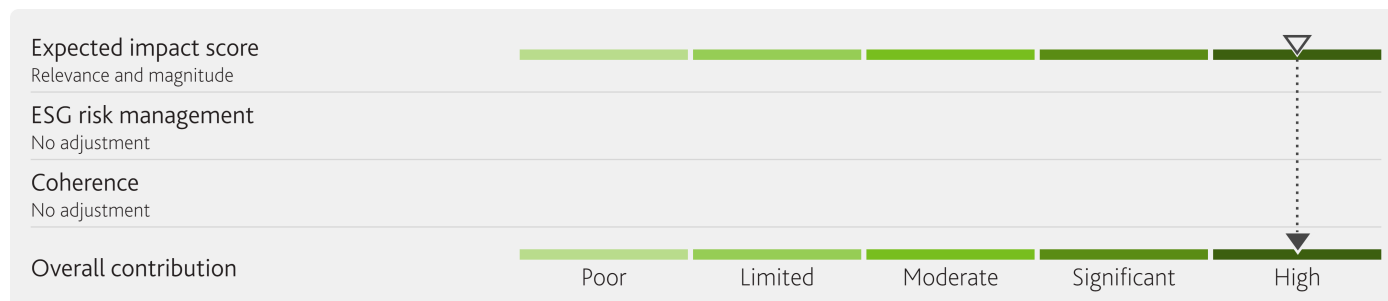
The government has identified relevant and exhaustive environmental reporting indicators for each eligible category in the framework. The government has committed to transparently communicate methodologies and assumptions made to calculate sustainability benefits. The government has published a 2022 verification report for its 2021 green bond issuances for allocation reporting. However, there is no commitment to externally verify the impact indicators of green projects in post-issuance reporting.

Best practices identified - reporting

- » Reporting covers material developments and issues related to the projects or assets
- » Reporting on allocation of proceeds and benefits done at least at eligible category level
- » Exhaustive allocation reporting – balance or % of unallocated funds, types of temporary investments (e.g. cash or cash equivalent) and share of financing vs re-financing
- » Clear and relevant indicators to report on the expected environmental/social impact of all the projects, where feasible, or eligible categories
- » Disclosure of reporting methodology and calculation assumptions to bondholders or lenders at a minimum
- » Independent audit of the tracking and allocation of funds at least until full allocation and in case of material changes

Contribution to sustainability

The framework demonstrates a high overall contribution to sustainability.

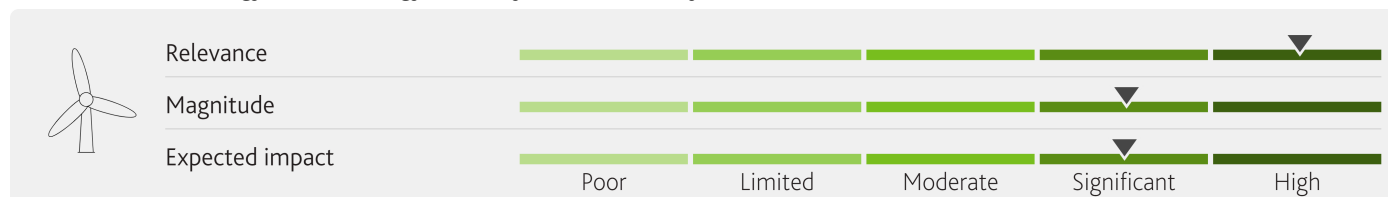


Expected impact

The expected impact of the eligible categories on environmental objectives is high. The government has provided the eligible expenditures identified in the 2023 budget year to be financed by the green bond issuances. Based on this information, we have estimated the distribution of proceeds for the forthcoming issuances and have weighted the categories for the purpose of assessing the overall contribution to sustainability. Of the four green categories identified in the 2023 budget, “sustainable water management, use, and sanitation” and “clean and sustainable transportation” account for the largest weights, with “ecosystem services and biodiversity” and “management of disaster risks associated with climate change” accounting for relatively smaller shares. The remaining four categories do not have eligible expenditures identified in the 2023 budget.

We have used the information on the specific projects and programs identified in the 2023 budget year to assess the contribution to sustainability in four out of the eight eligible categories, as the granular detail provided for most of these projects and programs helps clarify some of the broad project definitions provided in the framework. The magnitude assessment of eligible categories with no projects associated have been evaluated based on the framework description of eligible projects, historical portfolio of projects financed in previous green issuances and information from the Colombian taxonomy. A detailed assessment by eligible category is provided below.

