



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.

*Children for a new planet foundation  
Bogotá D.C. - Cundinamarca*

## 8. Our commitment to stakeholders

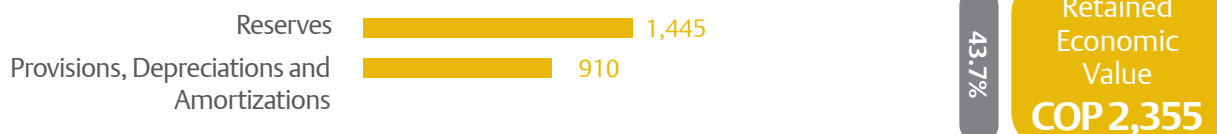
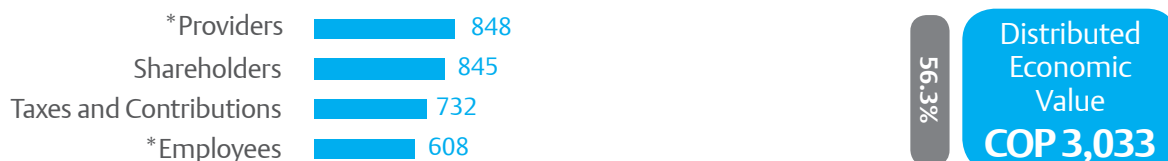
### Contribution to Colombia's economic development

In 2015, we exhibited a dynamic, sustainable growth that allowed us to generate economic value to the national economy.

The Economic Value that we Created, Distributed and Retained<sup>6</sup> quantifiably illustrates the contribution of our economic activity, as well as the way in which we distributed this value to our various stakeholders in 2015:

#### Generated, Distributed and Retained Economic Value

Billions of COP – IFRS



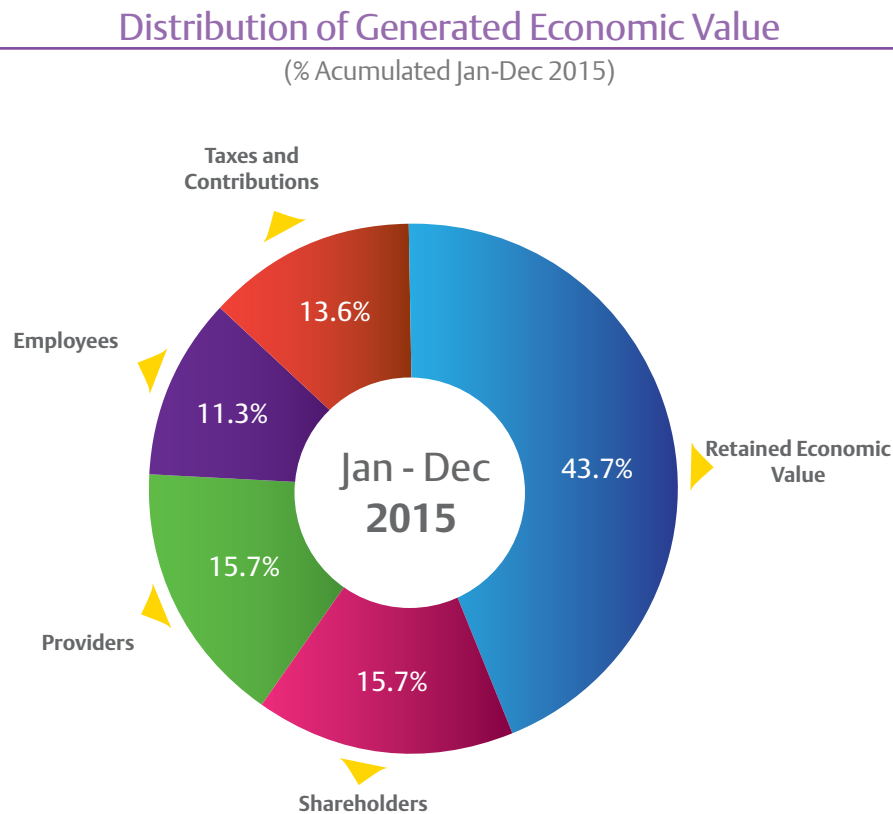
\* Providers include temporary employees and outsourcing; Employees include direct employees only.

