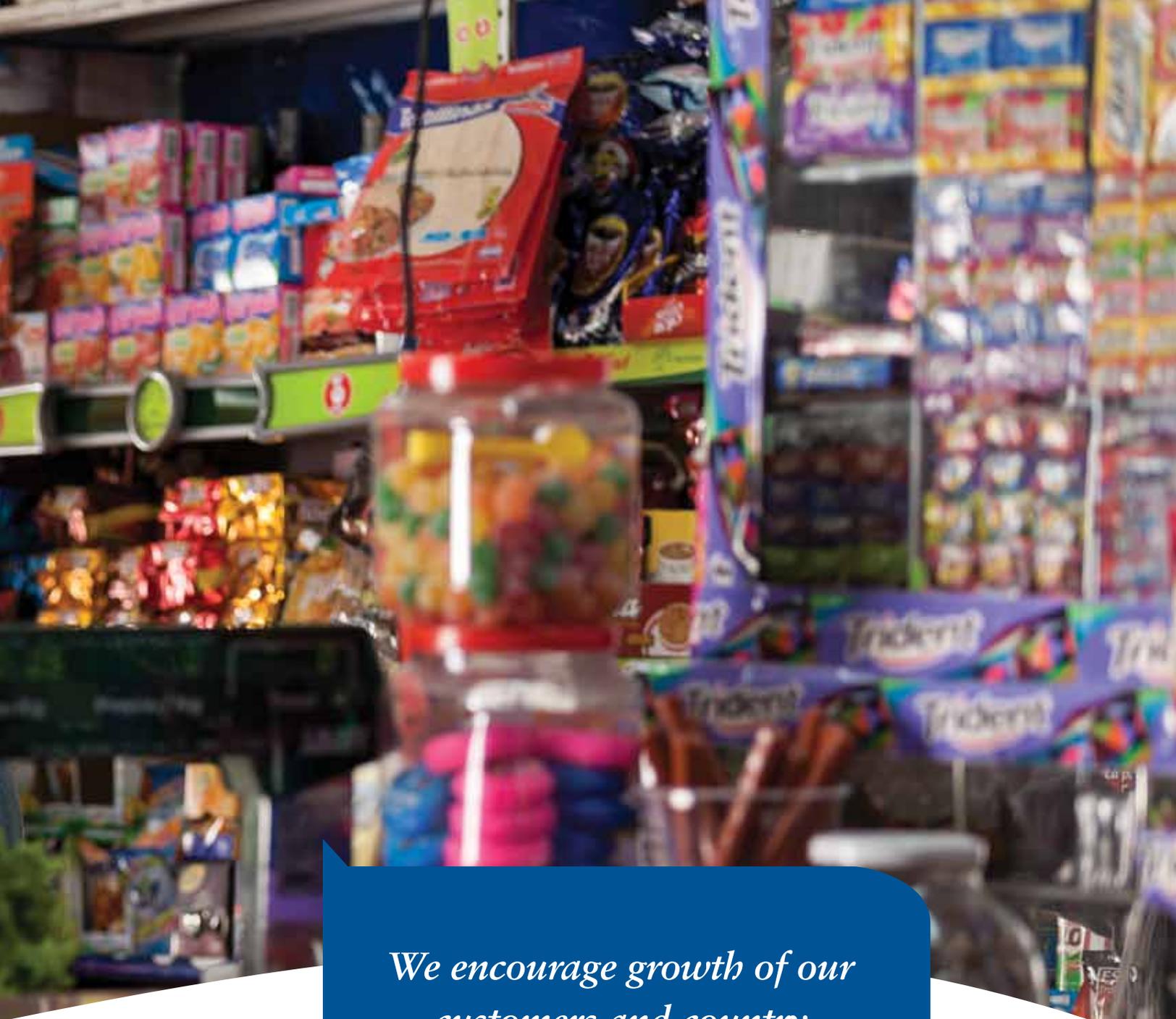




Chapter 4

Our Banking at the Service of Customers



*We encourage growth of our
customers and country*

We finance our customers' dreams, and the business and infrastructure projects that build a society with greater opportunities for all.

4. Our Banking at the Service of Customers

Our Segments

Through the Universal Banking model, we participate in all market segments and offer our customers the most complete portfolio of financial services.

We seek to increase penetration in the markets in which we work, maintaining leadership and growth in the business' main segments.

We constantly monitor the market to break into new segments and thus serve every need of our customers.

We work to ensure the completeness and quality of our customers' information, so that we can understand and serve their needs better while providing them with more intelligent and suitable proactive offers.

We generate strategies in order to comply with the principle of customer knowledge and updating of SARLAFT information, pursuant to External Circular 026 of 2008 from the Financial Superintendence and the Habeas Data Law 1581 of 2012.

We develop statistical trend and probability purchasing models for our products, in order to be more assertive in offers to our customers.

Corporate Banking

We have continued to consolidate ourselves as the strategic ally of large and medium companies in the country. We cover the national territory through seven regional offices, deploying a specialized team in each city to serve this customer segment.

We have positioned ourselves not only as a lender of short-, medium- and long-term loans to company customers, but also as a provider of multiple high-quality financial services in Colombia and in the 12 countries where we operate through our agencies and affiliates.

Loans to Companies, a Boost to the Country's Development

We accompany businesspeople in their growth, and in their infrastructure, expansion and industrial modernization projects. That's why our commercial dynamic remained stable throughout 2013, consolidating a very favorable trend in the second half of the year.

At the close of December 2013, we had paid out loans for more than COP 22 trillion to companies in all sectors of Colombia's economy.

With these resources we supported the initiatives of 3,839 companies, achieving a loan balance in Legal and Foreign Tender Currencies greater than COP 22.3 trillion, closing the year up 13% compared to the same period in 2012.

Thanks to the ongoing work of our consultants specialized in foreign trade and treasury, in 2013 we met the needs of our customers for their foreign trade. Foreign Tender Loans were up 39% compared to at the close of 2012. In Colombian pesos, this growth is equivalent to a Loan balance of COP 5 trillion. Additionally, we conducted Derivatives operations in the amount of USD 5,798 million.

As at December 2013, the Corporate Banking loan balance in Foreign Tender Currency was COP 5 trillion, with an annual growth of 39%.

