



Let's *support*



Chapter 8

Our commitment to **stakeholders**

145 Years Supporting

We generate and support initiatives that drive environmental, social, economical and humane growth within our country, a commitment that begins internally by managing our business responsibly.

8. Our commitment to stakeholders

Contribution to Colombia's economic development

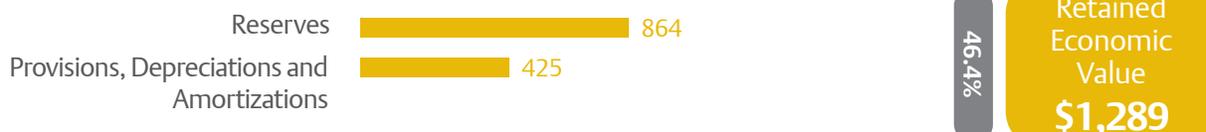
In the first semester of 2015, our dynamic and sustainable growth allowed us to reflect on the figures that generated economic value, as well as the way that we distribute it to the different stakeholders.

Following the methodology proposed by the Global Reporting Initiative (GRI)⁶, and taking the IFRS figures from the audited and individual financial statements of the Bank, we calculated our Generated Economic Value by taking the net interest margin, the other operating incomes (net), the net commissions and the insurance activities, which totaled COP 2,778 billion. This figure represents the value received through the placement of our products on the market and the provision of financial services.

Of the Generated Economic Value, 42.9% corresponds to the net interest margin; 45.5% to other net operating incomes, which include equity method, dividends and investments, among others; and 11.6% to net commissions and insurance activities.

Generated, Distributed and Retained Economic Value

Billions of COP - IFRS

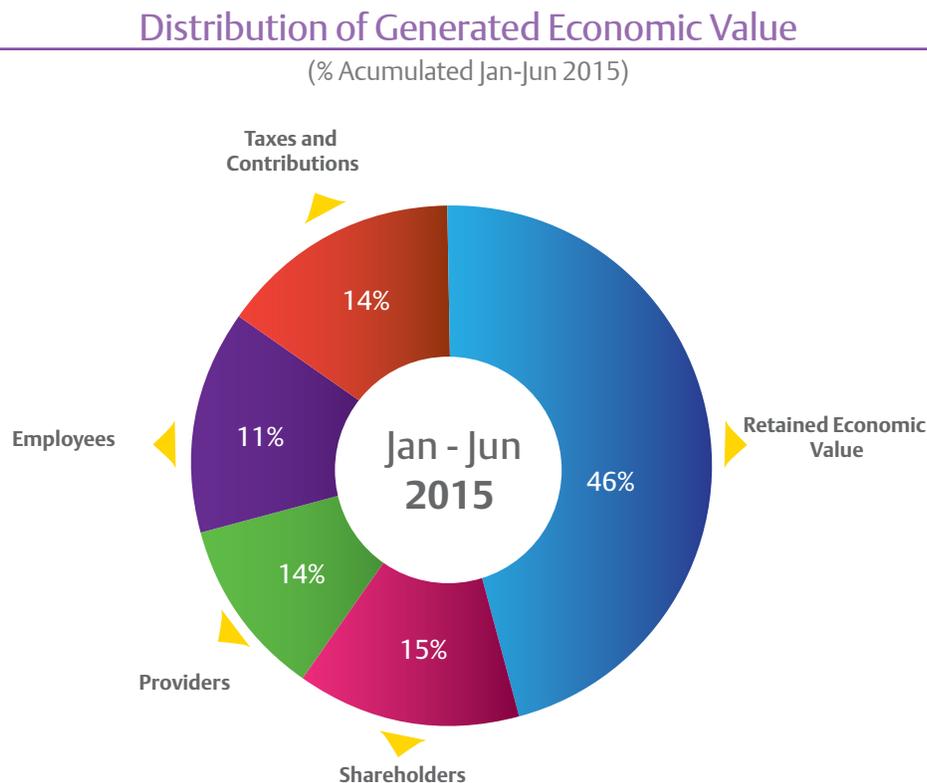


As established by the GRI guide, our distributed economic value regrouped the employee and provider line items. The former considers permanent employees, while the latter, in addition to the Bank's providers of goods and services, includes employees corresponding to the category of service provision through temporary and outsourcing companies, alongside training conducted by the Bank.

