

Banco de Bogotá 

**Banco de Bogotá** 

Corporate Presentation

Banco de Bogotá 



The Issuer's IR - Recognition granted by the Colombian Securities Exchange is not a certification about the quality of the securities listed at BVC nor the solvency of the issuer

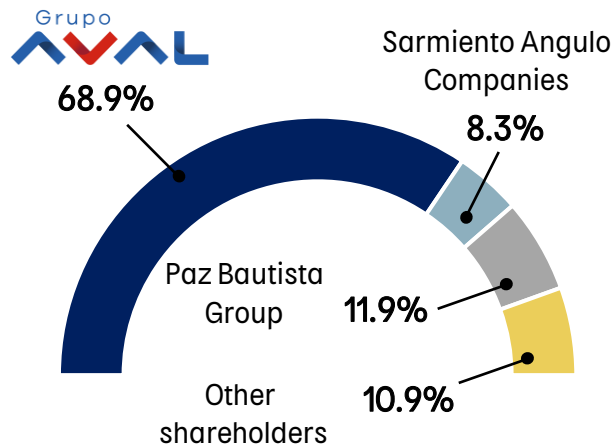


# Business Overview

- ✓ Founded in 1870, Banco de Bogotá is Colombia’s oldest financial institution and the main subsidiary of Grupo Aval, the leading financial group in Colombia.
- ✓ Universal bank with a strong presence in the commercial and consumer lending segments and a growing participation in mortgage.
- ✓ Listed in the Colombian Stock Exchange (BVC), Banco de Bogotá’s market capitalization as of December 31<sup>st</sup>, 2023, was USD \$2.6 billion or COP \$9.8 trillion.

- ✓ We contribute to the growth and well-being of society and our stakeholders through the responsible management of our financial services.
- ✓ Our activity is supported by the effort and dedication of our employees, as well as the trust received from our shareholders and investors.

## Ownership



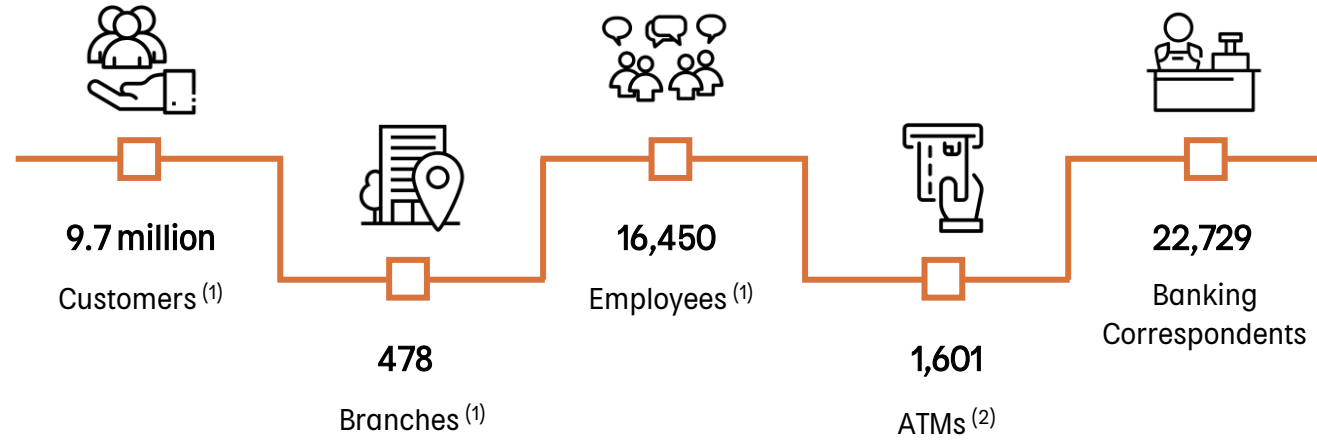
[Click here for additional detail on our shareholder structure](#)

