



Through our 6C's corporate strategy, we aim to maintain our leadership in banking, improve customer experience and contribute to the progress of society.



- We launched a new branch format, based on an omnichannel offering and the presence of business partners
- We have more than 9,000 banking correspondent in 851 municipalities
- We are benefiting 31,532 customers with the transactional website for SMEs and the government sector



- We increased our market share in commercial loans by 58 basis points
- We grew 12.9% in consumer loans, the highest growth in recent years
- We reached COP 4 trillion in the mortgage loan portfolio



- We have the most complete 100% digital product portfolio in the market
- We achieved digital sales of 57% of the consumer and credit card portfolio
- We received the award for our Virtual Banking platform: The Banker's 2019 Tech Projects awards, in the Technology Project of the Year, Digital Transformation category



- We streamlined and optimized the traditional credit approval process
- We improved approval tools with more assertive information sources
- We strengthened our ALM (Assets & Liability Management) system by adopting best practices



- We increased our operational efficiency through the automation and robotization of our internal processes
- We reallocated resources that enabled us to make relevant investments in technology without significant increases in spending
- We strengthened our efficiency mentality, through control tools and monitoring protocols



- We were the first entity in the sector with an Integral Sustainable Mobility Plan in Bogotá
- We planted more than 20 thousand trees and impacted nearly 4 thousand children through the improvement of school infrastructure
- We supported our employees through aid for graduate studies

For 150 years, we have contributed significantly to the construction of a better country, establishing ourselves as an experienced, solid and profitable entity. We will carry on our commitment to society for another 150+.



Our Bank in Colombia

Our Sustainable Business Model [GRI 102.12]

Through the 6C's strategic plan (for its meaning in spanish), we aim to maintain our leadership in commercial banking and increase our presence in consumer banking through enhanced customer experience, leading-edge digital tools, and continuous improvement of the operational experience and risk control.



Customer
(*Cliente*)
We ensure memorable experiences to achieve customer loyalty and referral.



Sustainable Growth
(*Crecimiento Sostenible*)
We increase business profitably with a focus on the enrollment of new customers by comprehensively managing their life cycles and their multi-channel experience.



Analytical Capacity and Digital Transformation
(*Capacidad Analítica y Transformación Digital*)
We transform our customers' lives by offering digital experiences, applying technology to business processes and strengthening our capabilities in data analysis.



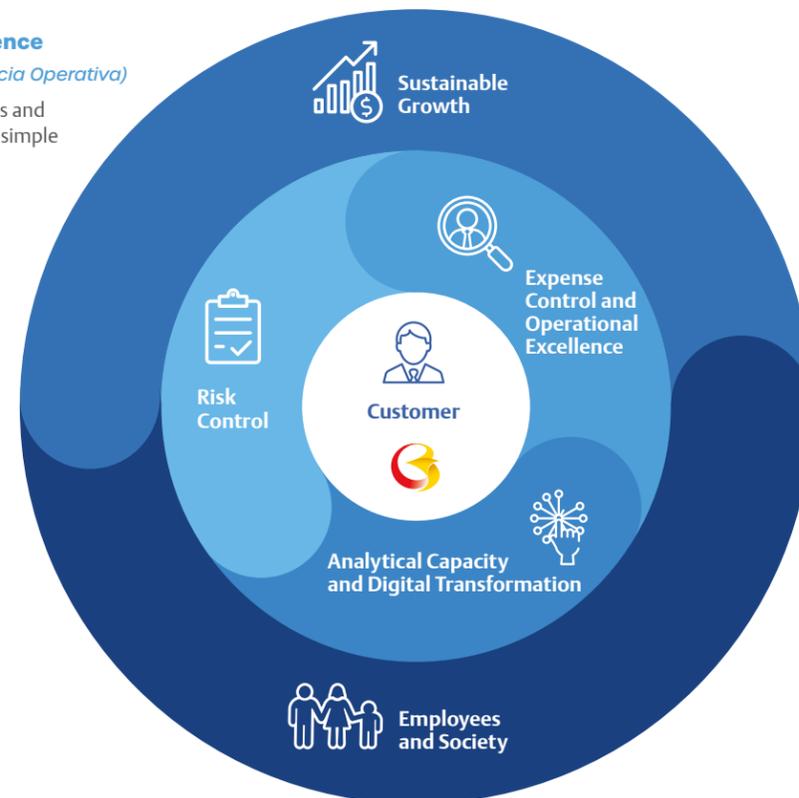
Risk Control
(*Control de Riesgo*)
We comprehensively manage the risks inherent to the business, maintaining the healthy growth of our loan portfolio and the strength of our balance sheet.



Expense Control and Operational Excellence
(*Control del gasto y Excelencia Operativa*)
We efficiently control expenses and we make our processes quick, simple and secure in order to achieve excellence in our operations.



Employees and Society
(*Colaboradores y Sociedad*)
We promote the wellbeing and development of our employees, having a positive impact on society.



We created the BdB Culture Label, which defines our actions and allows us to direct human talent towards achieving results, based on the values of respect, honesty, efficiency and example.

We are promoting change

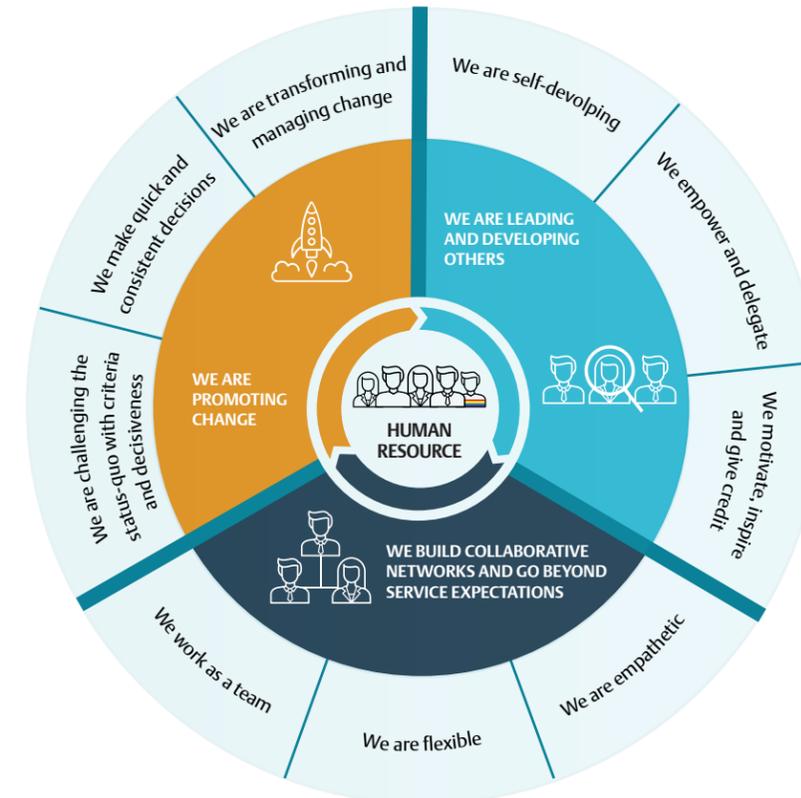


- We are challenging the status-quo with criteria and decisiveness**
We diagnose our context with objectivity, challenging paradigms with constructive arguments, in a forceful and respectful way.
- We are transforming and managing change**
We are implementing changes with openness, understanding, and managing people's adaptation process.
- We make quick and consistent decisions**
We understand that timeliness in decision making is consistent with expected results.

We are leading and developing others



- We are self-developing**
We take responsibility for our own progress and growth, constantly seeking alternatives and options for improvement.
- We empower and delegate**
We create environments of trust by clearly marking the goal that will lead to results.
- We motivate, inspire and give credit**
We connect and build bridges between individual motivations and corporate purpose. We give credit where credit is due.



