



Management Report
Banco de Bogotá - Colombia
Second Half 2015

145 años
TRABAJANDO JUNTOS

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Our commitment to the development of our country, regions, people and businesspeople is present in all of our activities.

Thank you to our shareholders, clients, employees and other stakeholders for being part of the history of Banco de Bogotá for the last 145 years. Your support, trust and commitment have allowed us to progress together and build a better country every day.

Alejandro Figueroa Jaramillo

145 años
TRABAJANDO JUNTOS



Let's **Build**



Chapter 1

Our Bank

145 Years Building

We have built a strong and integral bank, promoting the country's social and economic development in all of our actions and strategies. A bank that is part of the historical growth of millions of people, entrepreneurships and companies.



Standing from left to right: Juan María Robledo Uribe, José Fernando Isaza Delgado, Sergio Arboleda Casas, Ana María Cuéllar Jaramillo, Alfonso de la Espriella Ossio and Alejandro Figueroa Jaramillo. Seated from left to right: Jorge Iván Villegas Montoya, Álvaro Velásquez Cock, Guillermo Perry Rubio, Luis Carlos Sarmiento Gutiérrez, Sergio Uribe Arboleda and Carlos Arcesio Paz Bautista.

1. Our Bank

We are celebrating history of 145 years of challenges overcome and growth as a universal bank, thanks to our shareholders and the professional and committed efforts of our employees.

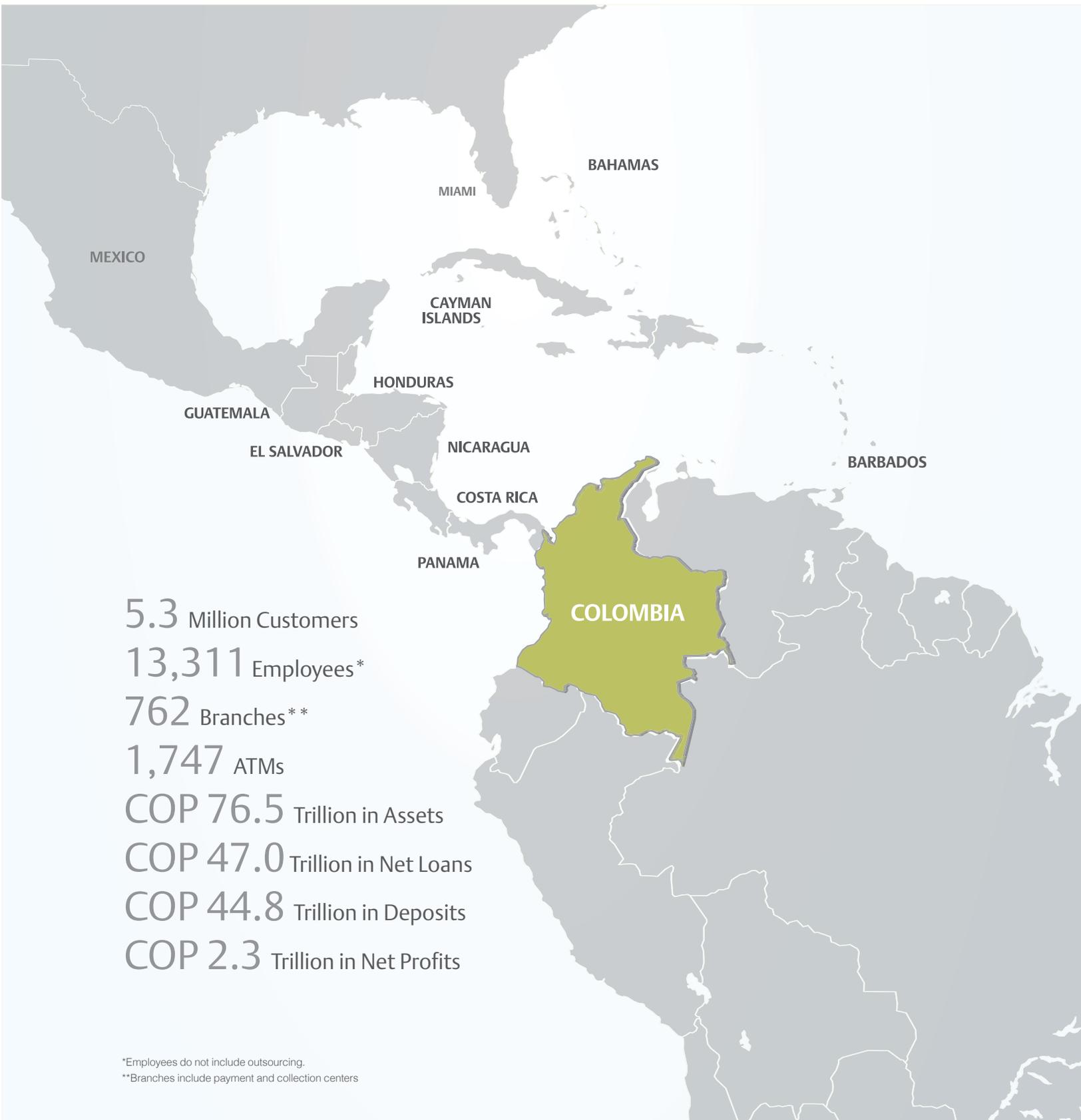
We continued to consolidate as a Bank with considerable presence in Colombia and Central America, achieving greater robustness and credibility each day, thanks to the excellent financial indicators that underpin us year after year. This makes us a financial benchmark, on the basis of the experience and targeted service we provide our clients by facilitating their access to products and services adjusted to their needs, thereby ensuring timely and efficient solutions.