Non-conventional energy sources, energy efficiency, and connectivity

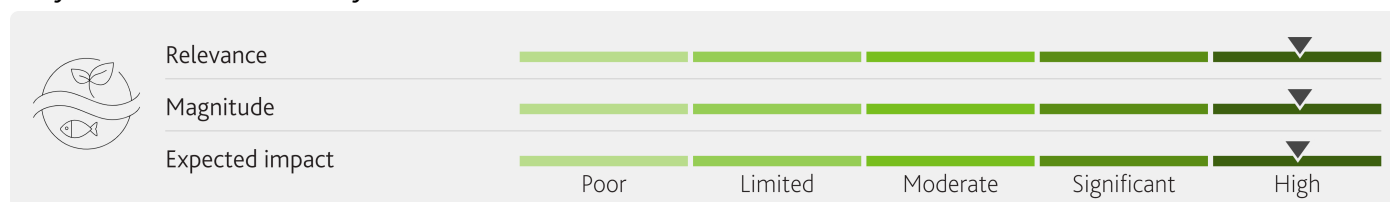


The relevance of this category is high. While Colombia generates 75% of its electricity from renewable sources, primarily hydropower, the country will need to diversify renewable sources to reduce GHG emissions from fossil fuel-based electricity generation and to mitigate the potential impacts of climate change and water stress on hydropower generation.

This magnitude of this category is significant. Eligible projects will adhere to international standards for energy generation and transmission, including strict criteria for several types of energy generation activities, including bioenergy and hydrogen. There is a lack of minimum eligibility criteria for projects related to energy efficiency and energy procurement, however.

No eligible expenditures have been identified for the 2023 budget year for this category.

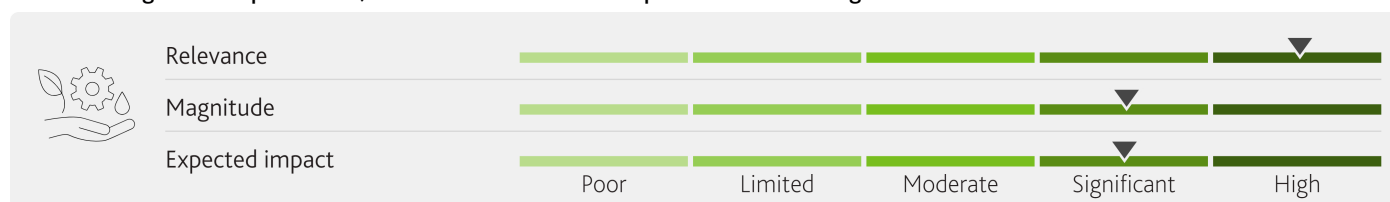
Ecosystem services and biodiversity



Biodiversity is a highly relevant sustainability issue for the government, with efforts to reforest and reduce deforestation representing important components of Colombia's nationally determined contribution (NDC). Colombia is the third most biodiverse country in the world after Indonesia and Brazil¹. Deforestation, including unchecked logging and agricultural land expansion, poses a major challenge to the country's efforts to preserve its biodiversity. Additionally, pollution stemming from mining and oil extraction activities further threatens the country's diverse ecosystems.

The magnitude of this category, which includes 10 identified projects, is high. Most eligible expenditures will be dedicated to create, protect and administrate land and marine protected areas in coordination with the national system of protected areas. In addition, roughly one fifth of the eligible expenditures of this category are linked to biodiversity conservation projects at national level, including research and planned action. Such activities are likely to have a long-term contribution to sustainability, with no material lock-in effects identified.

Sustainable agricultural production, with low emissions and adapted to climate change

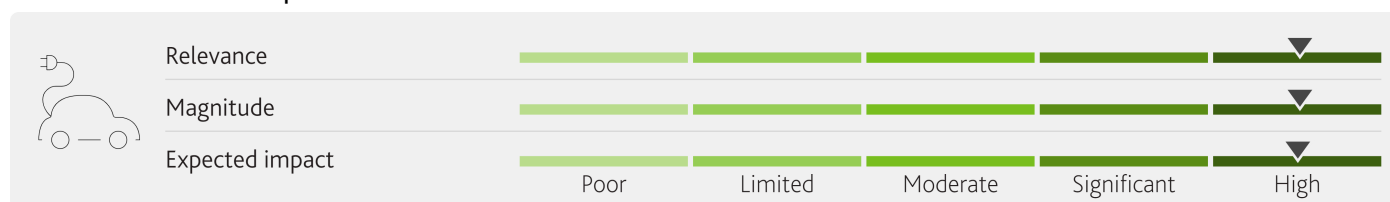


Sustainable agricultural production represents one of Colombia's main environmental challenges, reflecting its high relevance. Agriculture, forestry and livestock activities are the highest emitting activities in the country, reaching 58% of total emissions in 2020. About 44% of Colombia's total land area is used for agricultural practice, while 40% of the country's area (continental and insular territory) has experienced some degree of erosion.