⁶ The Global Reporting Initiative (GRI) is an organization created to promote and develop worldwide standards for measuring and presenting corporate management reports.

Distribution of generated economic value among our stakeholders

Generating and distributing our economic value to the various people and organizations involved in creating value is undoubtedly the main contribution we make to the societies in which we operate. A description of this distribution for 2015 to date is as follows:



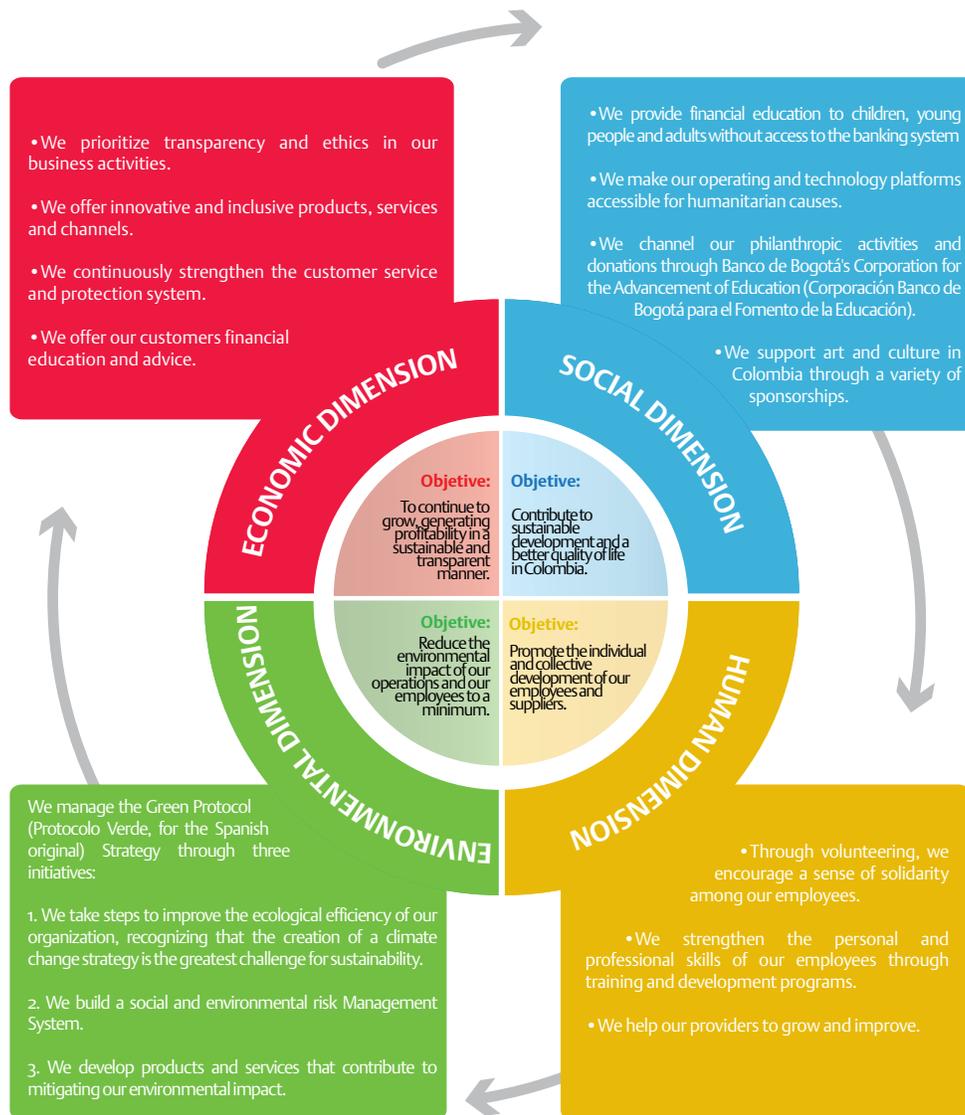
Source: Non- consolidated financial statements Banco de Bogotá

The distribution of Economic Value reflects that 11% is distributed among our direct employees, corresponding to salaries, bonuses, social security contributions, indemnities, among others; 14% for tax payments and contributions to the government; 14% to the suppliers who meet the needs of the products and services in order to conduct business efficiently; and 15% to pay dividends to our shareholders.