Moreover, our expert advisor has allowed us to contribute to the development and growth of individuals, companies, and institutions through actions to face situations of uncertainty and external shocks that affect the performance of our economy.

We made progress in expanding our nationwide coverage and service provision, not only through our branches, but also through tellers, banking correspondents, payment and collection centers, 24-hour telephone service, web portal and mobile applications, which are permanently available to our clients.

145 years consolidating a universal bank, strengthening our service and addressing the needs of our clients.

Our Presence in Colombia



5.3 Million Customers
13,311 Employees*
762 Branches**
1,747 ATMs
COP 76.5 Trillion in Assets
COP 47.0 Trillion in Net Loans
COP 44.8 Trillion in Deposits
COP 2.3 Trillion in Net Profits

*Employees do not include outsourcing.

**Branches include payment and collection centers

Corporate Governance

The corporate governance structure, bolstered throughout these 145 years of history, is one of our greatest strengths for the generation of sustainable and transparent results for our shareholders, clients, employees and other stakeholders.

This structure is based on three levels of governance: General Meeting of Shareholders, Board of Directors and Senior Management.

General Shareholders Meeting

Supreme body that controls the Bank’s operations and guides the principles under which they are carried out.

The Bank’s main shareholders at December 31, 2015, were as follows:



Our shareholders have accompanied us throughout our progress and development; by the end of December 2015, the Bank had 12,469 shareholders. For further details, the information on shareholders with a share of more than 1% of the Bank’s capital is available in the Securities Market Comprehensive Information System (SIMEV for the Spanish original), which is available to the public on the Financial Superintendence of Colombia website: www.superfinanciera.gov.co.

In 2015, Banco de Bogotá held five General Shareholders’ Meetings – two ordinary and three extraordinary meetings – with an average attendance of 91%.

At the Ordinary General Shareholders’ Meetings on March 25 and September 29, 2015, the issues included on the agenda published in the announcement’s terms were addressed. Additionally, the following proposals were approved: i) authorization to execute donations of up to COP 10 billion in the period from April 2015 to March 2016; ii) definition of the mechanism and conditions to execute the donations; and iii) appropriation of reserves.

The Extraordinary General Shareholders’ Meetings addressed matters related to the application of reserves and the approval of the Bank’s Consolidated Financial Statements as of June 30, 2015.

Board of Directors

The second level of the Bank's Corporate Governance structure is represented by our Board of Directors, made up of members with extensive experience in the financial sector and committed to the efficient management of the Bank's strategy.

The Bank's Board, primarily comprised of independent members, is the maximum administrative body. Its decisions guide the management along the course of the Bank's Governance and administration, assuring a control system that takes into account the ongoing development of the activities we engage in.