Industry, Growth and Development

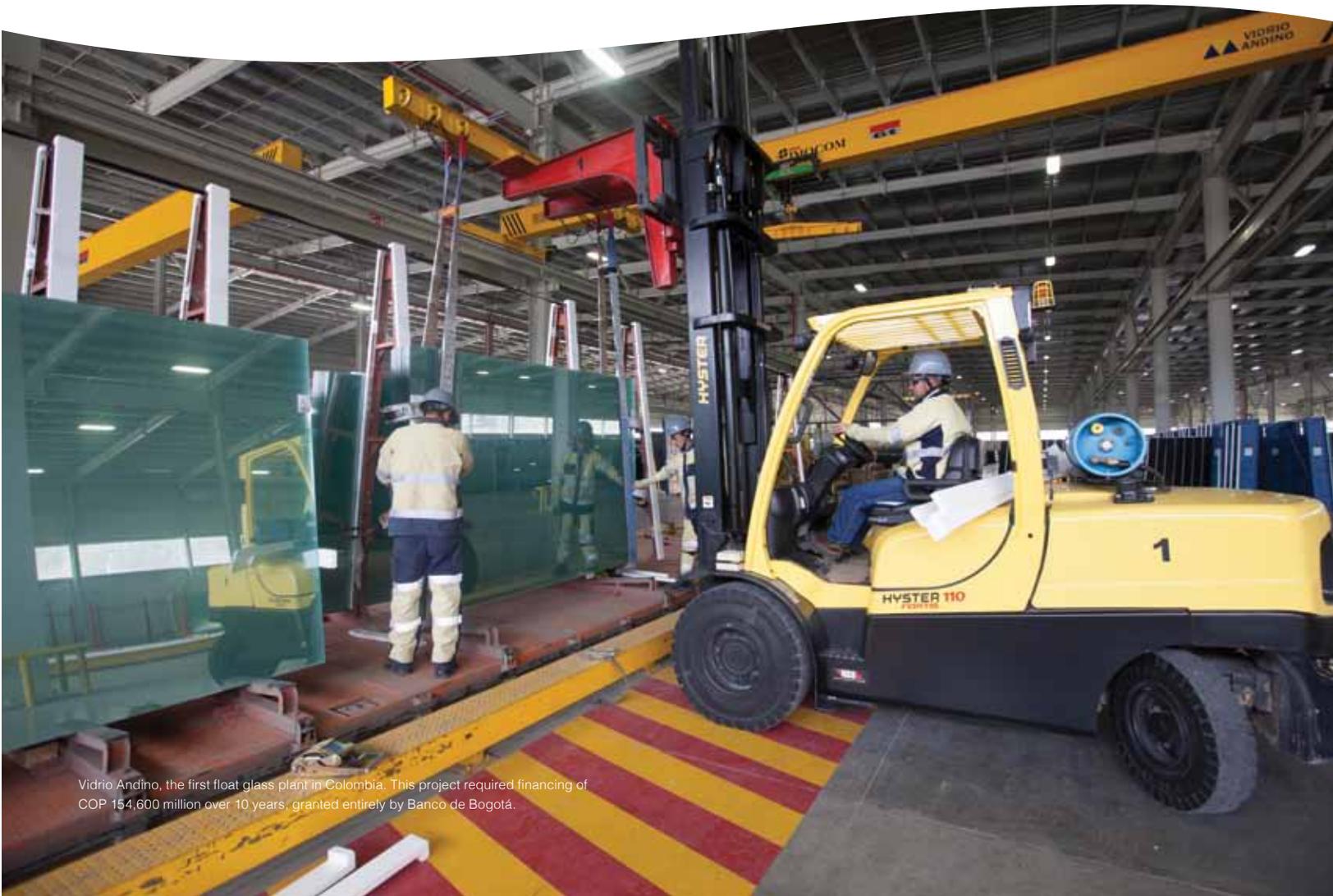
Being involved in the financing of large projects that promote Colombia's growth, economy and society is a fundamental pillar of our commercial management. Colombia is faced with the challenge of boosting its industrial production and we support this initiative.

That's why, in 2013 through our Structured Financing Unit, we financed 19 projects totaling COP 2.1 trillion in sectors such as transport, energy, industry, infrastructure and trade.

One highlight of such industrial initiatives in 2013 was the financing for the construction of Vidrio Andino, the first float glass plant in Colombia. It is located in the municipality of Soacha (Cundinamarca) and has an installed capacity of 200,000 tons/year. This project cost COP 432,000 million and required

the financing of COP 154,600 million over 10 years, granted entirely by Banco de Bogotá. This plant began operations in October 2013, generating more than 1,250 direct and indirect jobs.

In the department of Magdalena, specifically in the municipality of Ciénaga, we financed Puerto Nuevo for a USD 183 million loan over 3 years. This loan was destined for construction, administration and operation of a public port to handle coal with a direct loading system. The port provides train unloading services with a capacity of 8,000 ton/h; a coal storage yard, with a capacity for 1.1 million tons; 7 km of covered conveyor belts that can transport 8,000 ton/h; and a 1.7 km access dock that can receive capesize vessels of up to 180,000 tons.



Vidrio Andino, the first float glass plant in Colombia. This project required financing of COP 154,600 million over 10 years, granted entirely by Banco de Bogotá.



Puerto Nuevo is a port destined to handle coal with a direct loading system.

Puerto Nuevo's design includes the protection of nearly 200 hectares of native woods to isolate the coal reserves and help control dust emissions. It also includes planting of 18,000 trees and transfer of almost 800 animals.

Puerto Nuevo is firmly rooted in the local community, therefore the company prioritized contracting of employees from the communities neighboring Ciénaga. It also created an office to help the business community in the economic and social evolution of the entire municipality.

Our Collection Network and Channels at the Service of Companies

Our customers' trust, as well as the advantages that we offer in collection and payment products, permits us to effectively manage cash flows and cash surpluses for our customers. Deposits in the corporate segment increased 24% compared to December 2012, amounting to COP 7.7 trillion.

Companies **entrust** their resources to Banco de Bogotá: **Deposits** in Legal Tender rose **24%** in this customer segment in **2013**.

2013: An Increasingly Focused and Specialized Customer Development Team

In the second half of 2013, we finished updating our commercial management model for the business and corporate segments. With our sales force of more than 270 specialists, we defined differential models for our more than 3,000 corporate customers and 5,000 business customers. The model is based on increasingly specialized and focused customer development teams, to be strategic allies for our customers, generating proposals based on the value chain and the business model of each one of them.

Through this model we seek greater effectiveness, productivity and commercial agility, ensuring timely and efficient attention for all customers in all levels and contact channels.



New Products for an Efficient Management of Resources

One of our strategic focuses is constant development of new products and solutions that improve our customers' financial and operating performance.

That's why we purchased a next-generation web portal to operate their financial movements. At the close of 2013, testing of this technological tool had been carried out and it will start to be implemented in mid-2014.

Likewise, in the second half of 2013 we implemented a mechanism that will permit insurance companies and pension funds to pay compensation and severance using our branches (Business Wire Transfers). In this way, payers benefit from decentralizing their payment processes.

Additionally, we implemented the ATM Wire Transfers service, through which payer companies can disburse funds to their users or employees to be withdrawn at any ATM.

Support for Sectoral and Regional Development

In 2013, we participated in high-impact events in various sectors of the national and regional economy. In this way we have been present at events related to infrastructure, energy and oil sectors. Moreover, we have supported events led by the Colombian Chamber of Infrastructure, Fenalco, Analdex, Andi, Anif, Camacol, Fedepalma and Fedegan, among others.



Governmental and Institutional Banking

In the second half of 2013, we maintained and improved our relationships with Government and Institutional customers by offering innovative solutions to generate business. At the close of the year, this permitted us to obtain 19% growth in deposits, going from COP 8.2 trillion in December 2012 to COP 9.8 trillion in December 2013.

In this period, we also participated in various events in the segment such as Expoespeciales, Fasescolda, Asocajas, Asofiduciarías, Confecamaras, thereby strengthening our knowledge of trends and innovations in the various sectors, and deepening the relationship between our customers and development of new business.

Deposits grew 19%,
going from COP 8.2 trillion
in December 2012 to
COP 9.8 trillion in
December 2013.

Regional and Decentralized Bodies

The commercial strategy with Regional and Decentralized Bodies focused on strengthening existing customers and enrolling new customers through the disbursement of 128 loan operations for more than COP 83,000 million and the opening of 4,226 liability products for COP 138,000 million, thus supporting the development of projects in various regions in the country.

Similarly, we continued to consolidate a specialized service model in order to provide a better service and offer solutions adapted to the needs of customers in the segment. We currently have a Segment Office and a full specialized team to serve more than 2,700 regional and decentralized entities.

We Currently Serve 25 Departments, 868 Municipalities and more than 1,838 Decentralized Bodies

We transformed and adapted our products to legislative changes, complying with the provisions of Resolution 1789 of 2013 regulating Royalties Master Accounts. These amounted to more than COP 1.4 trillion in deposits as at December 31, 2013.

On the other hand, we launched products that are receiving resources destined by INVIAS and FONPET, and other types of transfers.