We build collaborative networks and go beyond service expectations

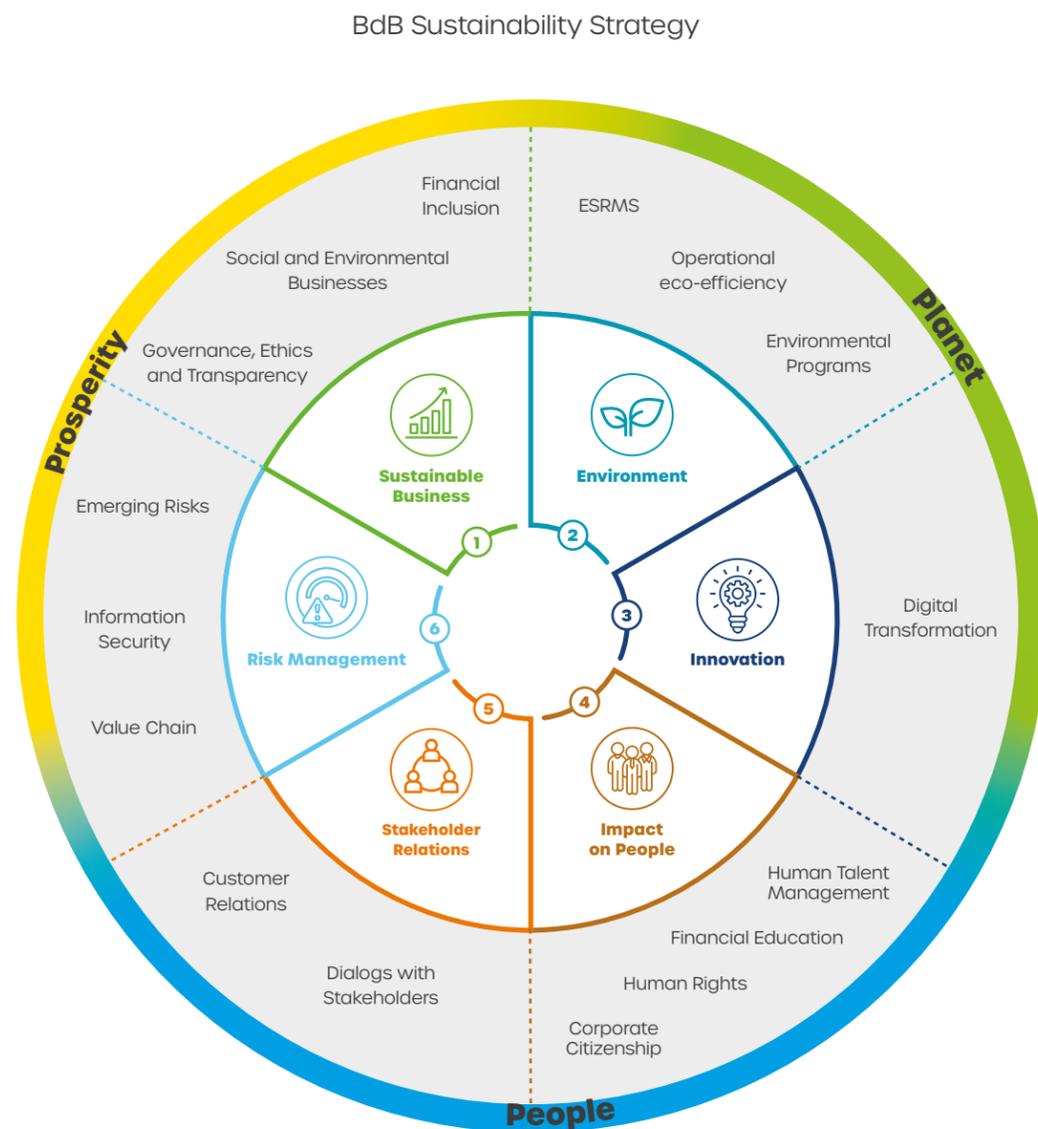
- We are empathetic**
We understand the situation of our context and of individuals, providing support to manage differences.
- We are flexible**
We diagnose reality with objectivity and adapt to changes in the environment in a timely manner.
- We work as a team**
We promote and identify challenges that involve cooperation, playing an active role to achieve common goals.

Finally, this year, we took a step further: we redefined our **Sustainability Strategy** in order to align it with best practices, reviewing both international and domestic industry trends, identifying our positive and negative impacts, and identifying and managing measurement indicators. This is how we reiterated the commitment to manage our business in a responsible and innovative manner, striving to improve the quality of life of the people we engage with, contributing to the economic prosperity of society and helping to reduce our impact on the environment, which enables us to consolidate a **Sustainable Business Model** that includes economic, environmental and social criteria.

All our strategic lines are framed within the three perspectives of sustainability, which means that our business management is comprehensive and that all the actions we take on a daily basis are designed in such a way as to have a positive impact on society, the environment and our business.

One of the focal points of our business is based on the constant training of our employees in sustainability, and the disclosure and transparent communication with our stakeholders.

The result of our materiality exercise allowed us to reassess our strategic issues in terms of sustainability, taking into account the most relevant ones. This resulted in seventeen strategic drivers framed on six fronts within the three dimensions of sustainability, covering the organization's main lines of action.



Our Stakeholders

[GRI 102.13] [GRI 102.40] [GRI 102.43] [BdB.14]

To address the expectations of our stakeholders, working together to generate shared value, long-term relations of trust, and a culture of sustainability within the organization, are some of the objectives that inspire us every day. That is why we work to generate a positive and significant social and environmental impact, through innovative and differentiating experiences.

Our interactions with each of them are materialized through face-to-face meetings, satisfaction surveys, opinion polls, inter-personal relations, service channels and digital media, which enable us to strengthen our bonds of trust.

Mechanisms and channels for stakeholder relations and communication channels



Customers:

In 2019, through the "Te escuchamos" [We hear you] program, we received more than 13,000 opinions from our customers, which enabled the optimization of our internal processes and the redesign of the service channels, thus reducing response times and improving the quality of our service.

Shareholders and Investors:

We addressed 173 requests from analysts, investors, rating agencies, organizations and other stakeholders and took part in international investor meetings such as the "JP Morgan Global Emerging Markets Corporate Conference", the "Bank of America Merrill Lynch 2019 Emerging Markets Debt & Equity Conference" and the "Scotiabank Investor Trip".



Employees:

From the employees' perspective, we took into account three dimensions that we consider key in our relations. We developed the "Te escuchamos" [We hear you] program, which enabled us to define the employee journey map and measure eNPS for the second consecutive year, achieving the participation of more than 30% of our employees. We prioritized the strengthening of an internal culture, to impact the quality of service we provide to our customers. Finally, in their role as customers, we received more than 1,800 opinions regarding the services we provide, achieving an NPS, Net Promoter Score of more than 80 points. Additionally, with the participation of our employees, we created five task forces to redesign the key interactions in the bank's positioning as an employer brand.



Suppliers and Partners:

In order to establish long-term relationships of trust with suppliers and partners, we hold monitoring committee meetings that define opportunities for improvement and action plans that promote joint growth.



Community:

Through the financial education program, we established dialogs with the communities where we operate, provided training and gave workshops on financial products and services and promoted a transformation in their use. Similarly, volunteer work with employees has enabled us to understand the needs and expectations of the communities where we operate.



Professional Groups and Associations:

We played an active role in Asobancaria's task forces and committees to consolidate strategies, guidelines and good practices in financial education, customer service, sustainability and the environment, among others. We also worked together with other organizations to build proposals that generate shared value for our stakeholders, in order to achieve a more sustainable, diverse and inclusive society.



NGOs and International Organizations:

In 2019, we consulted the opinion regarding human rights of the NGOs, foundations and international organizations with which we engage, to ensure their participation in the development of our Human Rights Policy. This is how we managed to consolidate the perception of these organizations regarding the commitments and responsibilities that the bank should have on this issue.



Economic Value [GRI 201.]