The **Economic Value** that we generated totaled COP 5,388 billion, which represents the value received through the placement of our products on the market and the provision of our financial services. Looking at our Generated Economic Value, 45.2% was from Net Interest Margin; 42.6% from Other Net Ordinary Income such as Investments, Derivatives, Equity Method, etc.; 10.8% from Net Commissions; and 1.4% from Insurance Activities.

<sup>6</sup> The current status of Generated, Distributed and Retained Value was calculated following some of the basic aspects of the methodology described for that purpose by the G4 GRI guide. The Global Reporting Initiative (GRI) is an organization created to promote and develop worldwide standards for measuring and presenting corporate management reports. Figures used in this methodology are gathered from Banco de Bogotá non-consolidated financial statements.

## 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:



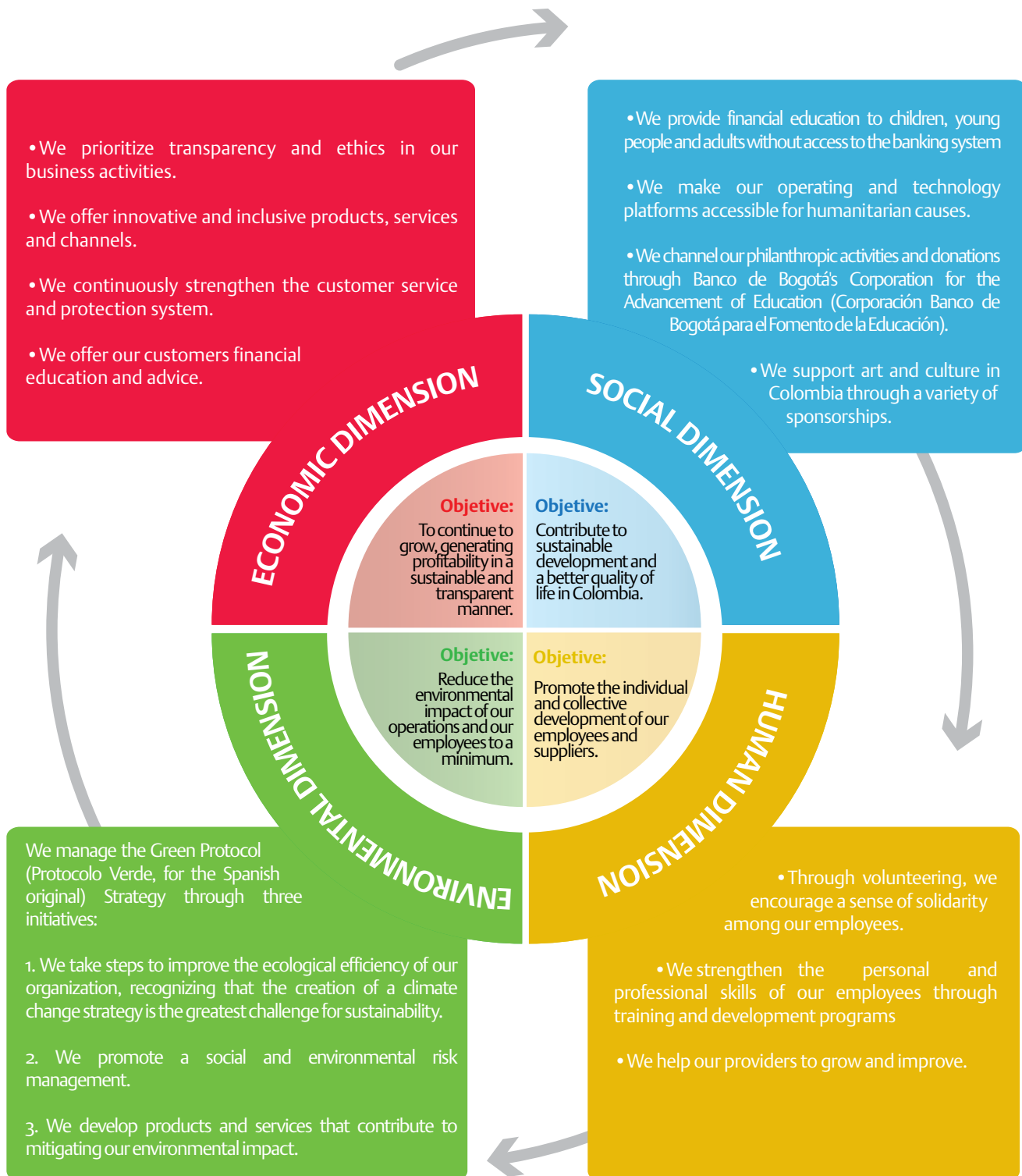
Source: Non- consolidated financial statements Banco de Bogotá