Our Retained Economic Value represents 46% of our Generated Economic Value, reaching a sum of COP 1,289 billion. This important line item is allocated to the constitution of reserves, provisions, amortizations and depreciations that will protect the development of medium- and long-term expansion projects, and ensure business continuity.

Our Corporate Social Responsibility Policy

“The responsibility of Banco de Bogotá to Society stems from the recognition and interest for the impact that financial operations and services have on people’s lives and the environment. For this reason, we are committed to managing our business responsibly through initiatives that harness our knowledge, strengths, soundness and experience to benefit the groups we relate to.”



Respect to the Principle of Legality and Human Rights

We comply with all applicable laws and regulations in the countries where we operate. We also honor international regulations concerning social and environmental conduct. We respect, promote and defend human rights as the foundation of economic, social and environmental development for current and future generations. We condemn any kind of discrimina-

tion on the basis of age, gender, race, social background, religion, nationality, political affiliation, sexual orientation, disability or otherwise. We do not tolerate child labor.

These principles reinforce the good practices we have always followed. Likewise, they also encourage the participation of stakeholders and employees at every level of the Organization to ensure sustainable growth.

The path to sustainability

With the purpose of continuously refining the processes geared toward consolidating the corporate social responsibility strategy, during the first semester of 2015 we conducted an evaluation of this strategy based on the criteria of the Dow Jones Sustainability Index. This process allows us to ascertain the status of the organization with respect to issues relating to sustainability, alongside a materiality analysis and dialog with our stakeholders, thus emerging as a strategic pillar for the actions that will shape the future of our Bank.

The actions that we carried out through the Corporate Social Responsibility Management Team during the first semester of 2015 are described below.

Economic Dimension

We pursue initiatives intended to create value for our clients through relationships based on trust and knowledge about the Bank's products and services.

***We continue to grow,
generating profitability
in a sustainable and
transparent manner.***

1. Financial Education for Life Program

Financial education is undoubtedly one of the most important pillars of our strategy, due to its high impact on society and its important role in the inclusion and banking process.

The “Financial Education for Life” program is designed and structured based on the Colombian population's needs for knowledge about financial products and services in all stages of life, as well as in managing finances in different areas of business.

Throughout 2015, we continue to hold in-person training for our clients and financial consumers based on a practical methodology that is easy to understand.

- In-person training sessions at companies: Under this category, two-hour sessions are staged by expert financial trainers who instruct through novel practices and activities that combine lectures with neurolinguistics. These training sessions were held in the first half of the year for clients with payroll agreements, and for clients with payroll loan agreements.

a) Clients with payroll agreements: In the first semester of the year we trained 1,784 people through conferences held for our corporate clients with payroll agreements.

IN-PERSON TRAINING Clients with payroll agreements			
Cities	No. of sessions	No. of trained people	Date
Cúcuta	11	284	February 16 - 20
Cali	3	55	February 19
Bucaramanga	12	298	March 16 - 20
Medellín	10	400	April 13 - 17
Pereira	8	390	May 25 - 29
Yumbo, Buga, Palmira, El Cerrito, Jamundi	10	357	June 22 - 26
TOTAL	54	1,784	

This experience continues to be successful for companies and for Bank executives who sustain the commercial relationships with our clients. The conferences held in the first semester of 2015 had an average rating of 4.85 out of 5.0, based on the evaluation of aspects such as: content developed, conference methodology, relevance of information to my needs, and trainer’s knowledge.

b) Clients with payroll loan agreements: Continuing with the use of mobile tools to take financial education all around the country, in the first semester we visited our clients with payroll loan agreements, and, specifically, armed forces personnel. We trained 808 people, some of them in our mobile classrooms and others in fixed rooms.

TRAINING TO CLIENTS WITH PAYROLL LOAN AGREEMENTS				
Cities	No. of sessions	No. of people	Date	Place
Pasto	2	83	April 23 - 24	Company
Tumaco	1	29	May 13	Company
Bogotá	3	430	May 19, June 3 - 24	Company
Bogotá	18	266	May – June	Mobile Classroom
TOTAL	24	808		

2. Training for Children

As part of Global Money Week, an initiative developed by Asobancaria, the Central Bank of Colombia, and Banca de las Oportunidades, our bank joined in to offer a host of financial education activities nationwide to foster a culture of saving and the responsible use of money by children.