The distribution of our economic value shows how the entity's results benefit all our stakeholders:

	2018	2019	Distribution of Generated Economic Value	
Net Interest Margin	3,002	2,974		<ul style="list-style-type: none"> Retained Economic Value Shareholders Government and Society Employees
Other Ordinary Income	4,152	4,057		
Net Fees	611	631		
Insurance Activities	168	190		
Generated Economic Value	7,933	7,852		
Suppliers ⁽¹⁾	1,121	1,115		
Shareholders	1,063	1,222		
Employees	733	744		
Government and Society	1,643	1,729		
Distributed Economic Value	4,561	4,811		
Provisions, D&A ⁽²⁾	1,611	1,623		
Reserves	1,761	1,418		
Retained Economic Value	3,372	3,041		

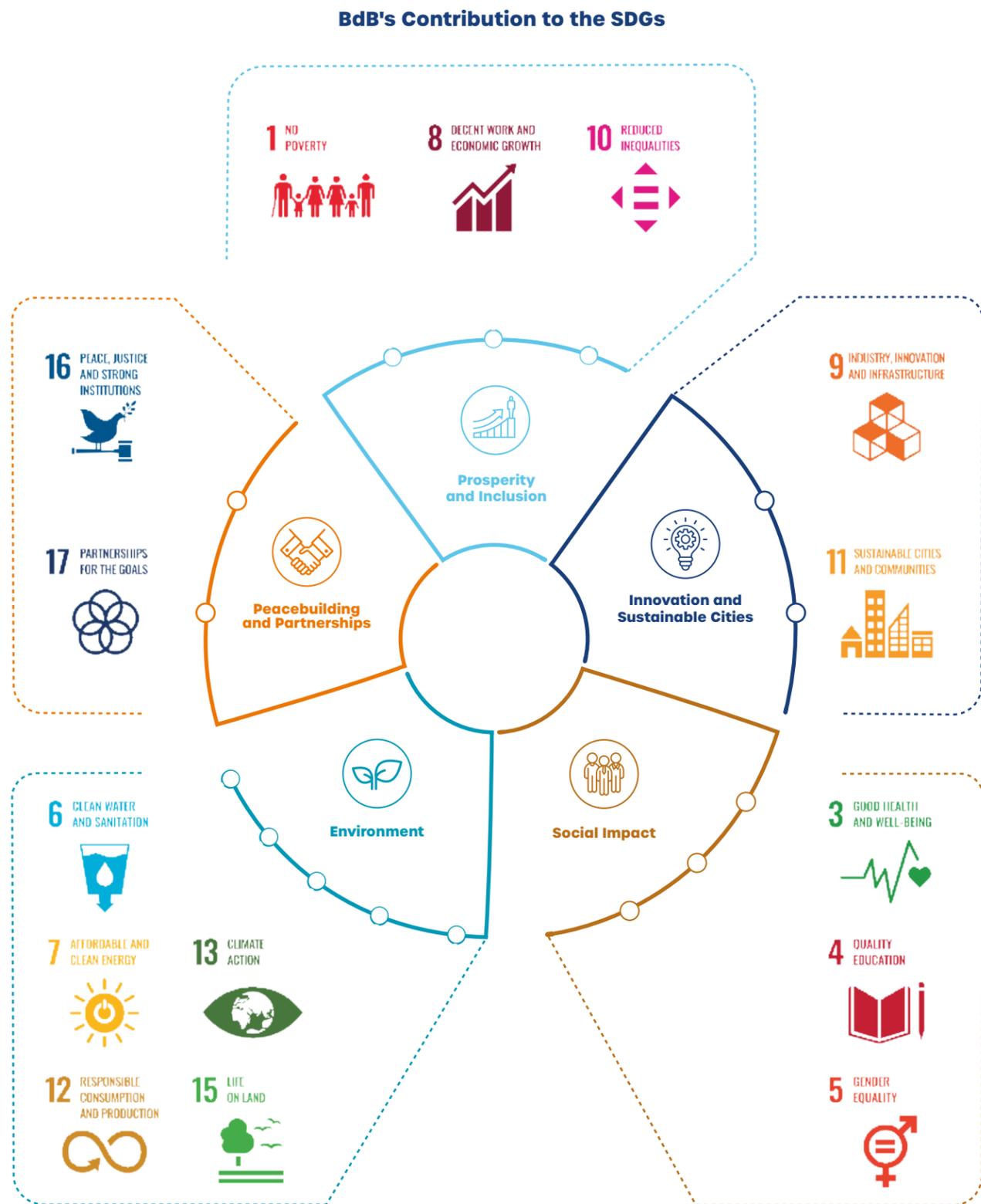
(1) Payments made to third parties for operational costs/expenses.
(2) Depreciations and Amortizations.
Figures in billions

Alignment with the Sustainable Development Goals - SDGs

Understanding the bank's significant contribution as an agent of change and a promoter of development, we have implemented the best international practices, by committing to the principles of the Global Compact. Thus, in 2019, we voluntarily adhered to this initiative and identified our business impact on the environment and society, by aligning with the Sustainable Development Goals (SDGs), in order to communicate the actions, programs and initiatives that make us a sustainable organization that is working towards achieving a better world for all.



Below are the actions by which we directly contribute to the SDGs through our business, initiatives and programs carried out in conjunction with our stakeholders. This is how we identified 15 objectives that align with 31 of our initiatives, identified in 5 groups.



COP 2.3 trillion financed, benefiting 4,356 medium-sized companies.

COP 1.2 trillion financed in the SME segment and 1,5 thousand entrepreneurs trained in entrepreneurship topics.

232 thousand small business owners financed through our lines for generating more productive and competitive businesses.

2,762 microcredits in the amount of COP 17 billion in 761 municipalities through the Microfinance model.

370 thousand coffee growers engaged in the banking system in 590 municipalities.

COP 74.8 billion micro, small and medium enterprises financed through the AVANZAMOS line of credit.

COP 730 billion in health and education infrastructure projects financing more than 2,315 entities.

We launched our **Financiamos tu talento (We Finance Your Talent)** program to support entrepreneurs from the creative industry.

189,292 people trained in financial education in 2019 through the first completely digital interactive classrooms, with 3D and augmented reality modules.

COP 3.5 billion invested in training and education.

more than **COP 700** million invested in occupational safety and health.

More than **2.2** thousand employees answered the survey on diversity and gender equality.

66 scholarships awarded to young people in vulnerable conditions for an amount of COP 465 million

COP 3.9 billion contributed to social, environmental and humanitarian causes.

837 employees participated in 9 volunteering sessions, benefiting 4,338 children

Construction of our policy on companies and **Human Rights**.

Strengthening mechanisms for relations and dialog with stakeholders.

We consolidated our **Corporate Sustainability Strategy**.

Accession to the **Global Compact** and alignment with the Sustainable Development Goals.

Strengthening of reporting, transparency and disclosure mechanisms through the **GRI Standard**.

COP 315 billion billion financing of infrastructure projects with innovative and sustainable technologies.

The Banker's Tech Award 2019, for our transaction website, a project that changes the way that customers interact with the bank.

3,000 employees took part in sustainable mobility, reducing more than 8 Tons of CO₂.

Digital access to beneficiaries of **Mi Casa Ya (My House Now)**, for financing housing in affordable housing projects.

We consolidated the Environmental and Social Risk Management **ESRMS** System and trained **365** employees.

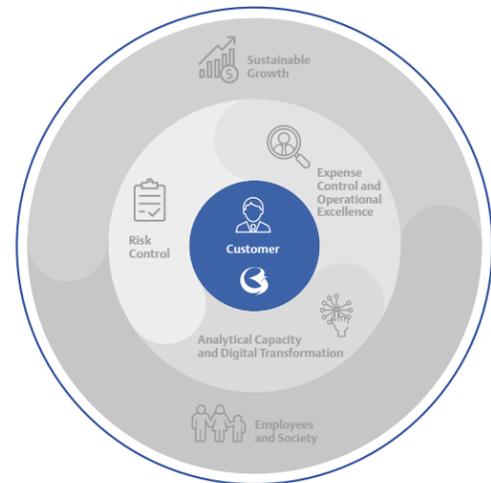
We launched our first **Sustainable Development line** to finance projects with **environmental** impact.

We decreased our energy consumption by **2%** and our water consumption by **6%**.

19.8 thousand native trees planted for forest restoration, preventing **12 thousand** Tons of CO₂

100% natural sugarcane paper used in our processes.

7.9 tons generated in greenhouse gases **GHG emissions**.



Customer

We ensure memorable experiences to achieve customer loyalty and referral.

Prosperity and Inclusion

We provide our customers with memorable experiences, in order to ensure our long-term economic prosperity.