Primary Members	Alternate Members
Luis Carlos Sarmiento Gutiérrez	Guillermo Perry Rubio
Sergio Uribe Arboleda	Jorge Iván Villegas Montoya
Alfonso de la Espriella Ossío	Ana María Cuéllar Jaramillo
Carlos Arcesio Paz Bautista	Sergio Arboleda Casas
José Fernando Isaza Delgado	Álvaro Velásquez Cock

Board of Directors Advisor
Luis Carlos Sarmiento Angulo

General Secretariat
Alberto Pérez Vélez

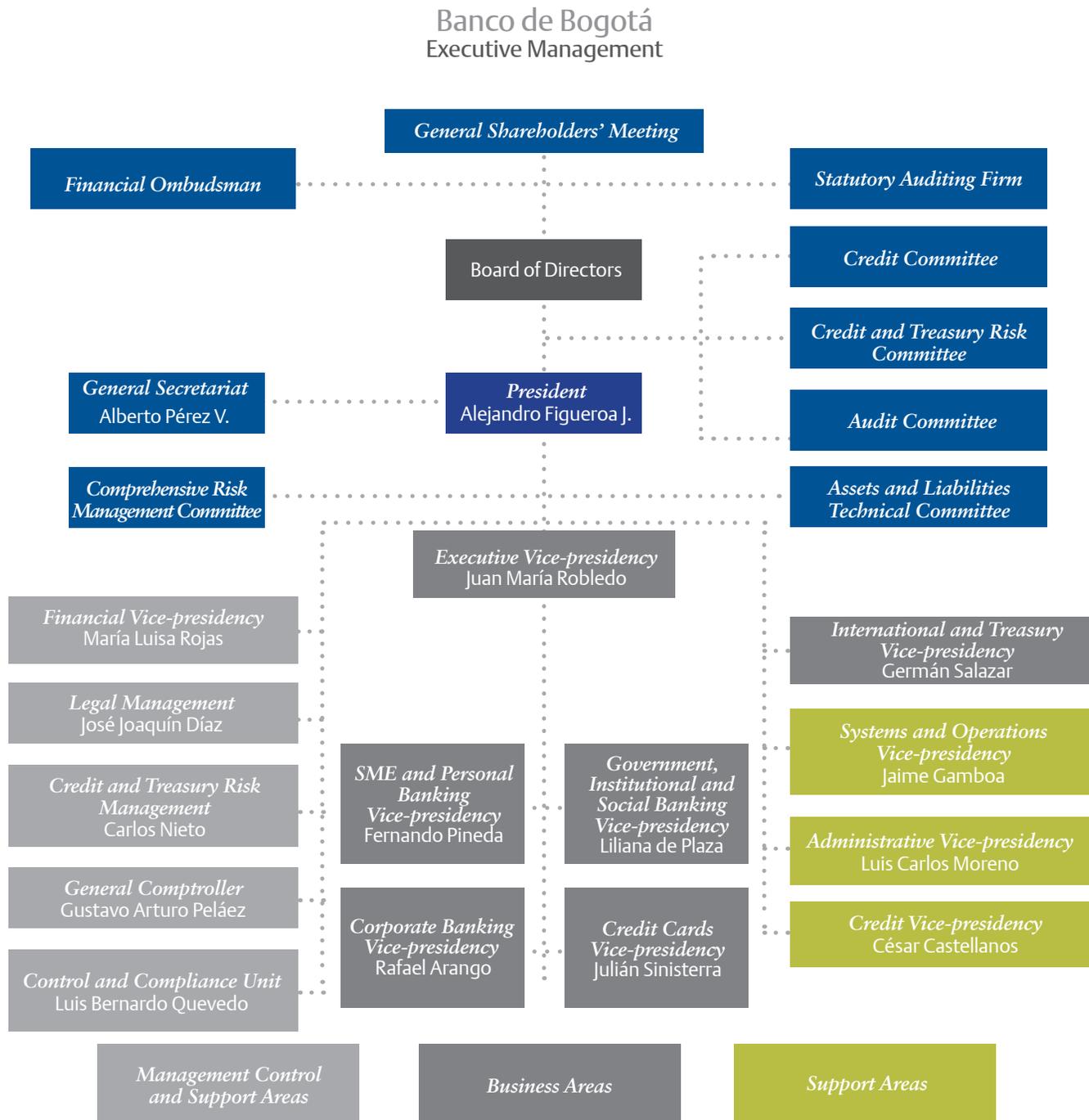
Statutory Auditing Firm
KPMG Ltda.
Represented by:
Pedro Ángel Preciado Villarraga
T.P.30723-T

