



STATUTORY AUDITOR'S REPORT

To the Board of Directors, **FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ**

1. Audit report on the financial statements

Opinion

We have audited the financial statements of Fondo para la Acción Ambiental y la Niñez., including the statement of financial position as of December 31, 2024, and the statement of income and other comprehensive income, changes in shareholders' equity and cash flows in wealth and cash flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

We are of the opinion that the financial statements accompanying this report, which have been accurately taken from the books of account, accurately reflect the financial position of Fondo para la Acción Ambiental y la Niñez as of December 31, 2024, as well as the outcomes of its operations, changes in equity, and cash flows for the year ending on such date. These statements have been prepared in accordance with the Accounting and Financial Reporting Standards in force in Colombia, which were applied uniformly during the previous period.

Basis of the Opinion

Our audit was conducted in accordance with the auditing standards that are currently in effect in Colombia. Further details regarding our obligations under those standards are provided in the section titled "The Statutory Auditor's Responsibilities concerning the Audit of the Financial Statements."

We have fulfilled our other ethical responsibilities in accordance with the ethical requirements applicable to the audit of financial statements in Colombia, and we are independent of Fondo para la Acción Ambiental y la Niñez. We believe that the audit evidence we have obtained serves as a sufficient and appropriate foundation for our assessment.

Key audit issues

The key audit matters are those that, in our professional opinion, were of the greatest significance in our audit of the current period's financial statements. These matters were communicated to those responsible for governance and determined to be of the greatest significance. The matters that were considered to have the greatest impact are listed below.

We have taken these matters into account in the context of our audit of the financial statements as a whole, and as a result, we do not express a separate opinion on the key audit matters.





Other Financial Liabilities and Advances Received Please refer to Note 3.9 (1-2-3-4) of the Financial Statements	
Key Audit Matters Other Financial Liabilities and Advances Received (figures expressed in thousands of Colombian pesos)	How they were approached in our audit
<p>As of December 31, 2024, Other Liabilities and Advances Received represent 98,96% of the total balance of liabilities.</p> <p>Other Liabilities and Advances Received as of December 2024 are comprised of short-term committed money of \$292,825, deposits received long term for \$203,198,637, revenue received for third parties for \$29,436,525 and money long-term commitments for \$75,111,892.</p> <p>The management and control of the other Financial Liabilities and advances received requires compliance with legal standards, the control of existence, and the application of technical judgments to estimate the existence.</p> <p>As described in the accounting policies of FONDO PARA LA ACCION AMBIENTAL Y LA NIÑEZ are recognized as the other Financial Liabilities and advances received as agreements and projects of the social object that it carries out with national and international bodies, are resources managed by the Fund should therefore be recognized as liabilities at the time of receipt of resources and decrease this Liabilities in accordance with disbursements made for the implementation of these projects or agreements.</p> <p>We have considered Other Financial Liabilities and Advances Received as a Key Audit Matter due to their impact on the business and the importance they have on the Fund's financial position.</p>	<p>During the execution of the audit, we carry out tests on controls and balances, including management-level monitoring and management review of results.</p> <p>We evaluate the policies, processes, procedures, and other mechanisms adopted by the Fund to manage the risks associated with the Other Financial Liabilities and advances received, considering the instructions issued by the administration.</p> <p>According to the scope, we verify the contracted cooperation agreements, the income of the money and its proper accounting in the assigned trust.</p> <p>According to the scope, we verify the projects subscribed under the following attributes:</p> <ul style="list-style-type: none"> * That has been chosen by means of a call and: <ul style="list-style-type: none"> a. Compliance of the project: Approval Act, Signature, Object (Children or Environment), Beneficiary (Entity) b. Constitution of policies by the beneficiaries, prior to their rotation (Compliance, Management of Advance, Civil Liability, Wages and Benefits). c. That the advances have been duly approved, in addition to verifying quantity, date of first advance, date of last advance and comparing the balance to be rotated with the balance sheet with cut to the evaluation date.





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	<p>d. That there be reports of the technical unit prior to the advance.</p> <p>e. That there be a project initiation report, accompanying reports and beneficiary reports.</p> <p>f. Present a project budget.</p> <p>g. That the disbursements that are being made comply with h the budget and have the corresponding documentation.</p> <p>We carry out an analytical review according to reach account movements 2810 Deposits received and 2815 Income received for third parties.</p> <p>We selected a sample of the most significant projects as of December 31, 2024, on wich documentary validation of the most representative appropriations and executions will be performed.</p> <p>We validated the disclosures on other liabilities and advances received in the notes to the financial statements, in accordance with the relevant and material requirements of the applicable financial reporting framework.</p> <p>The result of the procedures described above was considered satisfactory.</p>

Other relevant matters

The Financial Statements to and for the year ended December 31, 2023, are submitted solely for comparison purposes, and were audited by me, appointed by Amézquita & Cía. S.A.S., who issued my report on March 15, 2024, and expressed an unqualified opinion.