## International Recognitions and Awards

- Best Bank in Colombia 2024 (GLOBAL FINANCE)
- Best Bank in Digital Lending and Best Mobile App 2023 (GLOBAL FINANCE)
- Best Bank in Marketing and Social Media 2023 (EUROMONEY AWARDS FOR EXCELLENCE)
- World’s Best Financial Innovation Labs 2023, working with startups and scaleups (EUROMONEY AWARDS FOR EXCELLENCE)
- Best Bank for Digital Solutions in Colombia (EUROMONEY AWARDS FOR EXCELLENCE)
- Market Leader in Digital solutions and Diversity and inclusion (EUROMONEY AWARDS FOR EXCELLENCE)



# Presence and Key Figures Q4-2023



## Market Share



Source: Company's Information

(1) Reflects consolidated figures of customers, employees and branches of Banco de Bogotá, Banco de Bogotá Panamá, Almaviva, Fiduciaria Bogotá and Multi Financial Group (MFG) as of December 31, 2023.

(2) Includes Banco de Bogotá's and Multi Financial Group's ATMs.

(3) Source: Panamanian Banking Superintendence, only considering general licensed banks, figures as of December 2023.

(4) Source: Colombian Financial Superintendence. Net Income (Jan. – Dec. 2023). Gross loans exclude repos and Interbank loans. Deposits include other deposits.



# Corporate Structure Reflects Business Diversification



Universal Bank with a wide portfolio of products and services.  
Presence across Colombia and Panama. Agencies in Miami and New York.<sup>(1)</sup>

## Subsidiaries in Colombia

Fiduciaria Bogotá   
94.99%

Almaviva   
95.81%<sup>(2)</sup>

megaLINEA   
94.90%

dale!   
38.90%

## Subsidiaries and Agencies Abroad

multibank   
100%<sup>(3)</sup>

Banco de Bogotá Panamá 

Banco de Bogotá New York Agency 

Banco de Bogotá Miami Agency 

## Associates and Joint Ventures

porvenir   
46.91%<sup>(4)</sup>

Corfic Colombiana   
34.72%

CasadeBolsa   
22.80%

ATH   
20.00%

soy yo   
33.33%

(1) For further information on Banco de Bogotá's products and services, visit <https://www.bancodebogota.com/wps/portal/banco-de-bogota/bogota/informacion-productos-servicios>  
(2) Banco de Bogotá owns 95.81% of Almaviva through 94.93% direct ownership and 0.88% of indirect ownership through Banco de Bogotá Nassau Ltd.  
(3) Banco de Bogotá owns 99.57% of MultiFinancial Group through 100% ownership of MultiFinancial Holding.  
(4) Banco de Bogotá owns 46.91% of Porvenir through 36.51% direct ownership and 10.40% of indirect ownership through Fiduciaria Bogotá.

# Our Corporate Strategy Supports Long-term Goals

## Customer

We ensure **positive and memorable experiences** to achieve customer **loyalty** and **recommendation**, through differentiated solutions and omnichannel service.

## Risk Control

We **comprehensively manage** the risks inherent to our business, preserving the **healthy growth** of our loan portfolio and the **strength** of our **balance sheet**.

## Analytical Capacity and Digital Transformation

We transform customers' lives by delivering **digital experiences**, fostering **technology in business processes** and strengthening our **analytics capabilities**.



## Sustainable Growth

We **grow** the business in a **profitable** and **sustainable** manner, by developing value offerings that incorporate ESG criteria, to accompany and **support our clients** throughout their life cycle and provide them with **sustainable financial solutions**.

## Expense Control and Operational Excellence

We efficiently control **expenses** and make processes **agile, simple** and **safe** to achieve **operational excellence**.

## Employees & Society

We promote the **well-being** of our **employees** and foster a diverse, equitable, inclusive and sustainable culture, generating **positive impacts** on **society** and the **environment**.



## Achievements in 2023 – BdB in Colombia



### Customer

- We expanded the range of the listening model by 40%, reaching **2 million interactions**, with a 95% coverage of the customer lifecycle.
- We **reduced response times** on easily resolved issues, from 8 to 4 days.
- We registered more than **2.3 million active digital customers and +76.4 million** monetary transactions.



### Analytical Capacity and Digital Transformation

- We reached **\$2.5 trillion** of marginal business volume generated thanks to the development of AI Machine Learning models.
- We developed **100% digital disbursements** for companies, with more than 1,445 operations for a total of \$193,275 million.
- We created the Analytics Academy, **which trained more than 200 employees (2,625 hours of training)**, strengthening analytical and technical skills to drive the different business fronts.



