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Our Consolidated Bank

[GRI 2-6]

As one of the leaders of the Colombian financial sector, we contribute to the growth and welfare of society and our stakeholders through the responsible management of the financial services we offer, supported by the effort and dedication of our employees, as well as the trust of our shareholders and investors.



(1) Active customers.

(2) Employees include: subsidiaries (Almaviva, ASD, BdB Panama, FiduBogotá, MFH), Agencies and BdB. Does not include 570 civil apprentice contracts (SENA).

(3) Includes total taxes paid for Colombia and Panama.

Recognitions

Prestigious international publications, as well as different local organizations recognized *Banco de Bogotá* in 2022, reaffirming the strength of our brand.



- **Best Bank in Colombia 2022**

For the fourth consecutive year, the *Awards for Excellence 2022* program granted us **Best Bank in Colombia 2022**, as a result of the combination of three elements: our customer-centric strategy that has allowed us to be at the forefront of the Colombian market, our initiatives to improve both traditional and digital products and services, and our data analytics capabilities.

- **Leader in the category of Inclusion and Diversity in Colombia**

In the first edition of the *Euromoney Market Leaders program*, we were recognized as a **Market Leader** in the category of *Inclusion and Diversity in Colombia*. This award highlights the initiatives developed to consolidate a diverse, innovative, and equitable organization that ensures the welfare of employees and customers.

Euromoney also highlighted our leadership in the **Digital Solutions, SME Banking and ESG categories**. These distinctions acknowledge the development of a comprehensive strategy that generates positive impacts on people and the environment.



- **Best Bank in Colombia 2022**

This international publication adorned us with the award of **Best Bank in Colombia 2022** for the contribution we made to the economic reactivation of the country with different products and services, as well as for the support we provide to our customers. It also highlighted our innovative and differentiating processes that have boosted our profitability, geographic reach, strategic relationships, new business development and product innovation.

Additionally, the digitization strategy has allowed us to facilitate access to products and services, positively impacting our customers' experience. In terms of sustainable management, the magazine highlighted initiatives such as the *Sustainable Development Line*, the *Sustainable Builder* credit-line, Green Bonds, electric and hybrid vehicle financing and the launching of the *Amazonía Debit Card*, among others.

- **Best Foreign Trade Supplier in Colombia 2023**

This award as **Best Foreign Trade Supplier in Colombia 2023**, underscored our customer service management, competitive prices, innovative technology, transactional volume, and coverage.

- **Best Financial Innovation Lab working with Startups and Scaleups**

The recognition as **Best Financial Innovation Lab working with Startups and Scaleups**, highlighted the design of new tools in financial products and services to facilitate customer-facing processes and take banking into the future. Many of the new processes implemented were developed collaboratively, allowing to improve the effectiveness of the sale of digital products, reaching more and more Colombians.

- **Best in Digital Lending and Best User Experience (UX) Design in Latin America**

We were awarded the **Best in Digital Lending in Latin America** for our wide range of digital products. Also, for the development of our user-centric digital ecosystem, specifically for the *Mobile Banking App*, we were selected as **Best User Experience Design (UX)**.



- **Members of the S&P Global Sustainability Yearbook**

For the third consecutive year, we consolidated our position among the first places in the ranking of the most sustainable banks in the world, moving to the TOP 5%. This result allowed us to continue to be recognized in the *S&P Global Sustainability Yearbook*, as an international benchmark.



- **EFR Certification (Family Responsible Company, EFR for its Spanish acronym)**

This certification, endorsed by *Icontec*, recognizes companies that promote work-life balance through the implementation of a management and continuous improvement model.

We were the first bank in Colombia to obtain this award and the second company in Colombia to achieve the B certification stage in the initial process.



For the third consecutive year, we were recognized as a Great Place to Work, noted for a very satisfactory work environment, making us an attractive employer in the country.

LIVE 3.5



We obtained this recognition thanks to our strategy focused on offering well-being to our employees, a healthy balance between their work and personal lives, and fostering happiness and productivity.



- **Top 10 National Ranking of Inclusive Companies in Colombia**

We were recognized in the Top 10 organizations that implement best practices around inclusion and diversity and ensure safe spaces free of discrimination.