Financial Ombudsman
Octavio Gutiérrez Díaz

There were no changes in the Bank's Board of Directors in the second half of 2015. The Board members' professional backgrounds are detailed on the Bank's website: www.bancodebogota.com, in the Investor Relations section.

Senior Management

Finally, the Senior Management is the third level in the Corporate Governance structure, which undertakes the daily management of the Bank's activities by following the guidelines of the Board of Directors to achieve the results expected by our shareholders.



This Corporate Governance structure is based on the standards that govern our actions, framed by the ethical principles that guide the Bank's activities.

The general corporate governance policies can be found in the document "Banco de Bogotá Corporate Governance Practices," which is comprised of: Company Bylaws, Corporate Governance Code, Code of Ethics and Conduct and Rules of Procedure for the Audit Committee.¹

¹ These documents are published on the Bank's website, www.bancodebogota.com, in the Investor Relations / Corporate Governance section.

We continually seek to adjust our Corporate Governance model to best practices, including the guidelines established in the Financial Superintendence of Colombia's Bulletin 028 / 2014, which enshrines the principles of the new Código País. Our management practices in 2015, in terms of Corporate Governance, were reported under the parameters of this new standard to the Financial Superintendence of Colombia in January 2016. The 2015 Best Business Practices Implementation Report forms an integral part of this Management Report.

Our Corporate Management System is guided by policies aimed at the attainment of economic objectives and the consolidation of our role as leading players in the development of the countries in which we operate, as well as their financial sectors, providing transparent and equitable treatment to all of the Bank's shareholders and clients.



IV Banco de Bogotá College of Supervisors

Out of awareness of the importance to the Bank of the activities carried out by the supervisory bodies in the different jurisdictions in which we are present, on November 12 and 13, 2015, the meeting of the **IV Banco de Bogotá College of Supervisors** was held, featuring the presence of supervisors from Colombia, Panama, El Salvador, Nicaragua, Honduras, Guatemala, Costa Rica and the United States. This forum allowed Supervisors invited by the Financial Superintendence of Colombia to exchange opinions and ideas about various regulatory topics.

Moral Commitment

Ethics and transparency are fundamental pillars of our corporate identity, and they are built from the elements of our organizational culture. With them, principles, values and behavior towards this great objective are instilled in our employees.

These initiatives are based on corporate governance, and their purpose is to ensure efficient and proper management of the resources we manage.

These initiatives are implemented through:

- The mission, vision, corporate values and defined strategic objectives.
- The Code of Ethics and Conduct that sets out the values and principles guiding the daily activities of executives and employees.
- Senior management's official decision on the basic principles that govern our Bank, as set forth in the Corporate Governance Code and the various internal regulations, manuals and standards published in full and available to all employees through the Bank's intranet.
- Procedures that enable employees at all levels of the organization to have the knowledge, skills, attitudes and values necessary to perform their duties within an effective internal control framework.

Our mission, vision and corporate values are the compasses that chart the course we wish to follow, maintain and project. We thus define each of the criteria and premises that make up our organization's identity.



- To be the leading bank in Colombia and Central America, growing with the progress of its customers, human resources, shareholders and country.
- To be the benchmark in universal banking for outstanding customer service, greater efficiency and innovation in Colombia.

Vision

Mission

- To be a leading bank in Colombia in the business and individual banking markets, and in the social, government and institutional sectors.
- To be a bank that is always at the forefront in offering its customers solutions that allow them to enjoy a satisfactory banking experience.
- To provide the best support for the growth and progress of its customers, because it values them and is willing and available to advise them, while providing them with quick, timely, friendly and high-quality service.
- To be a bank that achieves leadership objectives in terms of the efficiency, profitability, earnings and value generation that shareholders expect.
- To be a bank that boasts a group of talented team members who work with ingenuity, dedication, efficiency, speed, commitment and loyalty, who are goal-oriented and motivated by the pride of belonging to an institution that provides them with wellbeing and enables them to grow.
- To be a bank that, by example and through support, proves its commitment to develop and internalize its values, generating growth, harmony and benefits for the community's wellbeing.