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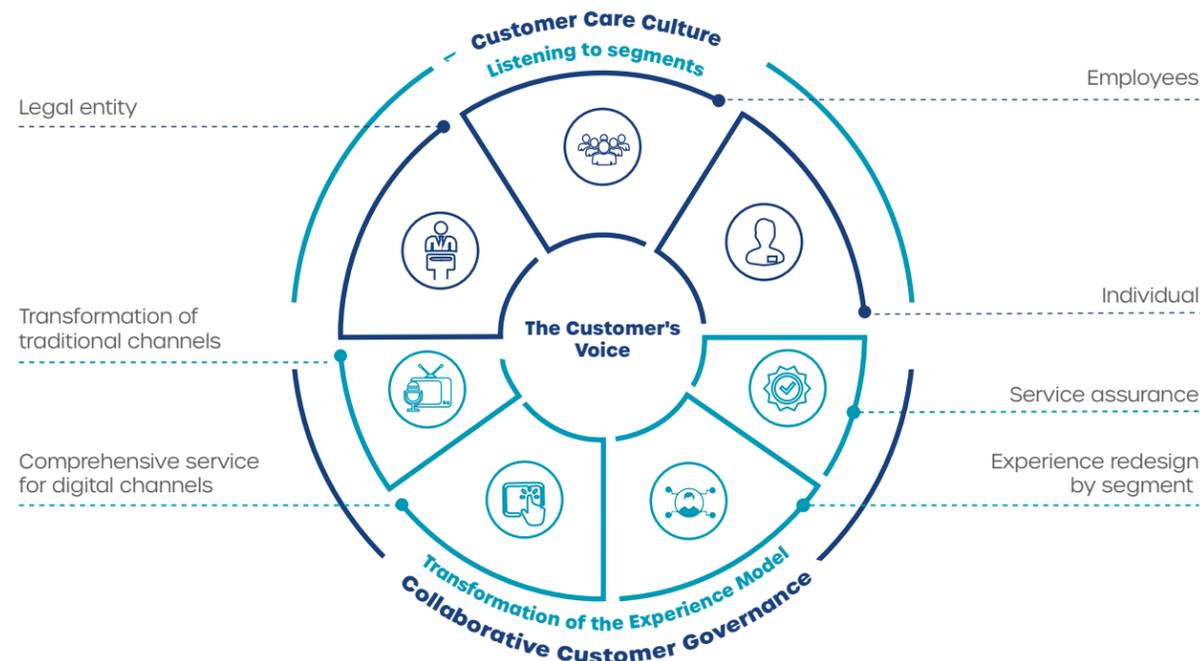


Decent Work and Economic Growth

The customer's voice at the heart of our strategy

We implemented our flagship “Te Escuchamos” [We Hear You] program, aimed at putting the customer's voice at the heart of the organization, in everyday conversations, in the decisions we make, and as a strategic indicator of major initiatives such as the redesign of the branch network. The sole indicator of the program is the NPS (Net Promoter Score), because of its high correlation with loyalty.

In 2019, we received more than 13 thousand opinions from customers, where they mentioned delivering solutions in a clearer way, reducing waiting times and the quality of service of our channels as the main levers for improvement. Based on this conversation, we redesigned the points of contact (branches and call center), launched the development of our first virtual assistant, improved the team selection and training processes, in order to provide the best service to customers, and strongly reduced process times by developing self-management systems. As a result of this major effort, we grew 38 points of NPS, ending 2019 with an indicator of 25.



Regaining the trust of our customers

Based on the need to regain the trust of our customers and in order to get closer to them, we managed to contact more than 9,000 customers through the “Customer Care Cell”, solve 80% of their requests on first contact and immediately escalate those that required additional review. We also transformed the experience of our detractor customers, turning 4 out of 10 into promoters.

Real-time thermometer as a driver for constant improvement

The dynamics of real-time measurement has led to significant mobilization in the internal culture, not only because it allows us to quickly recover the service to our customers, but also because it gives rise to the need to

permanently redesign the “Customer Journey” and monitor the performance of the improvements implemented. So, in 2019, we automated the measurement of NPS for interactions in response to claims, and for cash transactions carried out by our customers in offices.

For the former, since its launch, up to the end of the year, we grew 20 NPS points, thanks to permanent quality monitoring, which evaluates more than 8 different criteria in response letters, and to the redesign of the process to send replies to customers. We also increased contact resolution

from 58% to 74% thanks to the redesign of our process for handling Claims at the first and second levels, managing to address up to 72% of the claims in the first 6 days, receiving 53% fewer customer claims, equivalent to a reduction of 32 thousand claims compared to the previous year.

As for office NPS, we identified that the main reason for detractor is wait time, for which we developed different initiatives such as intelligent digital queues and virtual queue requests, among others.

Better serving our segments

In 2019, we managed to get more recommendations from all our individual customer groups: we grew 49 points in the NPS in the Preferential Plus segment, 25 in the Preferential segment, 13 in the Premium segment and 16 in the Mass segment. We also developed the first NPS measurement for Business Banking, covering the corporate, middle market, social, institutional and government segments; the Business Banking reported consolidated NPS resulted in 69 points.

40% of the customers valued the service and support, while 24% recognized the service provided by Banco de Bogotá as “exceptional”. 100% of the sales team is involved in closing the cycle and in service recovery, for which effective feedback workshops were carried out in order to train them to develop, together with customers, the action plans to improve the indicator.





223 thousand transactions were carried out in digital self-management zones, decreasing post-sales procedures from 30 to 3.5 minutes.

We also implemented an intelligent queue system that prioritizes customers by amount and type of transaction. This system was developed for 57 branches in 2019 and coverage will be increased in 2020. More than 1.3 million customers had been served by the end of December 2019, reducing their waiting time by 30%. In turn, we included the possibility for our customers to make virtual appointments in our Mobile Banking App and on our Internet website.

Similarly, we adjusted our in-branch processes in order to reduce by 87% the average customer service time in requests such as cancellation of savings and checking accounts, claims regarding multi-functional and recycling centers, marking the tax on financial transactions (GMF, for the Spanish original) and we expedited customer processes in terms of requests for payment through tellers and requesting checkbooks. Furthermore, we implemented biometric validation through the databases of the National Civil Registry, thus reducing risk in customer enrollment.

We extended our coverage with our **banking correspondents**

In 2019, we expanded our network of Banking Correspondents, strengthening our partnership with Copetran in the eastern, northern and central regions of the country and with Maxiservicios in the western region, offering coverage in 851 municipalities and reaching a total of 9,321 active locations.

More functional ATMs

Since September and in order to increase our coverage and provide customers with comprehensive service, our 70 deposit ATMs now also have the functionality of dispensing cash.

In addition, our customers can insure their withdrawals, improving their experience, at the 1,802 ATMs, achieving 367 thousand insured transactions at the time of withdrawal.

More effective and resolution-based Call Center

We handled over 6 million phone calls and 350 thousand digital interactions through our contact center. In order to ensure a better experience on this channel, we redesigned the most important processes for our customers, increasing the first-contact resolution indicator by 22% compared to the previous year. To evaluate the service offered, we incorporated our “Te Escuchamos” [We Hear You] program, by implementing the “service survey” at the end of the call, which enabled us to measure and improve the channel recommendation level, achieving an NPS of 66%. In 2019, the adjustment of protocols at the collection call center led to offering kinder treatment, thus generating more positive experiences.

Real-time service through social media

Providing real time solutions to our customer is one of our main business objectives. Therefore, we developed a platform to manage their requests through social media, through which we addressed more than 84 thousand contacts in 2019, providing immediate solutions in 96% of the cases.

Learning from our customers to transform our channels

After an integral analysis of the profiles of visitors to the bank branches and the needs and preferences of customers, we built an interdisciplinary team in charge of renewing the concept of “banking branch” and turning it into a “comprehensive advice and service center”, based on the premise of increasing self-management and streamlining service. This was how an ambitious project was defined to redesign the branch network formats. Our first 15 offices with the new format launched in 2019 have led to substantial changes, such as:

- We transformed the procedures that previously could only be carried out at the branch, going from addressing 40% of universal requests (those that can be carried out at any office) to 70%.
- We migrated the processes of customer enrollment to 100% digital processes, thus eliminating the use of paper.
- We improved teller service times from 37 minutes to 12 minutes.
- We included the role of “host”, who is in charge of receiving, advising and redirecting customers according to their type of request to the channel that best suits their needs.