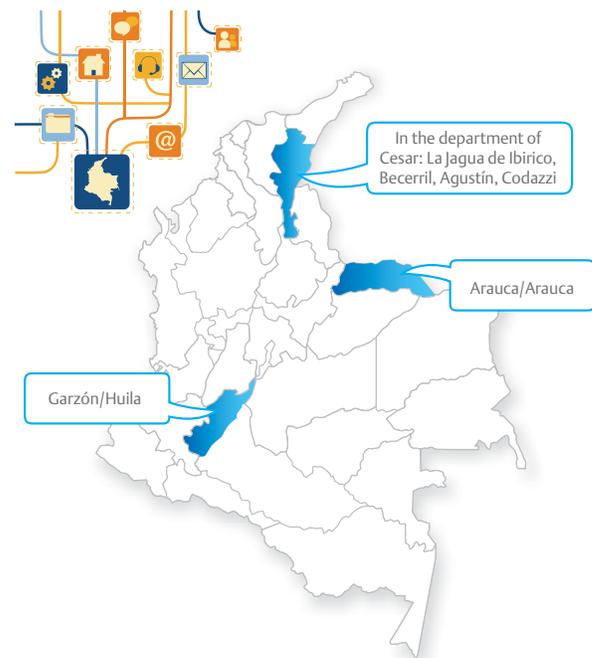
Due to the need to provide specialized services for the different methods of Tax collection, we implemented Help Desks focused on providing operational support. This permits us to meet customer needs, increasing promotion of new collection agreements by 74.3%.

As part of our commitment to encourage Colombians to take part in activities that highlight the country's cultural diversity, we sponsored more than 80 highly relevant events in several regions in the country.

Likewise, nationally we delivered 25,000 Christmas kits to low-income children ensuring presence and coverage throughout the country.

Online Municipalities Project (MEL, in its Spanish Acronym)

The MEL Project evolved and enrolled 5 municipalities in the second half of 2013 through a value proposal consisting in developing a web portal for each municipality. This new channel includes procedures and services that are currently being carried out in person between citizens and officials in town halls. This also incorporates payment for the same through a collection solution that the Bank established on the same site, in accordance with the Online Government strategy from the Ministry of ITC.



Municipalities Enrolled in the Second Half of 2013 - MEL Project

In the second half, we strengthened the first stage of development for the portal, including a new diagnostic phase in order to identify whether municipalities require additional developments to start-up the portal with regard to procedures and services. In this way, our customers can easily identify the work schedule for the new portal and the Online Governance strategy.

In the municipality of Barrancabermeja, we completed the first and second phase of the portal by implementing 13 new online procedures and services facilitating interaction between the municipality and citizens. Similarly, we have worked on developments required to collect the most important taxes, the first of which is Property Tax that is due to begin production in the first quarter of 2014.

Social Banking

In the second half of the year, we continued to deepen the customer base for this segment allowing us to obtain a 10% growth in Deposits at the year end, going from COP 551 billion in December 2012 to COP 607 billion in December 2013. We closed the Loan balance at COP 375 billion.

We grew Deposits 10%,
going from COP 551 billion
in December 2012 to COP 607
billion in December 2013.



Affinity Debit Card

We continued to develop a value proposal for the social segment, continually seeking to offer the best functionality through products like the Affinity Debit Card. With this card, members of cooperatives and funds have comfortable and secure access to national and international electronic channels. This helped us strengthen the product in the segment, so that in the second half we enrolled seven new cooperatives bringing the total of customers with agreements to 158.

As at December 2013 we had 191,332 active cards that performed 2,908,392 transactions in electronic channels (ATMs and POS) in the amount of COP 428,374 million in the second half of the year, 14% more than the amount traded in the first half.

Initiatives for the Colombian Coffee Growers' Union

We remain committed to the development and sustainability of coffee growers in the country through initiatives linked to the Cédula Cafetera Inteligente (Intelligent Coffee Grower ID Card) project.

At the close of 2013, the Cédula Cafetera Inteligente project issued a total of 461,191 cards, up 6.35% compared to the same period in the previous year. Similarly, the product usage percentage has increased compared to the same period in the previous year. In December 2013, 89% of ID cards were active, compared to 83% in the same period in 2012.

With the support of the National Government, the Federation of Coffee Growers continued to deliver funds from the "Coffee Grower Income Protection" program (PIC for its Spanish acronym) to subsidize the prices paid Colombian coffee growers in the second half of 2013. Through this program, COP 501,000 million were distributed between July and December 2013, resources that were assigned and delivered through the Cédula Cafetera Inteligente. We participated in this program with our technical and operating structure.

The next step we will take with the Federation consists in developing a banking strategy aimed at coffee growers. Through it, we will provide the opportunity to access new financial products and services. At the close of December we had **450,000 cardholders**, which shows the potential of the initiative that will be implemented in 2014.

We Continue Improving the Features of our Services

In order to improve efficiency in treasury management for companies in the Government, Institutional and Social Sector, in the second half of 2013 we implemented improvements in our Cash Management portfolio including:

- Extension of the service hours for ACH Transfers from Stock Brokers and Trusts: This change allows our institutional customers to execute their financial movements between different entities, making the most of periods in the ACH compensation chamber.
- Extension of service hours for mass transfers to Banco de Bogotá accounts for all customers: Distributions generated towards our accounts that are processed up to 8:00 p.m. shall be applied on the same day in the destination account.
- Systematization of the investment process in Collective Portfolios using the Business and Corporate Portal: Using the Bank's Portal, companies can place their liquid surpluses in Collective Portfolios from any stock broker or trust fund, without undertaking further procedures and obtaining the tax benefits of these financial instruments.
- Unique Social Security Contribution Form (PILA, for its Spanish acronym): The implemented improvements are related to facilitating contributors with payment in our banking cor-

respondents with confirmation of the payer's identity and payment in the Bank's branches without needing to complete forms.

- We implemented a new service model for Porvenir members to pay severance, thus improving response time, expanding the service network and decreasing the paperwork needed by members throughout the process.

We closed with a loan balance of COP 1.6 trillion; COP 215 billion more than in December 2012, achieving 15% growth.

Special Units

Official Payroll Loans

Placement Results

In the second half of 2013 we paid out 28,917 operations in the amount of COP 680,454 million, enrolling 13,033 new customers into the product and serving 28,917 old customers.

Likewise, we arranged 16 new agreements to provide new companies our product in the second half of the year.

At the close of the year we reached 100,308 customers, that is 4,019 more than at the close of 2012.

Improving Customer Loyalty

As part of our growth and loyalty strategy, we continued to offer complementary products and services to our customers. In the second half, we opened 6,974 new payroll accounts and issued 6,289 Debit Cards.



Equally, the personal accidents policy allows us to add value to customer enrollment, offering additional coverage to that which is contracted with their loans. In the second half of 2013, 7,404 new policies were issued.

It should be mentioned that this product was designed and validated with customers of our unit so that the benefits were adapted to their needs. For this reason, at the close of December we achieved a high level of penetration reaching 39%.

Income from Commissions in our bancassurance product went from COP 871 million in 2012 to COP 5,910 million in 2013, a 680% increase in income through this item.

We Continue to Expand our Coverage

Developing our coverage expansion strategy, we have continued to launch new Payroll Loan Centers (CAL for its Spanish acronym) and Payroll Loan Centers with Special Services (CALSE for its Spanish acronym). The latter offer the possibility to execute transactions such as those authorized in a traditional Bank branch, in addition to obtaining advice on Payroll Loans.

SME Segment

Supporting Small and Medium Companies

Conscious of the challenge imposed for our SME businesses to establish a company in Colombia, and the importance of training in this task, we reaffirmed our commitment to support their development and be their strategic ally to boost growth in the second half of 2013.

We have a sales force with more than **250 employees** in **30 cities** exclusively focused on the SME segment.

- We held the Banco de Bogotá SME World Fair in the cities of Barranquilla and Bucaramanga, where we provided training on issues such as Innovation, Tax Management, Foreign Trade, Marketing and Competitiveness to more than 1,500 businesspeople. As part of the Fair in each city, participants benefited from special rates and conditions for our products, granting more than COP 18,000 million.
- For the seventh consecutive year we sponsored the **Mission Gazelle SME Award**, recognizing the work of businesspeople in the country who confront the new challenges of the market.
- In order to provide our SME customers with exclusive service channels and offer a better service experience, we inaugurated the SME Service Center in the city of Bucaramanga. Through this center, we will provide faster operations to more than 1,800 customers located in the region, given that we have dedicated advisors to attend to their operations.