### Expense Control and Operational Excellence

- We continue to be a **carbon neutral entity**, reducing emissions by 19% compared to 2022.
- We installed **40 photovoltaic systems**, achieving a generation of **839,434 kWh/year**.
- We implemented **81 automation solutions** (Bots, Applications, and Automate Flows).



### Sustainable Growth

- We grew our green portfolio more than 8 times in the last 3 years, from \$0.3 trillion to over **\$2.6 trillion** at year-end 2023.
- We disbursed **\$4 trillion** in **more than 20,000 loans** to our **8,000 AME lending customers**.
- We disbursed **\$85 billion in digital microloans** to more than 8,900 micro-entrepreneurs in over 300 municipalities.



### Risk Control

- **402 customers** were analyzed through ESRMS, for a total appraised amount of \$31 trillion.
- Our risk management focused on controlling risk indicators for the consumer portfolio, **reducing this portfolio's Quality Indicator to 7.2%**.
- We trained employees on information **security and cybersecurity awareness**, including topics related to the prevention of risks derived from Phishing, Vishing, and Smishing.



### Employees and Society

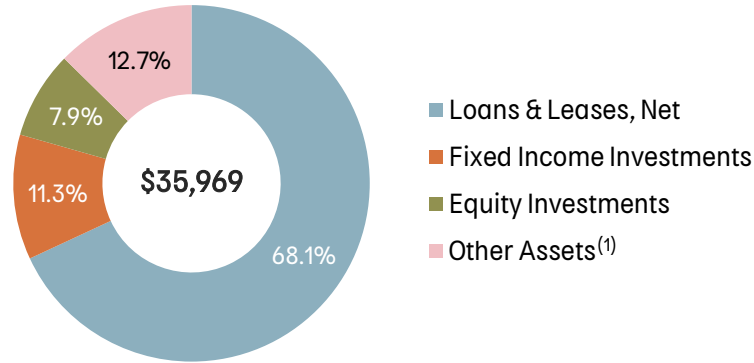
- We were recognized as the **4th most inclusive company** in Latin America by the National Consulting Center and the Chamber of Diversity.
- For the 4th consecutive year, we obtained the **Great Place to Work** certification from the Great Place to Work Institute and from Icontec.
- Asobancaria and Global Compact awarded our accessible financial education program, for the hearing impaired.