- **Equipares Silver Seal Certification**

We received the *Equipares Silver Seal* certification as an organization that is committed to a cultural transformation with work environments that promote inclusion, diversity, and equal opportunities.



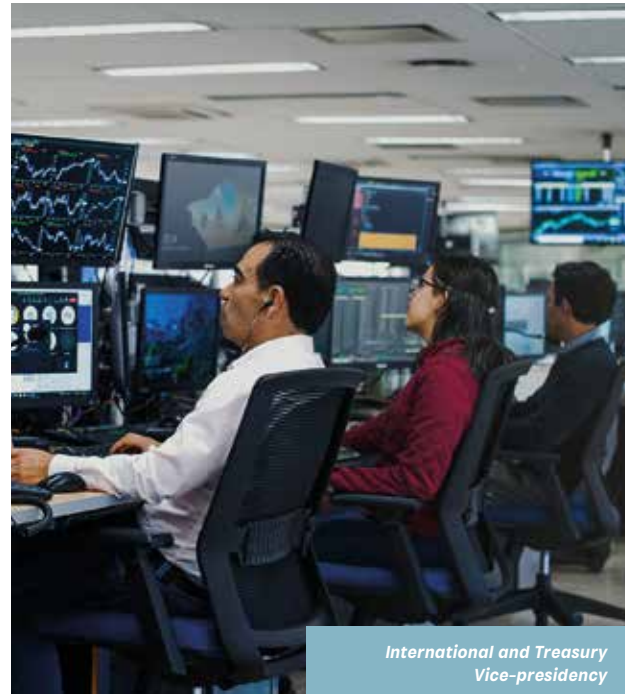
- **Friendly Biz Seal**

We obtained the *Friendly Biz* recertification, an international seal recognized in 15 countries that endorses organizations as discrimination-free spaces.

Shareholders and investors

In 2022, *Banco de Bogotá* carried out one of the most important corporate operations in its recent history, in order to focus its operation in the Colombian market, as was the spin-off of 75% of the operation of *BAC Holding International Corp (BHI)*, carried out in March. This operation required an important communication effort with investors, analysts and rating agencies, leveraging on the close relationship we have maintained with them in the past. *Esadenco S.A.*'s tender offer for *BHI* shares, completed in December, was an additional opportunity to inform the different stakeholders about it and its impact on the Bank's profitability, solvency, liquidity, risk profile and positioning in the Colombian market.

During the year we participated in 4 international investor events organized by *LarrainVial*, *Bank of America*, *JP Morgan* and *Credicorp Capital*. We also attended more than 150 requests for information through our quarterly results conferences, calls, video calls, webcasts, and e-mails, managing to disclose and update the market periodically and in a timely manner on the results of our organization.



Behavior of the stock

In 2022, the *Colcap* stock index had a negative performance (-8.9%) due to the adverse conditions faced by the global markets. However, December was a very positive month for the stock of the financial system, including *Banco de Bogotá's* share, which presented one of the highest yields of the *Colcap* index basket. The closing price of the stock as of December 31st, 2022 was \$37,000 and the traded value of the share in the year was \$192.3 billion².



² Source: Colombian Stock Exchange

Ratings

We have international ratings (issuer and debt in US dollars) from *Moody's Investors Service*, *Fitch Ratings* and *Standard & Poor's*. Additionally, locally, *BRC Ratings S&P Global* rates our Bank and our debt securities in Colombian pesos. At year-end 2022, all agencies affirmed the Bank's credit ratings and maintained a stable outlook, highlighting, among others, the strategic pillars that have driven our constant search for transformation.

