

ANNUAL MANAGEMENT
AND CORPORATE
RESPONSIBILITY
REPORT
2013



Finding new ways of shaping
a more gratifying experience
for our clients

Grupo
Bancolombia
le estamos poniendo el alma

Reconocimiento



Bancolombia es la empresa privada del país con mejor reputación, responsabilidad y gobierno corporativo, según los resultados del monitor Merco 2013, además su presidente, Carlos Raúl Yepes, fue destacada como el líder con mejor gestión en una compañía privada. Hemos declarado que queremos una Banca más Humana, donde la confianza sea el motor de las relaciones", dijo Yepes. En este monitoreo, uno de los más reconocidos del mundo, participan 924 empresarios, 406 expertos, 1.614 ciudadanos y más de 13.000 empleados.

Bancolombia llamará Banistmo a su nueva operación en Panamá

Reconocimiento a la página del Bancolombia

SERVICIOS
El portal de internet de Bancolombia fue reconocido como el 'Mejor sitio de Servicios Financieros' en la décimo quinta edición de los premios 'Colombia En Línea', otorgados por la CCIT.

Bancolombia se convirtió en el primer socio colombiano de la Red de mercados emergentes

BOGOTÁ. Identificar buenas prácticas en otros países y aumentar la experiencia positiva con todos los clientes, fueron las razones fundamentales para que Bancolombia se convirtiera en el primer socio colombiano en hacer parte de la Red de mercados emergentes, Enmet.

Enmet, está conformado por 31 miembros que hacen parte del sector financiero, construcción, telecomunicaciones, sector energético, productos químicos y tecnologías, contando con la presencia de los representantes de grandes compañías y expertos de la Organización para la Cooperación y el Desarrollo Económico, Ocde, con el objetivo de mostrar ideas eficientes e innovadoras para todos los clientes.

Para Bancolombia, pertenecer a esta red es una gran oportunidad que permite interactuar con diferentes regiones del mundo que facilita las nuevas formas de hacer negocio. Así lo hizo ver Felipe Rincón, gerente de regulación y asuntos públicos de Bancolombia, quien agregó que "ser miembro de un foro en el cual podemos intercambiar ideas con líderes de talla mundial nos permite proyectar nuestro propósito de innovar cada día más en la experiencia de nuestros clientes".

Para el gerente, ser parte de este grupo ayudará al crecimiento de los mercados emergentes, quienes representa 40% del PIB mundial y en unos 20 años alcanzarían 60%.

40 POR CIENTO
REPRESENTAN LOS MERCADOS EMERGENTES EN EL PRODUCTO INTERNO BRUTO MUNDIAL.

Bancolombia, en la era de sucursales sostenibles

Bancolombia pisa fuerte en Guatemala

Bancolombia como el Mejor Banco en Redes Sociales

En el marco de la premiación a los "Mejores Bancos para los Consumidores en Internet", Bancolombia fue reconocido como el "Mejor Banco en Redes Sociales en Latinoamérica".

En la catorceava versión de los premios "Mejores Bancos para los Consumidores en Internet en Latino América" otorgados por la revista americana Global Finance, Bancolombia fue destacado como el "Mejor Banco en Redes Sociales" de la región Andina. Esta distinción al Banco fue el resultado del éxito de sus productos y servicios ofrecidos en la web y cómo son reflejados en las redes sociales.

En noviembre del presente año, se darán a conocer en la ciudad de Nueva York, los ganadores de los "Mejores Bancos para los Consumidores en Internet del Mundo", en la cual los bancos finalistas de cada continente participarán por esta distinción. Este año, Bancolombia por ser reconocido el mejor de Latinoamérica, tendrá la oportunidad de competir en la categoría de mejor en redes sociales junto con los otros ganadores de África, Asia, Norte América y Europa.

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INTEGRACIÓN NOTICIA

"La del aseo", tan importante como el presidente del banco

Bancolombia reconoció ayer, con un taller vivencial, el valor de la tarea de su personal de servicios generales.

Por JANA FERNANDO ROJAS T.

Los baños no estaban tan limpios como todos los días, no había quién sirviera el agua o el café al instante, las salas de reuniones debían dejarse como se encuentran. Ayer en Bancolombia, en su sede principal de Medellín, no fue un día normal.

Mientras tanto, María Patricia Sánchez Moreno, una de las "señoras de los limos", estaba reunida en un gran salón con 233 compañeros más de Sodessa, aprendiendo a reconocer la dignidad de su oficio, lo necesario que son para el banco más grande del país. Este primer experimento de taller vivencial se replicó



Bancolombia se ratifica en el índice Dow Jones

El banco colombiano, Bancolombia fue ratificado en el índice de empresas que conforman el Índice de Sostenibilidad Global Dow Jones, uno de los principales indicadores mundiales para monitorear el desempeño de compañías líderes en términos de sostenibilidad corporativa. De 179 bancos evaluados en el mundo, 23 fueron seleccionados. La entidad bancaria colombiana logró obtener 83 puntos de 100 posibles.

Pacto por el buen servicio y la venta responsable

Bancolombia sigue abriendo espacios para mejorar sus relaciones y su atención; en esta ocasión se realizó el Día del Servicio y la Venta Responsable, un evento que convocó a cerca de 2.000 líderes de Colombia, Panamá y El Salvador. La Jornada comenzó con la motivación que Bancolombia para realizar este evento, es decir entregarle al cliente soluciones acordes con sus necesidades, con información oportuna y clara sobre las características, costos y tarifas, obligaciones y derechos. El presidente, Carlos Raúl Yepes, invitó a los colaboradores a conectarse cada vez más con este tema y a entender que una organización con más de 9 millones de clientes, que está presente en diez países y que envía un mensaje de venta responsable a sus públicos, "de verdad hace una gran contribución a las comunidades donde



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Guided by our sustainability strategy, we hereby declare that this report was printed according to world-class environmental standards, using soybean oil-based inks and paper sourced from sustainable crops, both materials duly certified by recognized international organizations. Our printing supplier has implemented an Environmental and Social Management System that is fully aligned with Grupo Bancolombia's sustainability policies.

About Our Report for 2013

In 2008 we began to present our sustainability report using the Global Reporting Initiative (GRI) methodology. In 2013, we adjusted our sustainability management model in keeping with the new fourth-generation guidelines (G4) introduced by GRI, as well as those contained in the G4 Sector Supplement-Financial Services for 2013 this for the purpose of drawing up our GRI-based Sustainability Reports. Last year, for the benefit of all our stakeholder groups, we rolled out our new road map, called our 20/20 Vision, the purpose of which is to offer a more "humanistic" banking service so as to drive client referrals. In drawing up this report, we identified the more salient aspects of the initiatives deployed throughout the year for the benefit of our different stakeholder groups, informing them of the main achievements obtained through our strategy as well as the goals ahead.

In the final part of this report, we present the GRI content index along with different economic, environmental and social areas indicators that go into drawing up a sustainability report. Regardless of having adopted this new G4 version, we chose to base this report on all the GRI features. We are firmly committed to working with this methodology so as to be able to provide our stakeholder groups with more complete information regarding our sustainability initiatives as we continue on this learning curve.

Our Sustainability Report for 2013 can be found at:
<http://www.grupobancolombia.com>

Should you have any queries regarding the content of such, please contact us at the following e-mail address:
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We are a Latin American financial group that helps people to realize their life-time ambitions while establishing long-lasting relationships with our clients, these based on trust, closeness, respect, inclusion and warmth.

Listening carefully to our clients and really thinking about them, while remaining sensitive to their needs, has led us to evolve in providing a new, more gratifying client experience and favoring a different way of relating with these under the overarching concept that all of us are important.

The idea behind this is that providing financial services is not the same as supporting people's life-time aspirations and goals, we have to go one step further in this important transformation we are undergoing at the present time. Our goal is to become better in everything we do, so as to be able to provide swift, impeccable and straightforward solutions. And to achieve this, we are putting our soul into everything we do.

Message to our shareholders

Dear Shareholders,

The greatest challenge facing organizations today is to be able to create added value in the present while driving growth in the future. Short-term results hardly suffice if these achievements are not sustainable over time. Also our mission shall never be complete if we fail to consider the economic, social and environmental development of communities on a local level.

This has always been our goal and so for this reason we can speak with great pride of our history, one which spans 139 years of steady growth, development, evolution, achievements and results.

Today, we have a vision of the future for which we have worked very hard. So in 2013 we were able to continue with this sense of purpose that forms a common thread in everything we think, say and do. This is precisely one of the mainstays that shall enable us to build a futuristic organization, a 'new bank' with a more humanistic approach, one that remains closer to its clients, more electronically capable, more mobile, more convenient, more international and more responsible.

We have worked hard in building up our social capital, drawing up and deploying a road map, with which we have been earning the trust of our people so as to form a sound basis for our continued growth. This is, ultimately, the cornerstone of our vision of the future: to continue to obtain a good level of results in the present with an eye to the sustainability of our business in the future.

This is our way of thinking, and our corporate vision has already begun to produce a series of tangible achievements.

Here, I would like to pause for a moment to explain in more detail how we drew up this Management Report. As part of our strategic planning, for which we received input from our stakeholder groups, we have four work fronts on

which we concentrated in 2013 and which shall serve as a guide until the year 2020; this with the ultimate aim of achieving the highest possible client referrals as a more "humanistic" bank. Although each topic herein contained may be related to more than one work front, the most important thing to bear in mind is that based on these four mainstays, we have obtained significant achievements, and so this report shows our performance in all four areas.

We therefore present the following summary of the progress made on all four work fronts:

1. Sustainable Growth

This is the result of doing things right, which goes far beyond any financial result we could obtain and reflects a responsible business management as well as a firm commitment to continue reaching out to the remoter corners of all those countries where we are present, driving growth and providing shared value. The reason behind all of this is our wish to build a prosperous, inclusive, environmentally healthy society and in so doing drive the sustainability of our Organization.

2013 was a year that shall remain in our corporate memory as one in which we realized our greatest achievements with regard to our international expansion plans. First of all, in October, our newly-acquired subsidiary, Banistmo, started up in Panama, after taking over the HSBC operations in Panama, upon acquiring a 100% stake in the Bank's ordinary share capital and another 90.1% stake in its preferred share capital, thus allowing us to extend our presence in this part of the world, since first arriving here back in 1973.. Secondly we were able to acquire a 40% stake in Grupo Financiero Agromercantil in Guatemala, an organization showing substantial growth potential that provided us with access to one of the strongest economies in the region.

As for our ongoing commitment to helping more and more people to own their own homes or build up their financial resources, we continued to finance housing through both mortgage loans and leasing arrangements, for which we paid out a total of COP 2.4 billion, representing 29.2% share of the total market.

We have also built up a strong leading position on the credit/debit card market, with more than 7 million cards in active use for a 37% share of the total billings for said market. Our stock brokerage firm enjoys No. 1 position on the local stock market, accounting for 20% of the market's total revenues and 41.26% of its total profits. Furthermore, our payment, collection, foreign exchange and transfer systems processed almost COP 900 billion, which is nearly 5 times Colombia's entire Government Budget.

Finally, we continue to consolidate our presence in all those countries where we currently operate. In the specific case of Colombia, we became the first private financial institution present in all 32 departments, now that we have launched the 'Bancolombia at Hand- Banking Correspondent POS' initiative in the town of Mitu in the Department of Vaupés Today we are present in 844 cities and towns throughout Colombia, thanks to an extensive and stable network of channels that serves as a very efficient complement to our on-line banking services. As a Group we have established a wide-ranging coverage with a total of 1,090 branch offices, 7,933 electronic Points of Service, 594 Mobile Units, 4,310 ATMs and 2,162 Banking Correspondent POS. In fact, this year we conducted almost 1,600 million transactions, representing a year-on-year increase of 21.5%, out of which 91.3% were performed on-line.

2. The Value of Trust

We are a sound and responsible Organization intent on helping our clients with their life-time ambitions as well as our local communities with their ongoing growth and development. This important attribute, namely trust, is present in everything we do, effectively prompting us to transform our

daily dealings through a proactive, balanced and comprehensive handling of the risks involved, and in so doing building a reputation for being a more "humanistic" bank.

Clearly, safeguarding the trust our clients have deposited in us is crucial. Hence, our decisions have revolved around enriching our interactions with swift, straightforward and impeccable solutions, so as to make life that much easier for our clients.

Here, the first point we would like to address deals with our 24 x 7 channels. At year-end 2013, we achieved an availability rate of 99.6% for both our on-line and telephone banking services, showing the evident robustness of our technological platform, guaranteeing security and accessibility

We also revamped our telephone banking service creating a new Preferential Help Line as well as another Help Line for Colombians abroad. Parallel to this we deployed a new Service Model with which we have obtained a 69% score with regard to client and user referrals, thereby placing us on a closer footing with companies in the United States who are well recognized for providing a gratifying client experience.