We Offer a Differentiated Value Proposal

In the second half, we launched two new products to attend to our customers' liquidity needs: **Active Credit product with the National Guarantee Fund and Revolving Credit Plus for Individuals**. Through these lines, we have granted new credit limits for more than COP 9,300 million.

Additionally, in August, September and October our SME Banking customers benefited from the Second Commercial Debt Consolidation Campaign, which generated loans for more than COP 31,300 million.

Microenterprise Segment

Through Progress, We Build a Country Together

Convinced that microentrepreneurs are the foundation of the business fabric and play a significant role in the country's economic growth, we continued promoting the specialized and customized service model for customers in this segment so that they can count on a high-quality service and solutions adapted to their needs.

In the second half of 2013, we held business fairs in the cities of Barranquilla and Bucaramanga, where we provided training in innovation, tax management, foreign trade and competitiveness to more than 1,500 businesspeople. Participants benefited

from special rates and conditions in our credit lines, placing more than COP 8,500 million.

We granted more than **COP 670,000 million** in Commercial Loan operations, and more than **COP 89,000 million** in microcredit operations.

Additionally, we participated in various educational, informational, social and recreational activities organized with trade associations, mayors' offices and the chambers of commerce in the municipalities of Santa Rosa de Cabal, Yumbo, Barrancabermeja, La Dorada, La Calera, Fusagasugá, Facatativá and Valledupar, among others.

Conscious of the opportunity to respond to our microentrepreneurs in granting loans, in the second half of 2013 we adjusted internal processes. This helped improve response times by 50%, especially for smaller municipalities and towns.



Microfinance Segment

We Support the Financial Inclusion of the Country



Committed to developing and improving the nation's quality of life, we continue working to provide Colombians with proper access to the financial system. With our microfinance model, we serve independent professionals and people from socioeconomic levels 1, 2 and 3; microentrepreneurs with productive businesses in the commercial, industrial, transport and agricultural sectors; and female heads-of-household.

The microfinances model that we have developed is our first banking channel. We have a sales force with 370 advisers specialized in microfinancing methodology, who were born in the towns where they work, who make sales transparently and who build a long-term comprehensive commercial relation.

Since 2007 we have provided banking access to 4,746 people and served more than 54,000 families in 444 municipalities around the country.

At the close of 2013 we had paid out more than COP 197,000 million in 90,729 microcredit, closing 2013 with a microcredit balance of COP 55,000 million and an average loan amount of COP 2.8 million.

In 2013 we launched three new credit lines for this segment, permitting small businesses to grow through working capital and/or purchase of assets in conditions that fit their needs. Therefore, in March we launched **CrediAgrario** to issue 946 microcredits amounting to more than COP 2,000 million in the year. We launched **Crediahorro**, a loan with a preferred rate that rewards saving habits. Through this line, we issued COP 757.1 million in 146 operations.

Additionally, under the Government's Banking Opportunities program, through a **MicroAhorro** consultation we developed a specialized account with minimal administration and transaction costs that seeks to promote the culture of saving. Since June, we have opened 1,213 accounts holding an average of COP 249,000 each.

Personal Banking Segment

A Value Proposal for Every Stage of Life



Our commercial strategy in the Personal Banking Segment aims to develop business lines that effectively respond to our customers' needs through differentiated value proposals designed according to the conditions and characteristics of their life cycle.

Each day we improve our processes to provide a **better service** to our customers.

To optimize our service and generate greater customer satisfaction, in 2013 we made changes to operation processes and customer service in branches, reducing queuing times and making our management more efficient and productive:

- From November, only an identification document is required to open savings and checking accounts, and term deposits.
- We reduced the number of enrollment forms from 4 to 1, making it easier for customers to obtain products, and thereby ensuring our operations are efficient.
- We improved the processes to prepare pledges and pay out vehicle loans in order to optimize response times.
- We established a procedure to activate savings accounts in any branch, therefore it is not necessary to go to the branch where the account was opened, and thus improving our customers' experience.

To offer greater benefits and advantages to our customers, in 2013 we made changes to some of our products:

- We decreased the minimum amount for an individual or legal entity to open a checking account from COP 500,000 to COP 200,000.
- We increased the national account limit for savings and checking accounts.
- We offered our customers the possibility to perform debt consolidation against the Crediservice limit with preferred rates.
- We reinforced the security of the Crediservice product, implementing a warning service through text messages that informs customers each time that it is used.

“Transparent Sales” Campaign

In 2013, we developed a campaign aimed at raising our employees' awareness regarding the importance of providing clear information to our customers, to provide a high-quality service and product offers that meet their expectations. We trained

more than 2,600 Managers, Executives, Sales and Service Advisors, Area Managers and Regional Directors.

Accordingly, in November we conducted the 2013 Conocer Exam (Knowledge exam) for more than 2,800 staff members. We do this each year so that our employees can get certified in portfolio knowledge and can deliver clear information to customers when selling products.

Developing Long-Term Relations

In this period, we continued enrolling and increasing the loyalty of our customers in the “Child” and “Youth” Segment, and strengthened relations with customers in the “Personal Banking” and “Experience” Segment. In the last year, we achieved 12.6% growth in the number of customers, given that more than 660,000 customers have more than one product with Banco de Bogotá.

In the second half of 2013, we delivered more than 25,337 complete product portfolios, so that our customers can access a complete product offer to manage their loan, investment and efficient money use needs with a special prices policy.



To carry out the child strategy designed to encourage children to save, we held the national balance increase competition with the purchase of the **Mi Caja de Sueños** (My Box of Dreams) product. At the close of 2013, 11,624 Cajas de Sueños were provided for COP 1,700 million. **The “Mi Caja de Sueños” strategy won the “Low Budget Campaigns” award in the Effie Awards Colombia.**

We continue supporting youth by providing loans for university studies. **Thanks to our agreements in more than 50 universities to finance higher education, we paid out more than COP 19,000 million. This was up 58%.**

Preferential Customers Segment



Continuing our commitment to offer exclusive products to our Preferential Customers, in the second half of 2013 we strengthened commercial agreements and synergies with Porvenir and Allianz to issue loans supported by voluntary contributions, and we launched the product with Horizonte voluntary contributions. This has permitted us to enroll new customers in the Preferential Segment and increase the value of loans issued by more than COP 49,000 million.

Premium Sub-Segment

In July 2013 we opened the Torre Oviedo Premium Branch in Medellín, and in September 2013 we opened the Urban Plaza Premium Branch in Bogotá. These branches are in line with our exclusive service model strategy, providing differentiated spaces and specialized advice on commercial and investment banking, to provide our Premium customers with the best quality and service standards.

As of December 2013, **we have 10 Premium Branches** in the five main cities nationwide to serve more than 11,200 Premium customers.

We also held the first Banco de Bogotá Premium Fair in the new Torre Oviedo Premium Branch in the city of Medellín. More than 250 people attended. In the fair, we reinforced our commitment to customers in this segment through alliances matching their lifestyle, and created a highly valued space for business and relations.





Products and Services

Debit card

Greater Benefits for Our Customers

We continue offering greater benefits and solutions for our customers' needs. Active cards to access the Transmilenio (Bogotá) and Mio (Cali) mass transportation systems were up 67% and 89%, respectively. We now have 14,737 active cards for Megabus (Pereira) and 35,173 for Transmetro (Barranquilla).

As of September, a new service is available to Debit Card customers through the Bank's branch network where they can immediately assign a PIN for their new Debit Card; change their PIN; or assign a new PIN if they have forgotten it. This decreases response times for this type of requests.

As of December 31,
2013, we have **1,722,638**
customers with active
Debit Cards.

Debit Card Partnerships and Uses

The partnership program remains the biggest loyalty program in the financial sector with 214 partners. We optimized program advertising channels through online and mobile digital media.

In the second half of 2013 the Debit Card generated COP 982,000 million in invoicing, up 16.2% compared to the second half of 2012.

