



Corporate Social Responsibility 2018





Corporate Social Responsibility Strategy

In Grupo Aval we work jointly with our entities in the design and management of strategies that generate social and environmental value and actively contribute with the development of the regions in which we operate.



In addition to generating and distributing economic value to the different stakeholders, through the payment of taxes, the generation of direct and indirect employment and fair payment to suppliers, our strategy of 'citizenship & sustainability', in 2018, was focused on three dimensions: Educational / Social / Environmental.





In 2018 the execution of our strategy was focused on the following dimensions



Educational Dimension

We seek to achieve sustainable growth, generating profitability in a transparent way in the long term by promoting financial education throughout the regions in which we operate.



Social Dimension

We want to improve the quality of life of the population, promoting the individual and collective development of our employees, suppliers and customers.



Environmental Dimension

We strive to achieve ecological balance and protection of the environment.

The following is a summary of the incentives carried out during 2018. A series of initiatives to generate educational, social and environmental value that actively contribute to the development and builds territories in where we operate, as well as generating economic value for the stakeholders.

Some of our initiatives

Educational Dimensión

Microcréditos Aval



Financial Inclusion Road



Inclusive Finance



Educational Benefits



BAC Learning



Social Dimension

Social Volunteering



Social Investment



Tapas para Sanar



Sport Sponsorship



support to **7** elite colombian cyclist U 23



Environmental Dimension

Sustainable Banking Branch



ISO 14001-2015 Standard Certification

in Central America



100% Green Credits



CO2 Units Compensation





ESTRATEGIC FOCUS



Develop an effective and innovative Microfinance model to contribute to the poverty reduction in Colombia.



Promote the development of the skills and abilities of Microentrepreneurs through the offer of a comprehensive training portfolio.



Foster the savings and credit culture to contribute to the materialization of the life projects of our beneficiaries.



Develop new microfinance products that meet the diverse needs of the microentrepreneurs.



\$65.000 millon

Disbursed through 47,400 microloans since the beginning of our operations.

Credit opportunity

We offer credit opportunities aimed at financing productive activities of microentrepreneurs with limited access to efficient and formal sources of financing.



Access to working capital

- * Improve inventory growth.
- * Acquire raw materials.
- * Diversify the product offer.



Social impact

Short-term credits (11 months) from \$500,000 pesos to \$12,000,000 pesos. The portfolio of services with a rural approach was created, reaching new areas of agricultural influence.





Educational Dimension

Educational dimension and value generation from the core

Through integral strategies of education and financial inclusion, banking of vulnerable populations and the strengthening of the (direct) value chain in rural and urban territories; we generate economic opportunities in the regions and positively impact the quality of life of people. In addition to strengthening the small enterprises, led mostly by women, promoting the generation of employment and gender equality.



Together with the United States Agency for International Development (USAID), we created the DCA (Credit for Development Authority) Guarantee, which aims to provide financial solutions for the development of productive projects in rural municipalities of 'reconciliation' , that historically were neglected by the financial sector.

BANCO DE BOGOTÁ ● ● ●

The strategies of education and financial inclusion were strengthened thanks to the consolidation of important alliances, which allowed us to achieve a historical reach in terms of content quality, covered municipalities and beneficiaries, growing from 19,480 to 40,395 people.

Through buses suited as offices that allow us to reach the most remote areas of the country, we bring children, young people and entrepreneurs closer to financial services, financial education and the different channels. The "Financial Inclusion Route A Journey for the Progress of the Country", has a content with a territorial approach that prioritizes the economic development and particular potential of each territory.



Educational Dimension



CORFICOLOMBIANA



Corficolombiana Foundation

Fulfilling our mission of contributing to the improvement of educational quality and promoting actions to achieve peaceful coexistence, we continue to attend to existing programs and develop a new component: "Communication for development - REDES" aimed at students from the 4th to 11th grades. The total investment in the programs during 2018 was \$ 213.8 million, totaling 6,925 direct and 34,231 indirect beneficiaries.

BANCO POPULAR



Aprendamos +

Throughout 2018, we gave continuity to the execution of the Financial Education program 'Aprendamos +', bringing information on the proper management of their personal finances, the role of emotions in decisions financial and adequate and safe management of banking products and services to financial consumers from the National Army and the Police. Through 25 workshops throughout the year and the distribution of school kits, we reached 6,866 beneficiaries.