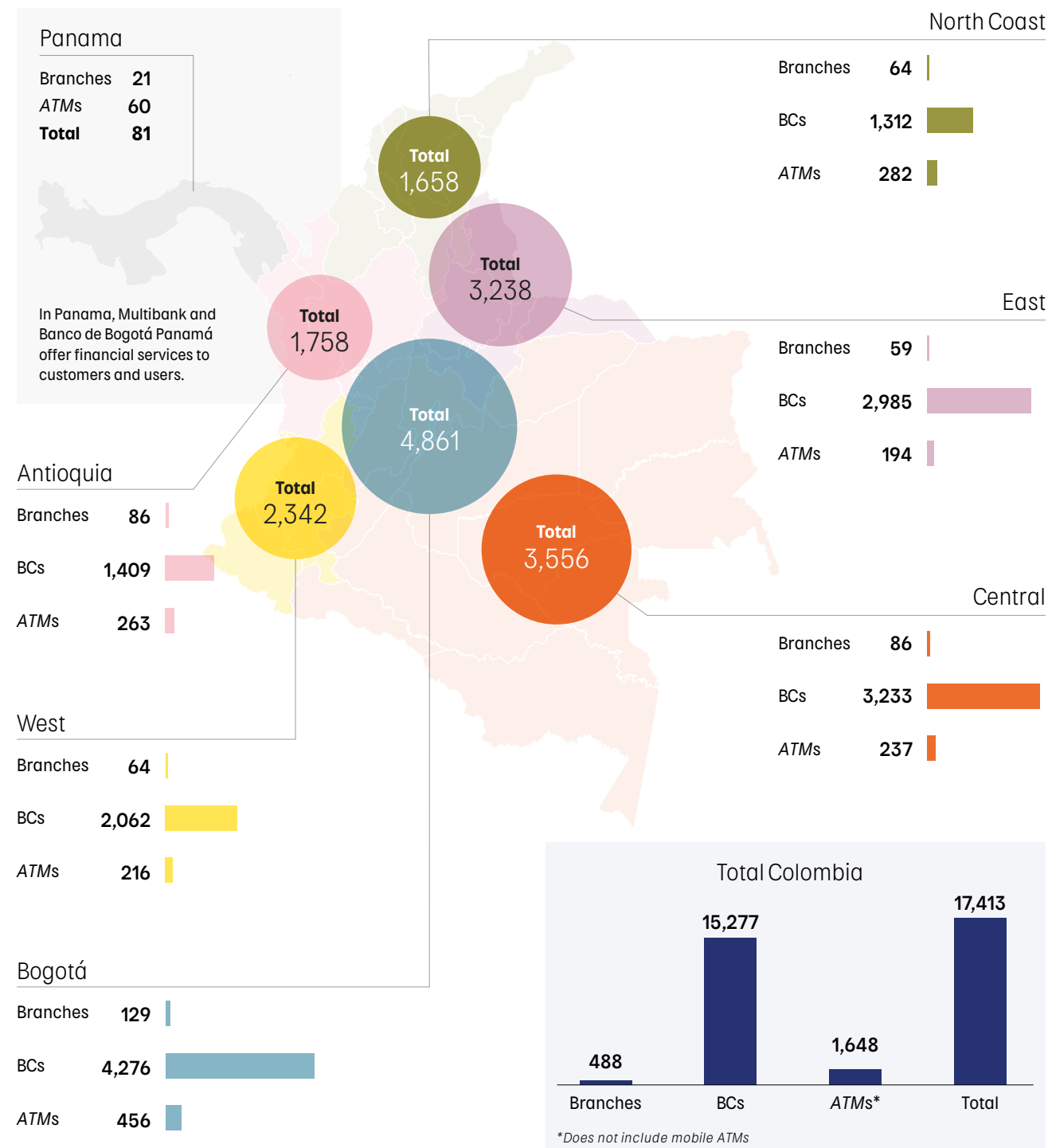
At year-end 2022, all agencies affirmed the Bank's credit ratings and maintained a stable outlook, positively stressing on the following aspects of our operation, among others: revenue generation, broad funding base, credit risk management, as well as leadership in the Colombian market and lower exposure to riskier markets, following *BHI's* spin-off.

The following is a summary of the current ratings:

		International Ratings			Local Rating
		MOODY'S INVESTORS SERVICE	FitchRatings	STANDARD & POOR'S	BRC Ratings <small>A Company of S&P Global</small>
Issuer	Foreign Currency – LT	Baa2 / Stable	BB+ / Stable	BB+ / Stable	
	Foreign Currency – ST	P-2	B	B	
	Local Currency – LT	Baa2 / Stable	BB+ / Stable	BB+ / Stable	AAA
	Local Currency – ST	P-2	B	B	BRC 1+
Bonds	Ordinary Bonds 2027	Baa2 / Stable	BB+ / Stable	BB+ / Stable	
	Subordinated Bonds 2026	Ba2 / Stable	BB- / Stable		
	Subordinated Bonds 2023	Ba2 / Stable	BB- / Stable		

Our Coverage [GRI 2-6, FS13]

By the end of 2022, we will have at least one banking service channel in 957 municipalities in the country, representing a coverage of 87% of the national territory, facilitating access to our products and services, in line with our banking penetration strategy. Our banking services include branches, banking correspondents and ATMs.