Commitment

We identify with our Bank and feel we are an integral part of its success.

Honesty

We act in an ethical and responsible manner, building trust among our customers.

Respect

We value ourselves and accept each other's integrity.

Corporate Values

Efficiency

We use resources in an optimal and intelligent manner.

Service

We consider service to be principle of life.

Leadership

We work with enthusiasm.

Banco de Bogotá and its Group of Affiliates



President: Alejandro Figueroa Jaramillo

Universal bank with a wide product and service portfolio in Colombia and abroad, through international affiliates and agencies.



President: Ernesto Castegnaró Odio

Central American Financial Group, with banking operations and credit cards in every Central American country².



President: José Elías Melo Acosta

Financial corporation with a broad portfolio of products specialized in Private Banking, Investment Banking, and Cash and Equity Market Investments.



President: Miguel Largacha Martínez

Pension and Severance Funds Management.



President: César Prado Villegas

Legally compliant Corporate Fiduciary Agreements and Trusteeships.



President: Daniel Humberto Gómez Martínez

Stock Brokerage Firm (Securities Trading Intermediation and Management of Securities Funds).



President: Juan Camilo Samacá

General Warehouse, Customs Agent and Comprehensive Logistics Operator.



General Manager: Adriana Cuervo Barreto

Technical and Administrative Services Company.



General Manager: José Alberto Santana Martínez



General Manager: María Fernanda Blanco Hernández

Entities with International Licenses to carry out banking business abroad.



General Manager: Alfonso García



General Manager: John Kennedy

Entities authorized to carry out international Banking Operations abroad with a focus on serving Banco de Bogotá's Corporate, Institutional, SME and Individual clients.



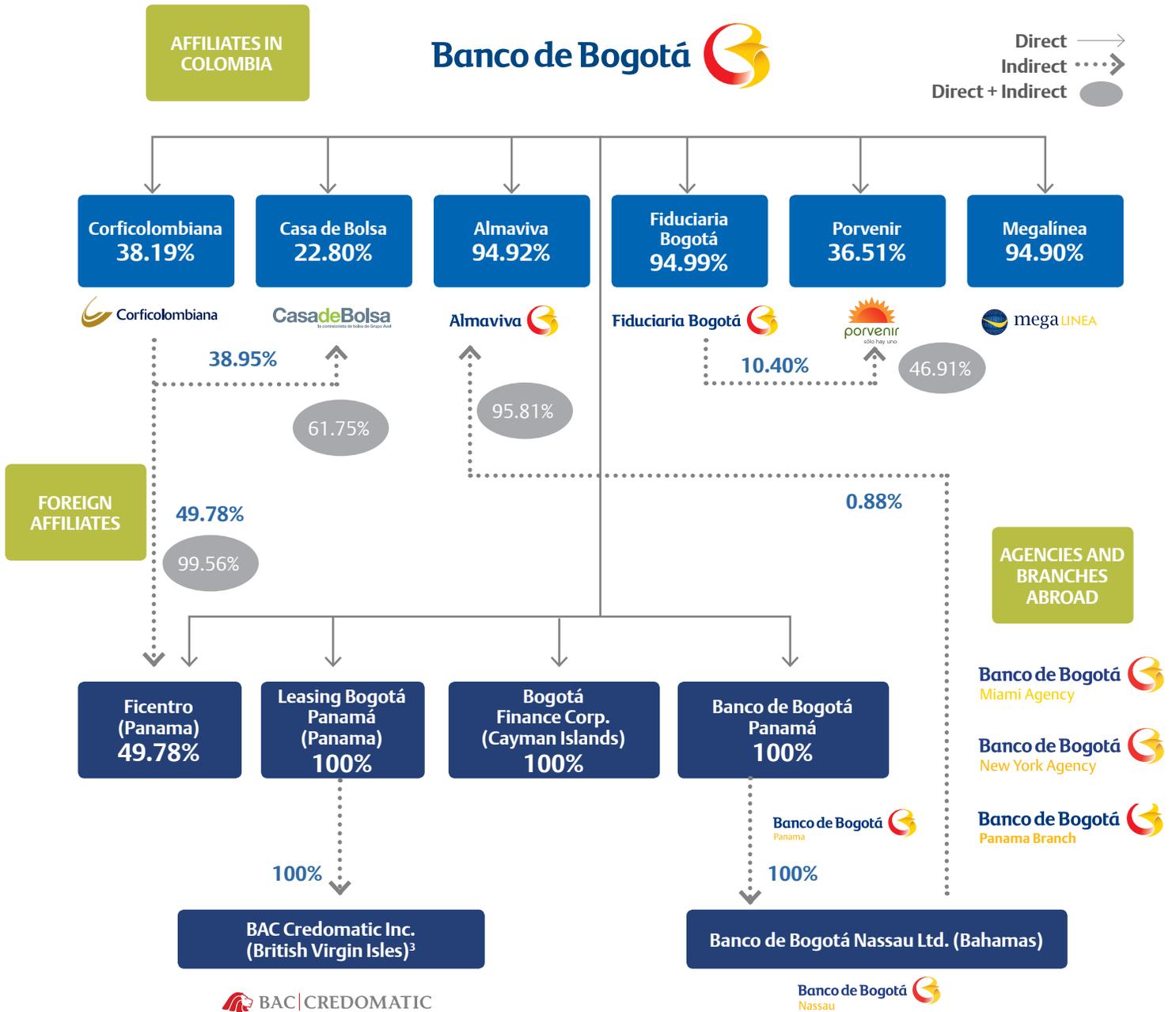
General Manager: José Alberto Santana Martínez