PORVENIR



Porvenir Family

Financial Education of the Porvenir Family, through the development of audiovisual and editorial content, deployed in our microsite and in the official accounts of Porvenir on Facebook, Twitter and YouTube, we were able to impact hundreds of Colombians, with relevant information, so that they can make better decisions for their future regarding pension and severance funds.



Educational Dimension

BAC



The responsible management of the business seeks sustainability in the long term and makes it a transversal axis of all our processes. Programs, projects and activities are derived from the strategic approach, this allows us to systematically manage the impacts generated by our operations, products and services, as well as the expectations of our stakeholders.

Financial Inclusion

This initiative promotes the financial inclusion of people with disabilities, offering the means, knowledge and convenient products to provide a quality service. In Costa Rica and Honduras, products and services were adapted for people with visual, motor and hearing disabilities.

Below some data of programs coverage

2020 goals / achievements as of 2018

1,500,000

People trained in financial education

847,181 **2009-2018**

3%

Percentage of employees with some type of impairment

1.5% **2009-2018**

100,000

Strengthened companies

83,729 **2009-2018**

300

NGOs linked to "Yo me uno" program

139 **Active NGOs**

1,000

Companies lead by empowered women

279 **Participating companies**

6

Countries with an ISO 14001 certified buildings

2 **Participating companies**



Social Dimension

We positively impact the communities where we operate through the management of partnerships with foundations for support (through donations, volunteering, empowerment) to social initiatives, marketing, social investment projects and strengthening of the cultural and sports sectors.

GRUPO AVAL



#ExperienciasAval Social

With the objective of inspiring young people belonging to inclusive projects of five foundations of Ciudad Bolívar, Bosa and Usme, on the values of discipline, teamwork, trust and empowerment; Grupo Aval, Ocesa and the PAR Program of the United States Agency for International Development (USAID) joined forces to open the doors of the 'Cirque du Soleil' in a special function. This is the second Aval Social Welfare Experience, after the successful results of 'Feel Outloud', which allowed deaf people to attend the Stereo Picnic Festival in 2017.

BANCO DE BOGOTÁ



Through 2,766 hours of social volunteering, our employees participated in the improvement of the physical environment of schools and the sowing and reforestation days in various places of the country. Through this initiative, we promote the active participation of our collaborators beyond the cultural and environmental sponsorships that Banco de Bogotá supports. Among the most important initiatives to strengthen the cultural sector and regional cultural promotion are: Carnaval de Barranquilla, Carrera Verde, ARTBO, Festival Internacional de Música Sacra, Carnaval de Negros y Blancos and Festival Vallenato.

Children, young
People, adults and
micro-entrepreneurs

Global Money Week.
Month of Savings.
Workshops in a
mobile classroom.
Workshops in
schools of the
District (Bogotá).



40,395
people
trained



Social Dimension



BANCO POPULAR



In order to preserve the cultural heritage of our country, we invested \$ 708.6 million supporting the Fondo de Promoción de la Cultura, an entity that for the last 47 years has collected pre-Colombian and colonial archaeological pieces that represent the artistic activity of those times and the different indigenous cultures. Through this work we promote ethnic diversity and recognition of the invaluable contribution of the ethnic communities of the country.

At the same time, as every year, we support the Popular Legal Service that provides legal advice, judicial representation and conciliations for people with low economic resources, facilitating access to justice. Our contribution to the foundation was \$ 962.3 million pesos.

AV VILLAS



Our Corporate Social Responsibility Program “Tapas para Sanar” in partnership with the Sanar Foundation. Since 2014, Employees, Clients and relatives of Banco AV Villas participate in this Program that consists in the collection of all types of plastic caps to support the treatment of childhood and adolescent cancer. In 2018, we delivered 23 tons of plastic caps to the Foundation, exceeding the proposed target of 22 tons; thanks to the commitment and support of our 4,600 employees from all over the country, their families, clients and users, we help the 600 children of the Sanar Foundation and their families, generating a positive impact on employees, customers and beneficiaries.

“School kits”: a School Kit donation day was held by the Bank’s employees for the children of the Sanar Foundation who participated in the "Journey of Hope" to San Andres Islands. With this kits the children carried out activities and reflected through the drawing their experiences with the sea as a part of their recovery process.



Social Dimension



BAC



Making volunteering an integral part of the relationship with communities. That's the reason our employees dedicate many hours to supporting diverse initiatives, through which they share their knowledge to contribute to the strengthening of people and organizations, which in turn impact the society where we operate. They promote volunteering activities that take advantage of the skills, knowledge and expertise of our employees and that is why professional volunteering is encouraged.