As to the **distribution of Economic Value**, 11.3% is distributed among our direct employees, corresponding to the payment of wages, salaries, bonuses, social security contributions, compensation, etc.; 13.6% to the payment of tax and other contributions to the country; and 15.7% to the payment of dividends to our shareholders and, in the same proportion, to the payment of suppliers who meet the product or service-related needs for the efficient performance of our activity.

Our **Retained Economic Value** represents 43.7% of our Generated Economic Value, reaching a sum of COP 2,355 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 toward 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”.



## Economic Dimension

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

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

### 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 contribution to 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.

The financial education activities carried out in the second half of 2015 were as follows:

#### 1. Financial Coaching

Through this method, we provided two-hour conferences on financial education for clients with payroll agreements with the Bank, in the following Colombian cities:

- Cali, Yumbo, Palmira: July 14 to 17
- Santa Marta: August 10 to 14
- Anapoima: August 26
- Quibdó: August 28
- Barranquilla: September 14 to 18
- Bogotá: August 13; September 2, 17 and 30; and October 1 and 6
- Cartagena: October 20 to 22
- Tenjo: October 29
- Villavicencio: November 9 to 13
- Ibagué and Neiva: November 30 to December 4





Financial Education Training in Mobile Classroom - Metropolitan Police - Villavicencio, Meta. Nov. 2015

As a result of this tour, in the second half-year we staged: 54 conferences with 1,746 trained people.

## 2. Training in the Mobile Classroom

During the period, we visited clients with payroll loan agreements, with special emphasis on Armed Forces personnel:

- Bogotá: July 25 and 28
- Melgar: August 3 and 4
- Tolomaida: August 5 and 6
- Coveñas: October 16 and 17
- Facatativá: October 17
- San José del Guaviare: November 3 to 9
- Granada (Meta): November 9 to 11
- Acacias: November 12
- Villavicencio: November 13 and 14
- Santa Marta: November 24 and 25
- Barranquilla: November 27 to December 1
- Cartagena: December 2 to 4
- Neiva: December 3

As a result of this program, we held: 53 conferences with 1,682 trained people.

Of the 53 conferences, 44 were given in our Mobile Classroom, which enabled greater program coverage across military bases located in remote parts of the country.

## 3. Participation in Savings Month

As part of Savings Month (October), promoted by Asobancaria, we came together to carry out financial education activities nationwide.

The training sessions related to personal finances were held in the Divercity amusement park in the cities of Bogotá, Medellín and Barranquilla, where almost 1,050 children in attendance 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 were staged as follows:

- October 6: Divercity Barranquilla
- October 14: Divercity Bogotá and Medellín

## 4. Participation in Expoartesánías 2015

In this event, we provided training on financial education for craftspeople and microentrepreneurs who took part in Expoartesánías, held on December 15, 2015, as part of our support of the event; 60 craftspeople were trained.