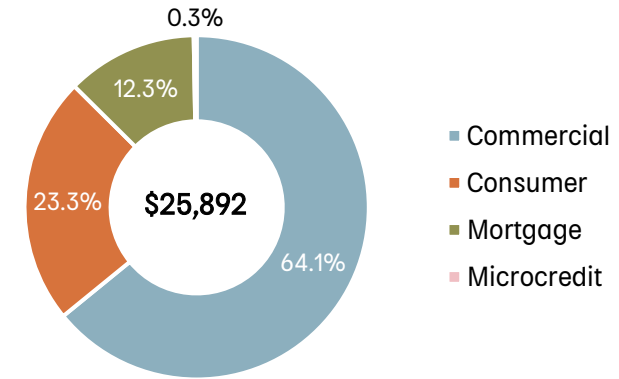
# Financial Results Q4-2023

Figures in USD millions

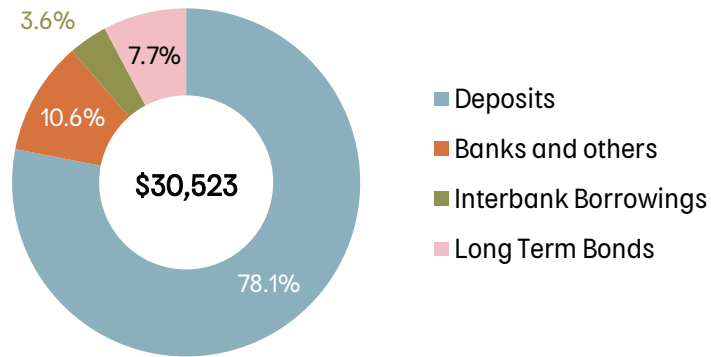
### Total Assets Breakdown



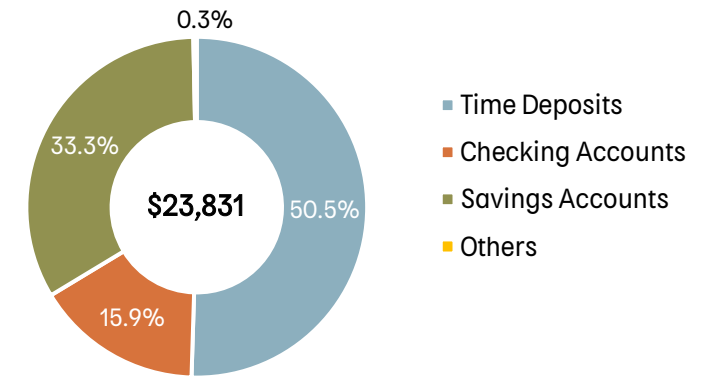
### Gross Loan Portfolio <sup>(2)</sup>



### Funding Structure



### Deposits



(1) Other assets: cash and balances with central banks, derivatives, provisions for financial assets held for investment, other financial assets at fair value through P&L, non-current assets held for sale, tangible assets, intangible assets, other receivables, derivative hedging instruments, other assets and income tax assets (deferred tax assets and liabilities are included on a net basis).

(2) Gross loan portfolio excludes repos and interbank funds.