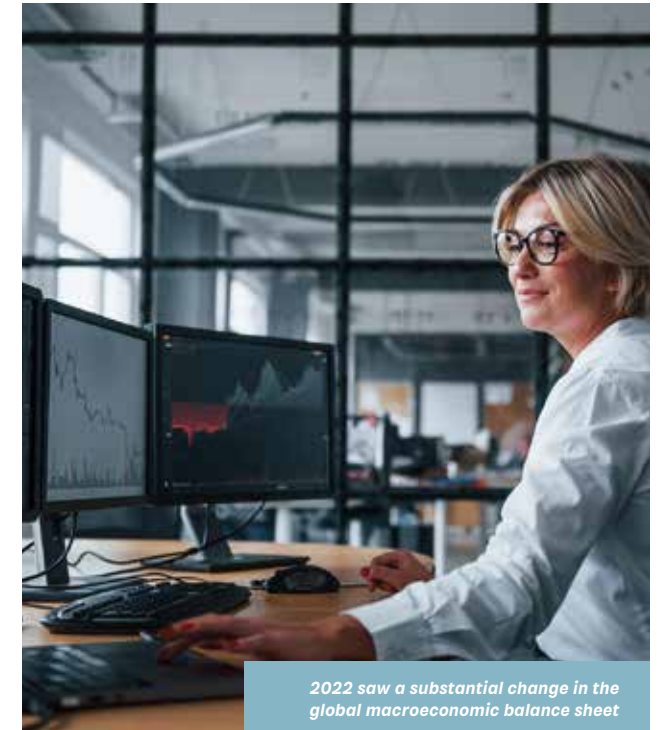
Our Environment

International context

2022 saw a substantial change in the global macroeconomic balance sheet, with inflation rising and growth slowing. The effects of the post-pandemic reopening were compounded by Russia's invasion of Ukraine, factors that put upward pressure on inflation and had a differentiated impact on growth.

Central banks had to implement or continue their contractionary monetary policy strategies, with higher interest rates and lower liquidity.

As the year progressed, the economic slowdown became more entrenched and concerns grew about a recession in several major economies, with central banks continuing to prioritize inflation risks. Governments also faced fiscal constraints amid an environment of higher interest rates around the world.



2022 saw a substantial change in the global macroeconomic balance sheet



Best Forecasts
Banco de la República Survey
Banco de Bogotá - Total Inflation



Best Forecasts
Banco de la República Survey
Banco de Bogotá - Non-Food Inflation

Banco de Bogotá was recognized by Banco de la República's survey of Best Forecasts in Total Inflation and Non-Food Inflation categories.

Most central banks around the world tightened its monetary policy to cope with higher inflation, even despite the evident slowdown in the activity.

Colombian Environment

The Colombian economy completed its second consecutive year of outperformance in 2022 with growth of 7.5%, ranking high in the Latin American environment as well as within OECD (Organization for Economic Cooperation and Development) countries. Most sectors advanced, with some exceptions such as agriculture due to lower coffee production, and mining, which continued to reflect the weak recovery of coal and oil production. The level of production began to stabilize in the second half of the year, evidencing the exhaustion of the post-pandemic recovery. As a result, economic growth projections for 2023 have been adjusted downward: for 2023 we foresee a GDP expansion of 1.5%.



Inflation surprised throughout 2022, closing the year at 13.1%, the highest since 1999. This result was impacted by a significant increase in food prices, whose inflation closed the year above 27%. Likewise, more than 90% of the products and services that make up the household consumer basket showed a variation above 4.0% in 2022, a level that represents the ceiling of the Central Bank's (*Banco de la República*) target range. Core inflation, which excludes volatile components, also accelerated significantly, closing the year at 10.4%. In line with expectations of a moderation of inflation in 2023, we expect inflation to close the year at 8.5%.