The magnitude of this category is significant. Although we have identified financing for livestock activities in previous issuances, which if financed again would carry potential environmental externalities, sustainable silvopastoral (agroforestry) systems and other forestry and agricultural activities are well defined in the Colombian taxonomy and align with sustainable standards.

No eligible expenditures have been identified for the 2023 budget year for this category.

Clean and sustainable transport

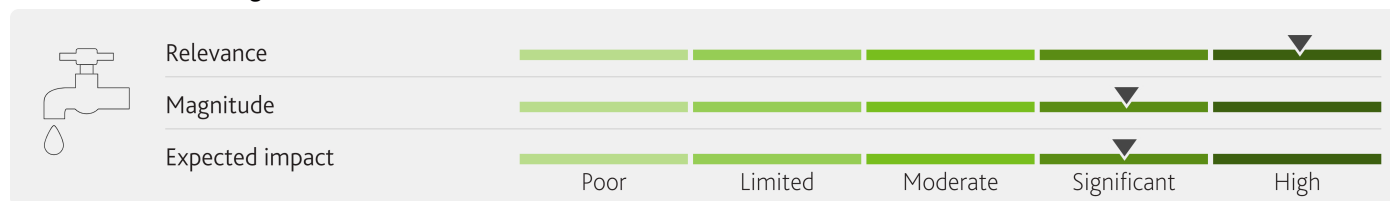


Clean and sustainable transport is a highly relevant category for the government. The transport sector is one of Colombia's major air pollutants, responsible for more than 78% of particles that cause air pollution and climate change. In particular, GHG emissions associated with transport activities accounted for about 10% of total emissions in 2020.

The magnitude of this category, which includes four projects, is considered high. The majority of proceeds will be dedicated to transport systems that are fully electric. This includes the construction of the first metro line in Bogotá, representing more than half of eligible expenditures, and the construction of a light railway line between Bogotá and Facatativá (over one quarter of expenditures).

Other financed projects relate to the expansion and integration of public transportation systems across the country. Although we identified some negative externalities in the use of vehicles run by fossil fuels, such activities would not be directly financed under the framework, and there are plans to shift towards fully electric buses in the coming years.

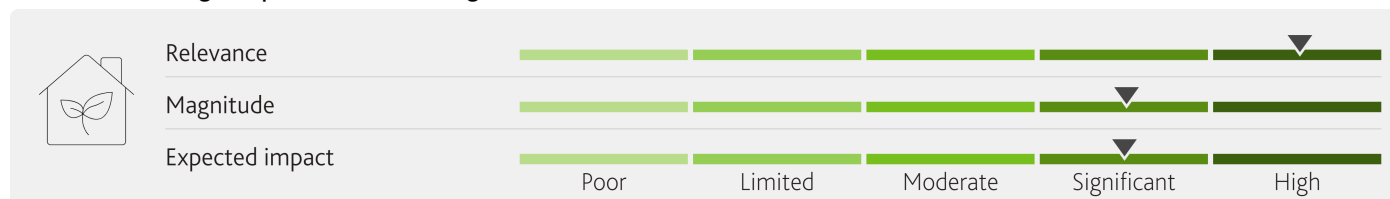
Sustainable water management, use, and sanitation



Water management is a highly relevant issue for the government. While Colombia is endowed with large fresh water resources, water availability declined over the last two decades due to climate change and population growth. According to studies conducted by the Institute of Hydrology, Meteorology and Environmental Studies, 391 municipalities are already at risk of water shortages, and the long-term trend suggests that more will follow. Water pollution, another major issue, is increasingly fouling Colombia's waters and harming its ecosystems. Water pollution is also affecting the stability of agricultural incomes, which is an economic imperative for rural and remote areas of the country.

The magnitude for the eligible category, which includes three projects, is significant. The project that will receive the vast majority of the proceeds in this category is financial support to facilitate access to drinking water and wastewater management services at the national level. This includes the construction of water supply systems, as well as wastewater plant and distribution infrastructure. Such activities will likely have a significantly lower rate of water losses compared to the national average, and the projects will be focused in areas with high socioeconomic vulnerability and no access to water services, therefore providing social co-benefits. Although the projects will contribute to the reduction in water losses and pollutants in water, there is no visibility of plans to mitigate the GHG emissions associated with the operation of water systems, especially in the wastewater treatment plants.