## 5. Launch of the personal finance tool “My Virtual Budget”

In the second-half year, we launched the mipresupuestovirtual.com.co website. The aim of this portal is to provide a tool for managing and controlling personal finances virtually. This space can be accessed directly through this web address or through the Bank’s financial education site.

## Social Dimension

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

We support the strengthening of education and other humanitarian causes through contributions to various organizations and foundations. In addition, we sponsor social causes that allow people to participate in cultural and artistic events, ensuring access and inclusion for all.

### Donations

We make social contributions in the form of donations through Banco de Bogotá's Corporation for the Promotion of Education (Corporación Banco de Bogotá para el Fomento de la Educación). This assistance reached a wide section of the marginalized population, enabling the support of 39 organizations.



Children for a New Planet Foundation, Bogotá D.C.

ISSUE	NO. OF ORGANIZATIONS	AMOUNT (in COP)
<b>Education:</b> Strengthening formal, informal or complementary education for the appropriate use of free time.	17	173,900,000
<b>Scholarship plans:</b> Contributions to university and institutional programs that support disadvantaged, high-performing students.	5	539,000,000
<b>Comprehensive care:</b> Contributions to foundations that offer comprehensive care programs for vulnerable populations (unmet basic needs such as education, health, food, housing and recreation).	7	45,000,000
<b>Disability:</b> Support for foundations with rehabilitation and social and occupational inclusion programs for disabled people.	4	66,500,000
<b>Nutrition:</b> Support for foundations with school canteen and food programs aimed at vulnerable children and populations.	1	5,000,000
<b>Health:</b> Allocation of resources to support foundations and promotion, education, awareness or rehabilitation programs for individuals with chronic or terminal illnesses.	5	36,500,000

We allocated a total of COP 865,900,000 in support of 39 social causes.





Bogotá International Art fair - ArtBo, Oct 2015.

## Promoting Art and Culture

We have been involved in art and culture throughout our history, seeking to promote creativity, co-existence and social inclusion in the country. To this end, we seek to form long-term partnerships with the aim of building a proposal that contributes to promoting values and awakening dreams, imagination and projects that extol the spirit of Colombians and enrich the artistic, theatrical and musical production in the country.

### ArtBo 2015

We participated in the Bogotá International Art Fair, ArtBo, which supports the new faces of Colombian art and serves as a commercial showcase and forum for artistic exchange in the conti-

nent, contributing to the objective of promoting the capital city internationally, so as to render it an attractive destination for investment, business and tourism. ArtBo 2015 featured the participation of 84 galleries from 33 cities around the world, with 300 artworks on display.

### XIV National Orchid Show

As part of our commitment to promoting opportunities for healthy recreation, we ratified our backing of this show, which draws together admirers of Colombian flora to appreciate the most select and stunning group of orchids from different parts of the world.

## Expoartesánias 2015

In support of Colombia's craft sector, we took part in Expoartesánias to provide training on financial education for exhibitors interested in learning about the importance of and receiving recommendations on financial planning, allowing them to achieve specific goals conducive to the growth of their business.

Different communities in the country took part in this platform, showcasing their creations made using natural raw materials, thereby promoting the gathering of traditional, indigenous and Afro-Colombian handicrafts. At the same time, the event served as an opportunity for craftspeople from remote communities to sell their products and therefore further their business opportunities.

## International Sacred Music Festival

For the fourth consecutive year, we took part in the International Sacred Music Festival, which for this edition turned its attention to peace.

Cultural diversity represented the main focus of this meeting which, through messages of peace, attracted more than 18,000 spectators, who had the privilege of listening to unique sacred melodies (traditional and classical) from countries such as: Spain, India, Unites States, Germany, Syria, Turkey, Sudan and Israel, among others.