Entity with Panamanian General License authorized to carry out banking business in the local market.

² In December 2013, BAC Credomatic acquired Guatemala's Grupo Financiero Reformador. In December 2014, BAC International Bank merged with Banco BAC de Panamá (previously BBVA Panamá), which had been acquired in December 2013 by Banco de Bogotá through its affiliate Leasing Bogotá S.A. Panamá.

Banco de Bogotá and its Affiliates

Direct and Indirect share



³ In December 2013, BAC Credomatic acquired Guatemala's Grupo Financiero Reformador. In December 2014, BAC International Bank merged with Banco BAC de Panamá (previously BBVA Panamá), which had been acquired in December 2013 by Banco de Bogotá through its affiliate Leasing Bogotá S.A. Panamá.

In 2015 Banco de Bogotá

is recognized as the Best Bank in Colombia



Euromoney
Best Bank in Colombia 2015



Global Finance
Best Trade Finance Bank in Colombia
Best Foreign Exchange Provider in Colombia

And our affiliate BAC Credomatic

has been recognized as
the Best Bank in Central America



LatinFinance
Best Bank of the year in Centroamérica 2015



Euromoney
Best Bank in Centroamérica and the Caribbean 2015

Recognition of Our Work

The results of Banco de Bogotá, as well as the commitment of our shareholders and employees and the trust of our clients, has allowed us to continue to be recognized as the best bank in Colombia by renowned international publications.

These distinctions motivate us to continue to be a leading institution that generates new proposals to promote the sustainable growth of our Bank in the twelve countries in which we operate.



Euromoney: Banco de Bogotá, “Best Bank in Colombia 2015”

In its July 2015 edition, the English Euromoney Magazine granted the “Best Bank” in Colombia award to Banco de Bogotá for the eighth time, highlighting the growth of its assets and loan portfolio.

It also praised our financial results, principally in terms of profitability, asset quality and low funding cost.



Global Finance: “Best Trade Finance Bank in Colombia” “Best Foreign Exchange Provider in Colombia”.

For the second consecutive year, Global Finance recognized Banco de Bogotá as Colombia’s “Best Foreign Exchange Provider 2015” and “Best Trade Finance Bank 2015” in Colombia. These awards were based on criteria including transaction volume, global coverage, customer service and competitiveness in pricing and technological innovation, among other criteria.