The dynamics of the economy and the acceleration of inflation led to repeated adjustments of *Banco de la República's* benchmark interest rate throughout 2022. The interest rate closed the year at 12.0%, which represented the most aggressive rate hike cycle so far this century, with a total increase in 2022 of +900 basis points; the real interest rate has already reached levels not seen since the International Financial Crisis. We do not consider the upward cycle to have ended in December, but rather to continue into the first part of 2023. It is expected that in the first quarter the ceiling will be reached with a terminal rate of 13.25% and in the second half of the year the downward cycle will begin, so the rate expectation for the end of the year is 9.50%.

On the other hand, volatility was the constant in the exchange rate throughout 2022, with more marked upward pressures in the second part of the year. In the first half of the year, expectations for the legislative and presidential elections were a determining factor in the movement of the exchange rate.

Subsequently, and amid global monetary policy adjustments, the political factor became one of the elements of greatest uncertainty in the markets, causing devaluations in both fixed income and the exchange rate. In relation to this second point, the upward pressure led the exchange rate to a new historical maximum: \$5,133 per dollar, in November, which contrasts with the minimum of the year in April, of \$3,690. Meaning annual volatility exceeded \$1,400, the highest in history. Towards the end of the year, upward pressure lessened, and the exchange rate closed at \$4,850.

In relation to the external accounts, the impulse of aggregate demand that favored imports, higher dollar outflows due to factor income and the accounting effect that reduces the size of GDP in dollars due to the devaluation, limited the correction of the current account mismatch. In 2022, the deficit continued to widen and closed the year above -6.0% of GDP. This result also explains devaluation, from the point of view of dollar flows. For 2023, a broad correction of the current account is expected, reacting mainly to the slowdown in domestic demand. We forecast a deficit of -4.2% of GDP by 2023.

The change of government also brought a new tax reform, which seeks to raise around \$20 trillion, an amount that will gradually increase in the following years. The reform focused its collection on adjustments in taxes on individuals and mining companies. The Ministry of Finance announced that resources will be used entirely for social spending. In addition, at the end of the year, the Government presented the Financial Plan with favorable announcements on the fiscal front: for 2022, the deficit was adjusted downwards to -5.5% of GDP (+0.1 percentage

point), while for 2023 it was revised upwards to -3.8% of GDP (-0.2 percentage point), in both cases, complying with the Fiscal Rule. Finally, throughout 2022 there were no changes in the sovereign rating and in the final part of 2022, *Fitch Ratings* reaffirmed the rating at BB+ with a stable outlook.

Colombia was positioned in 2022 as one of the best-performing countries in Latin America, but in 2023 the dynamics would be less active.

of 18.2%, accompanied by a deterioration in its portfolio quality levels³ compared to 2021, closing 2022 at 5.4%, 107 basis points above that recorded a year earlier.

In general, greater dynamics in portfolio placement have helped to reduce non-performing loan ratios, especially during the second half of 2022. At year-end, total quality ratio stood at 4.0%, 28 basis points below 2021. The commercial portfolio showed the most notable recovery, decreasing by 98 basis points its past-due loan ratio over 30 days, to 2.7%.