In the second half of 2013, we carried out 38 campaigns for card use during specific seasons. We were present at the main national shopping malls using touch screens to report the benefits of the partnership program, positioning the program and adding value to the product.

In addition, we promoted a culture of using Debit Cards through education in security and saving when purchasing with multiple benefits and discounts given by the Bank.

Prepaid Cards

At the close of the second half of 2013, there were 140,508 active Prepaid Cards, up 30% compared to the same period in the previous year. We reached a total of 20,043 new cards in the period between July and December 2013, with invoicing of COP 10,887 million. This is equivalent to a 44% increase compared to the same period in the previous year.

We enabled the use of the Most Effective Cards around the globe and made improvements to the operation thereof. This strengthened the payment method our corporate customers use to manage travel expenses and petty cash.

Credit Cards

More Cards for our Customers

In 2013, the goal was to generate profitability through deepening the relationship with existing customers and expanding the Card portfolio.

Thanks to our responsible credit approval policy and education in appropriate use of this product, we have increased the number of Colombians that have our cards and have promoted appropriate usage.

We reached more than 316,000 New Cards, achieving a total portfolio of 944,000 cards. That is how, we enrolled more customers with our product.

316,000 New Cards
944,000 Active Cards

We Make Our Customers' Lives Easier

Thinking of the economic situation of Colombians, we launched the Economía and Biomax cards onto the market. These return a percentage of purchases to users, thanks to the first cash back program carried out in Colombia.

With these cards our customers can save on their family spending, receiving this benefit at supermarkets, restaurants and gas stations (Biomax/Brio).

Industry Leaders

We ended the year with 26% growth in the Loan Balance and 22% in Invoicing, allowing us to increase our market share by 154 basis points and 76 basis points respectively.

Growth in the Loan Balance of **26%**
Growth in Invoicing of **22%**.

In commercial cards, we are the leaders in the VISA Portfolio with a market share of 47%. We are the first Bank in Latin America to offer "Administrative Control Tools" (Perform Source and Intellilink-VISA) to its corporate customers.

Reinventing Banking

In order to generate new services that add value for our customers, we held the first Open Innovation Marathon in the financial industry, the 2013 Banco de Bogotá Fintech Challenge.

This event brought together the bank, businesspeople, developers and creative people for 48 hours to generate web or mobile solutions, break paradigms and reinvent banking.

Mortgage Portfolio for Everyone

In 2013, we consolidated our Mortgage Portfolio based on an attractive offer for Colombians, achieving a Loan Balance of COP 700,466 million, up 470% compared to the previous year and with variation of COP 577,495 million.

In the second half of 2013, we paid out 4,087 mortgage loans in the amount of COP 426,893 million, serving 6,330 customers with disbursements in the amount of COP 672,774 million.

We continued supporting the National Government in its Productivity and Employment Promotion Plan (PIPE for its Spanish acronym) through which buyers of new property worth between 135 SMMLV (current legal minimum monthly salary) to 335 SMMLV receive a 2.5 percentage point interest rate deduction paid by the National Government. During the year we disbursed 544 FRECH loans for COP 48,265 million, benefiting 544 Colombian families that can now say "Welcome to my home".

We achieved a **Loan balance of COP 700,466 million**, with **470% growth** compared to the previous year.



In addition, we are committed to the Government's Priority Interest on Housing for Savers program (VIPA for its Spanish acronym). We delivered 30 pre-approval letters of credit for construction to 15 construction firms interested in participating in the public-private tender to be awarded in the first quarter of 2014. Pre-approved loans amounted to COP 312,260 million.

Between July and November 2013 we participated in 9 real estate fairs in cities such as Barranquilla, Neiva, Ibagué, Tunja, Cali, Barrancabermeja, Medellín and Bogotá. We promoted the sale of new property at said fairs. We received 595 requests for mortgage loans for more than COP 80,000 million.

In Construction Loans, in the second half of the year we executed 90 operations for COP 514,333 million. We approved 42 loans for COP 265,555 million and we made partial disbursements for COP 18,365 million corresponding to the financing of 15 housing construction projects.

Insurance Portfolio

New Products for Our Customers

In the second half of 2013, we implemented a special Insurance portfolio for the Experience Segment. Customers in this segment now have broad coverage against accidents.

We continued adding to our portfolio. In this period, we launched Family Protection Insurance, a product that covers events like death, total permanent incapacity and serious illnesses.

In 2013, 7,907 of our customers were protected by the insurance against various events, receiving COP 6,665 million in accident payments.

More than 800,000 customers are currently protected against various events, and we have worked hard so that our employees and customers know the importance of protecting what they value the most.

Likewise, in 2013 we received income from commissions associated to insurance sales for more than COP 84,842 million, up 34.3% compared to 2012. This consolidates Insurance as the third highest generator of commissions for the Bank. Insurance Banking products (Unemployment, Fraud, Life) had a 55% share in total in insurance commissions, up 58%.

In November, with support from our partners Seguros Alfa and Cardiff, we held the 2nd Banco de Bogotá Insurance Banking Convention in Panama. In this event we recognized our employees who achieved extraordinary results in insurance sales.

Payroll Portfolio

In the second half of 2013, we expanded the base of active payroll customers by more than 40,500, up 6.3% compared to the first half. This increase was reflected in a 7% growth (COP 48,867 million) in the volume of deposits and 41.2% (COP 203,087 million) in the volume of loans.

We made the process to open payrolls quicker in the various channels, assigning responsibility to a single person in the Bank to coordinate this process in the Interbank Business Coordination Unit. We improved the process to open payroll accounts throughout the Bank's branch network, and we launched the financial education program for payroll customers.

We also carried out 29 campaigns to issue more than 54,000 new products to payroll customers, increasing the number of products held by each customer and providing comprehensive offers. This strengthening took place in products such as insurance, loans and term deposits, among others.

Payroll Loans

In 2013, we created 178 new payroll loan agreements, increasing the average loan balance by more than COP 51,000 million. We also paid out more than COP 271,000 million, up 20% compared to 2012. We adjusted the liability substitution process and created the payroll loan filing process through images, decreasing the response time for customers in smaller cities.

Vehicles

Placement Results

The Vehicles Unit closed 2013 with COP 650,000 million in its total loan balance.

In the second half of 2013, we paid out 4,450 operations in the amount of COP 161,689 million. Of these, 3,380 or 76% corresponded to financing of private vehicles, and the remaining 1,070 operations (i.e. 24%) were paid out to finance vehicles for commercial use.

In the second half of 2013,
we paid out 4,450 operations
in the amount of COP
161,689 million.

We also continued to add value to our customers' enrollment with protection against unemployment or total temporary disability. In this second half, we issued 1,465 new unemployment policies, a 33% penetration.

Strengthening the Relation with Associated Dealers

Highlights of our main associated dealers at the close of 2013 follow: In Distribuidora Nissan's sales rooms we issued 218 operations for COP 7,450 million, followed by Continautos with

268 operations for COP 7,343 million, and in third place AUTONAL with 202 operations for COP 5,293 million.

In the same period, we carried out 224 initiatives such as Motorshow Bucaramanga in which we issued COP 1,800 million. We visited 9 cities with the Kia On Tour. We also participated in events such as Motor in Action (organized by the magazine Motor), Colwageton in Bogotá, Tolima's International Window in Ibagué, Car Lounge in Ocaña Santander, and Jeep at the Park in Bogotá.

By participating in these events with associated dealers, we issued COP 17,074 million in the second half of 2013.

We are Expanding Our Portfolio of Products

In line with market demands, we are developing 4 new financing plans that satisfy the needs identified in various customer segments. In December, we launched the first of these, called "Plan 30/70" with terms of 12, 18 and 24 months. This consists in an initial payment of 30% of the vehicle value and financing of 70%, with amortization of capital on maturity, monthly insurance payments, and the possibility of paying interests monthly or together with the capital.

We expect to launch the three remaining plans before the end of 2014 as part of our growth strategy.