Awards and Acknowledgments Affiliates Second Half 2015



Euromoney: BAC Credomatic “Best Bank in Central America 2015”

In July 2015, the English publication Euromoney selected BAC Credomatic as the “Best Bank in Central America and the Caribbean.” The magazine recognized BAC Credomatic as the best Central American bank, highlighting its presence throughout the region and in countries such as Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica, Panama and Mexico, as well as the consolidation of its expansion thanks to its most recent acquisitions.



Global Finance: BAC Credomatic “Best Bank in Costa Rica 2015”

BAC was selected as the “Best Bank in Costa Rica” by Global Finance magazine. The magazine recognized BAC Credomatic as the best bank in Costa Rica, highlighting its growth in assets, profitability, strategic relations, customer service, competitive prices and innovative products.



LatinFinance magazine: Best Bank of 2015, both within the Central American Regional Group in the form of BAC International Bank, and in terms of its local representation with BAC San José in Costa Rica.

Recognition of its profitability, market participation, growth projections, scale, accessibility of its payment system and strength of its consumer banking; Credomatic brings together banks, credit card issuers and financial service providers in the region.



Sap: “Partner of the Year 2014” in innovation for Latin America, due to Pymesoft project, technology to grow, June 2015.

SAP awarded BAC Credomatic as Partner of the Year 2014 in Innovation for Latin America, thanks to its Pymesoft project, technology to grow (business administration and payment management platform based on SAP Business One. The system is integrated into the payroll and provider platform of BAC, which is why customers use it as their preferred treasury option).



Global Brands Magazine: “Best Pension Fund Brand in Latin America”

The English Global Brands Magazine acknowledged Porvenir as “Best Pension Fund Brand in Latin America,” recognizing the brand’s media exposure, positioning and leadership over the last year. This award considers the brand’s strength, leadership in the market and relevance in the region, seeking model brands of both the local and international markets, establishing that it is a visible, renowned and well-positioned brand in the market.



World Confederation of Businesses (WORLDCOB): “The Bizz Award 2015”

The World Confederation of Businesses acknowledged Porvenir for its business excellence. This award considers criteria including the companies’ leadership, products offered and corporate social responsibility.



Corporación Publicitaria de Colombia S.A.: “First place in brand recognition and publicity in the pensions and severance funds category”

According to a brand tracking study conducted by Corporación Publicitaria de Colombia S.A., Porvenir held first place in brand recognition and publicity in the Pensions and Severance Funds category. Porvenir had a 23.2% annual recall score at November 2015.



We drove Avianca's expansion

Acting out of a desire to aid people, in 1919 a group of Germans and Colombians began to write the history of Avianca, an airline that is now the oldest in Latin America, the Colombian national flagship carrier and a regional benchmark.

Avianca is one of the most outstanding “multilatina” companies in the region, and a leader in flight operations in the local market. The company, in its near-100 years of service, seeks to keep on growing and innovating with the support of Banco de Bogotá. Since 1976, the financial entity has been fundamental

“Banco de Bogotá has been there during the company's difficult and good times.”

Avianca operates a modern fleet of more than 170 aircrafts that travel to more than 100 destinations around the world.

to Avianca's expansion plans. According to Gerardo Grajales, Executive Chief Officer and CFO of Avianca Holdings, "Banco de Bogotá has been there during the company's difficult and good times."

The airline constantly invests in maintaining an optimal fleet, training staff, performing maintenance, and in establishing training and administrative centers in countries like Colombia, Peru, Ecuador and El Salvador.

Gerardo Grajales states that positioning the airline as "multilatina" has been no mean feat for the management, who know that the business is characterized by intensive financing needs, given that expenses are very high.

The Bank recently granted Avianca the largest loan in dollars yet provided to the company by a local financial entity. "We issued credit cards in dollars worth more than USD 245 million. Therefore, there is a relationship of trust," says Grajales.

To carry out this transaction, the experience of the credit card line of BAC Credomatic and its technology platform were drawn upon.

"Seeking to ensure long-term forms of financing are optimal and profitable is our bread and butter. Thanks to the Bank's support, today we are able to say that Avianca will keep on growing and will provide its service for much longer," concludes Grajales.



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