The training sessions related to personal finances were held in the

Diversity amusement park in the cities of Bogotá, Medellín and Barranquilla, where almost 1,050 children learned why it is important to look after money and how to develop the habit of saving from an early age in order to lead a sound and responsible financial life.

These activities took place from March 9 to 13, 2015, led by an alliance made up of 12 commercial banks in Colombia.



Social Dimension

We support the strengthening of education and other humanitarian causes through contributions to various organizations and foundations.

*We contribute to
a better quality
of life in Colombia.*

In addition, we sponsor social causes that allow people to participate in cultural and artistic events, ensuring access and inclusion for all.

Donations

Social contributions in the form of donations are made through Banco de Bogotá's Corporation for the Advancement of Education (Corporación Banco de Bogotá para el Fomento de la Educación). This assistance reaches a wide section of the marginalized population through the support of more than 70 organizations.

In the first semester of 2015, we made the following contributions:

ISSUE	NO. OF ORGANIZATIONS	AMOUNT (IN COP)
Education: Strengthening formal, informal or complementary education on the good use of free time.	26	\$327,800,000
Scholarship plans: Contributions to university and institutional programs that support disadvantaged, high-performing students.	4	\$321,538,300
Environmental education: Support of environmental education and awareness programs for the population.	1	\$80,000,000
Comprehensive care: Contributions to foundations that offer comprehensive care programs for vulnerable populations (unmet basic needs such as education, food, housing and recreation).	23	\$77,500,000
Disability: Support for foundations with rehabilitation and social and occupational inclusion programs for disabled people.	9	\$554,500,000
Nutrition: Support for foundations with school canteen and food programs aimed at vulnerable children and populations.	4	\$36,000,000
Health: Allocation of resources to support foundations and promotion, education, awareness or rehabilitation programs for individuals with chronic or terminal illnesses.	12	\$77,000,000

A total of COP 1,474,338,300 was allocated in support of 79 social causes.

Telethon

For the fifth consecutive year we participated in the Telethon initiative. We provided various fundraising channels to receive

donations over the course of the 28-hour event.

The support and assistance of the different corporate areas ensured the success of this event in which the Bank and over 400 employees were not only involved in providing a fundraising technological platform, but also a COP 520 million donation.

During the lengthy event, hour after hour our employees provided online reports of funds raised through all of the available channels. Thousands of people visited our 228 equipped branches to support this worthy cause. Moreover, the Aval Group's banking correspondents were utilized, with more than 2,618 fund-raising points in 547 cities and municipalities throughout Colombia.

Telethon beat its COP 13 billion target thanks to the generosity of the Colombian people.

Thanks to the generosity of the Colombian people, the Telethon target was beaten, with a total of COP 13,062,930,883 raised. The Telethon was held between February 27 and March 1 for 28 hours non-stop.

Through our official Twitter account, @bancodebogota, Colombians took part in the 2015 Telethon by retweeting the Solidario tweet. For each retweet, our bank donated COP 3,000.



More than 33,000 thousand Twitter users took part in the activity, through which we donated an additional COP 100 million to the official institutional donation of COP 420 million, demonstrating that when we all pull together, no help is too little.

Supporting Art and Culture



Barranquilla Carnival

As part of our commitment to initiatives that support cultural diversity and healthy coexistence among citizens, we took part in the Barranquilla Carnival for the third consecutive year, backing the civic campaign promoting citizens' responsible enjoyment of the festivities.

Día de la Banderita

We supported the "Día de la Banderita" campaign staged by the Colombian Red Cross on May 15, a humanitarian initiative to strengthen commitment to those Colombians most in need.

To this end, we equipped our network of branches throughout the country to collect donations, and donated 10,000 money boxes to raise funds to assist the most vulnerable populations in Colombia.

Colombiamoda

For the third consecutive year, we took part in Colombiamoda, underlining our commitment to youth talent and entrepreneurship by supporting the creative proposals of the Leal Dacarett fashion house and the young designers Carlo Carrizosa and Papel de Punto through our alliance with Carrusel and Fucsia magazines.

Human Dimension

We strive to facilitate interactions between our employees and social and/or environmental settings through volunteering and active participation in events where we support the education of children from the different regions of Colombia.

We promote the development, both personal and collective, of our employees.

We promote forums that encourage generosity, solidarity and teamwork among all those who contribute their time and talent to support these various activities.