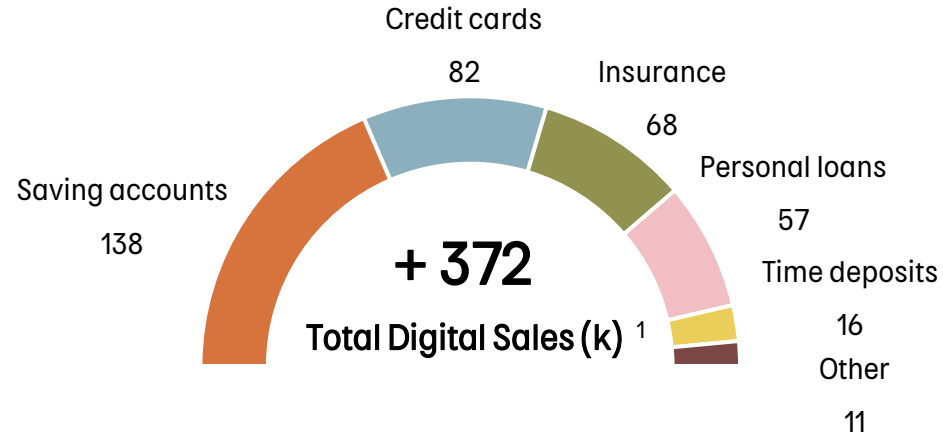


# Digital Transformation



## 67.5%

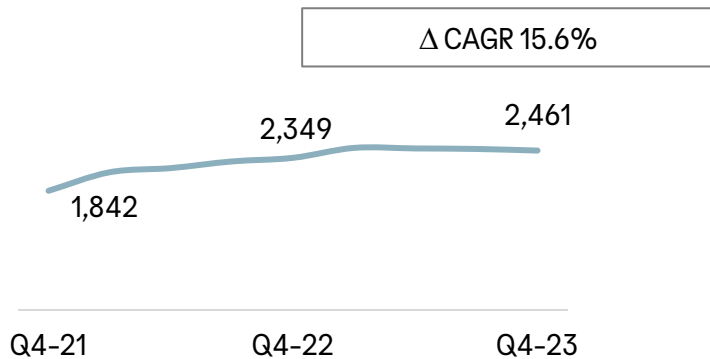
of our customers use digital channels



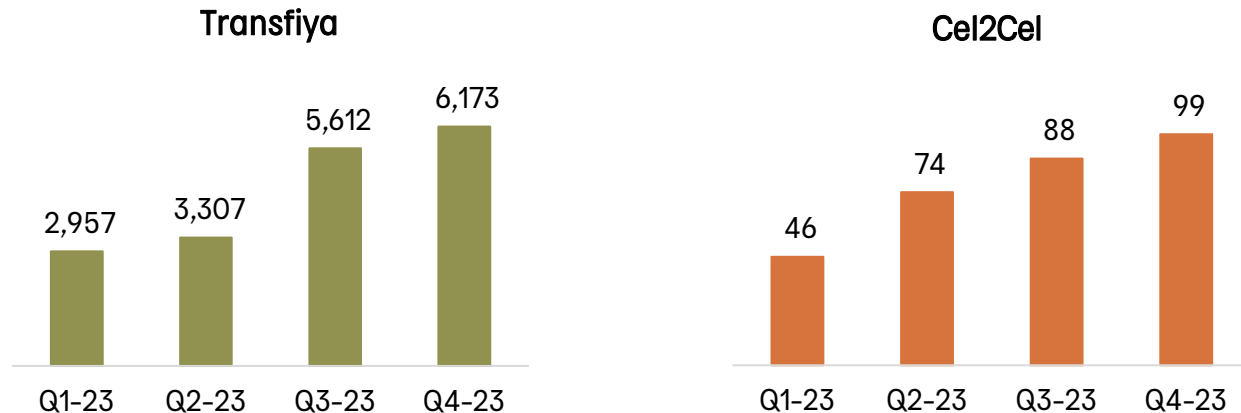
## 79%

of all transactions were performed through digital channels

### Active Digital Retail Clients (k)



### Digital Transactions (k)



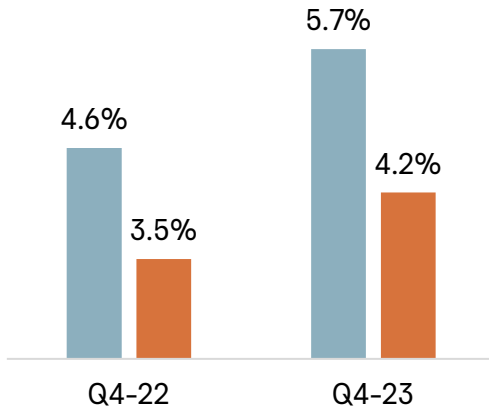
1. Digital sales are those performed through all our digital channels, including tablets. Sales figures include the following products: savings accounts, credit cards, personal loans, insurance, mortgage loans, loan purchases, payroll advance (ADN), Term Deposits, payroll loans, substitution of liabilities, BNPL, vehicles, microfinance and checking account.





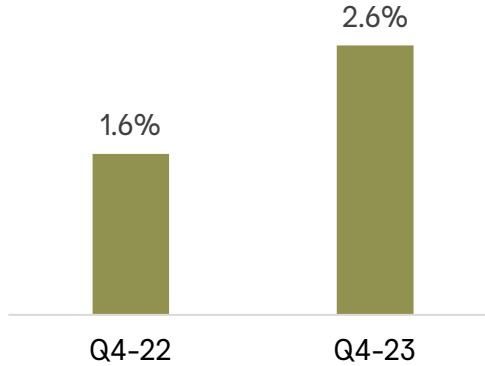
# Risk Control at the Core of our Operations