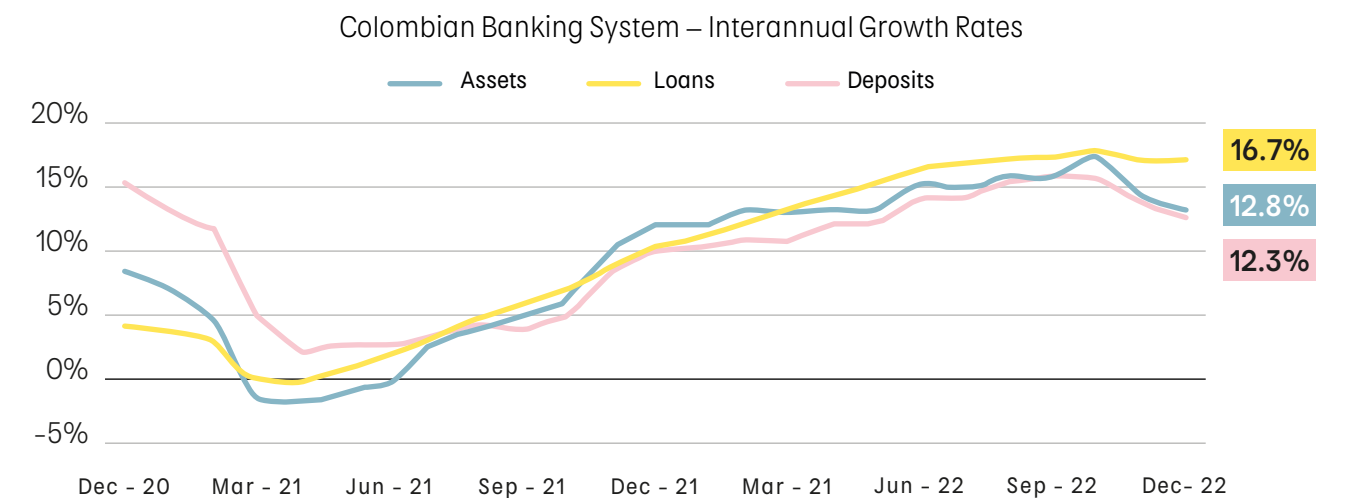
Liabilities amounted to \$816,825 billion, of which deposits amounted to \$598,099 billion, with a positive annual variation of 12.3%. Savings accounts accounted for 49.4% of total deposits, which amounted to \$295,376 billion, maintaining similar levels to 2021. On the other hand, term deposits increased 48.2% compared to 2021, due to the increase in *Banco de la República's* rates and the greater attractiveness of these term instruments in the face of the high volatility observed in the financial markets. Checking account deposits decreased 6.2% annually.

The Banking System's profits in 2022 closed the year at \$14,286 billion, equivalent to an increase of 2.4%, especially due to a higher interest margin, thanks to the growth in income from the Commercial and Consumer Portfolios, in line with the increase in *Banco de la República's* rates, which led to a significant repricing of the loan portfolio.

Colombian Banking System

In 2022, the recovery of lending activity in Colombia was consolidated, maintaining the positive behavior initiated in the second half of 2021, ending the year with an annual growth of 16.7% and in an annual evolution of 12.8% at the Assets level.

Regarding loan portfolio, those segments that contributed the most to this recovery were Commercial and Consumer, being the most important in composition with 51.5% and 31.2% of the total portfolio, respectively. In turn, Consumer portfolio registered the highest relative evolution, with an annual growth