In 2015, the event brought spiritual music to protection centers, Transmilenio, shopping malls and the airport.



Sacred Music International Festival, Bogotá D.C. - Sep/Oct 2015.

## Human Dimension

---

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

---

We strive to facilitate interactions between our employees and social and/or environmental settings through corporate volunteering and active participation in events where we support the education of children from the different regions of Colombia. We promote forums that encourage generosity, solidarity and teamwork among all those who contribute their time and talent to support these various activities.

### Scholarship program – Universidad de La Salle UTOPIA

For five years, we have supported the Utopía project developed by the Universidad de La Salle, whose mission is to foster agricultural entrepreneurship among young people from low-income rural families, and who have been exposed to situations of violence in Colombia. These youth are preparing to become agricultural engineers and, in turn, become leaders for the social and political transformation of their regions through the establishment of productive companies in the field. Over their last two semesters, the students propose projects to be sponsored using “seed capital,” which they execute as a result of the process with resources donated by our Bank.

In addition, each year we support ten young people through full scholarships, including enrollment and living expenses throughout their education. To date, Utopía has 220 young people studying toward their degrees.

During a visit to our General Management building, the Utopía students presented their agricultural projects, which

included the production of panela, pineapple and other foods that benefit the economy and quality of life in rural areas. Hno. Carlos Gómez, Rector of Universidad de La Salle and project founder, was present, and stated that “Reconciliation is possible if an opportunity presents itself.” Moreover, he thanked the Bank for its support, adding that at Utopía “we have grown with you” in reference to the fact that ours was the first private firm in the country to invest in the project.

Today, the Utopía project has won the 2013 Emprender Paz Award, the Unesco 2014 Silver Eye Award and honorable mention in the National Peace Prize.



“Moments to share among scholars of the UTOPIA program” Event, Bogotá D.C. Oct. 2015

According to Jaime Coba, a 25-year-old student from Casanare, “Utopía is an opportunity for a country that dreams of peace, development and a tomorrow full of hope.” The students shared their experiences with close to 100 employees, and got involved in pilot tests to establish whether their projects were subject to credit.

## Christmas volunteers

In December, we took part in volunteer sessions with the active participation of our employees, who handed out gifts and school kits for underprivileged children in different regions. This was part of the institutional strategy, directly impacting education in our country.



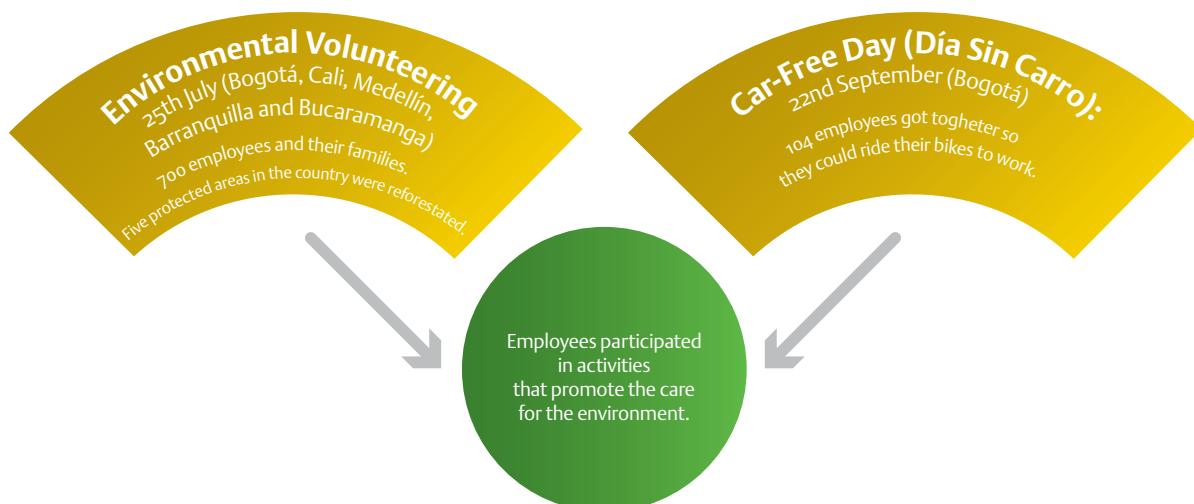
Scholar kits and gifts hand out. Instituto Cristiano de San Pablo. Madrid, Cundinamarca - Dec 2015.