BANCO DE OCCIDENTE



More than 1,050 employees participated in 70 practices of the "To believe is to support the community" strategy, which consists of creating positive experiences of helping others, caring for animals, supporting the improvement of the environment and promoting a healthy lifestyle. From the social component, the teams of offices across the country supported 19 causes and foundations, ranging from senior citizens, infant feeding and support in Mocoa. In addition, 4 animalist causes were supported.

PORVENIR



During 2018, Porvenir supported the Colombian sport through the social responsibility sponsorship "Nación del Atletismo", which included the sponsorship of the Bogota Half Marathon, the team "Atletas con Porveni" and the publicity Running for a purpose campaign, which during this year had an environmental focus encouraging the planting of more than 3,000 trees nationwide.



Environmental Dimension

We recognize environmental problems as an urgent challenge that demands concrete actions on the part of 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 a catalyst for a more environmentally sustainable economy.

BANCO DE BOGOTÁ

Perspective Green Business - Innovating through green finance

Committed to sustainable development, the evolution of products and services in line with the environmental needs of our country and our customers has begun, aimed at counteracting the effects of climate change and the use of productive possibilities from energy efficiency.

Analysis and management of environmental and social risks

During the year 2018, 7 credits were subject to evaluation of social and environmental criteria, of which 100% of them were approved and disbursed. The total amount of these credits was \$ 91,200 million pesos.

We incorporated in our Code of Ethics, a policy on the protection of the environment and, as a part of the “Green Protocol” initiative of Asobancaria, we comply with the dissemination of good environmental practices among employees, customers and society, achieving a reach of 26,995 people.

AV VILLAS

We develop strategies and campaigns for the water and energy savings, generating awareness and good practices within the “Cultura AV Villas” as a contribution to environmental management. We also participate in Electronic Waste Collection Workshops in partnership with AsoSanDiego, for the delivery of the material that requires a friendly destruction process.



Environmental Dimension

BANCO DE OCCIDENTE

Committed to the care of natural resources, we opened a banking branch that runs 100% with photovoltaic or solar energy, a system that has 48 solar panels located on the terrace, which generate an average of 45.36 Kwh under normal environmental conditions and which feeds computer equipments (computers, printers, scanners), ATMs, fast box, internal and external lighting; and the Queuing Management System.

BANCO POPULAR

Cuidemos +

During special dates of 2018, such as Earth Day, the month of water, Soil Conservation Day, among others, we share with our team different messages focused on the care of natural resources with the objective of raising awareness about its use. These communications were sent nationwide with the aim of impacting our more than 4000 workers.

PORVENIR

As part of the Environmental and Sports Social Responsibility program, in 2018 and for the second consecutive year, Porvenir called on Colombians to participate actively in their initiative Running for a Purpose, this time to join for a new cause: the environment.

Thanks to the effort and support of all those who ran and collectively accumulated their kilometers through the Nation of Athletics App, the goal of 500,000 kilometers traveled was met, and resulted in more than 3,000 trees planted nationwide, to continue to give oxygen to the planet.

CORFICOLOMBIANA

Through the different subsidiaries, we worked on multiple strategies of sustainability and environmental management, including: Promigas achieved a 10% reduction in scope 2 of the carbon footprint, 16% decrease in water consumption and 510 Gj were generated with renewable sources.

Additionally, a solar photovoltaic system for the self-generation of 23,014 kWh of electricity was put into operation in the administrative headquarters 1, an initiative that seeks to replace 12.8% of the current energy demand.



Environmental Dimension



BAC



The environmental dimension is integrated with our commercial strategy and is a fundamental axis of sustainability "We are determined to protect the planet from pollution, through sustainable consumption and production, the sustainable management of its natural resources and urgent measures to address to climate change, so that it can meet the needs of present and future generations".

- * 26 certified buildings in Costa Rica and 5 branches in Panama under ISO 14.001-2015.

- * 46% of the total waste produced in Panama and 45% in Costa Rica was sent to recycling.

- * In 2018 in Costa Rica we obtained the Carbon Neutral Country Brand Plus Category and we compensated 1,190 CO2 units equivalent in a reforestation project with the National Fund for Forest Financing (FONAFIFO).

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A total of 2,956 employees from the region were trained in topics such as proper waste management, techniques for reducing consumption of resources such as water and electricity, climate change and others.

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Sustainable Development Goals to which we contribute