By putting ourselves in the place of our clients and fully understanding their needs, we were able to do away with a total of 403 formal banking procedures in 2013, thereby reducing the burden of requirements placed on our clients from 35% to just 3%.

We also were able to establish a very important and valuable dialog with our clients regarding Service and Responsible Selling issues. By listening carefully to our clients, we were able to hone our information management, client care and problem-solving services that much more effectively.

By simplifying our banking business, we have gradually gained greater trust and appreciation amongst our client base.

To conclude this section, I would just like to mention a date, September 12, 2013, that shall go

down in Bancolombia's history as an important milestone, since it was on that day that our listing on the Dow Jones Global Sustainability Index was confirmed. This means that we shall continue to rank amongst the 23 most sustainable banks in the world from the economic, social and environmental standpoints. Here another important factor to note was that our own Dow Jones score outstripped 94% of the other banks that were considered on a worldwide level for this listing, with the final selection narrowed down to just 6 Latin American banks, one being Colombian: Bancolombia!

3. New ways of providing a more gratifying client experience.

Our goal is to offer a memorable experience whenever and wherever our clients need us, ensuring easy access to our financial services by means of secure, straightforward processes, providing products and services tailored to the needs of our consumer and corporate clients. For this we are implementing ways of liaising with our clients in a closer more opportune fashion, providing the customer care they need so that they may make more mindful, responsible decisions.

So we have been working on moving towards an efficient, multi-channel model, with a special focus on mobility, self-management and availability. Here we made great strides with regard to furthering our technological development.

On the one hand our mobile phone application, the Bancolombia App, has been downloaded more than 950,000 times and now accounts for 12% of the total transactions performed by all our clients. On the other hand, with our "Bancolombia - Just A Click Away" initiative, 15 thousand clients have requested 110 thousand documents which have been sent electronically, free of charge.

Also, we are bringing the stock market directly to our clients through our e-Trading service, an on-line platform which accounted for trades worth more than COP 260 thousand million in 2013.

However, our innovation goes beyond technology to encompass greater inclusion for all segments of the population. Here, we are developing a model of lightweight services providing more convenient and efficient access to the local financial system. Since we launched our new "Handy Savings" product, almost 78 thousand new accounts have been opened. These are ideal for people living in the more remote areas of the country, since these accounts can be managed via mobile phone. For 55% of these new clients, this has been the first financial experience they have ever had. We also have 1,019 new banking correspondent POS as part of our "Bancolombia At Hand" initiative. These consist of banking facilities at corner shops or "Mom and Pop" stores in small outlying towns and villages, that moved almost COP 8 billion pesos in 2013 alone.

We are also transforming client experience with new payment channels. For example, the Maestro Pay Pass debit card that does not require any direct contact with our customer service staff or receipt-signing, is facilitating the lives of our clients. Also our Young People's Credit Card, a product sold on-line, now accounts for 70 000 cards in circulation with transactions in excess of COP 100 thousand million.

Another major achievement was the alliances formed with other large-scale companies. Today we have new agreements with Suramericana (Insurance) Protection (pension funds), Nutresa (food manufacturing), Argos (cement and ready-mix), 4-72 (postal services), Olympic (supermarkets) and Coordinadora (freight transport), through which we are expanding our distribution network and facilitating access to financial services. As part of this initiative, we launched a new Agricultural Insurance product in conjunction with Sura, aimed at the coffee, sugar cane, corn and rice-growing segments, which represented disbursements of COP 28 thousand million. We also provided triple mileage points to over 10,600 clients with a co-branded credit card in conjunction with the Esso Mobil gas stations. Furthermore, we are consolidating the Social Leasing program in conjunction with the Colombian family welfare institute, Comfama, aimed at

providing opportunities to low-income families to own their own homes, this in addition to other outreach alliances we have formed.

4. Committed to our "Humanistic Banking" Approach.

The reason why we are so committed to this important initiative, is that we wish to be an Organization that thinks of others and that is able to help people attain their life-time ambitions. This requires the enormous talent and a deep commitment on the part of our employees and strategic partners.

In recent years we have been building a new way of liaising with our clients and stakeholders, establishing priorities centered on the "people" factor, with a clear focus on our clients as the cornerstone of our business, and defining respect and inclusion as the prime characteristics of the service we provide. To achieve this goal, we have formed competent teams focusing on satisfying our clients, which ultimately leads to successful results in the present and positive expectations in the future.

We have enhanced the skills of our human talent through a healthy sense of leadership throughout the entire Organization. Here 93% of all managers and group leaders have participated in the 'Leaders' program, which is the first chapter of the Institute of Leadership, which allows managers to form teams while striking an optimum balance between the Organization's needs and employee interests.

Furthermore, we take our responsibility as a social actor very seriously, and have invited our employees to take part in initiatives aimed at improving equality, and in this way forge enduring bonds with our local communities.

Over the past year, with a corporate volunteer corps numbering more than 4,500 employees, we were able to take part in programs sponsored by Bancolombia such as "First Things First", the "Godparent Plan" and "My First Steps" benefiting more than 7 thousand underprivileged chil-

dren at day care centers throughout the country. With our 'Stomp' program we have helped to train 3,200 teachers in 18 Departments of Colombia. We have also provided more than 110 thousand text books to 300 schools in 19 different Departments, through our 'Reading and Writing Throughout Colombia' program. As for our subsidiary, Banco Agrícola, in El Salvador, its "Joining Hands for El Salvador" program has just celebrated its 10th anniversary, having helped more than 140,000 students from 72 cities and towns in this Central American country.

We are also playing a key role in the environmental development of our business. On December 16th we opened the first totally sustainable bank branch in the Colombian financial sector, this located in the Carvajal neighborhood in Bogotá. This consists of a truly eco-efficient branch office which produces cleaner waste. It was built using eco-technologies that are reducing operating costs in terms of energy consumption by 40%, this in addition to other eco-efficient benefits.

Another example is our partnership with Cornare, the local water board in Antioquia, through our joint 'BanCO2' program. Here, Bancolombia was responsible for opening up more than 100 "Handy Savings" accounts for rural workers participating in this initiative, with the aim of securing the sustainable development of our woodlands and protecting our natural resources.

Results of a job well done

All the above-mentioned activities, decisions and products have paved the way for a very favorable economic outlook going forward. We have managed to provide the same level of added value as we have done in the past, which is a difficult achievement in today's world. Nevertheless, this has been made possible by the dynamic performance shown by the economies of Colombia, Panama and to a lesser extent, El Salvador, mainly in the second half of the year.

Grupo Bancolombia's consolidated financial statements show net profits totaling COP 1.5 billion with total assets reaching COP 32.9 billion,

for a year-on-year increase of 33.6%, which was the highest it has been since 2007 when we acquired Banco Agrícola in El Salvador. It is also worthwhile noting that the monetary increase in total assets for 2013 equals the total value of assets held by the fifth largest bank in the Colombian banking system. Also the Bank's total portfolio in its various forms rose by 27.8%.

Consequently the Group's equity increased by COP 0.9 billion with our solvency ratio surpassing the minimum set by the regulatory authorities, with a year-end total and basic solvency ratios of 10.6% and 5.8% respectively, thereby comfortably exceeding those stipulated by the Basel III standards.

Net commissions increased by 6%, driven mainly by revenues from cards as well as our banking and trust services. Operating expenses went from a year-on-year increase of 14.7% for 2012 to just 8.7% in 2013, as a result of our efforts to rein in labor and general expense compared to the previous year.

Other figures that I would like to address, these being tangible proof of our role as an important social and economic player, include our participation in the joint efforts to encourage investment as well as drive the country's export potential and deploy agricultural strategies, having sponsored the Agrofuturo Fair, an important academic and business event for the agricultural sector, at which we placed loans worth more than COP 45 thousand million, 56% of which through our Finagro Line.

We also helped 5,975 single mothers and more than 32,000 micro-entrepreneurs in Colombia to further their SMEs and entrepreneurial ideas, by disbursing COP 147 thousand million through our micro-credit model 'Bancolombia My Business'.

We also provided our support to more than 30 highway concessions as well as more than 25 port works and major pipeline and hydroelectric projects that are bringing progress to Colombia, with disbursements totaling COP 2.2 trillion.

With regard to the 100 thousand free homes offered by the Colombian Government, we rank in No. 1 position in terms of construction loan approvals having disbursed a total of COP 677,501 million.

In keeping with the proposals submitted for the country's plan to boost productivity and jobs, (PIPE in Spanish) the amount of funds channeled through Bancoldex came to almost COP 30 thousand million pesos, representing 32.39% of the program's total disbursements.

All this entailed receiving recognition for our efforts from different organizations and publications in various areas and for different reasons. I would like to highlight some of these awards and recognitions. The Global Finance magazine named Bancolombia and Banco Agrícola as the best banks in Colombia and El Salvador, respectively. Meanwhile, the British publication, Euromoney, ranked us as the most useful website in Latin America and the top fifth company with the best accounting transparency practices. As for the Elite Survey conducted every year by the Colombian newspaper, Portfolio, we won the Best Customer Service Award in the local financial sector. Compassbranding also ranked us in No. 1 position in its service category among the most valuable Colombian brands. Merco Empresas (Corporate Reputation Monitor - Business Category) also named us as the private company with the best reputation and best corporate governance, and Merco Personas (Corporate Reputation Monitor - Consumer Category) ranked us best Colombian private company to work for.

All told, we received more than 25 individual recognitions that bear witness to our transparent, ethical and responsible efforts which are serving as a source of inspiration to continue rising to the challenges and securing optimum levels of results.

Our gratitude

Recent studies carried out by Harvard University and presented at the World Economic Forum in Davos, Switzerland showed that the future of world-wide business lies in its humanization.

These statements, together with our decisions, our actions and our results show that we are on the right track.

We are an Organization with a past, a present and a future of which we are proud. All this has served as a basis for all those who have placed their trust in us, providing their support in helping us to go on to bigger and better things.

First of all we would like to thank you, our shareholders, who have been constant witnesses of the road thus traveled. Without you we would not have a mission to fulfill. We have been firmly guided on your behalf, and you can be absolutely certain that we have acted with the utmost commitment and responsibility.

I would also like to thank our employees who I also represent before you. This team of human talent, with outstanding professional skills and personal qualities, has got to grips with their tasks with determination, commitment and dedication; a group of human beings that share our philosophy of a humanistic banking experience as they help to transform our society.

Our strategic partners and suppliers have also been indispensable allies to us, friends with whom we share a common purpose and who have provided their entire support in achieving the goals set.

Obviously we would like to express our immense gratitude to our clients, our reason for being, because thanks to their vote of confidence in the Organization we have today, that is to say, employees with jobs, partners and suppliers providing their services and shareholders receiving returns on their investments. All of these chose us, and that is why we continue to give our very best so as to ensure that these expectations are met.

Finally, I wish to thank the media, for the vital role they play and which deserves our recognition.

After three years into a period of building and deploying our concept of a more humanistic bank, this coming year poses challenges with regard to

consolidating our business model. As an Organization, we shall continue to provide new ways of making our client experience more gratifying, while at the same time ensuring a sustainable level of growth over time, with a clear conviction that we have the ability to create added value today and ensure ongoing growth tomorrow, as we seek to transform the lives of individuals and the public at large. Fortunately, we know that we have their entire backing.

In Bancolombia we are prepared for the future.

Thank you for your support!