“Por los niños de Leticia” Volunteering

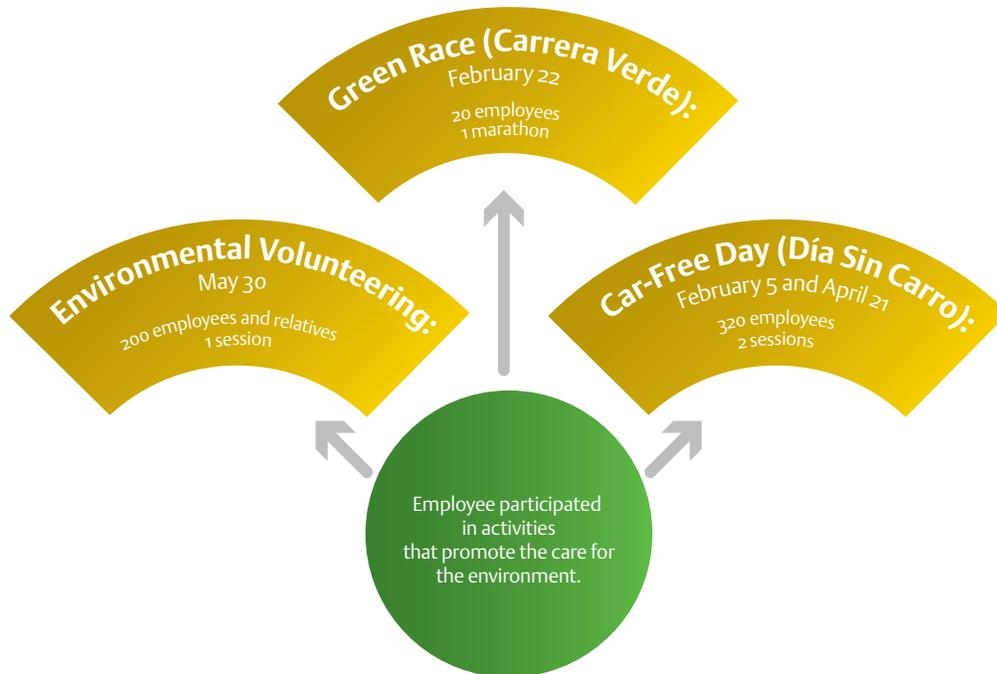
With the purpose of benefiting close to 132 students from the Francisco del Rosario Vela institution in the city of Leticia (Amazonas), on March 7, alongside the Leticia Mayor’s Office, we handed out school kits and donated a children’s playground to the school. Additionally, with the support of the Fundación Dividendo por Colombia, we held a volunteer session in which employees of our Leticia branch carried out activities to improve the installations in certain parts of the institution to benefit students and the community in general.



Green Activities with our employees

Several activities include in the environmental dimension were shared by our employees who actively participated to promote our Bank's commitment to the environment.

These activities directly impact both the environmental issue as well as the objective of promoting the personal development of our employees (as described in the Environmental Dimension).



Environmental Dimension

We are aware that the environmental issue is an urgent challenge that demands concrete action by all members of society.

We strive to minimize the environmental impact of our operations.

We are aware that climate change poses new global challenges and opportunities in all sectors of the economy, including the financial sector as the driver of a more environmentally sustainable economy. We therefore seek to minimize the environmental impact of all our business operations.

Green Protocol

We are committed to working within the strategies of the Protocolo Verde (Green Protocol)⁷. Our objective is to consolidate efforts between the national government and the Colombian

financial sector in order to implement sustainable development policies and practices. In the first semester of 2015, we set the following actions into motion:

A) Promotion of sustainable consumption during internal processes, and of the natural resources, goods and services from which these processes are derived.

- **Greenhouse Gases (GHG) Inventory**

In line with the Green Protocol eco-efficiency strategy and our Bank's environmental policy, an in-depth greenhouse gas measurement was carried out in order to ascertain the carbon footprint of our operations over the last year⁸.

The purpose of the measurement is to understand the organization's climate change performance, and on that basis to propose compensation and mitigation strategies for the next five years.

As part of our commitment to manage the Bank's direct impact as well as the indirect impact generated by some of our stakeholders, our carbon footprint measurement includes three scopes.