Sustainable buildings adapted to climate change

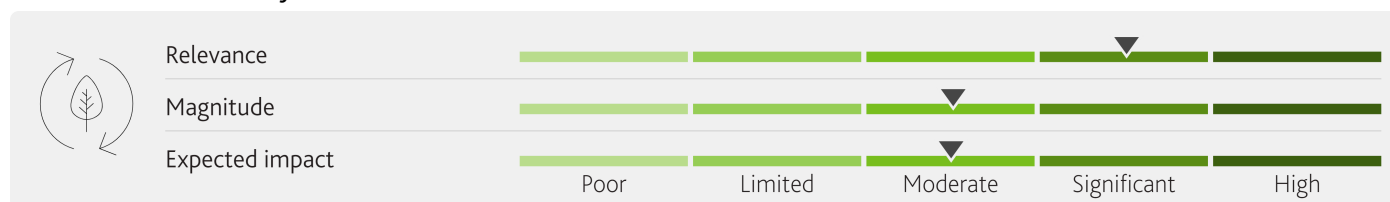


This category is highly relevant to the government. The building sector in Colombia is a meaningful contributor to GHG emissions, representing about 7% of the country's emissions. Moreover, addressing the water efficiency in buildings is a material issue, given that water availability has been on the decline in many municipalities across the country.

The magnitude of this category is significant. Colombian regulation, which is aligned with the Colombian taxonomy, requires relevant minimum energy and water savings thresholds depending on the climate of the geographical area, ranging from 15%-45% minimum savings. For renovations and retrofits, a minimum of 30% of energy savings is required, which is aligned with international references. In 2022, the country established a "National Roadmap for the Net Zero Carbon Buildings, which aims for net zero in all new buildings by 2030 and all buildings by 2050. However, it is not clear that potential expenditures financed under this category will reach a net zero performance.

No eligible expenditures have been identified for the 2023 budget year for this category.

Waste and circular economy

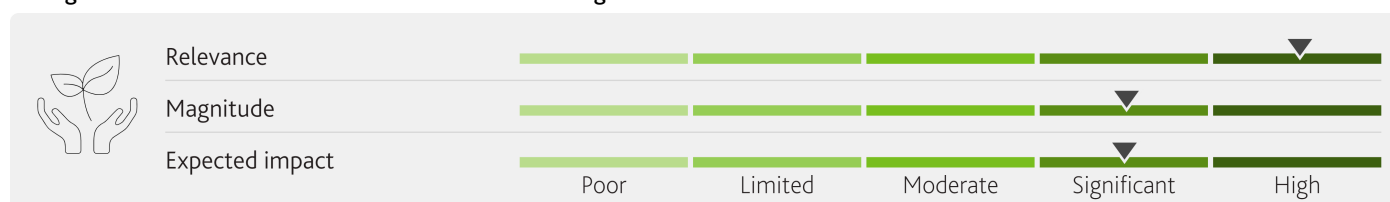


This category exhibits significant relevance. In Colombia, waste and residues represent about 8% of the country's GHG emissions. According to Colombia's NDC, emissions from waste and residues are projected to decline by about 0.8% by 2030, which is a lower rate of reduction compared to the energy and agriculture sectors. Regarding the prevention and control of pollution, there is an important gap to cover in terms of recycling in Colombia, since the country recycles only 12% of waste and residues.

The magnitude of this category, which includes potential expenditures associated to carbon capture and storage and utilization (CCUS) technologies, is moderate. Eligibility criteria of CCUS have been defined in the Colombian taxonomy in accordance with international standards. However, there is a lack of visibility on the sectors for which CCUS could be implemented, limiting our ability to assess potential negative externalities or lock-in effects associated with future activities.

No eligible expenditures have been identified for the 2023 budget year for this category.

Management of disaster risks associated with climate change



Colombia has one of the highest rates of disasters caused by natural and climate-induced hazards in the Latin America and Caribbean region, underscoring the high relevance of this category. In Colombia, 87% of disaster events correspond to hydrometeorological disasters, such as floods or mass movements. In addition, other climate change consequences are expected to intensify, such as food security, water stress and biodiversity issues.