Carlos Raúl Yepes Jiménez

Chief Executive Officer - Bancolombia

Economic report

BANCOLOMBIA

Retail Banking

INDIVIDUAL FINANCIAL INFORMATION (excluding subsidiaries)

BALANCE SHEET AND P&L (Year-end figures in COP millions)	2013	2012	2011	2010	2009
Direct operating earnings,	16.100.274	10.962.300	12.118.167	11.149.631	9.477.590
Net operating earnings	1.548.786	1.456.957	1.267.775	1.212.867	1.087.051
Net profits	1.467.907	1.284.490	1.192.267	1.177.999	1.000.157
Total assets	90.004.946	75.141.682	62.183.997	48.678.983	40.916.114
Loan Portfolio, net,	57.757.411	51.850.670	41.969.524	32.917.062	24.898.178
Net Investments	12.633.103	11.462.577	8.143.169	6.967.972	6.816.474
Total liabilities	77.575.845	63.640.733	53.390.110	40.861.988	33.947.103
Deposits (Savings/Checking Accounts and CDs)	54.888.402	46.945.888	36.197.447	29.364.864	27.045.979
Equity	12.429.101	11.500.949	8.793.887	7.816.995	6.969.011

EFFICIENCY AND PROFITABILITY INDICATORS Year-end figures	2013	2012	2011	2010	2009
Efficiency (operating expense / average total assets)	3,9%	4,6%	4,8%	5,1%	5,0%
Average Return on Assets	1,8%	2,0%	2,2%	2,7%	2,5%
Average Return on Equity	12,4%	12,1%	14,6%	16,4%	16,1%
Solvency Ratio	13,34%	17,85%	15,52%	18,06%	17,3%
Basic Solvency Ratio	5,65%	5,62%	10,40%	8,99%	7,8%
Loan Quality (Past-due loans / total loans)	2,6%	2,5%	2,2%	2,8%	3,6%
Total Past-Due Coverage	175,8%	175,8%	199,8%	173,8%	158,0%

MARKET	2013	2012	2011	2010	2009
Share Price	23.593	29.928	28.480	29.500	23.140
Market Cap (in millions)	20.160.513	25.493.228	22.437.313	23.240.897	18.230.317
No. Shares Outstanding	851.827.000	851.827.000	787.827.003	787.827.003	787.827.003
Intrinsic Share Value	14.591	13.502	11.162	9.922	8.846
Earnings Per Share	1.723	1.508	1.513	1.495	1.270
No. Shareholders	17.638	16.624	15.920	15.053	15.494
No. Employees	18.463	17.508	16.962	16.191	14.567
No. Branch offices	844	815	779	725	713

Based on Board of Directors' Account Reporting Framework

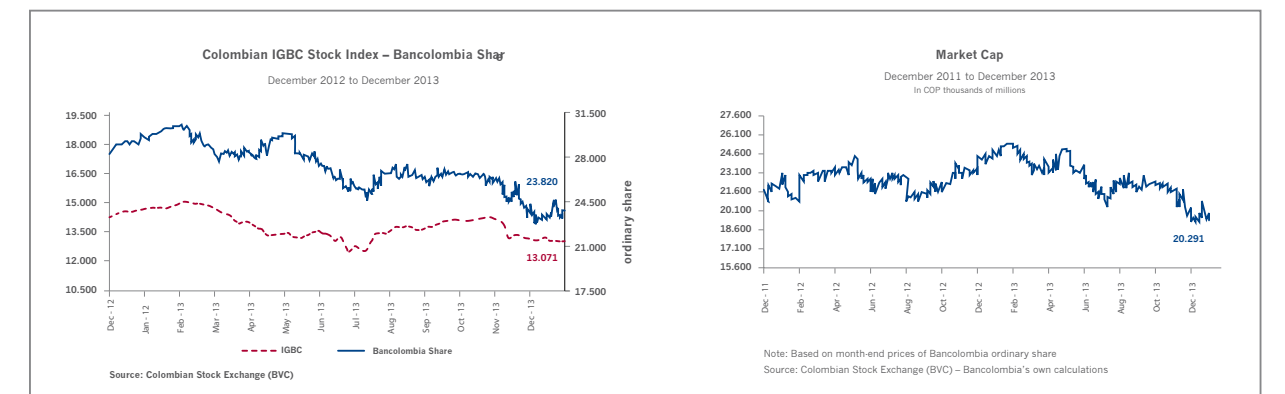
GRUPO BANCOLOMBIA

CONSOLIDATED FINANCIAL INFORMATION

BALANCE SHEET AND P&L (Year-end figures in COP millions)	2013	2012	2011	2010	2009
Direct operating earnings	11.135.032	10.504.664	8.492.762	7.226.263	8.457.798
Net operating earnings	1.974.039	2.179.595	2.109.595	1.914.801	1.709.943
Net profits	1.515.127	1.702.046	1.663.894	1.436.494	1.256.850
Total assets	130.816.241	97.916.380	85.463.020	68.095.156	61.864.365
Loan Portfolio, net	85.394.191	66.739.040	58.575.846	46.091.877	39.610.307
Net Investments	13.805.790	12.554.311	9.958.191	8.675.762	8.914.913
Total Liabilities	118.323.394	86.309.425	76.469.661	60.148.016	54.831.536
Deposits (Savings/Checking Accounts and CDs)	85.493.148	63.199.304	51.530.061	42.887.073	41.700.217
Equity	12.492.847	11.606.955	8.993.360	7.947.140	7.032.829

EFFICIENCY AND PROFITABILITY INDICATORS Year-end figures	2013	2012	2011	2010	2009
Efficiency (operating expense / average total assets)	3,9%	4,5%	4,6%	4,9%	4,7%
Average Return on Assets	1,4%	1,9%	2,2%	2,3%	2,0%
Average Return on Equity	12,8%	16,0%	20,2%	19,7%	19,6%
Solvency Ratio	10,61%	15,77%	12,46%	14,68%	13,2%
Loan Quality (Past-due loans / total loans)	5,81%	5,62%	10,40%	8,99%	7,8%
Total Past-Due Coverage	2,9%	2,6%	2,2%	2,9%	3,9%
Based on Board of Directors' Account Reporting Framework	156,5%	177,3%	209,8%	179,8%	149,4%

Based on Board of Directors' Account Reporting Framework



Macroeconomic environment

For 2013, economic activity in Latin America continued at a moderate pace. According to a recent report published by the International Monetary Fund, in January, Latin America's GDP growth for 2013 is expected to be 2.7%, lower than that obtained for the previous two years, that is to say 4.6% and 2.9%, respectively.

This is mainly due to an unfavorable global economy, with major trading partners showing lower rates of growth along with a slight decline in terms of trade. Also on a regional level, domestic bottle necks affected the supply side of many Latin American economies.

Much of Latin America's sluggish economic performance in 2013 was mainly due to Brazil, which is still recovering, albeit very gradually, from a slowdown that began in mid-2011; as well as Mexico, where growth for the first half of the year went below analyst expectations.

In other economies such as Peru and Chile, growth has slowed compared to the record highs seen in 2012, particularly given the loss in momentum of the global economy. Nevertheless, the domestic demand in these countries remains strong thanks to higher private consumption, driven by declines in unemployment.

Meanwhile, in the case of Central America, the IMF estimates that GDP growth shall drop from 3.8% in 2012 to 2.9% in 2013. This slowdown is largely based on a poorly-performing external demand as well as negative supply shocks that have plagued several of these economies. The exception to the rule has been Panama, which continues to produce GDP growth rates well in excess of the average for the region, given the

dynamic pace of investment and construction, driven by several projects including the widening of the Panama Canal.

As for Colombia, macroeconomic results for 2013 were mixed. On the plus side, after the low growth experienced in the first quarter of the year (2.6%), economic activity rose to 3.9% during the second quarter and 5.1% in the third quarter.

On a sectorial level, this recovery is largely explained by the construction, agricultural and social service (both community and personal) sectors. Between January and September 2013, these sectors expanded by 10.8%, 6.1% and 4.8%, respectively. Meanwhile, a dynamic growth on the demand side has been largely driven by consumption and investment, with increases of 4.3% and 3.4%, respectively.

Another positive factor is that this growth has largely been obtained amid low levels of inflation. At year-end 2013, the annual increase in the Consumer Price Index (CPI) reached 1.94%, which is the lowest it has been since 1955. This, which has effectively been a milestone for the Colombian economy, implies that inflation will end the year below Central Bank's targeted range of between 2% and 4%. This has been largely due to low pressure on the side of food prices, which accounts for around 28% of the CPI, producing a 12-month inflation rate of just 0.85% for this expenditure group. Other expenditure groups whose prices rose below average at year-end 2013 included Apparel (0.94%), Entertainment (1.84%), Transport (1.39%) and Other Expenditure (1.03%).

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Another positive factor was the Colombian job market. At year-end 2013, the urban unemployment rate stood at 9.7%, which is lower than that recorded the previous year (10.2%). It is worthwhile noting that the decline with unemployment (on an urban level) was mainly due to the increase in the working population, with 279,000 people now joining the ranks of the actively employed. Also during this period, the number of unemployed fell by 3.6%. New job creation was particularly evident in sectors such as retail, construction, financial intermediation and real estate.

On the other hand, we did see a number of unfavorable factors with the Colombian economy in 2013. First and foremost was the decline with the industrial sector. For 2013, Colombian industry shrank by -1.9%. This figure is confirmed by the sector's production figures, which in December 2013, reported a growth of 1.5%, after falling by an average of -2.1% between January and November. This weakness is attributable to a combination of structural factors, which affected the industry's competitiveness, as well as cyclical issues, such as a drop in the global demand for Colombian goods.

Another negative factor has to do with a deficient performance on the part of the Colombian external sector. In 2013, Colombian exports reached just COP 58,822,000, representing a year-on-year drop of 2.2%. This is largely explained by the declines with the country's traditional and non-traditional exports of -1.0% and -4.9% respectively. Lower export volumes were due to a weak external demand especially during the first part of the year, along with lower international prices of major commodities.

In response to the challenges facing the Colombian economy in 2013, Central Bank maintained an expansionary monetary policy, reducing the benchmark rate by 100 basis points during the first quarter of 2013, where it remained at 3.25% throughout the entire year. These monetary decisions trickled down to the rest of the economy throughout the year, with lending rates for the main types of products offered by Bancolombia falling below their historic averages; this with the exception of credit cards. Also for a large part of last year, there was ample liquidity on the local money market, since the growth in broad monetary aggregates outstripped the increase in credit aggregates.

Key macroeconomic indicators for Latin America

Region/country	GDP Growth (YoY % chg)			Inflation (YoY % chg)		
	2013(P)	2012	2011	2013(P)	2012	2011
Latin America and the Caribbean	2,7	2,9	4,6	6,9	5,9	6,8
Financially integrated countries (1)	3,5	4,0	5,4	4,3	4,0	5,3
Central America	2,9	3,8	4,1	5,0	4,1	6,2
Colombia	4,2	4,2	6,6	1,94 (2)	2,4	3,7
Panama	7,5	10,7	10,8	4,5	4,6	6,3
Peru	5,4	6,3	6,9	2,8	2,6	4,7
El Salvador	1,6	1,9	2,2	2,3	0,8	5,1
Guatemala	3,3	3,0	4,2	4,8	3,4	6,2
Costa Rica	3,5	5,1	4,4	5,0	4,6	4,7
Dominican Republic	2,0	3,9	4,5	5,0	3,9	7,8

(P): Projected
1 Brazil, Chile, Colombia, Mexico, Peru, Uruguay
(2): Grupo Bancolombia's own estimates

Source: International Monetary Fund, October, 2013

1. International Monetary Fund, Regional Economic Outlook: Western Hemisphere- Latin America and Caribbean, October 2013

New ways of providing a more gratifying client experience

For three years now we have been working on building a more "humanistic" bank, a different bank in which all of us are important, this based on four core values designed to achieve our goals of closeness, respect, warmth and inclusion.

The results produced so far bear witness to our optimism. We are optimistic and always will be. But this is not a mere sentiment, but a conviction based on concrete arguments and reasons, on Bancolombia's history as well as our committed and dedicated efforts in everything we do.

Our dream is to make concepts like efficiency, responsible selling, profitability and service excellence coexist in the same organization, and we are working to turn this dream into a reality.

And the result of all of this is our decision to provide our clients with a more gratifying, memorable experience every time they use our services.

We seek to create different, innovative, successful experiences. Today, our Organization has a number of products and services that bear witness to the fact that we are moving more decisively in this direction.

So, both in Colombia as well as in the various countries where we are present, we are helping people to attain their life-time ambitions, going beyond being just a bank, reaching what we propose, bringing progress to communities and demonstrating that our responsible corporate governance leads us to think about the future generations.

In the light of the above, we invited four journalists to talk about how we are faring, thus providing testimonials of our more humanistic banking approach in which we see everyone's dreams as our own.





Rafael Castillo Viscaino
Reporter for the ADN Barranquilla newspaper

A wave of progress has washed over the Port of Cartagena

There is more pride than nostalgia in the look he gives when thinking back. 20 years have now gone by and Alfonso Salas Trujillo, seated in the comfort of his own office along with two members of his team, thinks back to when the area on which the imposing and vibrant Cartagena Regional Port Authority structure now stands, stood practically in ruins.

What did we have at that time? Nothing! Nothing at all! Everything was in a state of abandon" stated Alfonso Salas Trujillo, manager of the Cartagena Regional Port Authority since it first came into being.

It was in 1993 when the Cartagena Port Authority received as part of a 40-year concession, the ruins of what was the port terminal of the capital of the Department of Bolivar. The project had hardly got off the ground at that time. Alfonso Salas Trujillo, left his home town in Huila when he was only 14 to attend the Na-

val Cadet School in Cartagena. That was a long time ago.