## Green Activities

Several activities included in the environmental dimension were shared by our employees who actively participated to promote their commitment to the environment.

These activities had a direct impact on both the environment and on the objective of promoting employees' personal and social development through awareness-raising on environmental causes.

In the next section we will describe these actions (environmental dimension).



## Environmental Dimension

***We strive to minimize the environmental impact of our operations.***

We recognize that the environmental issue is an urgent challenge that demands concrete action by all members of society. 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 sustainable economy, in environmental terms.

### Green Protocol

We are committed to work in compliance with the strategies of the Protocolo Verde (Green Protocol)<sup>7</sup>. 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 second half of 2015, we set the following actions into motion:

**A) Promotion of sustainable consumption during internal processes, and processes of natural resources, goods and services related to them.**

- Greenhouse Gases (GHG) Inventory

To strengthen capacities within the Bank with a view to understand the footprint calculation process, as well as its importance within the Bank, we have trained our employees by obtaining the following certification:

Technical training process for calculating, reporting and managing the carbon footprint. Conducted by the Corporación Ambiental Empresarial (CAEM), Fundación Natura and the

Bogotá Chamber of Commerce, as part of the Mechanism for the Mitigation of Greenhouse Gases in Colombia. - MVC Colombia, in association with Asobancaria (20 hours). December 2015.

- Recycling Campaign

As part of our **I Want a Green Planet** campaign, we continued with recycling activities in our General Management building in the second half of 2015. These materials are gathered at three of our administrative offices in the city of Bogotá, and then collected by the Fundación Sanar.

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

During the half-year, we managed to collect the following quantity of material:

MATERIAL	QUANTITY 1 Sem. / 2015	QUANTITY 2 Sem. / 2015
PAPER	6,177 Kg	10,637 Kg
CARTON	6,393 Kg	3,731 Kg
LIDS	420 Kg	125 Kg
PET	175 Kg	72 Kg
<b>TOTAL</b>	<b>13,165 Kg</b>	<b>14,565 Kg</b>

A total of 27,730 Kg in material was donated in 2015, representing a contribution to Fundación Sanar of COP 13,960,480 to finance the treatment of children with cancer.

<sup>7</sup> 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.

- Physical mailing reduction project to save paper

### Bank Statements

Through the physical mailing reduction project, supported by our customers and with the objective of minimizing impact in the use of natural resources, we promote the use of technology by sending our clients extracts by emails, thus preventing the unnecessary use of paper. For the second half of 2015, we sent 3,370,744 extracts, equivalent to 8,363,238 sheets of paper.

### Pay slips

Moreover, in October 2012 the Human Resources area started sending pay slips by email to all our employees. For the second half of 2015, we sent 128,765 pay slips, equivalent to 42,921 sheets of paper. Overall, 254,292 pay slips were sent out in 2015 (first half-year: 125,527)



### Equivalent resources saved through the projects undertaken to reduce physical mailing

Documents	No. of extracts / pay slips	No. of sheets of paper saved	No. of reams of paper saved	No. of trees not felled	Kg. of garbage not produced	Lt. of water not consumed during paper production processes
Extracts	3,370,744	8,363,238	16,726	640	39,048	3,250,810
Pay slips	128,765	42,921	86	4	200	16,683

Source: paper units converter – BAC Credomatic

**B) Consider the environmental and/or social costs that the projects to be financed may generate in the credit and investment risk analyses.**

- Infrastructure business

In 2015, we began the process of evaluating our participation in financing the 4G concessions infrastructure business and Public-Private Partnership Initiatives, in addition to the review of credit risks, while considering the social and environmental impact that these projects may have; therefore, the requested documentation now encompasses the hiring, by concessionaires, of socio-environmental advisors tasked with verifying compliance with acceptable international standards (Equator Principles, Environmental Health and Safety Guidelines, and Environmental and Social Sustainability Standards).