Innovation and Sustainable Cities

We transformed our service channels to provide customers and stakeholder with better experiences.



Industry, innovation and infrastructure

- We implemented free Wi-Fi service, accompanied by a modern and comfortable waiting area, to encourage the use of digital channels and customer entertainment while they are at the office.
- We added business partners such as Juan Valdez, Grupo Éxito and Tigo with a permanent offering at our branches that allows us to offer customers a better experience, provide credit options and discounts for acquiring partners’ product portfolio and position the bank as an innovation leader in the country’s financial sector.

In addition to the bank’s digitalization strategy and promoting the multi-channel concept, we implemented digital self-management zones in 399 branches, where customers can acquire new digital products and carry out the most common transactions by themselves or with the support of a digital promoter. Examples of these transactions include reissuing debit cards, updating mobile phone and secure mail, and creating or changing debit card passwords, among others.

The best financial App on Play Store is **Banco de Bogotá's Bancamóvil**

Our Bancamóvil is still rated as the best financial app in the country, in Play Store, with a score of 4.4. Continuing with self-management and bank digitalization, we enabled new transactions such as card-less withdrawals, account registration, transfers without registration and token integration for validation, thus facilitating the use of the application. Transaction growth compared to the previous year was 46%.

In 2019, we served more than 1.1 million customers through digital channels (Personal Internet Website and Bancamóvil) and managed more than 414 million transactions.

Evolving with technology, to provide our Business Banking customers with **a better experience**



Innovation and Sustainable Cities

We transformed our service channels to provide customers and stakeholder with better experiences.



Industry, innovation and infrastructure

Our customers are enjoying our Conexión en Línea (**Online Connection**) Website

With the needs of Business Banking customers in mind, we offered a service with better features and specialized support through the Conexión en Línea Website. In 2019, 545 new companies became users of the website, for a total of 2,100 Corporate, Middle Market, Government, Institutional and Social (CEOIS, for the Spanish original) customers.

Transaction Website for Small and Medium Enterprises and Government Network customers

Thanks to the migration to the new Business Website (ICBS), 31,532 customers from the SME 2.0, Government and Medium Enterprise segments can now enjoy a new virtual platform designed to meet their transactional needs anywhere, offering direct access to product information in an easy, fast and secure manner, and providing benefits such as intuitive navigation, self-management of services, online transactions and a help module where 84 channel demos are available, all for a single monthly fee.



New **payroll loan website**

Aware of the importance of offering solutions that allow our Banking Business customers to support their employees in fulfilling their objectives, we have expanded our service offerings for companies with payroll loan agreements and created a website that allows them to download reports, report changes and make payments, thus facilitating the exchange of information between the company and the bank in the processes of managing their payroll loans, as well as optimizing the time of payroll teams.

More effectiveness with the **digital opening website for companies**

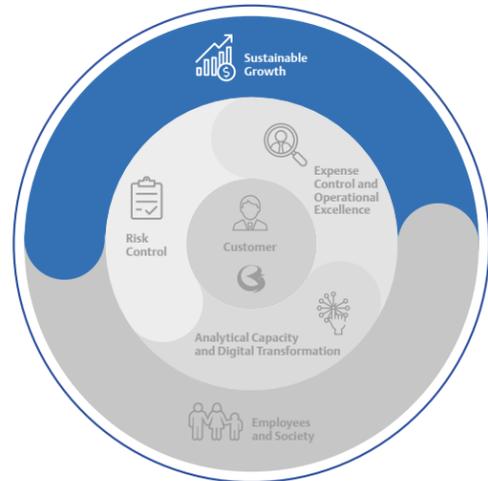
We created a website directed to the Business Banking segment, which allows them to enjoy more agile service for opening savings accounts, checking accounts and for requesting reservation of the account numbers, enabling their association with services such as dispersion or collection and uploading the documents that support these requests. Thus, our advisors were able to continue the processes and finish opening our customers' products in a more effective manner. We achieved an effectiveness of 90%, decreasing the time to address our customers' request for products.

Flow for **Business Banking products**

Through the implementation of a new transaction flow, we allow our legal customers with annual sales of less than -COP 2,000 million, to register for commercial products such as micro-credits, ordinary loans, Finagro, Bancoldex, commercial Crediservice and credit cards, among others, thus streamlining processes and improving times for commercial offering, approving loans and for disbursement.

Better experience for our **Microfinance customers**

To offer our customers a better experience and quick service, we created a commercial offer module for the mobile microfinance force that speeds up the management of advisors in the enrollment, pre-approval of loans, opening of deposit products, collections, payments, registration and uploading of documents. Thanks to this module, between 3,400 and 4,000 customers per month enjoyed loans in 2019.



Sustainable Growth

We increased business profitably with a focus on the enrollment of new customers by comprehensively managing their life cycles and their multi-channel experience.

In 2019, our loan portfolio in Colombia reached COP 58.5 trillion which is an annual growth of 8.5%, highlighting the 15.9% growth of the mortgage portfolio, followed by the consumer portfolio at 12.9% and the commercial portfolio at 6.6%. This led to an increase in the market share of the commercial portfolio by 58 basis points and the mortgage portfolio by 32 basis points. The consumer portfolio had the highest growth observed in recent years.

These results reflect the alignment of senior management objectives toward growth and the collaborative work of all the bank's teams.

Our customers are the pillar and heart of our corporate strategy, so we are a permanent partner in the development of major projects, which contribute to the country's progress, providing quality service that enables us to ensure memorable experiences while forging loyal relations.

We contribute to the country's development by supporting the major infrastructure projects that connect our country

In 2019, we financed different infrastructure projects, which allowed us to improve the quality of life of people in the regions where we operate.

Aburrá Tunnel

We supported the commissioning of the Concesión Túnel de Aburrá Oriente, which connects the Aburrá Valley to the San Nicolás Valley and aims to reduce from 45 to 18 minutes average travel time between Medellín and the Rionegro Air-

port. It considered the construction of 24 kilometers, where the Santa Helena Tunnel, at 8.2 km long, is the longest road tunnel in operation in Latin America.

This infrastructure project was built with the highest levels of technology, including the most modern construction methods in tunnel engineering and the implementation of high safety standards. In addition, it brings great environmental benefits to the region, meeting requirements on this matter and taking on the care and protection of natural resources, through the rescue of 20,000 plants and the restoration of more than 55 hectares of forest by planting 30,226 native trees in areas that are important to the ecosystem and water regulation for the department. All activities were focused on forestry use, ecological restoration and wildlife relocation.

The Concession developed various social programs aimed at the communities within the project's direct area of influence, in matters such as timely provision of information, job creation, environmental and social education, promotion of participation, support during the implementation of the project, cultural development, strengthening of production activities and community organizations, in addition to the creation of 3,000 direct monthly jobs related to the construction of the project.

To support this project, we financed COP 165 billion, accounting for 44% of the total resources required.

We increased our market share of the commercial loan portfolio by 58 basis points.



Concesión Costera Cartagena Barranquilla

We supported the intervention of 147 kilometers of roads connecting Cartagena with Barranquilla (110 kilometers) and the Circunvalar de la Prosperidad between Malambo and Barranquilla (37 kilometers), where the Viaducto el Gran Manglar, built over the Ciénaga de la Virgen, in Cartagena, stands out. This structure, which is in operation from Cartagena to Barranquilla, reduces travel times by up to 50% in and out of Cartagena on Via al Mar. It is 5.4 kilometers long, of which 4.7 kilometers are over the water surface of Ciénaga de la Virgen.

One of the project's main challenges was to execute an infrastructure work without affecting the swamp ecosystem, for which innovative and eco-friendly technologies were required. As a result, the viaduct received the Pan-American Sustainable Development Award, the National Engineering Award and the National Environmental Award, achieved for the priority given to the protection of the mangrove, without affecting the 169 species of birds and the other flora and fauna treasures inhabiting the area.

To build an environmentally sustainable viaduct, four main strategies were implemented: a drainage system that retains sediment and grease and prevents waste from falling into the Ciénaga, the use of solar panels for lighting, the installation of blocks with recyclable material and the use of asphalt with recycled rubber to minimize noise in bird nesting areas.