By the time he took over the Cartagena Port Authority as its manager he had got used to being amazed by the immensity of the sea and was then a grandfather and a captain of a corvette. It was pretty much an "ugly duckling" of a project, but other people encouraged him to do his very best and helped him with the task at hand.

"Few people believed in this back then." It was not just people, either it was financial institutions and other sectors. To be frank, Bancolombia played a key role in all of this because they gave us the confidence to invest in what this has become today," said Capital Salas as he is called today in Cartagena, Colombia's beloved Heroic City".

"Bancolombia believed in us. And when they had to take a risk, they did so gladly sorting

things out along the way. The port today is so different compared to what it was back in 1993" assured its manager, becoming emotional with the memories of it all

Amid a wave of anecdotes, histories and memories, floats an undeniable sense of gratitude towards the Organization that has been a pillar of strength and success for the Cartagena Port Authority, as well as Contecar, another terminal which started up in 2007 as part of the Port's expansion and development plans.

"In these past 20 years, Bancolombia has served as a great financial support in sharing the risk. One of the fundamental qualities of the Bank is that it goes beyond the purely economic issues, providing its assistance, understanding the problems and following up on the projects. It's a joint effort" mentioned this 70-year old visionary who dedicates himself





almost 24 hours a day to his maritime world.

And that is not an exaggeration. The Cartagena Port Authority, located in the Manga district, extends over an area of 34 hectares and is able to receive two million containers every year. This requires his total dedication

Thanks to the financial backing of Bancolombia, this Port Authority was able to purchase new equipment and modernize its infrastructure.

Also with Contecar, extending over another 100 hectares, it was able to expand its horizons envisioning a much more prosperous future. For this and the coming years, new investments in Cartagena's Port Authority come to USD 550 million. The

goal is ambitious but reachable: to become

the largest container port in Latin America and the Caribbean. As back in the "ugly duckling" days, Bancolombia shall provide all its support for this giant to continue its unstoppable growth.

The Cartagena Port Authority has received from the CSA - Caribbean Shipping Association its "Most Reliable Port in the Caribbean" award on six separate occasions. It is also ranked in 62nd place amongst the best ports in the world, according to the Container Management magazine. While both terminals, the Port Authority and Contecar, have been ranked in 14th place by the Great Place to Work Institute which monitors employee satisfaction.

This is why behind the Captain's easy gait, his casual dress, his white hair and his kind and unhurried way of speaking, there is more pride than nostalgia and only praise for Bancolombia.

"Lending money is bloody difficult!" Captain Salas said with a smile. "Bancolombia placed its money and its soul into this endeavor" Not all banks put their soul into their business. That is why I like the Bank's slogan "putting our soul into everything we do" because that is what large-scale projects are all about, that's what makes the country so great, that is the difference between just doing things and pouring your soul into the things you do. Listen up, I'm going to repeat that so you get the message..."



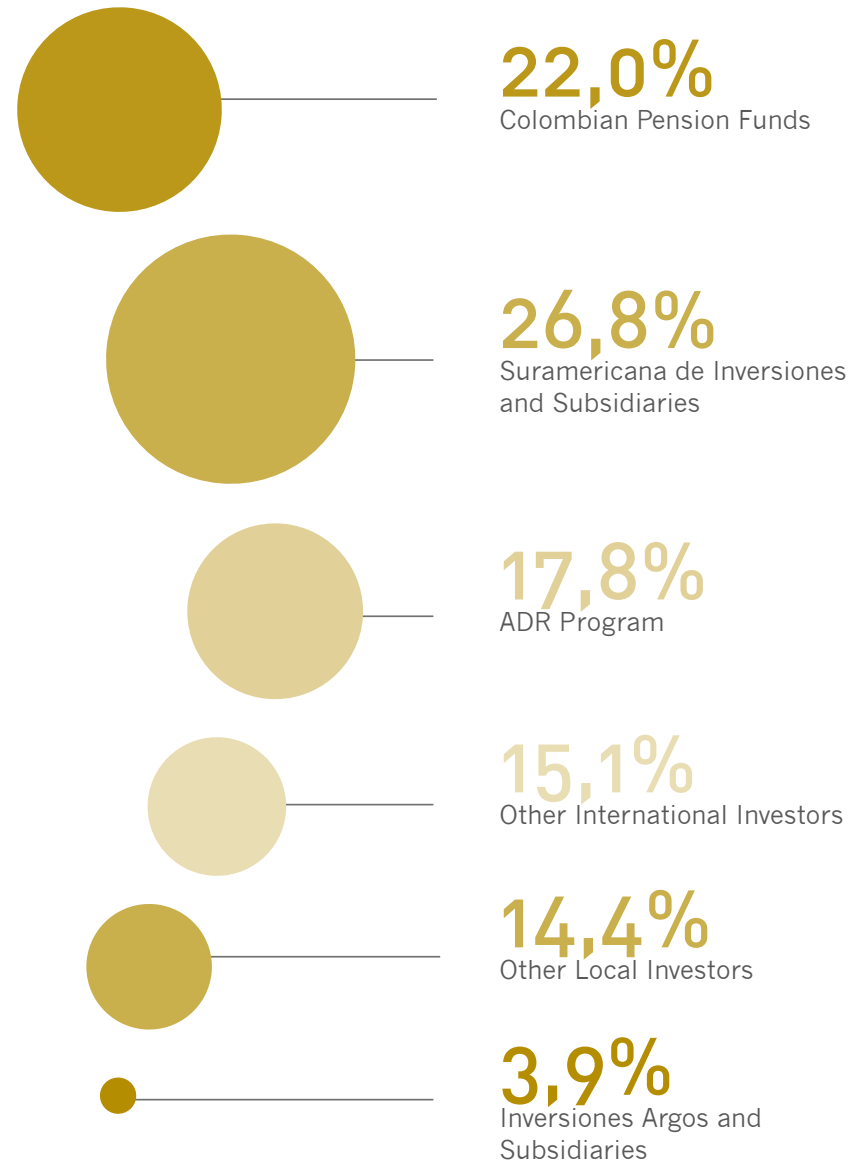


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Who we are today

COLOMBIA
Throughout its entire history, now spanning 139 years, Bancolombia has contributed to the country's progress and development, thanks to its commitment to building close relationships based on trust. With a market share of 24.7% in terms of assets, Bancolombia has the largest distribution network in Colombia, attending more than seven million clients with a broad range of financial products and services in conjunction with our domestic subsidiaries, thus becoming an important ally for the Colombian people in attaining their dreams.

Our shareholders



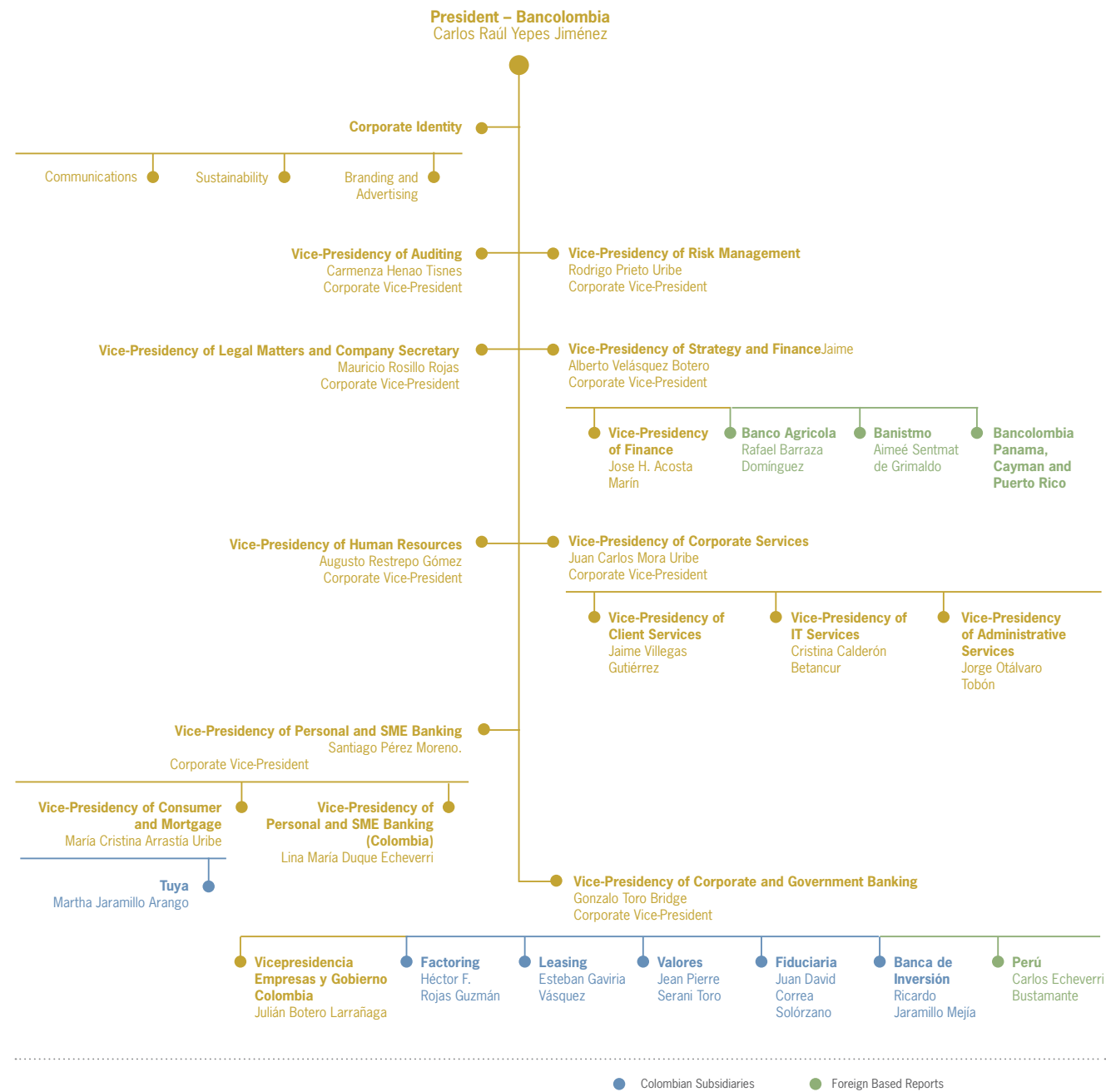
Board of Directors



From left to right:
Gonzalo Alberto Pérez Rojas, Rafael Martínez Villegas, José Alberto Vélez Cadavid, Carlos Enrique Piedrahíta Arocha,
Hernando José Gómez Restrepo, David Bojanini García, Ricardo Sierra Moreno.



Organizational structure



The result of doing things right:

Bancolombia has received more than 25 awards and recognitions for its commitment to a transparent, ethical and responsible business management. All these awards and distinctions were validated by outside sources, an important encouragement for us to continue producing results through our more humanistic banking approach.

Best Bank and Best Trade Finance Bank in Colombia

These awards were given to us by the specialized magazine, Global Finance in the category Best Emerging Market Banks in Latin America 2013, this based on transaction volume, scope of global coverage, customer service, competitive pricing and innovative technologies, among other factors.

Best Bank in El Salvador

Banco Agricola was recognized by analysts, consultants and senior management working within the global finance sector among the Best Emerging Banks in Latin America for its profitability, strategic relationships, customer service, competitive prices and innovation, as well as its optimal capital levels, continued growth in assets, low levels of nonperforming loans, transparency and high standards of corporate governance.

Global Sustainability Index Dow Jones

We remain within an exclusive group of companies listed with the Dow Jones Global Sustainability Index; as the only Colombian bank and one of the five Latin American financial institutions to receive this honor.

Most Useful Website in Latin America

In addition to winning this award for the excellence of our website, this prestigious British publication also ranked us in top fifth place throughout the entire American continent for our

accounting transparency and the fourth largest banking and finance institution in Latin America.

Best Latin American Bank on Social Media

We also won an award as the top bank on the Latin American social networks in the category of Best Consumer On-Line Bank, considering the success and popularity of our products on the web as well as our social media activities.

The private company with the best reputation and image in Colombia

Merco Empresas (Corporate Reputation Monitor - Business Category) also named us as the private company with the best reputation, best corporate responsibility and best corporate governance practices in Colombia, in recognition of our efforts to become a more humanistic bank and in building relationships based on trust with our clients and the public Likewise, Merco Personas (Corporate Reputation Monitor - Consumer Category) ranked us as the best Colombian private company to work for in Colombia.

Best Investment Bank in Colombia.