Treasury and Foreign Currency

Treasury and Foreign Currency

Fixed Income Investment Portfolio

In the second half of 2013, our fixed income portfolio was mainly focused on securities issued by the Colombian Central Government (68.8%) and securities issued by other entities in the Colombian Government (24.6%), thus keeping the composition stable compared to the second half of 2012.

In the second half of 2013, we obtained extraordinary income from the implementation and application of Circular 033 of November 2013, changing the holding time established for classification of Investments Available for Sale from twelve to six months. This facilitated the sale of Investment Securities Available for Sale, thus exploiting favorable market conditions.

With regard to foreign currency bonds, we continued to have emerging market corporate bonds payable in dollars and denominated in pesos (global), and we purchased financial corporate bonds in dollars up to 7 years, thus covering the short-term exchange rate.

Regulated Foreign Exchange Market and Derivatives Operations

In the second half of 2013, we remained one of the most important regulated foreign exchange market operators in the coun-



try, with USD 21.8 billion in foreign currency purchase and sale transactions via market brokers.

With regard to the Derivatives market, the Bank executed operations with local and foreign counterparts to support management of its exchange rate and interest rate risks, while remaining the main provider of derivatives prices and instruments for its customers.

In the second half of 2013, we performed forward operations with the offshore market for almost USD 20 billion, consolidating our presence in this segment through competitive prices and high-quality service. As part of the strategy to cover the exchange risk in the balance, the USD 500 million capitalization of the Bank was covered through forward operations taking advantage of attractive devaluations offered by the market.

We increased our market share in options and traded more than USD 900 million with the real sector in 2013. Options continued to be welcomed by our customers as an alternative to manage the exchange risk, given that it is a product that permits solutions to be structured that are customized for each customer's needs.

In the Swaps market, we remained highly active not only in exchange rate operations but also in interest rate operations, especially in those with the IBR as the reference index. Through IBR swaps, we offer our customers the possibility to efficiently mitigate their interest rate risk in term obligations

and take advantage of excellent opportunities offered by negotiation curves.

Treasury Operations

In the second half of 2013, deposits from Treasury term deposits lost momentum in response to the reduction in demand from large liquidity providers and the increase in spreads for indexed securities. In 2013, the balance of Treasury term deposits decreased by nearly COP 483,000 million, reaching COP 6.5 trillion.

At the close of 2013 most securities were issued for 1.5 to 3 years. The preference for short terms persisted, in line with the expected end to the decreasing interest rate cycle.

Given the monetary cycle and favorable liquidity conditions that occurred in the first months of the year, it is expected that investors seeking higher returns will decrease their available funds in checking accounts and will increase their positions in securities from financial issuers. Facing the expected end to the monetary easing cycle, the IBR must be consolidated as the most attractive indicator for investors given the efficiency with which it gathers and anticipates changes in the reference rate.

As leaders of the system to create the Reference Banking Rate (IBR for its Spanish acronym), we continued with the training campaign for the sales force and customers to provide information about the indicator, its advantages, and IBR indexed portfolio products. As a result, the loan balance indexed to the IBR at the close of the year was greater than COP 1.0 trillion.

In 2013 we continued to be very active in the monetary market, not only in terms of management of our own liquidity, but also to hedge short-term securities through simultaneous operations.

We performed operations with
the offshore market for over
USD 20 billion.

Foreign Market Operations

Through the International Transactions and Treasury Division, in 2013 we began active commercial management with non-financial foreign institutional customers by offering them deposit products, Time Deposits and Yankee CDs through the New York Agency. As of December 31, 2013, the outstanding balance of deposits with these entities was USD 215 million.

We had success in our funding with international investors and correspondents.

In 2014, we expect to continue increasing our placements through this program, diversifying and contributing to our funds with foreign currency. The variety of potential investors that will be explored this year include institutional customers in South-East Asia, Peru, Chile and the United States.

External Lines of Credit

In 2013, we continued to work on three main strategies with our Foreign Correspondents: Expansion of available limits for foreign trade lines and working capital, diversification of counterparts, and extension of the terms granted in the borrowings lines.

With regard to available limits, we achieved 20% growth in the lines available to the Bank and its affiliates. This is equivalent to USD 300 million in credit limits available to support foreign trade operations and almost USD 250 million for working capital. These limits were granted both for correspondent banks and for multilateral entities.

With regard to diversification of counterparts, we are working with thirteen new Latin American and European correspondent banks. We expect to increase available credit limits with these by more than USD 300 million, positively affecting our funding rates and those that we offer to our customers.

Lastly, we achieved expansions of the foreign trade credit limit term up to three years and working capital to 5 years, therefore we are better prepared to serve the needs of our customers regarding term financing in foreign currency.

Foreign Currency Loan and Deposits

At the end of 2013, our loan balance in foreign currency totaled USD 2,372 million, up USD 519 million (28.0%) compared to 2012. Therefore, we considerably increased our share in strategic businesses in the Colombian corporate sector, which continued to demand resources to expand its international operation, taking advantage of the favorable interest and exchange rate conditions that characterized 2013.



We continued to be very active in working capital operations. As of December, these represented just over 77.0% of total foreign currency borrowings. Foreign trade operations maintained a positive trend, even though traditional and non-traditional exports slowed down as compared to 2012.

We grew 28%
in our Foreign Currency
Loan Balance.

With regard to placement rates, in 2013 loan rates experienced a considerable drop, not only because of the LIBOR trend, but because of the effect of high competition and international liquidity of the credit spreads. At the close of 2013, the average loan placement rate was 2.6%.

In 2013, Foreign Currency Deposits from legal entities through our agencies abroad and affiliates in Panama increased 28.8% reaching an average of USD 1,089 million. Furthermore, we expanded the customer base to enroll 316 new entities with an average total balance of more than USD 160 million.

Foreign Agencies

In addition to our consolidated operation in the United States through the Miami and New York Agencies, in July 2013 we added the Panama Branch operation. It will meet our customers' local operating needs through a general license in the neighboring country. The branch was incorporated under the supervision and control of the Superintendency of Banks of Panama, and at the close of the year reported assets amounting to USD 29 million.

We are the largest Colombian bank in the United States, and the only Colombian bank to operate in New York City. At the end of 2013, assets in the Miami and New York agencies continued to grow strongly and amounted to USD 1,785 million, 15.6% higher than those reported in the previous year.

We are the
largest Colombian bank
in the United States.

Agencies have become effective vehicles to serve the resource management and financing needs of our corporate, business and institutional customers and their foreign affiliates. The on-

line transactional platform allows our customers to perform all their operations securely.

Miami and New York ended with a balance of USD 1,475 million in deposits from institutional to individual customers, USD 253 million higher than those reported in 2012. Of this total, approximately USD 700 million come from corporate, business and institutional customers, whose liquidity surpluses have been growing due to the expansion of their international and foreign trade business.

The Miami and New York agencies are supervised by US state and federal regulators who have rated our management as satisfactory throughout the Bank's operation in the US.

Commitment to Foreign Trade

We recognize the importance of foreign trade in the growth of companies and the economy. Therefore, we provide our customers with access to a recognized team of experts in exchange systems and international operations, as well as various service channels to support Colombian companies breaking into new markets. In recognition of this work, in 2013 the Global Finance magazine awarded us the Best Foreign Trade Bank in Colombia.

In 2013, we continued strengthening the clearing accounts program, supported in the use of our portal and tools such as SISCOMP and the provider notification service. To promote the use of SISCOMP, practical workshops were held in which the customer could visualize its benefits.

Additionally, we continued to train customers and employees about updates to the exchange system and international products, in order to comply with Colombian regulations and facilitate global business opportunities for our customers. In the second half of 2013, 1,430 companies were trained so that in total 2,200 were trained in the year.

Thanks to an adequate technological structure and training our employees, we were able to provide timely and operative exchange advice to our customers to process their operations. We were also able to assist them online to complete exchange declarations.

ca Electrónica



Service Channels

SERVICE CHANNELS

We Continued to Expand Our Broad Network of Physical Channels Nationally and Internationally.

In 2013, we continued to expand our national coverage, offering a variety of service channels to address our customers' needs in various segments.