Management responsibilities and those charged with governance of the financial statements

Management is accountable for the preparation and fair presentation of the financial statements in compliance with the Accounting and Financial Reporting Standards in effect in Colombia, as well as for internal control, which includes the necessary measures to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is in charge of assessing and disclosing Fondo para la Acción Ambiental y la Niñez ability to continue as a going concern and applying the going concern basis of accounting, and for reporting, as relevant, issues related to compliance with and application of the going concern basis of accounting.

This obligation encompasses the selection and implementation of suitable accounting policies, as well as the development of reasonable accounting estimates in light of the circumstances.

The financial reporting process of Fondo para la Acción Ambiental y la Niñez is the responsibility of those responsible for governance and management.

Responsibilities of the Statutory Auditor concerning the audit of the financial statements

Our objectives are to issue an audit report that includes our opinion and to obtain reasonable assurance regarding the absence of material misstatement in the financial statements, whether as a result of fraud or error.

Although reasonable assurance is a high level of assurance, it does not ensure that an audit conducted in accordance with the International Standards on Auditing in force in Colombia will always detect a material misstatement when it exists. Material misstatements are classified as material if they are reasonably likely to affect the economic decisions made by users based on the financial statements, whether individually or collectively, and are the result of fraud or error.

As part of our audit, we applied professional judgment and maintained an attitude of professional skepticism throughout the audit, as well as:

- We assessed and identified the potential risks of material misstatement of the financial statements, whether due to fraud or error. We then developed and executed audit procedures that were appropriate and sufficient to substantiate our assessment.

Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, which increases the risk of not detecting a material misstatement compared to error.

- To develop audit procedures suitable for the circumstances, we acquired an understanding of the risks and internal controls pertinent to the audit.





- The reasonableness of the accounting estimates, the adequacy of the accounting policies, and the disclosures made by management regarding the matter are assessed.
- We assess the financial statements' overall presentation, structure, and content, as well as the information they disclose, to determine whether they accurately reflect the underlying transactions and events.
- We obtained the necessary information to properly perform our functions.
- We conclude that management used the going concern accounting principle correctly, and based on the audit evidence obtained up to the date of our report, we conclude that there is no material uncertainty related to events or conditions that may cast significant doubt on Fondo para la Acción Ambiental y la Niñez ability to continue as a going concern. We draw attention to the disclosure made in Note 3.16 of the Financial Statements on the evolution of the Fondo.
- We provide the following information to those who are responsible for the management, among others:
 - The scope and timing of the planned audit, significant audit findings, and relevant internal control deficiencies we identified during the audit.
 - Key audit matters that, in our professional opinion, were of the utmost importance during the audit of the financial statements for the current period. We include these matters in our auditor's report unless they are prohibited from public disclosure by law or regulation, or unless we determine that the public interest benefits of reporting them may be outweighed by the potential negative consequences.

2. Statutory Auditor Report on compliance with paragraphs 1 and 3 of article 209 of the Commercial Code

In our capacity as Statutory Auditor of Fondo para la Acción Ambiental y la Niñez and compliance with articles 1.2.1.2 and 1.2.1.5 of the Single Regulatory Decree 2420 of 2015, modified by articles 4 and 5 of Decree 2496 of 2015, as corresponds, we express our opinion for the year 2024 concerning sections 1) and 3) of Article 209 of the Commercial Code, as follows:

- 1) If the acts of the managers of Fondo para la Acción Ambiental y la Niñez comply with the statutes and the orders or instructions of the Board of Directors, and
- 3) If there are and are adequate internal control measures, conservation and custody of the assets of the company or third parties that are in its possession.

Conclusion

In our opinion, the management team of Fondo para la Acción Ambiental y la Niñez are in compliance with the bylaws and the orders or instructions of the Boards of Directors. The internal control, conservation, and custody measures of the company's assets or those of third parties in their possession are both present and sufficient.





Basis for conclusion

We have conducted the work in accordance with the International Standard on Assurance Engagements 3000 (Revised) - Assurance engagements other than an audit or review of historical financial information.

The section on the Responsibilities of the Statutory Auditor in relation to the Statutory Auditor Report on compliance with paragraphs 1 and 3 of Article 209 of the Commercial Code will further detail our obligations under this rule.