By applying these technologies, the viaduct was delivered four months ahead of schedule, becoming a milestone in the history of Colombian engineering, contributing to the development of the country's infrastructure. The total amount of investment was COP 2.5 trillion, in which the bank participated by financing COP 150 billion.

We are promoting wellbeing and progress in Colombian regions and municipalities

As part of our commitment to local public management, we continue to support the development of infrastructure, health and education projects across more than 2,315 territorial and decentralized entities that contribute to the wellbeing of thousands of Colombians. In 2019, we granted more than COP 731 billion in 334 credit transactions, which is a 19.6% increase.

We also supported tax collections by enabling our electronic channels, more than 600 offices and 300 district and municipal banking correspondents. By doing so, we increased tax collection by more than 14% compared to the end of 2018.

Finally, in compliance with applicable regulation, we have the complete master account portfolio through which funds are managed, offering a product that fully complies with the provisions established by law. These accounts amounted to more than COP 1.6 trillion in deposits at the end of 2019.

We are committed to the progress of our entrepreneurs and the country's economic recovery.



We are supporting our country through the **"Avanzamos" credit line**

We are one of the first financial entities to offer the Avanzamos line of credit to the public, in association with Bancoldex, aimed at micro, small and medium enterprises in all those economic sectors of the country affected by the strikes that took place throughout the country at the end of the year.

Through this line, we disbursed 58% of the credits granted, amounting to COP 75 billion at the end of the year, positioning ourselves as the financial entity with the largest share in the system. The line covers the surcharges and expenses related to the decrease in sales caused by the strikes, and finances investments that enable the recovery of affected assets, including store repairs, and the acquisition of machinery, equipment and vehicles.

We have partnered with the government to back small and medium enterprises, supporting their consolidation and assisting them through a portfolio of services according to their needs.

We are working to be the Bank-of-choice for **medium enterprises**

We are aware of the importance of the growth of medium enterprises for our society, so we are constantly working on providing them with the necessary support and assistance so that they can consolidate their projects and become a benchmark in the country. In 2019, the "Medium Enterprises" customers were resegmented, so that we can focus our attention on their specific needs.

Different initiatives were developed throughout the year to support the growth and development of these companies, allowing us to increase the loan portfolio of this segment by more than 17%, amounting to nearly COP 2.31 trillion and supporting 4,356 companies. We also put together a team of specialists in collection and payment products to advise customers in this segment about the implementation of these services, managing nearly 6,300 business opportunities with 2,940 customers, leading to the enrollment of 1,043 new products in 563 companies.

We provide growth opportunities for **SMEs**

We have continued working to provide growth possibilities to SMEs, so we divided the SME segment into two: small and medium enterprises; specializing our value proposition according to size and economic sector.

For the Small Enterprise segment, we improved internal processes by decreasing response times, ensuring optimal risk levels and portfolio quality, which enabled us to disburse credits totaling COP 1.2 trillion in more than 14,000 transactions, which accounted for a growth of 8% in the loan portfolio balance compared to the preceding year.

As part of our commitment to the segment, we trained more than 1,500 entrepreneurs in innovation, digital transformation, internationalization, data-driven marketing, business sustainability, artificial intelligence, strategy and macroeconomic perspectives.

In 2020, we will continue to support these companies to keep them at the forefront of relevant issues in their business dynamics, with the support of strategic partners and market leaders.



We recognize the effort to **inspire others**

In a partnership with Misión Pyme, we launched the 2019 Pyme Gacela awards as an instrument of recognition and visibility for the companies helping to build the country through extraordinary growth in the medium term, both in sales and employment; companies with very special characteristics, where innovation, strategy and sustainability are the key ingredients for success.

There were more than 170 companies, whose efforts inspired others at the national award event, which took place on November 28, 2019. Companies were pre-selected based on the methodology of the Misión Pyme research team, which considered the results of more than 25,000 organizations nationwide.

For the award in the Sustainability category, it was essential to evidence that the company's business strategy regarding this specific pillar, either at the environmental or social level, was being implemented in a dynamic and proactive manner. Also, the company must stand out for its comprehensive and responsible processes and practices, which add real value to the different environments, adding to the achievement of the Sustainable Development Goals.

We Recognize **the Best**

Our 8th SME-World Fair aimed to provide micro, small and medium enterprises with an innovative and disruptive digital experience, by creating a space to support and encourage business growth through:

- 1 | Conferences on relevant current issues.
- 2 | Connections with our network of partners, customers and guests.
- 3 | Advice on the various financing alternatives and Cash Management solutions.

In order to recognize the entrepreneurs with outstanding business management, in terms of generating employment and promoting the country's development, we rewarded two entrepreneurs with a four-day trip to Silicon Valley, offering an experience of innovation and support with enterprises recognized at a worldwide level.



Through our microfinance sales force, our main channel for banking and financial inclusion, we achieved a presence in more than 700 municipalities.

Prosperity and Inclusion

We finance talent, so that creative entrepreneurs can make their dreams come true.

- 1** No poverty
- 8** Decent work and economic growth
- 10** Reduced inequalities

We believe in micro-enterprises as the foundation for **building a country**

We believe that supporting the development of companies, as a tool for building the nation, contributes to creating jobs and consolidates the foundations for a better future, so we are serving small business owners in the industrial, commercial, service and agricultural sectors, through specialized lines of financing for working capital, fixed assets and liability replacement, thus allowing them to increase the formalization and productivity of their businesses.

By the end of December 2019, we had more than 232,000 micro-enterprise customers. During this period, we focused on understanding their needs and challenges to make their business grow, so we developed the digital micro-credit product with support from USAID, and strategic partnerships to provide comprehensive offerings at competitive prices. One of them was with the Bogotá Chamber of Commerce and Grupo Aval, where we approached the creative and cultural industries to support the Colombian Government's initiative to make the Orange Economy a driver of social and economic development, and to help find economic potential, ensuring sustainability and creative power.

Financiamos tu talento (We finance your talent), our program to support the orange economy

Aware of the importance of financing intangible assets and supporting the dreams that make these assets a reality, we identified the need to better understand the creative and cultural industries and how they contribute to the growth of the economy. This was how we understood that the financial system is the best vehicle for people and companies in these sectors to achieve secure and effective financing, but that there is still a large percentage of artists and creative minds who seek support outside the banking sector, resorting to alternatives that are not aware of their financial needs.

The financial system has 178,447 customers who carry out activities related to the Orange Economy in accordance with its ISIC (International Standard Industrial Classification) code, of which 87% are individuals and 13% are legal entities, with a loan portfolio balance of COP 4.6 trillion. The bank attends to 24% of these customers. 89% of this percentage, are individuals and 11% are legal entities, representing a commercial size of more than COP 1 trillion.

It is important to have a detailed understanding of the business cycle, the actors involved and the revenue flow in order to adapt the processes, so we changed our credit policy and adapted to the needs of entrepreneurs in the creative industries, standardizing documentation requirements to those that this industry can provide us, such as contracts, performance and royalty certificates, among others.

The *Financiamos tu Talento (We Finance yourTalent)* program addresses the specific needs of this sector and arises from the understanding of what public policy aims to achieve: the growth of these industries whose return on investment grows exponentially in a very short time and uses creativity, an inexhaustible resource, as input.

Thanks to the partnership with the Bogotá Chamber of Commerce, we held work sessions, understood their main needs as entrepreneurs and as users of the financial system, and we were able to identify our challenges as a financial entity to reinvent ourselves permanently, understand the needs of each sector and prepare to meet their requests. In our case, we discovered an opportunity to continue our work in financial education and inclusion, business development and formalization of the country's creative and cultural industries.

Our purpose for 2020 is to support this industry so that more and more people believe in their projects and for them to find a partner, with our assistance, so that their ideas are consolidated and developed.

Sustainable Business

We are committed to sustainability in our operations and business activities, considering the challenges and opportunities that serve as the basis for the evolution of our efforts, generating positive impacts on society and the environment.

Environment

- 6** Clean water and sanitation
- 7** Affordable and clean energy
- 12** Responsible consumption and production
- 13** Climate action
- 15** Life on land

We finance projects that benefit the environment.