Between December 2012 and December 2013, we increased our service channels and points by **1,138**¹³, consolidating our operations in 17 new municipalities¹⁴ and spaces where we were already present, facilitating ac-

In 2013 we increased our service channels and points by 38%, consolidating our operations in 17 new municipalities.

cess for existing and potential customers, in line with the Bank's growth strategies.

In the second half of 2013, use of **Electronic Channels** increased in our Bank. At the close of 2013, 55.4% of operations were handled through Electronic Channels, and the remaining 44.6% through Branches.

In line with the growth strategies, in 2013 we opened 34 new branches, 14 payroll loan service centers, 4 payment and collection centers, 3 specialized housing centers, and 1 SME service center.

The channels with the greatest growth were Banking Correspondents with 684 new points, followed by ATMs with 399.

¹³This figure includes: 51 personalized service branches, 4 payment centers, 684 banking correspondents and 399 ATMs.

¹⁴The new municipalities are: Dagua, Santuario, Guarne, Arrecife, San Agustín, Florian, Siberia, Guasca, Puerto Carreño, Malambo, Soledad, La Unión, Galapa, Carepa, La Apartada, Montenegro and Coveñas.



Total Banco de Bogotá



Branches
689



ATMs
1,688



Banking
Correspondents
1,703



Payment and
Collection Centers
50

4,130

Region	North-East	
	Dec-12	Dec-13
Branches	114	127
ATMs	230	327
Banking Correspondents	154	223
Payment and Collection Centers	9	9
Total Service Centers	507	696

Region	Central	
	Dec-12	Dec-13
Branches	317	337
ATMs	638	808
Banking Correspondents	552	844
Payment and Collection Centers	22	26
Total Service Centers	1,529	2,015

Region	Bogotá*	
	Dec-12	Dec-13
Branches	179	186
ATMs	355	446
Banking Correspondents	239	293
Payment and Collection Centers	14	18
Total Service Centers	787	943

* Bogotá is included in the central region.

Region	South- West	
	Dec-12	Dec-13
Branches	92	96
ATMs	172	236
Banking Correspondents	107	263
Payment and Collection Centers	8	8
Total Service Centers	379	603

Region	Colombia	
	Dec-12	Dec-13
Branches	638	689
ATMs	1,289	1,688
Banking Correspondents	1,019	1,703
Payment and Collection Centers	46	50
Total Service Centers	2,992	4,130



Region Includes San Andrés	North	
	Dec-12	Dec-13
Branches	77	88
ATMs	185	238
Banking Correspondents	142	267
Payment and Collection Centers	5	5
Total Service Centers	409	598

Region	East	
	Dec-12	Dec-13
Branches	30	33
ATMs	54	68
Banking Correspondents	59	89
Payment and Collection Centers	2	2
Total Service Centers	145	192

Region	South	
	Dec-12	Dec-13
Branches	8	8
ATMs	10	11
Banking Correspondents	5	7
Payment and Collection Centers	-	-
Total Service Centers	23	26

• Branches include: Corporate and SME Service Centers, Businessmen Advisory Offices; Specialized Housing Centers; Teller Extensions with Own Code; Branch Extensions, Premium Branches; Branches; Customer-Only Branches, Payroll Loan Service Centers with Special Services and Payroll Loan Exchange Service Centers without own code.

Branches

Our branches executed 73.7 million transactions between June and December 2013. The number of transactions was up 2.3% compared to the second half of 2012.

Premium Branches

Within our segment-specialized service strategy, the opening of two Premium branches stands out: Torre Oviedo in Medellín and

Urban Plaza in Bogotá, ending the year with 10 branches for the Premium segment.

Payment and Collection Centers

In our search to provide a rapid and timely service to our users and customers, we have strategically located 4 new payment centers in Bogotá: In Fontibón and in the Gran Estación II, Iserra

100 and Diverplaza shopping malls. These have been highly appreciated due to their high volume of traffic. Therefore, we closed the year with 50 payment centers.

Payroll Loan Service Centers

Within the program to serve military forces, we had 22 payroll loan service centers as of June 2013. In the second half of the year, we opened 5 points focused on sales, business advice and transactional services for this market segment, thus extending our services to potential new customers and bringing total service centers to 27.

ATM Network

ATMs continue to be the physical channel most used by customers. In the second half of 2013, there were more than 47 million transactions. In the same period we installed 156 new ATMs, bringing the total to 1,688 machines in operation. Semi-annual growth was 10% and 31% annually compared to the close of December 2012, thus extending our presence to 30 new municipalities that did not previously have this service.

In June 2013, to make it easy and convenient for our users to access our ATM Network, we established an agreement with the Transmilenio Mass Transportation System to install ATMs in the second half of 2013 in the Suba, Tunal, Usme, 80, Américas, Sur, Héroes, Banderas and Ricaurte stations.

Of the total number of ATMs in the ATH network (3,675) as of December 30, 2013, 46% of these are Banco de Bogotá's ATMs. Additionally, the remaining 1,987 ATMs in the ATH network provide services to our customers with no additional cost.

Self-Service Areas

In the second half of 2013, we opened six Self-Service Areas in important shopping malls and business centers around the country. At each of these points there are four self-service machines, where customers and users can perform different types of transactions during extended hours. The multi-functional "Full Function" equipment can be used to make cash and check deposits to checking and savings accounts, pay obligations and Credit Cards in cash from a bank account.

The electronic kiosks can be used to perform consultations, print balances and movements, and generate extracts for credit cards, loans, savings accounts and checking accounts in Banco de Bogotá. Additionally, there is an ATM to withdraw cash and a Servilínea (telephone support line) for advice and consultations.

In the future there will be new transactions that will generate value for our customers and decrease traffic in branches, such as paying obligations by check or cash, and printing tax payment and other certificates.

Banking Correspondents

Through the growth of Banking Correspondents we have increased our presence nationally, covering 420 municipalities in the country and providing our customers and users with more personal financial services, with extended hours and at no additional cost to them. That is how we support access to banking, covering areas where there is no presence or where it needs to be reinforced.

By strengthening existing agreements with the correspondent service in department stores such as Grupo Éxito and Copidrogas, we have established new partnerships with Grupo CEMEX and the National Federation of Coffee Growers, through which more than 50 points nationally were linked.



Additionally in the second half of 2013, we went from 1,332 to 1,491 correspondent points, mainly consisting in small and medium business such as: Stores, drugstores and hardware stores. This is an additional source of income for our partner businesses with presence and support for our brand, and strengthens our social commitment by benefiting our customers and users.

Accordingly, transactions in this channel increased 92% compared to the same period in the previous year.

Mobile Sales Force

This has been consolidated as one of the Bank's main sales channels, increasing support for credit card sales and consumer disbursements. In the second half of 2013, this contributed **18% of consumer disbursements** and **21.3% of credit cards**. Coverage through physical presence increased this year going from 36 to 45 cities, and total coverage through traveling advisors in **354 cities around the country**.

Moreover, sales teams were created this year in the cities of Santa Marta, Montería, Valledupar, Cartagena, Manizales, Pasto, Barrancabermeja, Neiva and Apartadó.

The channel has a national network of **820 sales advisors** and **55 sales coordinators**.

Virtual Channels

We continued to implement the **multi-channel strategy**, aimed at ensuring the channels our customers and financial consumers require to carry out their transactions when they need them available.

31.7 million

Transactions through virtual channels (Internet Portal, PSE, Mobile Banking and Servilínea).



PSE
(Secure Online Payments)
626,774 transactions



Servilínea
1.94 million calls



Mobile Banking
294,839 transactions



Internet
Personal Banking
28.8 million transactions

Internet

Internet is the most used **Virtual Channel**; there were over 28 million transactions and an 11.5% increase compared to the same period in 2012.

In order to improve the user experience in this channel, we re-designed the transaction portal where customers can see all transactions that can be done through the menus and these are now more user-friendly. They can also self-manage through the Portal given that transaction flows are more intuitive.