The magnitude of this category, which includes four projects, is significant. Programs to reduce fiscal vulnerability to disasters and climate risks account for roughly three quarters of eligible expenditures. These projects include the restoration of infrastructure affected by climate change, including health care facilities, roads, rail roads, construction of aqueducts, among others. The category also includes a project to strengthen the management of national hydrological, meteorological and environmental knowledge, representing over one fifth of expenditures. The project seeks to develop a system to gather and manage climate and hydrological information of the country, in order to support effective decision making and resilience strategies. Although no lock-in effects were identified in the expenditures, there is no visibility that the construction and restoration of infrastructure will follow the best available technology.

ESG risk management

We have not applied a negative adjustment for ESG risk management to the expected impact score. Colombia has demonstrated a comprehensive plan to assess potential environmental or social risk associated with the eligible expenditures, including but not limited to the implementation of the national environmental impact assessment, environmental licenses to operate and guidelines provided by the DNP to each ministry to identify potential risks and mitigation measures. The executors of the projects will be required to comply with national environmental regulation and they are responsible for the provision of environmental licenses when required. The Ministry of Environmental and Sustainable Development is the main entity for the management of the environment and renewable natural resources.

Coherence

We have not applied a negative adjustment for coherence to the expected impact score. The eligible categories of the framework align with the government's sustainability strategies and Colombia's green taxonomy where applicable. Although we acknowledge

that Colombia is a large oil producer in Latin America with a high share of hydrocarbons exports, the eligible categories are aligned with the country's medium- and long-term environmental objectives, such as the NDC for the Paris Agreement, the agenda 2030 and biodiversity protection.

Appendix 1 - Mapping eligible categories to the United Nations' Sustainable Development Goals

The eight eligible categories included in the Government of Colombia's framework are likely to contribute to ten of the United Nations' Sustainable Development Goals (SDGs), namely:

UN SDG 17 Goals	Eligible Category	SDG Targets		
GOAL 2: Zero Hunger	-Sustainable agricultural production, with low emissions and adapted to climate change -Sustainable water management, use, and sanitation	2.1: End hunger and ensure access by all people to safe, nutritious and sufficient food all year round		
		2.3: Double agricultural productivity and incomes of small-scale farmers through equal access to resources and opportunities		
		2.4: Ensure sustainable food production systems that improve productivity and support ecosystems and climate change adaptation		
		2.5: Maintain genetic diversity of seeds, cultivated plants and farmed animals, and promote equal access to resources and knowledge		
		3.3: End the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat other communicable diseases		
GOAL 3: Good Health and Well-being	-Ecosystem services and biodiversity -Sustainable water management, use, and sanitation	3.5: Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol		
		3.9: Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution		
		6.1: Achieve universal and equitable access to safe and affordable drinking water for all		
GOAL 6: Clean Water and Sanitation	-Ecosystem services and biodiversity -Sustainable water management, use, and sanitation -Waste and circular economy -Management of disaster risks associated with climate change -Ecosystem services and biodiversity, -Sustainable agricultural production, with low emissions and adapted to climate change -Sustainable water management, use, and sanitation -Waste and circular economy -Management of disaster risks associated with climate change	6.2: Achieve access to adequate sanitation and hygiene for all and end open defecation		
		6.3: Improve water quality by reducing pollution, eliminating dumping and minimizing hazardous chemicals and materials		
		6.4: Increase water-use efficiency across all sectors and ensure sustainable supply of freshwater to reduce water scarcity		
		6.5: Implement integrated water resources management at all levels, including through transboundary cooperation as appropriate		
		6.A: Expand international cooperation and capacity-building to emerging markets in water- and sanitation-related activities and		
		6.B: Support and strengthen the participation of local communities in improving water and sanitation management		
		GOAL 7: Affordable and Clean Energy	Non-conventional energy sources, energy efficiency, and connectivity	7.1: Ensure universal access to affordable, reliable and modern energy services
				7.2: Increase substantially the share of renewable energy in the global energy mix
				7.3: Double the global rate of improvement in energy efficiency
				7.A: Enhance international cooperation and promote investment for clean energy infrastructure, research and technology
		7.B: Expand infrastructure and upgrade technology for sustainable energy services to all in emerging markets		