Banca de Inversión Bancolombia won this award based on its market share, the number and size of transactions performed, its client care and services, its structuring

capabilities, distribution network, efforts to address market conditions, innovation, expense as well as returns obtained on the secondary market Reference was also made to its high standards of corporate governance and sound risk management.

IR (Investor Relations) Award

We receive this recognition for our corporate practices in providing sufficient and timely information for opportune decision-making, thereby inspiring greater trust and credibility amongst the investor community.

Most Prestigious Brand in Colombia

The Colombians responding to this survey chose us as one of the most reputable brands in the country. We are also the No. 1 bank on social networks.

Élite client service award

We also won the award for being the No. 1 Organization in the Colombian finance sector in terms of client service. This award was based on the Business Elite Survey carried out by Dadetexco.

* A complete list of awards and ratings given to Grupo Bancolombia in 2013 can be found in the on-line version of this document under the QR code at the end of this document or by clicking on the link: [www.bancolombia.com / home / formatosPDF / informe2013](http://www.bancolombia.com/home/formatosPDF/informe2013)

Second best managed company in the country

We were chosen as the seventh best managed company in Latin America, the fourth in the banking and finance sector and with fifth best accounting transparency in the region.

Euromoney Magazine, March

First Place in the Service Category

Bancolombia was selected as the best company for the quality of its services among the most valuable brands for Colombians, according to a study by the consulting firm Compassbranding.

Compassbranding, November.

Best Financial Institution in Colombia - Foreign Exchange Category

This award was won for our volume of foreign exchange transactions, the scope of our global coverage, client service, competitive pricing and innovative technologies.

Global Finance, July.

Top Private Company in Colombia

In the ranking published by the prestigious business magazine Forbes regarding the world's largest listed companies, we came in at No. 608 on a global level, being the first Colombian private company included in this category.

Forbes Magazine, April

RSE Global Money Week Award

For our work with the education and social inclusion of underprivileged children and youngsters, we received the Global Money Week Award in the category: Role of National Entities Participating in the Child and Youth Money Week.

Child and Youth Finance International, March

Best financial service site in Colombia

Our website won first place on a country-wide basis in the Colombian On-Line Awards, issued by the Colombian Ministry of Information Technologies and Communications as part of its 'Colombia On-line' awards.

Colombian Ministry of Information Technologies and Communications, October

Best integrated corporate banking site

Our on-line banking services received this award as part of the Best Corporate and Institutional Internet Banking category, thanks to the ease and ability to adapt to the needs and structures of corporate clients.

Global Finance, July

Best Investment Bank in Colombia

This award was given for the professionalism of the team responsible for managing investments based on the highest global standards as well as for the bank's excellence in terms of corporate governance and risk management.

Capital Finance International (CFI), October.

No. 1 Socially Responsible Organization

The Merco Empresas (Corporate Reputation Monitor) ranked us in top place in the "Private Company" and "Private Sector Leader" categories. The award was given in recognition of our Corporate Social Responsibility programs sponsored by the Bancolombia Foundation and its Chairman, Carlos Raul Yepes.

Merco Empresas, October

Best Deals of the Year in Investment Banking

The proposed expansion of El Dorado International Airport in Bogota allowed us to obtain the Deal of the Year Award as well as the Latin American Transport Deal of the Year from the journal, *Latin Finance*.

Also Project Finance honored our investment banking subsidiary, *Banca de Inversión Bancolombia* with its Best Cross-Border M & A Deal of 2012 Award, as part of its 'Best Business Mergers and Cross-Border Acquisitions' category for the role played with Grupo Sura's acquisition of the ING assets in Latin America.

Latin Finance y Project Finance, January and March, respectively.

No. 1 Top-of-Mind Brand in Colombia

We were ranked in top position in this category, based on the results of a survey carried out among adults and children in Colombia.

Dinero Magazine, April

The only Colombian bank among the 200 top recognized banks in the world

We were ranked in No. 50 place in terms of the world's most recognized banking brands. We are also the only Colombian bank and one of six Latin American banks to be included in the top 200 most recognized banking brands in the world. We were also placed in No. 190 position amongst the 1000 best global banks based on the *Top 1.000 World Banks Ranking*.

The Banker, February - September

Fifth best company to work for in Central America and the Caribbean

Banco Agrícola in El Salvador earned this distinction due to the steady progress made in becoming a more humanistic bank.

Great Place to Work Institute, March

No. 150 position amongst the most valuable banking brands in the world

We were the only Colombian bank and one of the six Latin American ranked among the top 200 companies in terms of global brand awareness. This was largely due to the estimated value of our brand (USD 970 million for the year 2013).

The Banker, February

Effie Gold Award

This award was received in the "New Launchings" category for our advertising campaign for our younger clients.

Effie Awards, May.

First place in the Outdoor category - Cannes Lions Advertising Festival

Our advertising agency, DDB - that handles the Bancolombia brand - was given this award for its work with Bancolombia's bancassurance services in this, the most important event in the creative world of advertising.

Cannes Lions, June.



Ratings

Bancolombia Fitch Ratings

According to this ratings agency, Bancolombia's ratings reflect its outstanding franchise, solid balance sheet, consistent, sound performance, robust asset quality and reserves, ample deposit base and access to funding, as well as its international expansion.

Rating Outlook: Stable

This international ratings firm reaffirmed Bancolombia's long and short-term local ratings, providing a stable outlook for its long-term rating, highlighting the fact that "the bank's expansion within Colombia and abroad would deepen its revenue diversification and support its revenues while a positive economic background fosters healthy growth."

Long-term Foreign Currency - International Issuer Default Rating (IDR) at 'BBB' with a Stable Outlook

"BBB" indicates a good level of creditworthiness. It also means that default risk expectations are low. Also the ability to repay financial obligations is considered adequate.

Short-term foreign currency - International Issuer Default Rating (IDR) at 'F2'

"F2" indicates a good level of short-term creditworthiness. Good intrinsic capacity to opportunistically repay financial obligations.

Long-term local currency - International Issuer Default Rating (IDR) at 'BBB' with a Stable Outlook;

Short-term local currency - International Issuer Default Rating (IDR) at 'F2'; International Subordinated Debt Rating at 'BBB-'

International Senior Unsecured and Subordinated Debt Rating at "BBB"

National Long-Term rating at 'AAA (col)' with a Stable Outlook

(Triple A Colombia) indicates: The highest creditworthiness. Lowest default risk expectations. This is only assigned in cases of an exceptionally strong capacity to repay financial commitments. Denotes that it is highly unlikely that the issuer's capacity to pay back its obligations could be adversely affected by unexpected events and circumstances.

National Short-Term Rating at 'F1+(col)'

'F1+' indicates: The highest short-term creditworthiness. An intrinsically strong capacity to opportunistically repay financial obligations with the plus ("+") sign referring to an exceptionally high creditworthiness.

Multiple and successive issues of Bancolombia ordinary bonds for up to a global limit of \$1.5 billion - National Rating at 'AAA(col)'

Multiple and successive issues of Bancolombia ordinary bonds for up to a global limit of \$1.5 billion - National Rating at 'AAA(col)' National Rating at 'AAA(col)'

Moody's Investors Service

Moody's confirms all Bancolombia's ratings

These include a Bank Financial Strength Rating of D+, which maps to a baseline credit assessment (BCA) of baa3. This also included: Long and short-term global local currency bank deposit rating at Baa2/Prime 3; Long and short-term foreign currency bank deposit rating at Baa2/Prime 3; a foreign currency senior debt rating

at Baa2; and a foreign currency subordinated debt rating at Ba1.

The outlook was changed to negative based on the agency's view that Bancolombia's capital ratios will remain low over the next six to 12 months. It was also mentioned that any decision to raise additional capital would improve Bancolombia's credit outlook as well as the fact that the bank's shareholders gave their approval last February for a capital injection of around \$2.2 thousand million, which if carried out would improve Bancolombia's loss absorption capacity.

Banco Agrícola

Fitch Ratings

The ratings issued by Fitch to Banco Agrícola are based on a long track record of sound overall financial performance reflecting a strong franchise, sound profitability, robust capitalization, good asset quality, ample deposit base, and improved loss-absorption capacity.

Issuer Default Rating at 'AAA (slv)' with a Stable Outlook; National-Scale Short-Term Rating at 'F1+' (slv) with a Stable Outlook; National-Scale Long-Term Rating at 'AAA (slv)' with a Stable Outlook

These ratings indicate the bank's proven resilience to downturns in El Salvador's economic cycles, which is largely due to having higher levels of capitalization compared to the average.

Standard & Poor's

Standard & Poor's Ratings Services affirmed its 'BB-' long-term and 'B' short-term issuer credit ratings (ICR) on Banco Agrícola. This ratings agency considered that Banco Agrícola enjoys a strong business position based on its leading position in the Salvadorian banking industry, adequate credit worthiness, risk adjusted ratios and profits. The negative outlook given to Banco Agrícola reflects S&P's view for El Salvador, and the possibility of a downgrade in the country's sovereign rating affecting that of the Bank Mention was also made of the fact that Banco Agrícola is a highly strategic subsidiary for Bancolombia S.A.

Bancolombia Panamá

Fitch Ratings

A "BBB" Investment Grade carrying a Stable Outlook

This reflected the bank's success in restoring its capital base to levels that compare better with its peers in similar ratings thanks to sustained growth, profitability and capital retention:

Long-Term Foreign Currency Issuer Default Rating at 'BBB' with a Stable Outlook.
Short-Term Foreign Currency Issuer Default Rating at 'F2';
Long Term Deposits Rating at 'BBB'

Short Term Deposits Rating at 'F2'. Sound levels of liquidity, bank deposits, investment portfolio and provisions

Bancolombia Puerto Rico

Fitch Ratings

The Technical Ratings Committee of Fitch Ratings Colombia S.A. awarded Bancolombia Puerto Rico with its highest ratings of trust for its ongoing operations Fitch considers that Bancolombia Puerto Rico forms a fundamental and integral part of Bancolombia's business.

National Long-Term Rating at 'AAA (col)' with a Stable Outlook Stable. National short-term rating at 'F1+(col)'.

Based on the high ratings issued to its parent company, its good level of operating and financial results, its concentration of large-scale corporate clients, the fact that 100% of its entire loan portfolio bears

an "A" rating along with adequate levels of equity, among other factors.

Leasing Bancolombia

Fitch Ratings

Long- and Short Term Ratings of AAA(col) and F1+(col) respectively; reconfirmed ratings of AAA(col) y F1+(col) for Multiple and Successive Issues of Ordinary Bonds

Since the leasing business forms a fundamental and integral part of Bancolombia's overall business as well as its universal banking strategy, the parent company would provide any financial support if need be.

Multiple and Successive Issues of Ordinary Bonds with reconfirmed ratings of AAA(col) and F1+(col)

Renting Colombia

Fitch Ratings

Fitch Ratings gave an AAA (col) rating to Renting Colombia S.A.'s Issue of Ordinary Bonds along with a Stable Outlook

Given the growth prospects of the Colombian operating leasing sector, and the fact that its current level of penetration of the domestic market is low, this shall provide substantial opportunities to this vehicle rental subsidiary.

Fiduciaria Bancolombia

Fitch Ratings

Maximum National Long- and Short-Term Counterparty Risk Ratings of 'AAA(col)' and 'F1+(col)' along with a Superior "M1" (Col) Investment Asset Management Rating,

Based on its robust risk control system that has incorporated Grupo Bancolombia's policies, methodologies and tools, as well its capacity to generate new business, constantly expand its stream of commission

income, superior levels of profitability and relatively stable efficiency indicators

Valores Bancolombia

Fitch Ratings

M1(Col) Asset Manager Rating (April 2013) and an AAA Counter Party Risk Rating

For the fourteenth year running, Valores Bancolombia has obtained a maximum M1(Col) Asset Manager Rating being a subsidiary of Grupo Bancolombia, a market leader in terms of Assets Under Management, the total value of its equity, streams of commission income and net results, amongst other factors.

Factoring Bancolombia

Fitch Ratings

AAA (col) and F1+(col) ratings with a stable outlook

Based on its superior creditworthiness compared to other issuers or issues in Colombia, largely corresponding to debt issued or guaranteed by the Colombian Government. Its "F1+" rating indicates a sound capacity to opportunistically pay its short-term financial obligations compared with other local issuers or issues.



2

Committed to our clients
and shareholders

EL SALVADOR

Banco Agrícola is considered to be the most important bank in El Salvador with a market share of 27.7%. It attends a total of 1,089,624 clients with the best solutions for attaining their lifetime ambitions and driving the Salvadorian economy.