- Generation of skills for the Analysis of Environmental and Social Risks, by the credit risk and credit policy areas

The credit risk and credit policy areas have taken part in a number of conferences and training courses that have allowed us to build our capacities, with a view to formalizing the Social and Environmental Risk Analysis System (SARAS, for the Spanish original).

Below we outline the activities carried out in the second half-year:

- July 8, 2015: establishment of the SARAS round-table in Asobancaria, with the participation of members representing the credit risk area.

- August 2015: virtual course on Environmental and Social Risk Analysis by an employee from the credit risk area. UNEPFI

- September 30, 2015: training on the importance of and implementation methodologies for Environmental and Social Risk Management or Administration Systems. BID – Asobancaria Risk Committee.

- December 2015: participation in the preparation of the SARAS Implementation Guide/Manual for the financial sector, led by Asobancaria.

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

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



- Recycling and environmental practices

We promoted recycling activities, such as the use of ecological points through the Bank's internal channels, raising awareness on how each of the garbage cans should be used according to their color. We also continue to publicize the electric and electronic waste collection points. Other communications were focused on environmental care in general, and on promoting employee participation in the different environmental activities.

The following is a record of the number of pieces sent through the area of internal communications intended to promote activities related to environmental care:

Communication Message	First Half-Year	Second Half-Year	Message Coverage
Promotion of bicycle use and environmentally sustainable transportation	14	2	Bogotá only
Promotion of forest care, nature and reforestation activities.	8	7	100% of the company
Recycling tips and information	3	4	100% of the company
Support of external activities focused on the environment	0	7	Bogotá only
Carbon footprint survey	2	0	Bogotá only

- Car-Free Day

More than 100 employees came together to take part in Car-Free Day, promoted by the Bogotá Mayor's Office in September 2015. This event adds to those held in the first half of the year, on February 5 and April 21, in which 320 employees took part. Before each event, conferences were held to raise awareness about the advantages of sustainable mobility, and to show that these activities benefit both the environment and our health. In addition, we held a bicycle fair, along with activities related to health and well-being.

- Expociencia and Expotecología

We took part in the 2015 Expociencia and Expotecología week, an initiative organized by the Colombian Association for the Advancement of Science, held in Corferias from September 30 to October 3, which attracted almost 10,000 visitors from across the country in addition to the over 4,000 exhibitors. The Colombian Association for the Advancement of Science (ACAC, for the Spanish original) is dedicated to developing projects that promote science, technology and innovation.



Expociencia and Expotecología Awards- Corferias Bogotá D.C., Sep 2015



As part of this event, we sponsored seven scientific projects devised by children selected to propose solutions to the problem of global warming through mitigation and adaptation strategies.

We joined this initiative out of awareness that the environmental issue is an urgent challenge that demands concrete action by all members of society. This involves managing environmental impacts through our role in the financial sector, but we must also support endeavors by other players in society, such as academia.

The projects are described below:

Project Title	Institution	Department	Municipality
Obtaining liquid manure through solid household waste and its application in hydroponic crop production	Centro Social	Casanare	Yopal
Bacdescon: an option for treating wastewater	Centro Social	Casanare	Yopal
Air humidity: a source of drinking water	Colegio Gimnasio Altair de Cartagena	Bolívar	Cartagena
Ecological modes of transport: so good that even trees want to enjoy them	Gimnasio Campestre Marie Curie	Cundinamarca	Mosquera
Bioenergy: fuel alcohol production from corn stalk	Institución Educativa Sucre	Putumayo	Colón
Software-aided creation of items using recyclable material to help the environment	Instituto Tecnológico Los Andes	Cundinamarca	Soacha
Production of second-generation ethanol fuel from banana, passion fruit, orange and papaya peels.	Sena	Distrito Capital	Bogotá



Environmental Volunteering Journey - Reserva El Encenillo, Bogotá D.C., Jul 2015

• Environmental Volunteering

In 2015, we held several environmental volunteering sessions in cities around the country in which we planted trees in a number of nature reserves to offset part of our 2014 carbon footprint.