We also developed the information update service that ensures that the most recent customer information is held. Moreover, a tool was launched to georeference Service Points, achieving 331% growth in average visits per month on the mobile tool, and 32% growth with regard to average visits per month to the web tool.

We implemented an educational campaign designed to teach customers how to request consultations and make payments and transfers. The result was the transactions of customers who received this information increased 15%.

Mobile Banking

In the second half of 2013, we launched the new Mobile Portal (website optimized for cellphone usage) making the Banco de Bogotá page more user friendly. Customers can choose from 4 sections (Service Points, Contact Us, Partners and Transactions).

We also developed a new Mobile Banking application for smartphones and tablets, which will be available to our customers in March 2014.

Servilínea

Servilínea is another virtual channel with a high volume of transactions: In the second half of 2013, 1.94 million transactions were registered. With the new platform we optimized existing services to provide customers with a better service quality.

The use of **Electronic Channels** helps our customers **save time** and generates **operational efficiency** for the Bank.



Presence in Central America

We have a strong presence in Central America through our subsidiary BAC Credomatic, serving 3.0 million customers through a broad and diversified network of channels, with a total of 623 branches and 1,505 ATMs at the close of 2013. This makes us the biggest network in the region.

Total BAC Credomatic



Guatemala		
	Dec-12	Dec-13
Full-service Branches	46	140
Rapi-Bancos (In-Store Branches)	6	4
On-site Business Tellers	9	27
Branch with Self-Service/Drive thru	2	2
ATMs	123	219
Total Service Centers	186	392

Honduras		
	Dec-12	Dec-13
Full-service Branches	56	56
Rapi-Bancos (In-Store Branches)	17	16
On-site Business Tellers	33	38
Branch with Self-Service/Drive thru	14	14
ATMs	302	323
Total Service Centers	422	447

El Salvador		
	Dec-12	Dec-13
Full-service Branches	36	37
Rapi-Bancos (In-Store Branches)	10	6
On-site Business Tellers	41	35
Branch with Self-Service/Drive thru	1	1
ATMs	249	263
Total Service Centers	337	342

Nicaragua		
	Dec-12	Dec-13
Full-service Branches	31	33
Rapi-Bancos (In-Store Branches)	-	-
On-site Business Tellers	51	53
Branch with Self-Service/Drive thru	2	2
ATMs	131	165
Total Service Centers	215	253

Costa Rica		
	Dec-12	Dec-13
Full-service Branches	36	36
Rapi-Bancos (In-Store Branches)	12	12
On-site Business Tellers	43	43
Branch with Self-Service/Drive thru	6	6
ATMs	291	336
Total Service Centers	388	433

Panama		
	Dec-12	Dec-13
Full-service Branches	23	45
Rapi-Bancos (In-Store Branches)	4	4
On-site Business Tellers	10	10
Branch with Self-Service/Drive thru	3	3
ATMs	146	199
Total Service Centers	186	261

*With the acquisition of Grupo Financiero Reformador (December 23, 2013) and Banco BAC de Panamá (December 19, 2013 - previously BBVA Panamá), the Central American network of channels was expanded by 129 branches and 121 ATMs.

*Rapi-Bancos: Smaller locations in shopping centers that only offer counter services with limits on the quantity and amount of cash transactions.

*On-site Business Tellers: Located in the physical facilities of other companies where there is a list of supplier or form payments. Their main focus is cash transactions for employees and suppliers.

*Self-Service/Drive thru Branches: Service centers linked to a Full-service Branch where customers can make counter transactions (limited amount and quantity) without having to leave their car.

In order to offer innovative services to our customers, we provided a special application for mobile devices. This can be used to locate all BAC service points on a satellite map, including the opening hours and exact address. Additionally, customers that have GPS technology on their mobile devices can also find the closest service point to their current location.

In 2013, an additional 626 million transactions were executed, up 15.9% compared to the previous year. Of the total transactions, 89.1% were carried out through Electronic Media, and the remaining 10.9% in branches, agencies and kiosks.

Customer Service

To consolidate an organizational culture orientated to the customer's needs, we continued **strengthening the Financial Consumer Service System (SACF for its Spanish acronym)** through a governance structure that monitors processes that affect customer service, making approvals at the level of attribution and defining or approving improvements.

The SACF Strategic Committee, the highest preventative and reactive control department in matters related to Financial Consumers, had made 25 major decisions related to the Customer experience at the close of 2013. These were related to:

- The commitment to address complaints and claims in a timely and efficient manner
- The Financial Education plan
- Programs that ensure that the financial consumer receives adequate information
- Security programs to protect in-person and virtual transactions.

Simultaneously, in order to comply with the basic financial consumer protection principles in all customer campaigns, in the SACF **we increased consulting management by 23%**. Debit and credit cards were the most consulted issues.

In the second half of 2013, **we trained 2,556 employees** in various commercial and administrative positions on topics related to the service strategy, the principles of the financial consumer protection system, and the basic standards with regard to internal and external customers.

Likewise, we continued with the internal campaign to **adopt telephone service standards** in the Executive Management. The aim of this is to facilitate management of the sales service, and ensure the timeliness and quality of information provided to customers.

Banco de Bogotá



With support from the market research group Ipsos Napoleón Franco, in August, September, October and November we carried out the **Survey of Personal Banking Customer Satisfaction** for the third consecutive year. The aim of this survey is to understand the impact of actions taken to optimize the Financial Consumer experience and re-orientate management in 2014 (if required).

Service and Operations Contact Center

In the second half of 2013, the Contact Center received a total of **2,897,963 calls from customers** from all segments who utilized the service line or internet chat to share concerns, complaints or information pertaining to operations regarding their products or services. The average number of calls received per month in the second half was 482,994.

Similarly, **458,645 outgoing calls** were made to contact Bank customers as part of **campaigns to confirm returned checks and transaction alerts**.

Telephone sales calls were made for **Credit Card issuance and life cycle strategies** based on 1,118,504 records, becoming an effective channel for this product. The debit and credit card retention units achieved 72% average retention.

In order to specialize and separate the operation to develop commercial strategies, in September 2013 the final delivery of administration of staff in the Service and Sales Contact Center was completed to the Bank's affiliate **Megalínea S.A.**

Similarly, there is a specialized area in the bank in the Channels Department that is in charge of developing the Contact Center strategy as **support to the Bank's commercial, marketing and operations strategies**, ensuring timeliness, efficiency and service.

Financial Ombudsman

Our commitment is to orientate all processes to ensure customer satisfaction. That is why we ensure that everyone learns about the scope and work of the Financial Ombudsman.



Article 13 of Law 1328 of 2009 establishes the Duties of the Financial Ombudsman. Pursuant to this provision, the Financial Ombudsman is an **institution established for the protection of financial consumers, and as such it exercises its duties with autonomy and independence**.

One of these functions is: "To learn and resolve complaints presented by consumers objectively and free of charge, within the terms and procedures established for that purpose, **pertaining to possible non-compliance by the supervised entity** of legal or contractual regulations, or internal procedures that govern the execution of services or products offered or provided, or with regard to the quality thereof."

The Financial Ombudsman is bound to express its opinions with the same **objectivity and impartiality** demonstrated by judges of the Republic in rendering their decisions, with the exception that the Ombudsman does not have jurisdictional functions and **its concepts or opinions are not obligatory or binding for the financial consumer or for the financial institution**, unless it has expressly included it in its regulations.

In the second half of 2013, the Financial Ombudsman received **2,010 complaints**, which were evaluated and addressed according to each particular situation.



In 2013, we financed Puerto Nuevo, an infrastructure project in the municipality of Ciénaga with a loan in dollars for USD 183 million.

The port, which is designed with environmental sustainability criteria, seeks to minimize contamination risks for the beach and areas of influence given that minerals are loaded through covered conveyor belts. Thanks to its latest technological infrastructure and equipment, this initiative prevents carbon particles from reaching the town or affecting the area's biodiversity.

Puerto Nuevo, Ciénaga - Magdalena