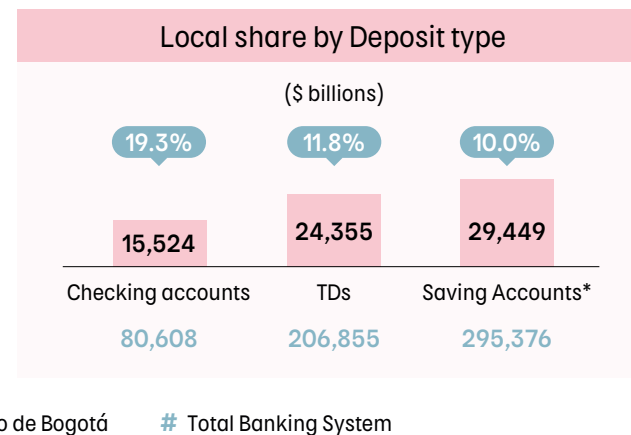
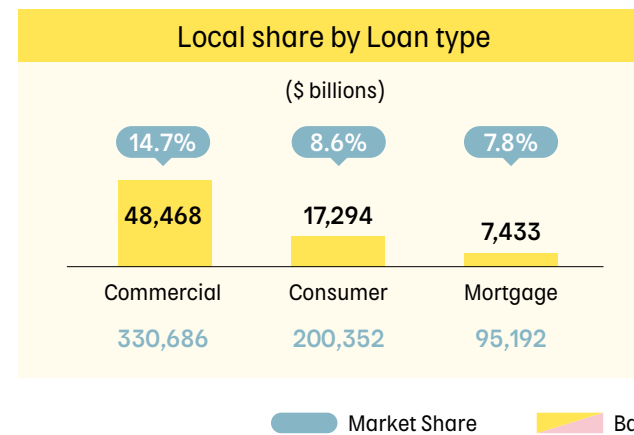
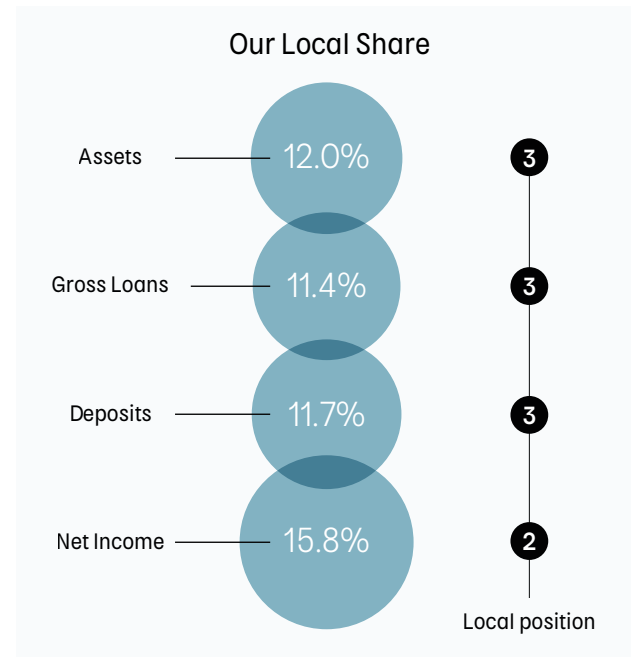
³ Past-due loan portfolio +30 days / Gross loan portfolio

Our Participation in the Colombian Banking System

In 2022 we remained one of the most important banks in the Colombian banking system, occupying the first places in the market. Our portfolio presented a growth of 13.3% representing 66.6% of total assets, followed by our investment portfolio, which increased by 15% compared to 2021.

This increase was driven by the good performance of the Commercial and Consumer portfolios, which grew by 10.1% and 16.3%, respectively, at the end of the year. The 31.6% increase in the Mortgage portfolio was particularly noteworthy.

Deposits⁴ increased 12.7% in the year in total currency, with Time Deposits (TDs) showing the largest increase, at 35.8% annually, followed by checking accounts with 6.8%, and saving accounts with 0.5%.



Banco de Bogotá Branch

⁴ Includes other deposits

Panamanian Environment

Increased Canal traffic, tourism recovery and domestic trade drove Panama's growth in 2022.

The year 2022 was the second year of strong recovery for Panama's economy, after the recession generated by the pandemic in 2020 (-17.9%). With advances of 15.3% in 2021 and 9.0% in 2022, according to the most recent projection of the *International Monetary Fund (IMF)*, activity would have surpassed the levels prevailing before the *COVID-19* shock.

Sector-wise, the recovery was almost generalized, with good dynamics in most of the economy's components, although with a replenishment in their contribution. In particular, the recovery of tourism allowed hotels and restaurants to show a growth of more than 20% in the third quarter.

Meanwhile, increased international trade led to an increase in traffic through the Canal, with a growth of almost 7% year-to-date to October, an increase double that seen the previous year (3.3%). Thus, transportation, storage and communications sector grew 13% annually in the third quarter. Likewise, the progress of domestic trade, which contributed significantly to aggregate growth, grew 13% in the third quarter. Finally, both construction and other sectors outpaced the total economy, growing 18% and 15% year-over-year in the third quarter, respectively.

By 2023, as in the rest of the world, Panama's growth is expected to continue to slow down as the benefits of the post-pandemic reopening fade. *The International Monetary Fund (IMF)* projects an annual advance of 4%.

Turning to prices, inflation in Panama followed the global trend, starting 2022 with a rebound to reach a peak of 5.2% annually by mid-year. Since then, the trend has been downward, ending the year at 2.1%, below the 2.6% level of 2021. For 2023, the *IMF* projects inflation of 3.0%, which will depend on the magnitude of the correction in food and energy prices.