On July 25, 2015, we held a simultaneous event in which our employees and their families participated in each of the regional zones of the country. A total of 700 volunteers took part, planting 3,800 trees<sup>8</sup>.

As part of reforestation efforts in Barranquilla, we planted 400 trees in the Megua Bio-theme Park. In Bogotá, we held a second event in El Encillo Reserve, in which 700 trees were planted. In Bucaramanga, we visited the protected area of La Fuente and planted 400 trees. In Cali, we reforested an area in the Los Farallones Nature Reserve with 400 trees. Finally, in Medellín, we planted 1,900 trees in the El Retiro Reserve.

<sup>8</sup> A first voluntary event took place on May 30, 2015 with the participation of 200 employees and their families, who planted 700 trees in El Encenillo forest reserve in Bogotá.

Some additional benefits to reforestation that were obtained with the volunteers were:

- Revitalization of soil and water sources (La Fuente Protected Area – Santander)
- Safe habitat against climate change for wild animals (Megua Bio-Theme Park – Barranquilla)
- Diversity of species planted give rise to carbon capture efficiency.

The species planted were: Cucharo (*Myrsine guianensis*), Manteco (*Byrsonima crassifolia*), Chagualo (*Clusia multiflora*) and Cargadero (*Guatteria cargadero*) (Los Farallones Nature Reserve – Cali, and El Retiro Reserve – Medellín)



Thanks to the trees planted on a voluntary basis by our employees, we offset the 999.2 tons of CO<sub>2</sub> released in 2014, equivalent to 59.4%, as follows<sup>9</sup>:

Emission source	Scope	Emissions tCO <sub>2</sub> e	Share (%)	No. of trees to offset
Emissions from energy consumption	2	1,062.54	63.17%	3,795
Emissions from employees' flights	3	320.21	19.04%	1,144
Emissions from use of supplies	3	157.3	9.35%	562
Emissions from the Organization's air transportation	1	42.81	2.55%	153
Emissions from emergency electricity generators	1	38.78	2.31%	139
Fugitive emissions from the use of refrigerant gases in air conditioning machines	1	27.15	1.61%	97
Emissions from the Organization's mobile sources	1	20.15	1.20%	72
Emissions from employees' land transportation	3	13.08	0.78%	45
<b>TOTAL</b>		<b>1,682.02 tCO<sub>2</sub>e</b>	<b>100.00%</b>	<b>6,007 trees</b>

Source: Own calculations carried out using the methodologies proposed by Colombian Technical Standard ISO 14064-1 and by the Greenhouse Gas Protocol (consultant: Contreebute, 2014)

Certified entity that assisted with the plantings	CO <sub>2</sub> emission per planting	Share of total percentage of offsetting	No. of trees planted
Contreebute	672		2,400
Fundación Natura	312		1,300
Fundación Deverde	15.2		800
<b>Total emissions offset by plantings</b>	<b>999.2</b>	<b>59.4%</b>	<b>4,500<sup>10</sup></b>

<sup>9</sup> The 2014 carbon footprint calculation included General Management Towers A and B, where 22.8% of all employees are based. Emissions in a single year are offset the following year through reforestation, the purchase of carbon credits, or mitigation measures within the organization. The actions set out in this management report correspond to July-December 2015.

<sup>10</sup> The number of trees planted was thanks to the voluntary environmental efforts of 900 Banco de Bogotá employees and their families.