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 9: Industry, Innovation and Infrastructure	Sustainable buildings adapted to climate change	<p>9.1: Develop sustainable infrastructure to support economic development and human well-being, focusing on equitable access</p> <p>9.2: Promote sustainable industrialization and raise industry's share of employment and GDP, and double its share in the least developed countries</p> <p>9.3: Increase SMEs' access to finance, and their integration into value chains and markets, particularly in emerging markets</p> <p>9.4: Upgrade infrastructure and retrofit industries to make them sustainable, with all countries taking action</p> <p>9.A: Facilitate sustainable infrastructure development in emerging markets through financial and technical support</p> <p>9.C: Increase access to information and communications technology and provide universal and affordable access to the Internet</p>
GOAL 11: Sustainable Cities and Communities	<p>Non-conventional energy sources, energy efficiency, and connectivity</p> <p>-Non-conventional energy sources, energy efficiency, and connectivity</p> <p>-Clean and sustainable transport</p> <p>-Sustainable buildings adapted to climate change</p> <p>-Waste and circular economy</p> <p>-Management of disaster risks associated with climate change</p>	<p>11.1: Ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums</p> <p>11.2: Provide access to safe, affordable, accessible and sustainable transport systems for all</p> <p>11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage</p> <p>11.5: Reduce deaths, people affected and economic losses caused by disasters, particularly for people in vulnerable situations</p> <p>11.6: Reduce the adverse per capita environmental impact of cities, with special attention to air quality and waste management</p> <p>11.7: Provide universal access to safe and inclusive green and public spaces for all</p> <p>11.A: Support economic, social and environmental links between urban and rural areas by strengthening development planning</p> <p>11.B: Increase number of cities with plans towards inclusion, resource efficiency, and climate change and disaster resiliency</p> <p>11.C: Support least developed countries, including through financial and technical assistance, in building sustainable buildings using local materials</p>
GOAL 12: Responsible Consumption and Production	<p>-Sustainable agricultural production, with low emissions and adapted to climate change</p> <p>-Sustainable water management, use, and sanitation</p> <p>-Waste and circular economy</p> <p>-Management of disaster risks associated with climate change</p>	<p>12.2: Achieve the sustainable management and efficient use of natural resources</p> <p>12.3: Halve global food waste at the retail and consumer levels and reduce food losses along production and supply chains</p> <p>12.4: Achieve environmental management of chemicals and all wastes, and reduce their release to air, water and soil</p> <p>12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse</p>
GOAL 13: Climate Action	<p>-Non-conventional energy sources, energy efficiency, and connectivity</p> <p>-Clean and sustainable transport</p> <p>-Sustainable buildings adapted to climate change</p> <p>-Non-conventional energy sources, energy efficiency, and connectivity</p> <p>-Sustainable agricultural production, with low emissions and adapted to climate change</p> <p>-Clean and sustainable transport</p> <p>-Sustainable buildings adapted to climate change</p>	<p>13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p> <p>13.2: Integrate climate change measures into national policies, strategies and planning</p> <p>13.3: Improve awareness and human and institutional capacity on climate change mitigation, adaptation and impact reduction</p> <p>13.B: Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries</p>

UN SDG 17 Goals	Eligible Category	SDG Targets
GOAL 14: Life Below Water	-Ecosystem services and biodiversity -Sustainable water management, use, and sanitation	14.1: Prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities 14.2: Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts 14.3: Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels 14.5: Conserve at least 10% of coastal and marine areas, consistent with national and international law and scientific data 14.6: Prohibit certain forms of fisheries subsidies contributing to overfishing and eliminate subsidies leading to unregulated fishing 14.A: Increase R&D to improve ocean health and enhance the contribution of marine biodiversity to the development of emerging markets 14.B: Provide access for small-scale artisanal fishers to marine resources and markets
GOAL 15: Life on Land	-Ecosystem services and biodiversity -Sustainable agricultural production, with low emissions and adapted to climate change	15.1: Ensure the conservation and sustainable use of terrestrial and inland freshwater ecosystems and their services 15.2: Promote the implementation of sustainable management of all types of forests 15.3: Combat desertification and restore degraded land and soil 15.4: Ensure the conservation of mountain ecosystems, including their biodiversity 15.5: Reduce the degradation of natural habitats and biodiversity loss, and prevent the extinction of threatened species 15.6: Promote equitable sharing of the benefits from genetic resources and promote appropriate access to such resources 15.7: End poaching and trafficking of protected species of flora and fauna and address demand and supply of illegal wildlife products 15.8: Prevent entry and reduce the impact of invasive alien species on land and water ecosystems, and control the priority species 15.A: Mobilize and increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems 15.C: Enhance global support to combat poaching and trafficking of protected species

The United Nations' Sustainable Development Goals (SDGs) mapping in this SPO considers the eligible project categories (or key performance indicators) and associated sustainability objectives/benefits documented in the issuer/borrow/lender's financing framework, as well as resources and guidelines from public institutions, such as the ICMA SDG Mapping Guidance and the UN SDG targets and indicators.

