



C O R P O R A T E

S O C I A L R E S P O N S I B I L I T Y 2 0 1 7



Corporate Social Responsibility Strategy

Our corporate sustainability strategy focuses on the generation of social value in three dimension:



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.



Human and 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.

Corporate Social Responsibility Strategy

The development of our corporate sustainability strategy incorporates the generation of social value in three dimensions: educational, human and social and environmental. In 2017, thanks to the joint initiatives of our subsidiaries, we directly contribute to the social and economic development of the country, specifically with colombian microentrepreneurs through the Corporación Microcrédito Aval.

This initiative is aligned with the purpose of the business, generating an offer of microfinance products and services aimed at reducing inequality in Colombia and improving the quality of life and well-being of 22,000 low-income families in the country. Its strategic focus aims on the organized and responsible deepening of microcredit in Colombia.



 Corporación
MicroCrédito
Su oportunidad



Corporación Microcrédito Aval

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



\$57,000 million

Disbursed through 44,300 microloans since the beginning of our operations.

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.

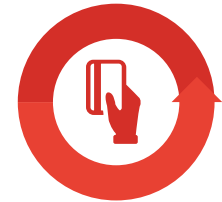


Foster the savings and credit culture to contribute to the materialization of the life projects of our beneficiaries.



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

Support to heads of household women, which represent 94% of the clients.



Grupo Aval

Coverage of work well being programs for employees of the Holding in 2017:

The “Avancemos Juntos” training program allowed the participation of 99% of the employees. This program addresses training needs oriented to regulatory issues, and the development of technical and personal skills. During 2017, employees of the holding company had more than 1400 hours of training during the workday.

Grupo Aval also grants educational assistance to some of its employees to carry out university or post-graduate studies.



Educational Dimension

BANCO DE BOGOTÁ

On-site training in financial education:

Financial education is undoubtedly one of the most important pillars of the social responsibility strategy because of its high impact on society and for being a great support in the inclusion and bancarization process.

The strategy of Banco de Bogotá is on site and is focused on three main target groups:

Children and young people

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



13,643
personal training



Adults

Financial Coach.
Workshops in a mobile classroom.



3,996
personal training

Micro-entrepreneurs

Financial Coach.
Workshops in a mobile classroom.
Participation in events (World Fair SME and Expoartesanas 2017).



1,509
total training

19,148 individuals were trained during 2017, in the different regions of the country through the different workshops and financial education conferences of our Bank.



Virtual financial education initiatives

Virtual financial education initiatives

Social networks

Publications were made on social networks (facebook and twitter) focused on:

The customer's safety in channels, products and services.
Tips on saving and responsible management of financial products and services.
Financial inclusion program.
Financial Education website 91,346 user visits to financial education content.

The most visited contents were:

- * Credit information.
- * How credit cards work.
- * Investing is winning program.



BANCO POPULAR

Created the initiative “Aprendamos más” where we help financial and non-financial consumers to have an adequate management of their products and services and to make better decisions on financial management.

In relation to this pillar, we have worked on initiatives such as the Financial Education Committee which aims to raise awareness on the importance of financial education.

BANCO AV VILLAS

Basic Curriculum

Developed in partnership with the Fundación Colombia Emprendedora. Its goal is to offer basic economics and finance courses to low-income children nationwide. Since its inception in 2010 and 2017, 37,500 children from 49 low-income schools have been trained in 28 cities in the country.



Educational Dimension

CORFICOLOMBIANA

During 2017, the Corficolombiana Foundation continued to emphasize educational programs framed in the flexible models of the Ministry of National Education, which meet the needs of children and youth in a situation of extra-school age, promoting the development of the necessary competences so they can attend the regular education system. The methodology of this program allows them, once the one-year cycle has ended, to rejoin the regular system, 1,425 children participated in this program with an investment of \$206.5 million.

Through the programs of Aceleración del Aprendizaje, environmental education “sembrando compromiso hoy para un mañana verde”, Resilience and family, Alliance for the Early childhood and Saberes (Primera Infancia); benefited 8,527 people including children, teachers, community mothers.