Scope	Emission Sources	Emissions in tCO ₂ e
1	Emissions from the Organization's air transportation	101.74
	Emissions from emergency electricity generators	
	Emissions from the Organization's mobile sources	
2	Emissions from energy consumption	1,062.54
3	Emissions from employees' flights	517.75
	Emissions from use of supplies (paper)	
	Fugitive emissions from the use of refrigerant gases in air conditioning machines	
	Emissions from employees' land transportation	
TOTAL EMISSIONS IN TONS OF CO₂e		1,682.02

⁷ Green Protocol: an agreement undersigned by the National Government and the Colombian financial sector that seeks to join forces to promote Colombia's sustainable development, and to work toward environmental preservation and the adequate use of natural resources. Signing the Green Protocol is voluntary. By signing the Protocol, banks affirm their commitment to environmental sustainability in Colombia. In October 2013, Banco de Bogotá signed this protocol.

⁸ The measurement included the two General Management buildings in Bogotá.

On this first occasion our main administrative headquarters were included: General Management Towers A and B, where 22.8% of all employees are based. The medium-term objective is to increase measurement coverage to include all of the Bank's physical installations.

These results were submitted to each of the strategic areas in order to manage GHG emission sources and to develop projects to minimize emissions in upcoming years.

• **Recycling Campaign**

As part of our I Want a Green Planet (Quiero un Planeta Verde) campaign, we continued with recycling activities in our General Management building in the first semester of 2014. To this end, we used the internal communication channels to remind employees of the importance of their participation in the recycling process by saving paper, cardboard and plastic lids. These materials are gathered at three administrative

offices in the city of Bogotá, and then collected by the Fundación Sanar.

By selling this material to recycling companies, Fundación Sanar has been able to finance treatments for children and adolescents with cancer and help their families to fight the disease.

In the first semester of 2015, we managed to collect the following quantity of material:

MATERIAL	QUANTITY
PAPER	5,053.4 Kg
CARTON	5,702.4 Kg
LIDS	386.3 Kg
PET	136.8 Kg
TOTAL	11,278.9 Kg





• Physical Mailing Reduction Project to Save Paper

Bank Statements

Through the physical mailing reduction project, supported by our customers and in order to reduce our consumption of natural resources by making better use of technology, we sent our customers news, promotions and relevant information by email, thus preventing the unnecessary use of paper. In the first semester of 2015, we sent 2,062,139 digital bank statements throughout the country.

Payslips

Moreover, in October 2012 the Human Resources area started sending payslips by email to all our employees. In the first semester of 2015, 55,896 payslips were emailed out, saving 112 reams of paper.

This quantity of paper saved also equates to 4.28 trees that were not cut down, 261 kg of garbage not produced and 21,727 liters of water not consumed in the paper production processes.

B) Consideration in credit and investment risk analyses of the environmental and/or social impacts that the projects to be financed may generate.

• Findeter Pilot Program

In order to encourage the inclusion of environmental and social impact assessment criteria into loans, we participate in the Findeter (Financial Institution for Development) pilot program to evaluate various infrastructure credit projects (for which they rediscount significant operations with Findeter).

In the first stage, in 2014, a session to raise awareness was held for managers and credit executives, led by the international expert and Inter-American Development Bank consultant Lawrence Pratt, in which the business advantages and opportunities of including an analysis of social and environmental factors in studies of creditworthiness were presented. In October last year, the results were reported of the pilot program carried out involving six Findeter rediscount projects, in which our executives participated actively alongside our clients.

On the basis of these advances, a work plan was proposed to implement the Environmental and Social Risk Analysis System (ESRAS) for Banco de Bogotá. In the first semester of 2015, the first ESRAS policy proposal was designed, and it is currently being formalized. A training session was held alongside Findeter on May 27, led by expert ESRAS consultant Marco Zambrano, in which 23 executives from our Bank's commercial area participated.

Thereafter, information on the implementation of ESRAS processes for rediscount projects with Findeter was shared through a bulletin to all of the Bank's Branches and Business Units. This communication included the publication of the Environmental Risks Identification Form (ERIF) as well as the Form for Activities requiring an Environmental License, referred to in bulletin VR-5531 ESRAS; it was implemented as of June 30, 2015. empezó a ser implementado desde el 30 de junio de 2015.



C) Promote and disseminate good environmental practices with the various internal and external stakeholders.