### Asset Quality-PDLs



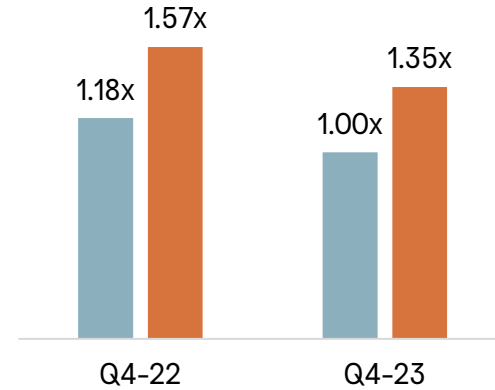
### Net Cost of Risk

*Impairment loss, net / average loans*

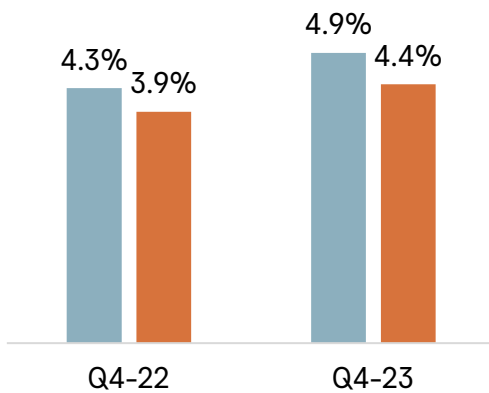


### Coverage

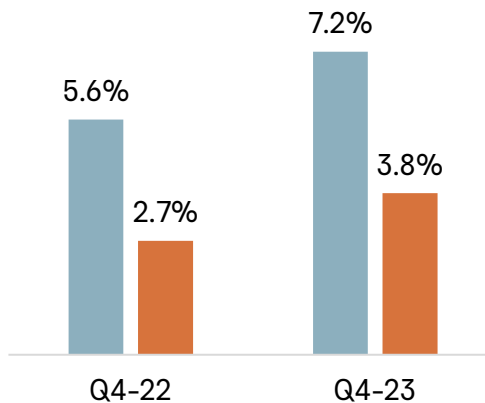
*Allowances / PDLs*



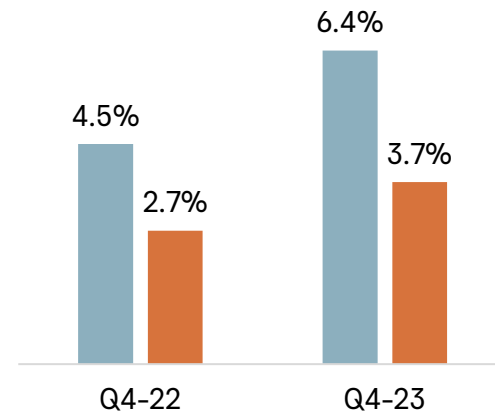
### Commercial Loan Portfolio PDLs



### Consumer Loan Portfolio PDLs



### Mortgage Portfolio PDLs



■ 90-day   
 ■ 30-day   
 ■ Net cost of risk for the quarter



# Credit Ratings

## International ratings

July 10<sup>th</sup>, 2023

**Baa2  
Stable**

### Moody's Investors Service

"The bank's BCA reflects its strong and resilient earnings generation, its stable access to domestic deposits, which limits refinancing risks and benefits margins."

December 29<sup>th</sup>, 2023

**BB+  
Stable**

### Fitch Ratings

"The bank's ratings also consider its consistent financial performance, reasonable credit and risk policies, and ample and diversified funding base."

July 19<sup>th</sup>, 2023

**BB+  
Negative\***

### Standard & Poor's

"Banco de Bogotá's stable outlook reflects our expectation that it will maintain its strong brand in Colombia, along with its geographic diversification through Multibank."

## Local Rating

November 15<sup>th</sup>, 2023

**AAA**

### BRC Ratings S&P Global

"Banco de Bogotá has increased its market share and maintains a solid business position among industry leaders."

Foreign Currency Bonds	Moody's Investors Service	Fitch Ratings	Standard & Poor's*
Senior Notes (due 2027)	Baa2/Stable	BB+/Stable	BB+ / Negative*
Subordinated Notes (due 2026)	Ba2/Stable	BB-/Stable	

[Click here for our updated rating reports](#)

Quotes from final reports from: Moody's Investor Services, Fitch Ratings, Standard & Poor's and BRC Ratings S&P Global.

\* On January 19<sup>th</sup>, 2024, S&P changed its outlook from stable to negative.



For the fourth consecutive year, the Bank was included in the S&P Global Sustainability Yearbook as one of the most sustainable Banks worldwide.



## Climate Action

- \$2.6 trillion in green financing, an increase over 8.7x in three years.
- 402 Environmental and Social Risk Management System analysis were conducted for a total of \$31 trillion pesos.
- Strengthened sustainable construction value proposition, partnering with SUMAC and IFC, for EDGE ADVANCE projects.
- Maintained Icontec’s carbon neutral certification and continued advancing in the use of renewable energy in 40 facilities, a reduction of 44% in Scope 1 emissions and of 22% in Scope 2 emissions.
- Recognized by Latin Trade One Day for the Amazon, for reforestation efforts through the Amazonía debit card, having replanted 1,500 hectares of rain forest and benefiting 600 families in 160 indigenous communities.
- As part of the Bank’s commitment to biodiversity preservation and improving the life of those in need, the Bank joined Amazon Finance Network Initiative, created by IDB Invest and IFC.