Grupo Bancolombia's Consolidated Results - 2013

In 2013, the Colombian economy was more buoyant despite the difficulties in the industrial sector. GDP growth was slightly higher than the previous year and outstripped several other countries in Latin America such as Mexico, Brazil, Venezuela and Argentina; the unemployment rate was among the lowest in recent years; inflation dipped below Central Bank's targeted range to levels not seen for the last 58 years; and the exchange rate climbed to its highest level in almost two years, given announcements that US would be tapering off its monetary stimulus program, which prompted flights of capital away from the emerging economies while driving up volatility on the global finance markets.

Central America remained in the throes of an economic slowdown, largely due to the global situation; Panama was one of the main drivers of growth within the region, thanks to a superior performance on the part of its construction, air transport, communications and financial intermediation sectors; El Salvador showed a slight increase in economic activity, with its exports on the rise; and Guatemala which during the second quarter of 2013 recorded the highest quarterly growth in the last two years due to higher domestic demand and better export performance.

As in the case of several other Latin American countries, the Colombian financial system was also affected by the instability prevailing on the global financial markets, particularly in the second quarter when government bonds lost value, triggering a more moderate pace of growth in terms of revenues for the entire financial system compared to the previous year; however this situation largely corrected itself as of the second half of the year. Likewise, the financial systems in Central Ameri-

ca- namely Panama, El Salvador and Guatemala - showed moderate levels of ROE, largely in line with the rest of the region.

As for Grupo Bancolombia's consolidated results, total assets came to COP 32.9 billion, for a year-on-year increase of 33.6%, with the newly acquired Banistmo bank accounting for 15.7% of this figure.

We have not seen this level of growth since 2007, when Bancolombia took over the financial conglomerate Banagrícola through its subsidiary Bancolombia Panama S.A. As an item of interest, the increase in our total assets for 2013 was the same as the entire value of the total assets held by the fifth largest bank in the Colombian banking system.

The Group's overall loan portfolio showed a year-on-year increase of 27.8%, [$\Delta 14, 0\%$] for 2013.

The growth in the Group's loan portfolio in 2012 was largely driven by the consolidation of Banistmo in October which accounted for 15.6% of this figure. As for individual types of lending, consumer loans rose by 32.0% for 2013 compared to 16.0% in 2012; business loans scored a growth of 23.3% compared to 11.1% for the previous year; and gross leasing increased by 17.5% versus 23.4% at year-end 2012. The mortgage loan portfolio, excluding securitizations, recorded a year-on-year growth of 44.2% compared to 10.6% the previous year. The foreign currency loan portfolio in pesos, representing 31.2% of the total, achieved a growth of 57.9% in terms of dollar values at year-end 2013.

Total net investments showed a year-on-year increase of 10.0% compared to 26.1% for the previous year. However the highest balance recorded in 2013 corresponded to investments in debt securities which rose by 6.2%, along with equity securities which increased by 47.9% thanks to acquisitions made during the year. On the other hand, a growth of 85.9% in Other Assets was largely due to the goodwill recorded on the acquisition of Banistmo, as well as a larger balance of cash held with Colombia's Central Bank and with Forex banking correspondents, along with

the increase in sell-buyback arrangements with Central bank and Interbank FX funds.

This trend produced a restructuring of the Group's balance sheet assets, showing a decline in net lending versus total assets, which went from 71.5% to 68.4% for 2012 and 2013, respectively, as net investments in proportion to total assets decreased from 12.8% to 10.6% for the same period, while the share of other assets increased from 13.8% to 19.3% for this same time frame.

As for the Group's balance sheet liabilities, deposits recorded a year-on-year growth of 35.3%, mainly due to increases of 37.5% in CDs, 27.8% in savings accounts and 48.6% in checking accounts. Also worth noting is the issue of bonds placed by Leasing Bancolombia in March for COP 600 thousand million, which produced a bid-to-cover ratio of 2.48, that is to say a total of COP 1.12 trillion at a time when many issuers, including those making their debut on the bond market, were out on the market raising funds.

Also in 2013 the Bank's obligations in foreign currency with different financial institutions, as a result of having redistributed its sources of financing so as to free up funds from recent issues in order to pay our recent acquisitions of HSBC Panama and BAM Guatemala.

The Group's equity rose by COP 0.9 billion, for a solvency ratio of 7.6% which is well above the limits set by the local regulatory authorities, with total and basic solvency levels ending the year at 10.6% and 5.8%, respectively; this after the BASEL III standards entered into full force and effect whereupon technical equity is now calculated excluding profits, occasional reserves and appraisals of assets other than investments.

Bancolombia continued with its international growth strategy in 2013, acquiring HSBC's banking and insurance operations in Panama, becoming the largest financial group. Similarly, Bancolombia Panama S.A., acquired a 40% stake of the ordinary voting shares in Grupo Agromercantil Holding S.A., the Panamanian parent company of the financial conglomerate, Agromercantil de Guatemala.

The Group's net income for 2013 reached COP 1.5 billion. Last year, as a result of declines in market interest rates, the yield on loans decreased to a greater extent than the cost of funds and this caused the loan portfolio's net margin to fall by 55 basis points compared to the previous year, ending up at 6.4%. Likewise, revenues from investments in debt securities also fell, as with the rest of the Colombian financial system, in keeping with prevailing global uncertainty regarding the likely course that the FED shall be taking with its monetary stimulus policy in the United States. Our results were also affected by a 16.1% increase (COP 189 thousand million) in provision expense on the loan and leasing portfolios, this largely due to half-yearly system alignments with regard to their ratings.

On the other hand, net commissions increased by 6.0%, driven mainly by revenues from cards as well as our banking and trust services. Operating expenses went from a year-on-year increase of 14.7% for 2012 to just 8.7% in 2013, as a result of our efforts to rein in labor and general expenditure compared to the previous year. As a result, our financial efficiency ratio (operating expense versus operating income before provisions) ended up at 56.8% with our operating efficiency ratio (operating expenses versus income-generating assets) coming to 3.9%.

Grupo Bancolombia's growth strategy in 2013 produced an immediate impact on its key financial indicators: ROE, 12.8%; Net Interest Margin, 5.5%; Loan Quality, 2.9%; and Loan Coverage, 156.5%. Now that the newly acquired businesses are picking up and contributing more to our bottom line, we expect to see much better results in the mid-term.

Increase in total assets for 2013 was equal to the entire total assets held by the 5th largest bank in the Colombian banking system.

Assets rose by 33,6%, YoY, reaching the highest level since acquiring Banagrícola in 2007

Total and basic solvency ratios exceeding the minimum regulatory requirements by

434 and
115 basis points
respectively

Bancolombia, Retail Banking - 2013

For 2013, Bancolombia's balance sheet showed a significant growth in its total assets with these increasing by 19.8% year-on-year that is to say by COP 14.9 billion, which comes to 4.6 times the real GDP growth projected for 2013. This increase in total assets was higher than the average annual growth of assets for the entire Colombian banking system, which reached 15.7%.

Net loans, on the other hand rose by COP 6.0 billion for a year-on-year increase of COP 6.0 billion. All types of lending grew in 2013, especially mortgage and consumer loans with annual growths of 27.2% and 14.7%, respectively. Out of the entire 185,962 loans allocated to housing, 31,791 were granted in 2013, with a 10.7% increase in the actual amounts paid out. On the other hand, business and micro-credit loans ended up with year-on-year increases of 9.4% and 28.8%, respectively

Total net investments showed a rise of 10.2% in 2013, driven by a growth in equity investments largely due to having acquired Banistmo. Given the fact that the Bank restructured its balance sheet assets, its net loan portfolio as a proportion of total assets fell from 69.0% to 64.2% between 2012 and 2013. Also net investments went from 15.3% to 14.0% during the same period, and other assets as a proportion of total assets rose by 6.0%, reaching 21.6% at year-end. The increase in the levels of other assets at year-end 2013 is largely explained by; (i) the balance of available cash held in a checking account with Colombia's Central Bank; (ii) the amount of goodwill recorded on acquiring Banistmo; and (iii) an a higher balance of repos and sell-buyback operations with Central Bank.

Balance sheet liabilities at year-end 2013 were very similar to those recorded in 2012. Short-term deposits rose, especially savings accounts [$\Delta 18$, 1%] and checking accounts [$\Delta 23.8\%$] trailed by CDs with a more moderate increase of 9.1%. The balance held in foreign banks increased by COP 5.4 billion, mainly in order to prepare for the acquisitions carried out during the last quarter.

Equity rose by 8.1% for the year, producing total and basic solvency ratios that exceeded the mini-

imum regulatory requirements by 434 and 115 basis points respectively, ending up at 13.3% and 5.65%. This was calculated based on the new regulatory standards that (i) require a minimum level of solvency of 9% and (ii) introduced a new basic solvency ratio of 4.5% to be met in terms of Ordinary Basic Equity (OBE), this consisting of instruments with the highest capacity to absorb losses.

The ratio between past-due loans and gross loans went from 2.5% in 2012 to 2.6% in 2013, with a coverage of 175,8% in the case of provisioned past-due loans.

Consequently Bancolombia obtained profits of COP 1.468 thousand million, [$\Delta 14$, 3%]. This increase was largely due to a constant growth in the Bank's loan portfolio, which offset the 10.4% increase in interest expense, and a drop of -35.7% in investment income on debt securities as recorded in April 2013 after the FED announced it would be tapering off its monetary stimulus in the United States. Profits were also favorably affected by net commission income which increased by 7.1% for the year, thanks to a buoyant level of revenue from cards and banking services. On the other hand, almost COP 134 thousand million in income from the sale of 2.5 million shares of Protección were recorded in December.

In 2013, operating expenses rose at a slower pace than operating income, which produced improvements in the Group's operating and financial efficiency ratios of 73 and 48 basis points, respectively, these reaching 3.9% and 55.5% at year end. Labor expense decreased by 1.7% due to lower provisions for bonuses and seniority benefits; meanwhile, overheads increased by 11.4%, largely as a result of higher amortization expense (technology and Banistmo's goodwill) along with increased expenses for lease rentals, deposit insurance and various taxes (Industry and Commerce, Financial Transaction and VAT).

Return on equity for the year came to 12.4%, which was higher than the 12.1% for 2012, and return on assets ended up at 1.8% compared to 2.0% for the previous year.

Profits reached
COP 1.47
billion
for a year-on-year
growth of
14,3%

Our strategy and achievements with regard to going forward

For Grupo Bancolombia, constant dialog with its different stakeholder groups is a fundamental part of its strategy aimed at securing long term relationships based on trust. We invited input from our different stakeholders for drawing up our 20/20 Vision, a road map aimed at securing the best possible referrals as a more "humanistic" bank.

To achieve this, we established the year 2013 as a starting point for treading a path towards greater consolidation, laying the foundations in the present for subsequent benefits in the future, enhancing the value of trust, shaping new ways of providing a gratifying experience to our clients, ensuring that our growth remains sustainable over time and training more and more staff in our humanistic banking approach..

In order to retain the utmost consistency between what we say and what we do, we have identified the issues that are most important for our stakeholder groups in keeping with the Global Reporting Initiative (GRI) methodology, specifically the G3.1 guidelines, aimed at a more comprehensive business management addressing economic, social and environmental issues.