Appendix 2 - Summary of eligible categories in the Government of Colombia's framework

Eligible Category	Description	Sustainability Objectives	Impact Reporting Metrics
Non-conventional energy sources, energy efficiency, and connectivity	<ul style="list-style-type: none"> • Generation, improvement, and access to energy from non-conventional sources (photovoltaic solar, wind, hydroelectric, ocean, geothermal, biomass, biofuel and biogas, and others) • Energy efficiency or connectivity • Policy, laws, and research on energy transition • Energy transmission from non-conventional sources • Energy storage • Purchase of renewable energy, provided that it is subject to a long-term, renewable power purchase agreement (PPA) and has Renewable Energy Certificate <p>Note: In line with the taxonomy, for non-interconnected zones (ZNI), electricity generation must come from a number of sources (including non-conventional renewable sources), which will ensure continuity and reliability of service in different climate scenarios and will reduce potential damage to the environment.</p>	<ul style="list-style-type: none"> • Climate change mitigation • Pollution prevention and control 	<ul style="list-style-type: none"> • Number of photovoltaic power generation units installed, maintained, or upgraded • Number of generation plants expanded, built, or upgraded • Reduced or avoided CO2 emissions • Energy consumption savings in MWh/GWh • Number of technical assistance services for structuring energy projects • Number of installed non-hydro generation units or sources
Ecosystem services and biodiversity	<ul style="list-style-type: none"> • Reforestation, deforestation control, and forest governance • Protection, conservation, and sustainable use of biodiversity and ecosystem services • Protection and conservation of natural resources management • Management of ecosystems associated with water provisioning • Research and capacity building for the management of ecosystem services and biodiversity • Integrated pest management • Satellite systems analysis, aerial monitoring and control systems, and early warning protocols. • Improvements in the regulatory framework and forest governance to strengthen the enabling environment 	<ul style="list-style-type: none"> • Climate change adaptation • Conservation and management of natural resources • Biodiversity conservation 	<ul style="list-style-type: none"> • Hectares reforested • Hectares of ecosystems conserved or undergoing restoration • Hectares declared as protected areas • Number of research and planning documents and guidelines focused on increasing the importance of on-site conservation of biodiversity • Number of buildings for the administration, surveillance, and control of protected areas • Hectares of forests that have a forest management plan • Hectares of forests, vegetation cover, or ecosystems with biodiversity monitoring plans
Sustainable agricultural production, with low emissions and adapted to climate change	<ul style="list-style-type: none"> • Silvo-pastoral systems • Agroforestry systems • Other primary low-emission productive activities • Protection against climate risks • Agroclimatic information and early warning systems • Sustainable commercial reforestation or soil restoration • Sustainable agricultural production focused on protecting ecosystems, biodiversity, and water resources • Sustainable or low-impact agriculture • Fertilizer management • Organic or green fertilizers (use of vegetation cover) 	<ul style="list-style-type: none"> • Climate change adaptation • Pollution prevention and control 	<ul style="list-style-type: none"> • Technical support service for the efficient use of natural resources in strategic ecosystems • Reduction of GHG emissions compared to the baseline scenario • Hectares reforested • Hectares under sustainable agroforestry systems • Hectares of commercial forests or established protective plantations