BAC

People

We develop collaborative programs and alliances in the following topics:

Financial Education to our Stakeholders

Promote the formation of citizens capable of adopting financially healthy lifestyles and contribute to the sustainable development of the Region.

Responsible Sales and Collection

Improve transparency in our sales and collection processes through the awareness of our staff and the offer of financial education tools to our customers.

Active Participation in the Community

Establish innovative mechanisms to mobilize resources for the benefit of society and the environment, using our commercial platform.

Attraction, Retention and Development of Human Talent

Find innovative ways to attract and retain the best human talent in the Region, through a value offer that allows people to achieve their potential and support the growth of the company.

Labor Inclusion of Vulnerable Groups

Offer decent and well-paid work to people with lower employment opportunities, such as women, young people and people with disabilities.

Human and Social Dimension

Donations

During 2017, entities related to Grupo Aval made donations for programs aimed to the promotion of health, education, culture, the exercise of democracy, sports, scientific and technological research, ecology and environmental protection, defense, protection and promotion of human rights, access to justice and social development programs; which are described below.

The occupational safety and health management system covered 92% of the employees. This percentage is represented in the activities related to health management, risk and hazard management, emergency preparedness and response, healthy lifestyles and promotion and prevention programs.

The holding company provided its employees with a series of activities that allowed 100% coverage during the year. Some of the activities were entertainment evenings, special celebrations and the participation in Olympics that cover disciplines such as sports, artistic and concentration.



Activities in which the collaborators could participate with their children were also carried out.

BANCO AV VILLAS

Banco AV Villas, entity that leads the Tapas para Sanar initiative, received a communication of recognition from Fundación Sanar where it is reported that the support received from the entity has become a strategy that supports 50% of its operation, as well as programs aimed at more than 500 children and adolescents with cancer.



Human and Social Dimension

BANCO DE BOGOTÁ

Developed financial products and services together with and advised by NGOs and international organizations, in order to help meet the needs and expectations of less favored communities, vulnerable groups or excluded from the financial system. We developed projects, as well as products and services with the advice of social organizations and public-private partnerships.

Construction of houses for families in vulnerable condition; In 2017, 3 volunteer days were held with the participation of bank volunteers in different regions of the country. In this occasion, volunteers had the possibility of participating in the construction of houses for families in vulnerable situations.

This activity was very rewarding for the collaborators, who participated in a collective work where, in addition to building a house, a link was sought between the volunteers and the participating family.

The construction was carried out by a team consisting of volunteers from the Catalina Muñoz Foundation and volunteers from Banco de Bogotá, whose common purpose was to join up the modules, highlighting the role of families and the integration between different realities.

We continue expanding our presence in different municipalities of the national territory. At the end of the year we are present in more than 713 municipalities, growing in coverage by more than 7% compared to the previous year, which represents entering with our offer more than 45 municipalities mainly in departments of Choco, Cauca, Arauca and Antioquia.

We have served about 113,256 families with credit facilities, more than 52% led by women. To cover the attention to microentrepreneurs in the municipalities, we have a team of more than 388 advisors specialized in microfinance methodology, native of the populations where they work, fulfilling our purpose of social responsibility to generate decent sources of employment in the regions of the country.

Since 2009, when we started with the Microfinance Model, we have granted resources for more than \$764,332 million pesos in more than 190,000 microcredits of average amounts \$5.6 million, where 9.6% of microentrepreneurs access for the first time Finance system.

Human and Social Dimension

CORFICOLOMBIANA

The Primera Infancia Saberes program, focuses in sectors of social priority and is articulated with the Public Policy of Early Childhood. This program promotes the formation of community mothers and transition teachers, the strengthening of the link between the family nucleus and the educational agents and the allocation and adaptation of spaces.

This program aims to foster a process of reflection-action for community mothers and transition teachers to build and position their role with themselves, families, the community, the environment and society.

With the Alianza por la primera infancia program, formed in 2014 by the Carvajal Foundation, the Limmat Stiftung Foundation of Switzerland, the Bancolombia Foundation and the Corficolombiana Foundation, we intend to expand the program in different municipalities of Colombia since its main focus was in the Valle del Cauca region.