We created our Sustainable Development Line

In order to promote environmental projects, we implemented the new Sustainable Development credit line, to finance customers with environmentally sustainable activities, which will allow the financing of projects, investments and infrastructure that promote the reduction or mitigation of the environmental impact of companies' production processes, such as:

- 1 Renewable Energy:** Solar Parks, Wind Parks, Hydroelectric Power Plants, Small Hydroelectric Power Plants, Photovoltaic Systems, Biomass, Biogas, Biofuels.
- 2 Energy efficiency:** High Efficiency Motors, Refrigeration, Air Conditioning, Compressed Air, Efficient Lighting - LED, Specialized Machinery.
- 3 Utility companies:** ESCOS; State-owned and Public-Private Companies.
- 4 Transportation:** Electric Vehicles, Efficient Urban Transportation, Efficient Cargo Vehicles.
- 5 Waste Treatment - Private Companies:** Wastewater Treatment, Recycling.
- 6 Certified production:** Organic Agriculture Sustainable Wood.

In October 2019, the first disbursement of the Sustainable line was made to a customer in the SME segment dedicated to the sale of construction materials and hardware items, who decided to switch all the lighting in his plant to LED.

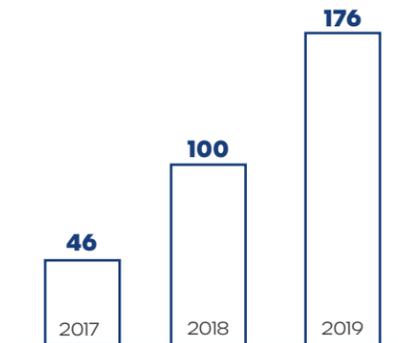
Recaudo Verde (Green Payment)

Through the *Recaudo Verde*® strategy, in 2019, we supported companies in the reduction of physical documents, through the issuance of digital payment coupons that users show at the bank's branches on their mobile phones. There are already 176 middle market customers using this product. In addition, we launched a new cloud-based coupon consultation feature and we included the AvalPay Center button, to make the access experience even more digital. In this period, we also played an active role in BIOEXPO, the largest green entrepreneurship, commerce and business fair in Colombia. Through these products and initiatives, we aim to reduce the environmental impact and simplify the lives of our customers and users.

Environmental Impact Figures

<i>Recaudo Verde</i> (Green Payments)	334,717	
Reams of paper	669.4	
Tons of paper	1.51	
Tons of CO ₂ equivalent	4.51	
Kilos of waste	1,562.8	
Liters of water	130,105	
kWh	16,844	

Green Payment Customers



We support Rediscount lines

2019 was a very positive year in terms of business and joint work with our Rediscount banks: Bancóldex, Findeter and Finagro, through which we achieved the goals in credit placement and share in disbursements.

Through Bancóldex, we supported two main flagship credit lines by disbursing orange economy and Avancemos credits.

With Findeter, through the Reactiva Colombia line and the credit placement in renewable energy projects, we managed to rank among the top three banks with a market share of nearly 13%.

Additionally, in 2019 and thanks to the continuous improvement of the processes and the integral management of its products, we reached COP 1 trillion in disbursements of Finagro lines of credit.

We were invited by the Ministry of the Environment to **Bioexpo 2019**, the largest green entrepreneurship, commerce and business fair in Colombia.



Financial Inclusion [GRI FSI4]

We believe in the progress of society and the country, which is why we aim to provide greater growth opportunities for people and micro-enterprises, by promoting banking and financial inclusion, providing more and more Colombians with access to the benefits offered by the financial system, through a broad portfolio that includes affordable products and financial education.

Prosperity and Inclusion

We bring people closer to the financial system by including them in the financial system.

1  No poverty

8  Decent work and economic growth

10  Reduced inequalities

We are constantly working on expanding our coverage and implementing new methodologies for enrolling new customers, and strengthening existing ones, taking the Bank's operation to rural parts of the country that are not yet enjoying the benefits and opportunities of the financial system, thus contributing to the progress of the Colombian people. In 2018, we started a new mobile (truck) office, which adds to the Financial Inclusion Route strategy, "A Journey for Colombia's Progress", reaching 19 municipalities in six departments in the country: Tolima, Huila, Cauca, Nariño, Caldas and Risaralda

This new mobile-office is equipped with our main transaction channels: Internet, Mobile Banking, Servilínea and two locations for advice and sale of products from the bank's portfolio; it also has audiovisual tools for financial education journeys, providing information on the use of the bank's products and services.

For the development of the financial inclusion initiatives, we have continued working in partnership with the United States Agency for International Development (USAID) and the National Coffee Growers' Federation. In addition, we are working with municipal mayors and governors in several areas of the country.

Through the microfinance model, we disbursed more than 2,762 microcredits amounting to nearly COP 17 billion in 761 municipalities. The number of customers enrolled grew to 2% through the implementation and development of product analysis and approval methodologies focused on the knowledge of agribusiness.



We support **Colombia's Coffee Growers**

As part of our partnership with the National Coffee Growers' Federation of Colombia, the priority has been to assist coffee growers by way of our Smart Coffee Grower's card, which serves as both a form of federation ID and a means of access to important benefits for their business development.

In order to strengthen this relationship, we promoted the use of the functionality of coffee sales with a deposit in a coffee account and the updating of data by means of a new biometric validation system from strategic points of the Federation, in order to have greater access to coffee growers.

In 2019, we reached more than 370,000 coffee growers with Smart Coffee Grower's cards, engaged for the first time in the banking system, in 590 municipalities. Thanks to this partnership, which aims to support the strengthening of the coffee sector, we coordinated the journey of the Route of Inclusion "A Journey for the Progress of the Country", through the coffee-growing municipalities with the greatest need for access to banking.

We launched the Coffee-growers' CD, designed to be a new alternative for savings, at very competitive rates. We provided training in coffee-growing regions, on the use of our different service channels: ATMs, Internet, banking correspondents, SMS Mobile Banking and Servilínea, thus achieving greater use of the federation member savings account by demonstrating the product's easy access and the reduced transaction costs.



Payroll loans that make our **customers' dream come true**

Aiming to increasing our presence and achieving greater penetration in Colombian companies, we benefited nearly 99,000 people, by granting loan resources amounting to more than COP 3.2 trillion to finance personal projects with preferential rates according to the term and the amount.

For our pensioner customers, we increased lending by more than COP 60 billion, benefiting 9,900 customers who took those loans to carry out their projects, with the advantage of a deduction through their salary. In turn, we strengthened our coverage in the Armed Forces, granting resources amounting to nearly COP 1.6 trillion, facilitating the achievement of the goals of 44,121 of the country's heroes. We also improved our value proposition in payroll loans for our employees, disbursing historical figures and contributing to the fulfillment of their dreams.

We make non-restricted personal loans **more agile and affordable**

With the idea of offering a simple, versatile and dynamic product, in 2019, we focused on expanding our digital channel for this type of credit, aligned with the bank's strategy and addressing customers' needs in terms of process agility and immediacy. We achieved exponential growth in 2019, with a total disbursement of COP 262 billion, thus increasing the digital channel's share in total disbursements of this product, reaching 32% in December. These results were

achieved thanks to initiatives such as the opening of credit agreements, or partners in this channel, changes in the product "funnel" and the increase in tablet coverage at 100% of the bank's branches.

In October, we had a historical net growth of nearly COP 70 billion in the product, 33% increase compared to the 2019 average, driven 22% by the digital channel and 78% by the traditional channel, which continues to be, through the branch network, the channel with the highest product placement.

We strengthened our **credit card portfolio**

During the second half of 2019, the net credit card portfolio grew COP 156 billion, leveraged on the debt purchasing strategy through smart rates, annual growth in revenues of 18% and increased credit card placement through digital channels and new partners for service point placement, with the first purchases at Tigo, Movistar and Samsung. The share of digital credit cards in monthly placement of 2019 exceeded 60%.

In turn, in September 2019, we re-launched the Movistar-Banco de Bogotá co-branded credit card, consolidating one of the most attractive value propositions on the market; and enabled the digital channel for the placement of this card through Movistar experience centers, which has quadrupled placement rates.

We increased benefits for our **preferential customers**

To provide attractive benefits for this market segment, in which we have 171,928 active customers, we offer preferential rates and exclusive benefits. We launched the Preferential Plus initiative, which is part of the preferential service model and includes benefits for our employees and their close family members.