In the first semester of 2015, we carried out a number of activities related to the environment in order to promote good environmental practices.

• **Recycling**

We carried out dissemination activities through the Bank's internal channels in which we promoted recycling with ecological points, as well as explaining how to use the color-coded bins. We also promoted the collection of lids for the Fundación Sanar, and continue to publicize the electric and electronic waste collection points⁹.

• **Car-Free Day (Día sin Carro)**

Almost 320 employees took part in two Car-Free Days on February 5 and April 21 in the city of Bogotá. During the two events, communication efforts and conferences were reinforced to raise awareness about the advantages of sustainable mobility, and to show that sustainable transportation is good for both the environment and for our health. In addition, we held a bicycle fair and carried out activities related to health and wellness.

We also invited our followers on social networks to take part in the Car-Free Day throughout Bogotá and publicized the benefits of the initiative, along with tips for maximizing the experience.

⁹ Activities carried out for the administrative buildings in the city of Bogotá.

• Green Race (Carrera Verde)

On February 22, more than 5,200 people participated in the Green Race in Bogotá, an athletics event staged with the objective of planting a historic figure of 15,000 trees as part of the promotion of natural resource conservation and the care of forests around the world. This event was led by the Fundación Natura and the United States Embassy, with the commitment of companies promoting environmental care and conservation.

Likewise, a group of 20 employees took part in both the initiative and the race itself. All our athletes reached the finish line following a 10 km race.

Our Bank was one of the event's main sponsors. We are aware that environmental conservation in Colombia entails a commitment to be assumed not only by companies, but by the public at large, so as to join forces to pave the way to a sustainable future.



• Environmental Volunteering

On May 30, 2015, we staged our first environmental volunteering event at the Fundación Natura's El Encenillo Reserve in Guasca (Cundinamarca), with the participation of 200 volunteers – bank employees and their families and friends among them – who planted the first batch of 700 trees.

Also in 2015, we plan to hold several environmental volunteering sessions in cities around the country in which we will plant 4,500 plants in a number of nature reserves to offset around 60% of our 2014 carbon footprint.





*Jaime Botero Botero: Coffee grower, Armenia - Quindío
Beneficiary of the Smart Coffee-Grower's Card (Cédula Cafetera Inteligente)*

Supporting the Coffee-Growing Culture

Over the years that he worked in education as both teacher and principal, Jaime Botero Botero, coffee grower from Quindío, recalled his childhood among the coffee plantations of his rural family, yearning to return to his roots after retiring.

When he eventually did it, he discovered that growing coffee these days is a different experience to that of his parents and grandparents. He knew little of the new technologies and techniques, so he decided to relearn with the support of the National Coffee Growers' Association, with a view to take up the challenge of producing high-quality, export-grade coffee beans that he imagined in the kitchens of Japanese or

Jaime Botero, through his smart coffee-grower's card, is identified as a member of the National Coffee Growers' Association and has access to the Banco de Bogotá's service channels.

“From my farm and through my cellphone I can access the Bank, make transactions and find out the price of coffee.”

American consumers sometime soon. “When growing coffee, we know that it involves a process and ends up in the mug of the consumer who enjoys it and values our efforts, and that is a great motivator,” he says.

Knowing that the harvesting stage is fundamental, he requested a loan from the Banco de Bogotá to equip his farm. This investment quickly bore fruit, allowing Jaime to diversify the varieties of coffee he grew and explore the production of special beans with high added value, such as the Castilla variety.

“The Banco de Bogotá became part of making of this dream, promoting many programs for the benefit of Colombian agriculture such as the Smart Coffee Grower’s Card, which means that from my farm and through my cellphone I can access the Bank, make transactions and find out the price of coffee. Also, we coffee growers go to this Bank because it has become a very good ally for the sector, giving us access to credit and advice,” he comments.

With his Coffee Grower’s Card in hand, he works so that in the near future his plantation can specialize in certified special coffees. To this end, he plans to make the necessary adaptations and investments in machinery and specialized workers to complete the pulping, fermentation and washing cycles on the farm itself. This dream requires financial support and technical advisory, but is one that Jaime is confident will materialize with the help of his allies, the National Coffee Growers’ Association and Banco de Bogotá.



145 años
TRABAJANDO JUNTOS

Management Report | First Half 2015