

**BANCO DE BOGOTÁ's ORDINARY SHAREHOLDERS' MEETING
MARCH 21st / 2024**

PROPOSALS AND OTHERS

**INFORMATION ON USE OF COUNTERCYCLICAL PROVISIONS –
TRANSITIONAL PROVISIONS**

With the purpose of promoting financial stability, strengthening healthy growth of the loan portfolio and mitigating the impact of the current credit cycle in the financial system, the Colombian Financial Superintendence issued External Circular 017 in November / 2023, which contains transitional measures related to countercyclical provision accounting, defined in Annex 1 to Chapter XXXI of the Integral Risk Management System (SIAR, for its acronym in Spanish), allowing the financial system to use said provisions upon special conditions, while maintaining a prudential provisioning level, and provided they are subsequently reconstituted within 24 months, at the latest.

The General Shareholders' Meeting is informed that Banco de Bogotá complied with the ratios and other preceding conditions foreseen in regulation and, starting in November / 2023, has initiated the release of said provisions.

At the close of October / 2023, the Bank accounted countercyclical provisions for \$542 billion and during the months of November and December / 2023, it released \$119 billion.

The Bank expects to use around 80% of provisions accounted as of October / 2023. Consequently, this release process authorized by the Financial Superintendence will continue until April / 2024 for an estimated amount of \$280 billion in 2024.

This decision was presented to the Board of Directors at meetings held on November 21st and December 5th / 2023, and informed to the Financial Superintendence, following instructions included in Circular 017.

Once the release process is completed, it is necessary to initiate provision accumulation until the released amount is restored. Therefore, in May / 2024 Banco de Bogotá will send a communication to the regulator, stating the strategy for the corresponding provision accumulation, within the established term of 24 months.