In terms of ratings, Panama remained above the investment grade threshold, with ratings of BBB by *Standard and Poor's*, Baa2 for *Moody's* (BBB equivalent) and BBB- for *Fitch*. The latter, with a lower rating than its peers, upgraded the outlook



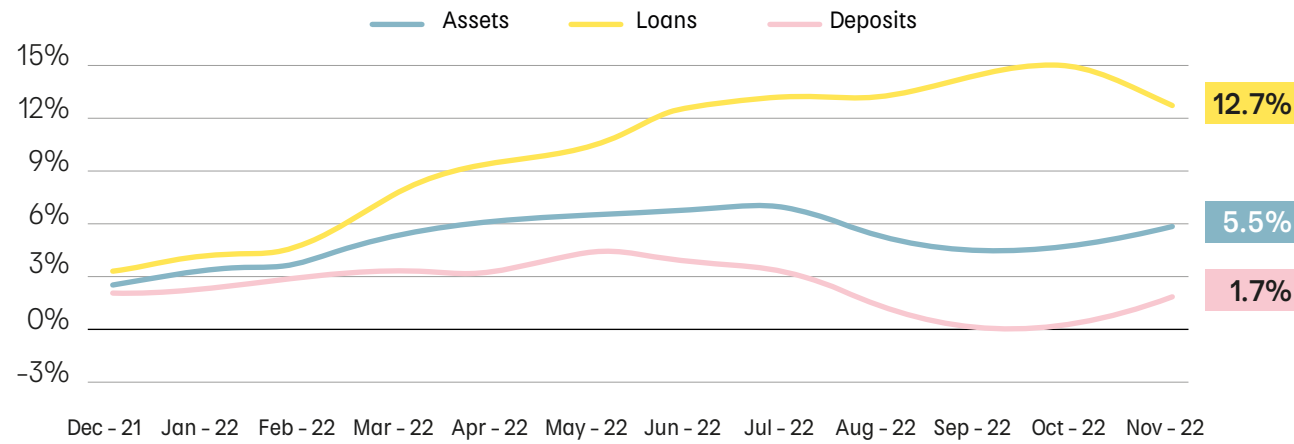
Multibank Branch

from negative to stable at the beginning of 2022. Meanwhile, the most recent statement came from *Moody's*, which downgraded its outlook to negative. Both decisions point to a rating that in the short term will stabilize at the last step of the investment grade, amid a complex context of lower liquidity and higher global interest rates.

Panamanian Banking System

During 2022, the Panamanian banking sector maintained a favorable performance, showing positive year-on-year deltas month after month, reaching 5.5% increase in Assets as of November, where the greatest dynamism was observed in the loan portfolio with an increase of 12.7% and a share of 59.7% of total Assets. Deposits, on the other hand, showed a lower vitality, growing 1.7% as of November compared to the same month of 2021.

Panamanian Banking System: Interannual Growth Rates



NOV - 22	Assets		Net Loans		Deposits	
	US\$	Annual Variation	US\$	Annual Variation	US\$	Annual Variation
Total	140,083	5.5%	83,686	12.7%	98,831	1.7%

Source: Superintendencia of Panama, only considering general licensed banks, figures as of November 2022.

Our Share in the Panamanian Banking System

As of November 2022, our consolidated operation (*Multibank* - banking operation and *Banco de Bogotá Panamá* - consolidated operation) reached an Assets level of US\$6,571 million, decreasing 1.1% compared to that obtained in 2021 and a market share of 4.7%, mainly supported by the growth of the Loan Portfolio, which increased 12.1%.

The net portfolio represented 61.7% of total Assets in 2022, increasing its importance compared to the previous year; and maintaining a market share of close to 5%, with the commercial portfolio making the largest contribution.

Concerning Deposits, the operation in Panama slightly decreased its market share due to lower dynamics (-4.5%), especially in demand deposits.

In earnings, thanks to the positive performance of interest margin, especially due to the growth of commercial portfolio income from higher lending volume and the Mortgage portfolio via interest rates, we increased our share to 1.4%

	DEC - 21	NOV - 22
Total Assets	5.0%	4.7%
	6,635	6,571
Net Loans	4.9%	4.8%
	3,653	4,056
Deposits	4.7%	4.4%
	4,556	4,369
Net Income	1.3%	1.4%
	16	23