Customers:
Over nine million

Suppliers :
12.000

Authorities:
10 countries

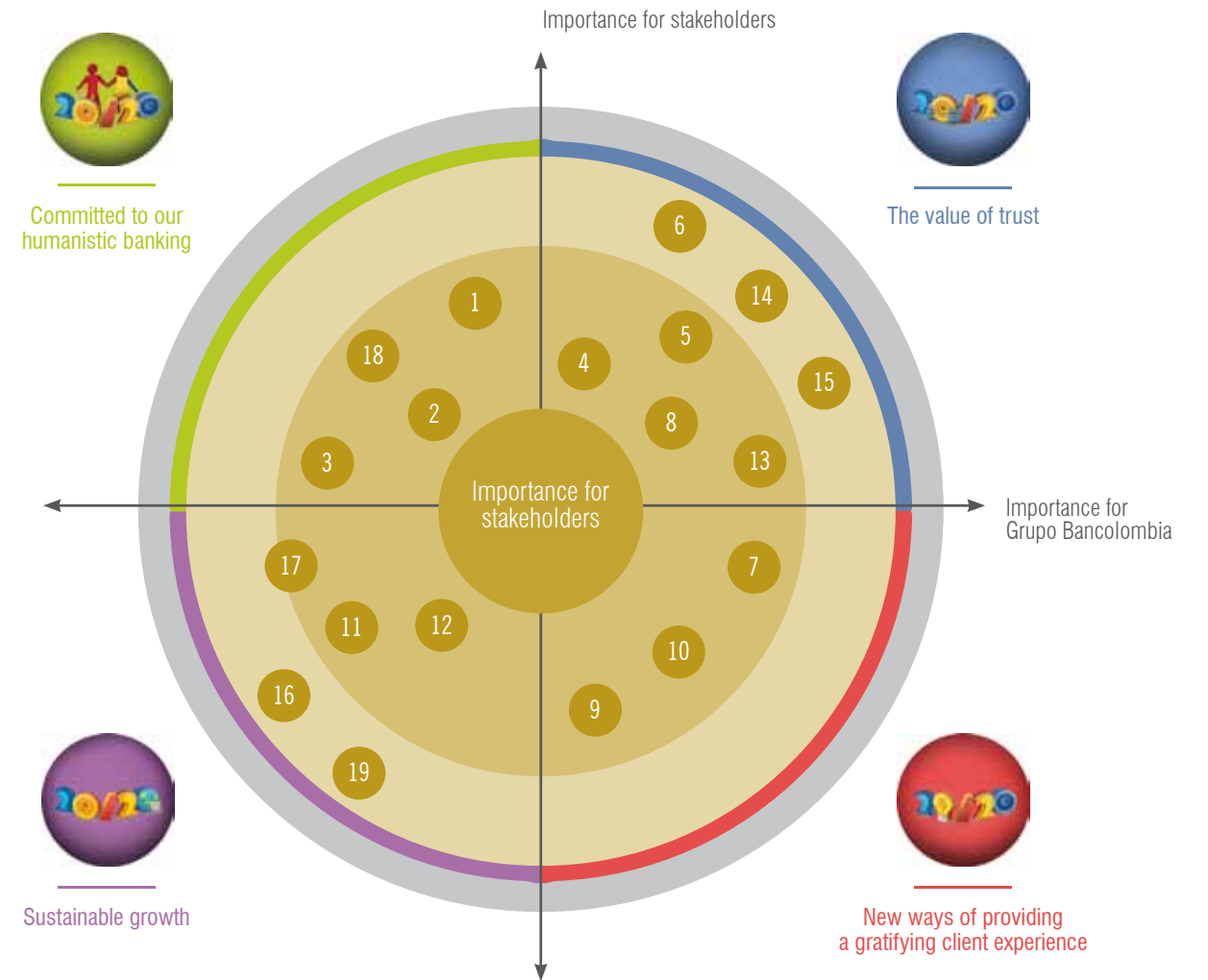
Employees:
43.901

Investors:
15.000

Communities:
10 countries

Our humanistic banking relationships are driven by our liaisoning initiatives

Grupo Bancolombia liaisons with the following groups of stakeholders, which have been prioritized with regard to consulting the various issues facing the organization. These are also involved in linking management performance to material issues, as well as reporting on our business activities which by pure definition are aimed at generating a shared value.



- Highly important – printed and on-line reports
- Important – on-line reports and website
- Not important – Not revealed

1. Recruiting and developing the very best human talent
2. Organizational culture in transforming Bancolombia's business
3. Building closer relations with suppliers and strategic chain supply partners
4. Enhancing our liaisoning with clients through responsible CRM Management
5. Enhancing our operating reliability
6. Superior risk and reputation management
7. Towards greater convenience, as, when and how our clients need us
8. Committed to providing economic, social and environmental value
9. Getting closer to our clients
10. Transforming key client experience
11. Growing our business in an efficient, profitable and sustainable way
12. International expansion
13. Streamlining
14. Corporate Governance focusing on the essential
15. Doing things right (recognition and awards)
16. Working for a healthier environment
17. Generating economic value
18. Our roles as agents for social change
19. Financial results

Grupo Bancolombia's Importance Gauging Matrix

Performance achievements with regard to our vision of the future



Committed to our “Humanistic Banking” Approach.

Our purpose as an organization is to think about others, to help them with their life-time ambitions, to build long term relationships and to form a greater understanding of our clients. This requires the commitment and talent of our employees and associates so as to be able to reinvent our business with a more humanistic approach, with the firm conviction that we can obtain positive results with a more “people”-based orientation.

Sectorial support

We continue as a strategic ally of the Colombian Government in its efforts to meet the needs of various sectors of the economy, harnessing synergies, driving competitiveness, taking full advantage of the country’s export potential and contributing to the creation of quality jobs.

Here we dedicated all our efforts to driving and strengthening the competitiveness of Colombian agricultural sector, representing 82,910 clients and an average loan portfolio of COP 1.6 trillion, which accounts for 53% of our total development loans, for a year-on-year growth of 16%. This was how we encouraged investment in this sector, strengthening its export potential, and overall trading strategies. We also sponsored the Agrofuturo Fair, which was the sector’s main academic and business event last year, where we placed more than COP 45 thousand million in loans, 56% of which through our Finagro Line

So that agricultural, livestock and fishery exporters could mitigate the uncertainty prevailing with the foreign exchange rate and create more stable jobs, our Finagro hedging program accounted for 70% of the total, that is to say USD 440 million in peso-dollar put options. We also increased our participation in the sale of flexible hedging arrangements for SMEs.

Furthermore, we reaffirmed our commitment to driving development throughout the country in organizing the *Outlook for the Infrastructure Sector* event attended by a total of 100 clients and featuring well-known panelists who spoke about the future of this, one of the most important sectors of the Colombian economy.



We also helped clients who were affected by issues such as the revaluation of the Colombian peso, low international coffee prices, production difficulties, etc. providing these with solutions to protect their financial resources in the form of preferential rates and terms.

We also launched the Agro Line of Insurance and the Coffee Growers' Aid Program. A total of 395 clients benefited from a total disbursement figure of COP 28 thousand million. We protected the financial resources of different crop growers (coffee, rice, corn and sugar cane) safeguarding them against eventual contingencies

We also worked with the border economies through the Support Program for the Department of Northern Santander, investing a total of COP 20 thousand million and providing preferential rates and terms on new disbursements.

We also reduced our sales commissions on debit and credit cards by 20%, which benefited more than 300 establishments. We were the leading bank in terms of Bancoldex loans, having paid out a total of COP 69 thousand million, for a 47% share of the total.

Furthermore we participated in the financing of various infrastructure projects that are bringing development to different parts of Colombia.

Here it is worthwhile noting that we paid out more than COP 193 thousand million, for a share of 28.0% of total business loans provided to the public sector. We opened 355 accounts for handling funds disbursed by Invias (the Colombian Highway Institute), these representing more than COP 150 thousand million and a growth of 142.0%.

New agricultural insurance and coffee-grower assistance plan:

COP 28

thousand million paid out to benefit

395

clients

Social Inclusion

We remain committed to building a Bank in which we are all important, creating products for people who have never had access to the financial system before, helping them to turn their dreams into a reality. Here we are reaching the most remote corners in all those countries where we are present.

With our "Handy Savings" product, accounts can be opened free of charge by mobile phone. We also joined up with a local water board, Cornare, participating in the BanCO2 program, aimed at the preserving the forest areas that border the rivers of eastern Antioquia. With this product, 107 farmers receive a monthly allowance for the protection of these natural resources, which in the majority of cases has been their first ever experience with financial services.

We also formed part of a solution benefiting more than 5,900 private individuals, including soldiers and community leaders, dedicated to eradicating illicit crops, all of whom have received payments and subsidies to overcome poverty, thanks to our own "Handy Savings" product

In partnership with Comfama and with the support of the BID, we pioneered a Social Leasing program, whereby members of this family welfare institute are able to lease their own homes while saving up for a down deposit, after which Bancolombia guarantees a mortgage loan for these families so that they may own their own homes.

Through our Tuya alliances with the Exito and Alkosto cards, we gave more than 1,743,164 people from the lower income brackets the possibility of obtaining financing and building their own credit history as well as covering their own consumption needs.

Turning dreams into reality

We see the possibility of helping everyone we meet with their life-time ambitions, such as owning their homes, furthering studies, buying their dream car and having a bank that makes their lives so much easier with swift and straightforward banking services.

So as to provide more and more families with better terms and conditions to pay off their homes, we have extended our mortgage loans by another eight years in addition to the seven proposed by the Government - this for homes with market values between COP 79 and COP 197 million that form part of the Government's Subsidized Mortgage Rate program. This program has entailed 4,558 disbursements so far corresponding to 265% of the subsidies provided, for a total of COP 377 thousand million.

We are convinced that education is the main driver of a country's development. Last year we gave a total of 3,500 students the possibility of financing their undergraduate and post-graduate studies through a Sufi Student Loan, aimed at young people and / or people with no fixed income.

Through our strategic third-party alliances for the financing of vehicles, we wanted to contribute to preserving the environment and preventing accidents and so we joined forces with the Sura initiative aimed at providing safety, accident prevention and vehicle maintenance tips. In 2013, we offered alternative financing solutions to our clients for the purchase of 11,955 motorcycles and 36,625 cars.

We helped to improve the quality of life for retirees from the Colombian public sector belonging to Fopep, the Colombian public pension scheme, since they now no longer have to go to a branch office to receive their pensions. We were also responsible for paying pensions to a total of 266,000 retirees; 67% of which were handled by means of account deposits and the remaining 33% through our tellers. Under the former pension collection arrangement, 52% of the beneficiary retirees had to go to a branch office.



Nelson Matta Colorado
Reporter for the El Colombiano newspaper
Fotos: Esteban Vanegas

The forest is a prize for Hernan, the survivor

At the age of 77, Hernan Dario Bermudez's eyesight is weakening. Nevertheless, he is still capable of seeing the secrets of his woodland. He knows where to find herbs and reeds to treat snake bites, as well as the "dead mule" trees that produce fruit that the animals so love, not to mention a huge 200-year old tree that stand 30 meters high.

He knows this 3 hectare woodland like the palm of his hand, since before he used to collect wood to make charcoal and now he protects it like a little spoilt child, thanks to the BanCO2 program run by the local water board Cornare, and sponsored by Bancolombia. He loves his land, and couldn't even bear to leave it, even when the guerrillas took over the nearby town of San Luis, brandishing their rifles and hurling threats at the peaceful community.

This story began back in 1974, when Hernan first arrived with his family after leaving their home town of Jerico in the Department of Antioquia. With a wife and seven children to feed. Hernan looked for all kinds of work in order to earn a living, including coffee growing, planting plantain trees, tree-felling and bricklaying

This was back in the time of the Sombreron, a ghost wearing a phantasmal cape and riding a black horse that supposedly went around frightening people, just one of the myths that abound in Colombian folklore. Those were the days when the town of San Luis was enjoying a timber boom, and indeed the festivities it still holds today in honor of the town are called the "Timber Fiestas"

Hernan, together with a brother-in-law, saved up 100 thousand pesos and bought a piece of land covering an area of 170 hectares in the town of San Francisco. With the passing of time he has sold off parts of this land, but never sacrificed his woodland, a beautiful magical place with exotic trees, mountain mahoes and cedrillos, ant-eaters, sloths, rabbits, serpents and a multitude of brightly-colored birds.

He used to take his axe and weave his way through the forest looking for wood, ripe for felling. He made his own charcoal kiln in a pit and burnt the felled timber, producing bags of charcoal that he used to sell for five thousand pesos each. "Before I used to have to cut down the wood, because I had a growing family

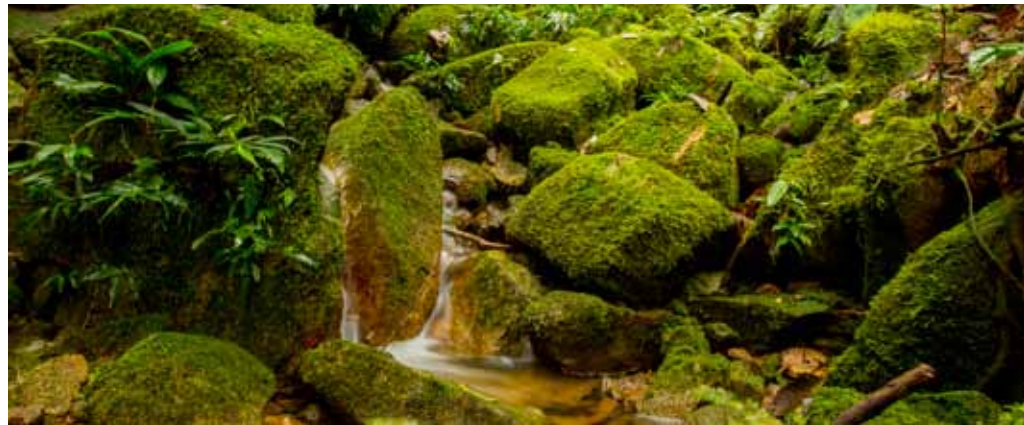
and couldn't find any other work" he admits with a forlorn expression you can barely see beneath the brim of his hat.