Reasonable assurance work included applying the following procedures:

- Understand and be familiar with the bylaws, the minutes of the Board of Directors, and the internal control components that Fondo has implemented.
- Obtain a written representation from management regarding the compliance of the administrators' actions with the bylaws and the decisions of the Board of Directors, as well as the existence of sufficient internal control measures, such as the risk management systems that have been implemented, the conservation and custody of the assets of Fondo and those of third parties that are in its possession.
- Verify compliance with the statutes of the Fondo.
- Obtain confirmation from management regarding the topics that are yet to be recorded in the minutes of the Board of Directors.
- Confirm that the actions of management and those responsible for governance are following the bylaws and the orders or instructions of the Board of Directors, as documented in the minutes.
- Obtain confirmation from management regarding proposed modifications to the Fondo bylaws during the specified timeframe and verify their implementation.
- Assess the Fondo assets and those of third parties in its possession, as well as the existence and adequacy of internal control measures, including the implementation of risk management systems. This encompasses:
 - Determine the presence of the five components that must be present in the organization, designed and functioning in an integrated manner: i) control environment; ii) risk assessment; iii) control activities; iv) information and communication; and v) supervisory activities.
 - Conduct design and implementation tests on the pertinent controls of the internal control components over financial reporting, and
 - Assess the design and execution of pertinent manual and automated controls for critical business processes associated with the significant accounts in the financial statements.





Our conclusion is contingent upon the inherent constraints outlined in this report and is founded on the evidence collected regarding the aforementioned topics.

We believe that the audit evidence we have obtained serves as a suitable and adequate foundation for our conclusion.

We have reviewed the responses to the recommendation letters that were addressed to management and have determined that there are no outstanding material matters that could potentially impact our conclusion.

Inherent limitations

As our report is based on selective testing, it is feasible that effective controls were in place at the time of our examination, which could have altered the situation during the period under review, as a result of the inherent limitations of any internal control structure.

Furthermore, the assessment of internal control is susceptible to becoming insufficient as a result of alterations in circumstances or a decline in the extent of adherence to policies and procedures. Furthermore, human error, failures resulting from collusion between two or more individuals, or inappropriate override of controls by management are all inherent limitations of internal control.

Responsibilities of management and those in charge of the Fondo governance regarding compliance with sections 1 and 3 of article 209 of the Commercial Code

The Fondo management and those responsible for governance are accountable for adhering to the bylaws and the decisions of the Board of Directors, as well as for the design, implementation, and maintenance of sufficient internal control measures. These measures encompass the conservation and custody of the company's assets and those of third parties in its possession.

Responsibility of the Statutory Auditor concerning the statutory auditor's report on compliance with paragraphs 1 and 3 of Article 209 of the Commercial Code

It is our duty to conduct reasonable assurance work to express a conclusion regarding compliance with sections 1 and 3 of Article 209 of the Commercial Code, based on the evidence that has been obtained.

Following the International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Except for Audits or Reviews of Historical Financial Information, we adhere to ethical standards and implement the procedures we deem necessary to ensure that sections 1 and 3 of Article 209 of the Commercial Code are complied with reasonably.

3. Report on other legal and regulatory requirements

The management is responsible for compliance with regulatory aspects in Colombia.

In these matters, our duty as Statutory Auditors is to conduct review procedures and render an opinion on their appropriate execution. In this context, we articulate our viewpoint:





- a) Accounting is performed under legal regulations, accounting techniques, and, where applicable, under special regulations issued by the supervisory entity.
- b) The transactions recorded in the accounting books comply with the bylaws and the decisions of the Board of Directors.
- c) Correspondence, account receipts, and Boards of Directors minutes are duly kept and preserved.
- d) The Fondo has made its contributions to the Comprehensive Social Security System in a timely and accurate manner. This means that the information contained in the self-assessment declarations for contributions to the Comprehensive Social Security System, particularly that relating to members and their base contribution income, is accurate, and there is no delay in the payment of contributions to the Comprehensive Social Security System.
- e) The Fondo is obliged to adopt the Transparency and Business Ethics Program - PTEE, with a deadline of May 31, 2025, in accordance with the rules and instructions of the Mayor's Office of Bogota.
- f) The administrators noted in their management report that they did not hinder the free circulation of invoices issued by vendors or suppliers.
- g) There is agreement between the accompanying financial statements and the management report submitted by the directors.

We are currently reviewing responses to letters of recommendation that were addressed to management. We have not encountered any outstanding material issues that could potentially influence our assessment.

Bogotá D.C., March 19, 2025.

Lizeth Rodríguez C.

Lizeth Rodríguez Caballero

Statutory Auditor

Professional License. 228.937-T

Appointed by Amézquita & Cía. S.A.S.