Eligible Category	Description	Sustainability Objectives	Impact Reporting Metrics
Clean and sustainable transport	<ul style="list-style-type: none"> • Urban development and mass passenger transport • Non-motorized mobility • Infrastructure for low-carbon transport systems, such as hydrogen service stations, electric vehicle charging stations, among others • Infrastructure for bicycle mobility • Reconversion and technological upgrading of the transport fleet • De-commissioning of highly polluting vehicles • Infrastructure for managing demand for low carbon transport (e.g., intermodal transfer facilities for low-carbon modes, such as river and rail) • Low carbon-emission transport systems • Cargo transport of zero- and low-emission vehicles and multimodal transport that reduces GHG emissions • Air quality monitoring networks in mass transit systems • Services associated with the purchase, maintenance, recycling, and recharging of batteries for low-carbon transport vehicles • Specialized logistical infrastructure that promotes the intermodal transfer of cargo to low-carbon modes of transportation • Promotion of research by national industries related to zero and low-emission mobility <p>Note: Infrastructure devoted to fossil fuels or mixed fossil fuels is not eligible.</p>	<ul style="list-style-type: none"> • Climate change mitigation • Pollution prevention and control 	<ul style="list-style-type: none"> • Kilometers or meters of urban roads built or improved for the operation of public transportation services. • Kilometers of urban and metropolitan mass transit systems • Kilometers of bicycle lanes • Number of stations, terminals, or additional construction works built or improved for the operation of public transportation systems • Number of air quality surveillance and monitoring networks • Reduction of GHG emissions compared to the baseline scenario • Kilometers or meters of railroad tracks built or improved for better operating conditions
Sustainable water management, use, and sanitation	<ul style="list-style-type: none"> • Restoration in strategic area where basins that supply municipal aqueducts are located • Management of information and technologies for sustainable use, planning, and management of water resources • Construction and maintenance of aqueducts and sewers, and basic and environmental sanitation. The new systems of aqueducts must comply with the Regulation on Water and Basic Sanitation (RAS) in force. • Network systems for monitoring the use of water resources. • Collection and transport systems that enable the volume of water treated to increase, and/or reduce the volume of discharge of raw, untreated waste water. • Establishment of waste water treatment plants • Waste water collection systems separate from rain water • Network systems for monitoring climate conditions and atmospheric phenomena 	<ul style="list-style-type: none"> • Climate change adaptation • Pollution prevention and control 	<ul style="list-style-type: none"> • Number of stations for monitoring hydrological conditions operating continuously • Number of laboratories and information systems strengthened and updated • Number of aqueducts and sewers improved, built, and optimized • Cubic meters of treated water • Number of wastewater management projects • Number of projects designed to promote efficient water use and savings • Number of documents that provide technical guidelines for climate change management, comprehensive water management, or environmental management • Number of regional institutional programs to monitor water quality and quantity • Number of plans for the development and management of water basins • Increase in the amount of water treated in m3 yearly, monthly, or weekly • Number of drinking water and/or waste water treatment plants improved, built, and optimized

Eligible Category	Description	Sustainability Objectives	Impact Reporting Metrics
Sustainable buildings adapted to climate change	<p>Construction and design of new buildings that conserve energy and minimize CO2 emissions throughout their life cycle. These criteria are defined in the Sustainable Building Resolution 0549 of 2015, Ministry of Housing, Cities, and Land, or the regulation that addends, modifies, or replaces it.</p> <ul style="list-style-type: none"> • Environmentally sustainable construction or renovations in terms of energy, wastewater, and water (hospitals, schools, buildings, housing, etc.) • Construction or renovation focused on adaptation <p>Note: Back-up generators in the event of failure of the electricity system and micro-generation systems that permit the use of solid waste may be part of the building's services.</p>	<ul style="list-style-type: none"> • Climate change mitigation • Climate change adaptation 	<ul style="list-style-type: none"> • Number of sustainable buildings • Number of buildings with climate change adaptation features
Waste and circular economy	<ul style="list-style-type: none"> • Separation of the source, use, reuse, and management of waste • Technical and technological or digital systems for the management of national information on waste • Separate collection and transport of non hazardous waste • Weighing, storage, and preparation of non hazardous waste in the separate fraction from the main source, including machinery and equipment • Anaerobic digestion of organic waste with capture or use of methane • Composting of organic waste • Use of non-hazardous waste material • Capture and use of landfill gas • Carbon capture, use, and storage 	<ul style="list-style-type: none"> • Climate change adaptation • Conservation and management of natural resources • Pollution prevention and control 	<ul style="list-style-type: none"> • Tons of waste used, reused, or recycled • Number of companies assisted in circular economy and sustainability-related themes
Management of natural disaster risks associated with climate change	<p>Knowledge, monitoring, and reduction of natural disaster risks associated with climate variability and change, including the development of information systems.</p> <ul style="list-style-type: none"> • Knowledge: risk identification and characteristics (analysis, evaluation, and communication) • Monitoring: monitoring systems for the identification and management of disaster risks associated with climate variability and climate change • Reduction: corrective and prospective risk intervention. It also refers to risk-reduction interventions based on ecosystems (Eco-RRD) and financial protection from the impacts of disasters. 	<ul style="list-style-type: none"> • Climate change adaptation • Conservation and management of natural resources 	<ul style="list-style-type: none"> • Number of studies, guidelines, policies, or programs focusing on identifying, analyzing, and preventing natural disaster risks associated with climate change. • Financial protection instruments • Number of regional centers for weather and atmospheric phenomena forecasting • Number of local and sectoral entities technically assisted • Number of information systems implemented • Number of projects supported to increase the capacity of local entities in implementing disaster risk management measures • Percentage of estimated probable risk reduction

Endnotes

1 [Biodiversidad en cifras](#), accessed in December 2023

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