We grew 12.9% in the consumer loan portfolio, the highest growth in recent years



New strategies for our **premium customers**

We launched the Premium Family Segment with which we extended our coverage to the families of Premium customers, providing them with access to the relationship model and greater benefits, increasing the age range for the members of the segment. This initiative has generated a turnover of COP 40 billion, in transactions with 437 customers.

More Colombians getting around in their **own car**

With the idea of supporting our customers to achieve their dream of having their own vehicle, in 2019, we modified our rate policies and financing plans, adapting them according to the profiles of each customer. Thanks to these changes, over the course of the year, we disbursed more than COP 534 billion, an 18% growth compared to 2018, making a dream come true for more than 11,600 Colombian people.

We continued to improve our position in the **real estate sector**

In 2019, we continued to improve our position in the real estate sector by financing new and used housing, disbursing 12,276 transactions for more than COP 1.07 trillion, growing 10.9% over the previous year, which is remarkable in a market with a contraction in the construction GDP.

The number of transactions disbursed in the affordable housing segment grew 61% and the volume disbursed grew 74%, which is consistent with the dynamics of construction aimed at this segment: affordable housing sales grew 16.1%, while non-affordable housing sales dropped 1%².

Government programs such as “Mi Casa Ya” have influenced the financing dynamics in affordable housing. We are the third largest bank in terms of lending volume with the interest rate benefits offered by the Colombian Government, and we have extended the benefit from 7 to 8 additional years.

In 2019 we disbursed 4,222 loans for more than COP 193 billion under the guidelines of the “Mi Casa Ya” program, closing with a growth in mortgage portfolio balances of COP 4.03 trillion, an annual growth of 15.9% compared to a system growth of 9.8%.

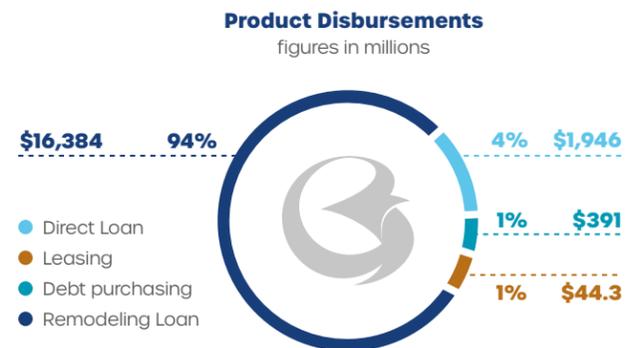
Digital developments at the service of **Mortgage loans**

We aim to provide our customers with truly memorable experiences through our digital transformation process. To this end, as of 2019, the mortgage portfolio can be accessed through viviendadigital.bancodebogota.co. In just a few steps, with no documents and using any device, with pre-approval in minutes and approval in up to 48 hours, our customers can access loans for new or used housing, residential leasing, debt purchasing, remodeling loans and the Mi Casa Ya government program.

By the end of 2019, 7,153 digital mortgage loan approvals were granted, in the amount of COP 377 billion, 48% of which were part of the Mi Casa Ya program.

This has made Vivienda Digital a fundamental tool for the sales rooms of construction projects. With the agility provided, sales advisors of construction companies and potential buyers benefit from the immediate financial closing of the deals.

In 2019, we disbursed 283 transactions for more than COP 18.7 billion, which include all the products of the digital mortgage portfolio:



Regarding Constructor Loans, disbursements grew 45% in 2019, compared to 2018, amounting to more than COP 904.1 billion. This excellent result enabled us to reach a constructor loan portfolio balance of COP 1.16 trillion, which represents a growth of 26.2% (in a market that is decreasing by 3.4%³), thus increasing our market share by 220 bps to 9.6%.

We expanded our **insurance offering**

In 2019, we continued to expand our offering of voluntary insurance in the digital sales of non-restricted personal loans, providing our employed and self-employed customers with access to protection against unemployment, temporary disability or serious illness, achieving an increase of 63%. Similarly, with the benefit of our customers in mind and looking for an easier way to access insurance, we developed a new strategy through ATH ATMs nationwide, focused on protecting withdrawals of up to COP 600,000 made through this channel, granting protection for a total of 363,000 customers.

² Source: Galeria Inmobiliaria [real estate agency]

³ Applies for employees and loan applications for up to COP 100 million



International and Treasury, we supported the **growth of our customers**

Partners in the internationalization process of Colombian companies

Nearly 1,900 local companies accessed loans in foreign currency through our vehicles abroad; more than 35% of them are small and medium enterprises aiming to position themselves in international markets. We supported our customers in the opening of their transaction accounts abroad, by strengthening the functionalities of our virtual channels and advancing in the “paperless” strategy.

We continue to innovate in hedging strategies for our customers

2019 was a year of notable volatility in the rate of the main emerging currencies compared to the dollar, including the Colombian peso, so we maintained a competitive offering of hedging strategies and products for our customers, always reinforcing the importance of keeping market risks balanced on their balance sheets. As a result of this effort, we increased the number of customers who trade in foreign currencies and carry out hedging using derivatives.

We are focused on providing easy access to foreign currency trading for small and medium enterprises, making the experience of browsing through our website more agile and in line with the needs of these companies.

Customers recognize our effort

Our coordinated effort to provide our customers and counterparties with great service, at competitive prices and tailored to their business objectives, earned us the distinction for the seventh consecutive year as the “Best Foreign Currency Provider 2020 in Colombia” by the prestigious Global Finance magazine. This award reflects our commitment to understanding the business dynamics of our customers, our capacity to adapt to market changes and the learning derived from active participation in forums with regulators and infrastructure entities, through which we contribute to building a more competitive and secure environment for the various stakeholders.



Our Customers recognize us as partners

The partner of your projects

García Distribuciones, is a company dedicated to selling stationery and supplies in Popayán, mainly to the Mayor's Office, indigenous councils and schools. Óscar García Vélez started this business in 1997 and since then, he has had the support of Banco de Bogotá.

"I've been a customer of the bank for 23 years. I am very grateful to them, especially the branch managers, because they have provided me with very direct and personal service, they have always addressed my requirements quickly" says Óscar García Vélez, owner of García Distribuciones.

Revolutionizing area distribution

Manuela Granados, an entrepreneur from Antioquia, is the manager of Noi, a space in Medellín that provides offices, coworking areas and an area for events, designed to transform the way people work, following a worldwide trend.

"When we presented the project to the bank, they believed in us. Their support has been essential to the consolidation of this business, without you Noi would not exist. To me, it is an honor for an organization with this history to believe in such an innovative project", says Manuela Granados.

Making dreams come true

20 years ago, Héctor Fabio Peña started his company, Tecnología y Reconversión Soluciones S.A.S, in Manizales. It is in the business of design, manufacture and refurbishing of machinery; maintenance and industrial assemblies; and special projects.

"The bank has contributed significantly to the growth of the company, providing us with liquidity when we have large projects, advice and payment facilities, becoming a great support in my life" explained Héctor Peña.

Greater agility and support for our customers' international transactions

In 2019, we continued to support the international business management of our customers, by structuring the payment and receipt of foreign trade and investment transactions, managing to strengthen the commercial ties of Colombian companies with their customers, suppliers and investors around the world.

In order to provide a better experience for our customers, we continued to reinvent ourselves in operational matters. We centralized the management of foreign currency transactions, receiving transaction requests through the International Website without physical documents and allowing customers to establish permanent instructions for foreign currency transactions. This has resulted in greater agility in fulfilling commitments abroad.

In order to support our corporate customers in carrying out their transactions efficiently, in 2019, we offered them the possibility to make their payments to foreign suppliers in advance, even without having the required balance in their accounts in US dollars. We also integrated the new "Multiempresas" functionality on our Clearing Accounts Reporting System (SISCOMP, for the Spanish original) platform through which our import and export customers can generate their reports for the Colombian Central Bank and the Colombian Tax and Customs Authority (DIAN, for the Spanish original) as a business group.

Technology at the Service of our cardholders

In an effort to provide our cardholders with peace of mind, we incorporated the "contactless" payment system to our credit and debit cards, which is a radio frequency identification technology that speeds up purchases without placing the security of their funds at risk. We also improved the frequency of offering campaigns to customers, including a new validation model with a portfolio of pre-approved loans in 48 hours.