The Bank obtained a B rating from the Carbon Disclosure Project (CDP) 2023, placing the Bank above the industry in emission reduction, portfolio impact and risk management processes.



## Social Action




- \$10.8 trillion in social loans to vulnerable populations and MiPyme<sup>1</sup>. Of the MiPyme, 35% were credits to women.
- \$252 billion pesos in microfinance lending : 52% were MiPyme led by women and 37% were in towns below the poverty line.
- \$3.1 trillion pesos disbursed for social housing, under Mi Casa Ya program for priority and social housing.
- Over 3.3 million people benefited since 2012, under the Bank’s financial education program, reaching 354 thousand people in 259 towns Colombia.
- \$4.1 billion pesos in funding social and sustainable causes, contributing to society’s wellbeing, through women’s entrepreneurship programs, financial education, employability programs and reforestation efforts.

1. MiPyme: is a segment of small and medium sized companies defined as: “Microempresas”- less than \$299 million pesos in revenue; “Pyme elegible”: small and medium sized companies with less than \$73.3 billion pesos in revenue.



# 2023 Performance Overview

Attributable Net Income for **2023** was **USD \$249.6 million** leading to an annualized **6.1%** ROAE.

 <p><b>Profitability</b></p>	<p><b>0.7%</b> ROAA<sup>1</sup></p>	<p><b>6.1%</b> ROAE<sup>1</sup></p>	<ul style="list-style-type: none"> <li>For 2023, ROAA stood at 0.7% and ROAE was 6.1%. This year's lower profitability was mainly caused by a higher cost of risk and lower equity method income.</li> <li>NIM for the year was 4.5%, the same as the previous year.</li> <li>Fee income ratio increased by 2.3% in 2023 to 27.1%</li> <li>Efficiency for the year was 50.9% for cost to income and 2.7% for cost to assets.</li> </ul>
	<p>Net Interest Margin<sup>1</sup></p>	<p><b>4.5%</b></p>	
	<p>Fee Income Ratio<sup>1</sup></p>	<p><b>27.1%</b></p>	
	<p><b>50.9%</b> Efficiency Ratio<sup>1</sup></p>	<p><b>2.7%</b> Cost to Assets Ratio<sup>1</sup></p>	
 <p><b>Balance Sheet</b></p>	<p>Gross Loans</p>	<p><b>\$25,892</b> USD Million</p>	<ul style="list-style-type: none"> <li>Gross loans increased by 3.0% this year, due to the peso revaluation and an economic scenario of high inflation, increased rates and slower growth. Excluding FX movements, gross loans increased by 7.1% in 2023.</li> <li>Deposits increased 3.5% this year, led by higher time deposits (+17.9% YoY), which partially offset the reduction in saving and current accounts (-6.1% and -11.3% YoY).</li> <li>Deposits / net loans ratio remained close to 1x.</li> </ul>
	<p>Total Deposits</p>	<p><b>\$23,831</b> USD Million</p>	
	<p>Deposits / Net Loans</p>	<p><b>0.98x</b></p>	
	<p>Deposits / Funding</p>	<p><b>78.1%</b></p>	
 <p><b>Credit &amp; Capital</b></p>	<p>90+ Days PDL Ratio</p>	<p><b>4.2%</b></p>	<ul style="list-style-type: none"> <li>90-day PDLs deteriorated 68 basis points to 4.2%, whilst 30-day PDLs deteriorated 101 basis points in 2023.</li> <li>Net cost of risk was 2.6% in Q4-2023 and 2.3% for the entire year.</li> <li>Tier 1 ratio stands at 12.9% and total capital adequacy ratio was 15.4%, as the consolidation of Corficolombiana under Banco Popular, considerably increased the CET 1 ratio.</li> </ul>
	<p>Net Cost of Risk<sup>1</sup></p>	<p><b>2.3%</b></p>	
	<p>Tier 1</p>	<p><b>12.9%</b></p>	
	<p>Capital Adequacy</p>	<p><b>15.4%</b></p>	

1. Annual figures.

# Banco de Bogotá



[www.bancodebogota.com](http://www.bancodebogota.com)

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