BAC

Prosperity

We develop programs and collaborative alliances in the following topics:

Business strengthening

Promote employment and inclusive economic progress by strengthening small and medium enterprises, providing products and services that allow them to adopt sustainable practices, successfully link to the market and grow.

Banking of non-traditional populations

Providing high quality and appropriate financial products and services to populations whose access to the traditional banking system is limited or non-existent, to facilitate their participation in the economic cycle and improve their quality of life.

Management and strengthening of our supply chain

Encourage the growth and sustainability of our supplier companies, equipping them with tools that allow them adopt more and more ethical business models and practices and responsible.



Environmental Dimension

We recognize environmental problems as an urgent challenge that demands concrete actions from 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

In 2017, the Bank participated for the third consecutive year in the corporate sustainability assessment of RobecoSAM to apply for inclusion in the Dow Jones Sustainability Index, which represents the measurement of performance in the environmental, social and of the Bank, compared to companies worldwide.

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM

This year Banco de Bogotá has been included in the MILA Pacific Alliance Dow Jones Sustainability Index, which measures the outstanding ratings of companies in the three dimensions of the countries that belong to the Latin American Integrated Market (MILA).

The index selects corporate sustainability leaders in the Pacific Alliance region (Chile, Colombia, Mexico and Peru) determined by the total sustainability score of a company, which is derived from the RobecoSAM Corporate Sustainability Assessment. The index uses the “best” approach in your class “and selects the companies that are in the top 30% of the classified universe. At the national level, the commitment is with the Green Protocol, whose objective is to promote the vision of the sustainable development of the Colombian financial system, achieving position as the first country with this type of initiatives.

The Bank also ventured into the disclosure of our environmental impacts, a voluntary initiative promoted by the Carbon Disclosure Project - CDP, recognizing climate change as an imminent economic, social and environmental risk all organizations, but also as an opportunity to be more competitive and sustainable. Environmental volunteers, Eco-efficiency, Green Recall, among others.



Environmental Dimension

BANCO DE OCCIDENTE

Planeta Azul

For 25 years the Bank has been demonstrating its interest in the defense and disclosure of the ecological resources of our country. In 1984, the bank started the annual publication of a book of ecological content which has contributed to the disclosure of our natural wealth. That same year, the bank adopted the chigüiro - an endangered species - as an institutional symbol of savings.

The presence of the Bank in the environmental issue has been important; during all these years it has supported in one way or another actions aimed at raising awareness among Colombians about the need to preserve and defend our natural resources.

In order to go much further, in 1993 the Bank proposed the creation of an ecological contest whose main theme was water. In that year the Premio Nacional de Ecología Planeta Azul Banco de Occidente: Agua como principio de vida was born.

Due to this initiatives, Banco de Occidente has been identified as an entity committed to the conservation of the national and international environment.

BANCO POPULAR

Green Protocol

Committed to the work within the framework of the Green Protocol strategies and in order to facilitate the convergence of efforts of the National Government and the Colombian financial sector for the implementation of policies and practices in terms of sustainable development.

CORFICOLOMBIANA

Through the environmental education project “sembrando compromiso hoy para un mañana verde” we intend to:

- * Generate awareness about environmental issues
- * Encourage the participation of children in the protection and improvement of the quality of the environment.
- * Develop habits of good environmental practices in the community.
- * Generate awareness of respect and conservation for the environment and the beings that comprise it. Stimulate ecological attitudes that promote the conservation and use of natural resources, among others.



Environmental Dimension



BAC

Planet “We are determined to protect the planet against degradation, including through sustainable consumption and production, the sustainable management of its natural resources and urgent measures to address climate change, so that it can meet the needs of present and future generations. future.”

Transforming our world: 2030 Agenda for Sustainable Development

Promotion of good environmental practices. Put our talents and operational structure at the service of the societies where we operate, to contribute to sustainable consumption and responsible management of natural resources.

System of Analysis of Environmental and Social Risks Identify, evaluate and manage in a timely manner the environmental and social risks that can be generated by the activities and projects that we finance, to promote the production and sustainable management of natural resources.

Internal Environmental Management System Minimize the environmental impact of all the processes, projects and activities that we execute daily, including our carbon footprint.

Sustainable Development Goals to which we contribute