But all this changed in 2002. His woodland became a tramping ground for armed guerilla forces. Hernan and his wife, Arnolda, used to see them coming down from the mountain, these included children who "used to drag their rifles behind them because these weapons were bigger than the children themselves."

San Luis became a veritable hell on Earth. Armed groups of outlaws turned the rivers that bathe this beautiful land in the east of Antioquia, red with the blood of hundreds of men and women. In the town of San Francisco only eight families remained and only six children used to attend the rural school located next to Hernan, given the terror prevailing in this part of the world.

So Hernan and his family decided to move to the nearest city, Medellin, the capital city of the Department of Antioquia. They left behind them the sound of the bombs and bullets and exchanged their precious woodland for a makeshift dwelling in Manrique, surrounded by red





brick walls and metallic sheet roofing.

But the woodland continued to call out to Hernán. "I couldn't settle down in the city," he said. "A month later I was back with my wife in San Luis".

Six members of a criminal gang came once to his farm, Campo Alegre, asking whether he had any weapons and whether he was an informant for another criminal gang. "I told them I didn't have enough to buy myself a pair of underpants, so how the hell could I afford to buy a rifle!"

But time went by and the war came to an end. Hernan survived, but he lost his wife, Arnolda who suffered a heart attack. He became a widower, an old man getting to grips with his solitude with only his children to cheer him up.

Two years ago he was dragged by a calf 50 meters down a quarry, injuring his right leg, so now he finds it difficult to continue to look after his woodland. But help arrived, in a fantastic twist of fate, thanks to his beloved forest. Cornare, the local Water Board, signed him up for its BanCO2 program,

aimed at providing subsidies for environmental services rendered, so as to offset CO2 emissions made by both companies and private individuals. So Hernan received payment for looking after this important source of oxygen for the planet. This program is sponsored by Bancolombia, and so Hernan had to come to the city to receive his first payment on December 19, 2013 at the Bank's Headquarters.

So he came back, but not by way of escaping armed conflict, but to receive a prize for a life well lived. He was amazed to see the Bank's imposing Headquarters rising up on a major thoroughfare in Medellin "How beautiful!" he exclaimed, with a smile on his wrinkled face, tanned by so many years on the mountain.

One month later, he received another monthly payment of COP 200.000 through a Bancolombia Banking Correspondent POS, just 12 minutes away in the town of San Luis. Thankfully it was no longer necessary to go all the way to Medellin!

Hernan is very grateful to Bancolombia. That is why when this team of reporters visited him at home, he

cheered up enough to show us his land, in spite of the pain in his leg.

He picks up his machete, "because we might have to deal with a snake" and off we went. His son, Luis Carlos, helps him to look after the land. One of the most difficult tasks is having to chase away hunters who shoot guaguas, a type of rat, to sell on the Medellin- Bogota highway.

The woodland surrounds us with its whispering. The rush of a stream and the sound of grass hoppers take over. And Hernan seems to relive it all as he winds his way through the woodland which is now providing him with his living. "I love to see the trees and hear the birdsong" he exclaims.

On the way up an incline to see a small waterfall, he tells us that his leg only hurts when he comes down not when he goes up. It's just another way of saying that he only feels the pain when he comes out of the woodland, not when he is waist-deep in its lushness.

"Before I was scared that I would be sucked in, now I am overcome with happiness", says Hernan, while amid all this greenery, his old "autumn" eyes reflecting a "spring"-like joy.



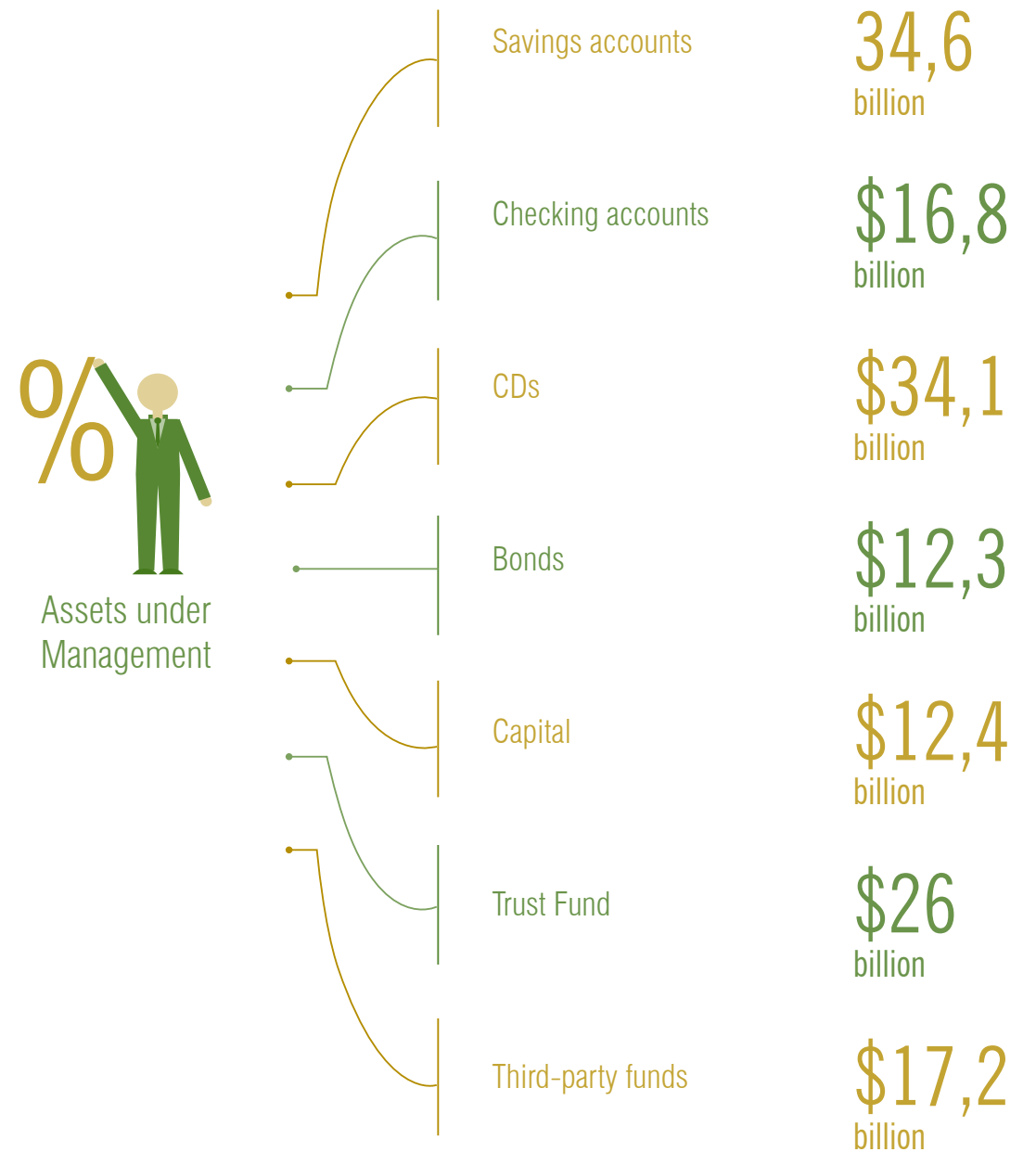


The value of trust

We are a solid and responsible organization ready to help people with their life-time ambitions by building relationships of trust. This important attribute, namely trust, is present in everything we do, effectively prompting us to transform our daily dealings through a proactive, balanced and comprehensive handling of the risks involved, and in so doing building a reputation for being a more “humanistic” bank.

Managing trust

Our function as a bank goes beyond merely receiving and issuing funds, it means handling the trust and resources our stakeholders have deposited with us because they know that we are an ethical, transparent organization capable of managing risk and extending access to financial services to more and more people.



For a more memorable experience

We have implemented a new methodology allowing us to gauge and improve the experience of our clients in measuring their levels of satisfaction and testimonials. Based on these metrics, a NPS (Net Promoter or Net Recommendation) score is arrived at, which at year-end 2013 came to 69.12 out of 100. This showed that we are on a more equal footing with companies in the United States that are renowned for the client ex-

periences they are able to provide, as is the case with Apple who commands a NPS of 71 and Amazon with a score of 76 (results published by The Net Promoter Community¹ for 2012).

Working with the Government

We support Government initiatives in all those countries where we operate, thereby helping to further the development of these economies and in so doing enhancing the population's quality of life.



100.000 Houses	With regard to the 100 thousand free homes offered by the Colombian Government, we rank in No. 1 position in terms of construction loan approvals having disbursed a total of COP 677,501 million	23.167 Houses
86.000 Houses	Program enabling the lower-income brackets in Colombia to own their own homes with a subsidized down-payment of up to 25 monthly basic wages and a preferential interest rate of 5%, for a total of 26.088 homes so far.	\$653 thousand million in pre-approved loans
Market Makers	Program enabling the lower-income brackets in Colombia to own their own homes. We actively participated in the Colombian Ministry of Finance's market maker program with regard to domestic "OTC" Government bonds	No. 1 Position
PIPE	In accordance with the proposals presented for the Colombian Government's Productivity and Employment drive we channeled almost COP 30,000 million for the Bancoldex lines of financing	32,39% of total disbursements for this program
Perú	We also provided our trust management services to the Quilca-Arequipa-Matarani Highway Concession as well as for the construction and start-up of the Canchayillo Hydro-electric generating plant.	USD 18 million in managed funds
El Salvador	We reduced the financing transfer times by 3 days in the case of 262 towns and cities in El Salvador. 75% of these are presently engaged in community and infrastructure projects. Community welfare	USD 6.550 million per month
Infraestructure	We also assisted with more than 30 highway concessions, as well with more than 25 seaport and airport terminals, gas pipelines.	\$ 2,2 billion in disbursed funds

Also our Cash Management Department took part in a market-maker program governing TES futures on the local derivatives market. We also began with other specific Treasury bond futures.

Moreover, we were able to provide institutional investors who manage public and private portfolios with access to competitive prices and ample liquidity with different treasury bonds. This allowed us to help develop the local bond as well as standardized derivative markets promoting a more efficient access to these same.

¹ <http://www.netpromoter.com/why-net-promoter/compare>

Improving interactions with our customers through responsible management

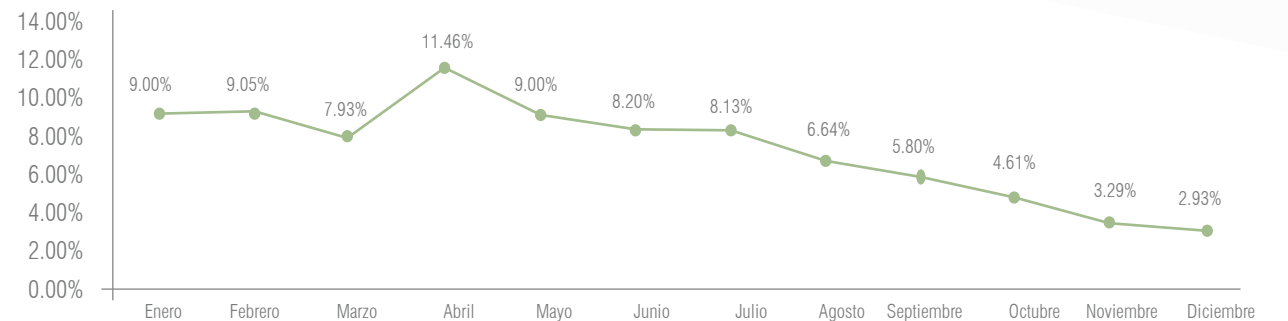
Having enhanced the stability of our systems we have been able to provide a better service. Here we have achieved availability ratios of 99.9% with regard to our core platform and 99.6% for our on-line banking and telephone platforms.

We have strived to provide our clients with a memorable banking experience with our swift, straightforward and impeccable solutions, which form the mainstay of our service model.

YTD increase in client queries, grievances and clarifications went from 35% in 2012 to just 2,93% in 2013



YTD Increase in Client Requirements*



*Requirements received from clients are classified as Queries, Grievances and Clarifications, showing comparative monthly figures for the years 2012 and 2013.

Having implemented significant changes in dealing with client grievances, queries and clarifications, among other requests, we have increased our timely service indicator from 73.1% to 86.8% as well as our quality service score from 79.4% to 87, 8%

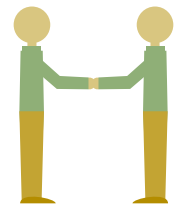
over 67 improvements implemented during the year, and plans underway to implement new changes in the mid-term, we have reduced the volume of issues giving rise to client dissatisfaction (complaints, grievances and clarifications), from 22% in 2012 to just 2.93% in 2013.

Similarly, over 52% of customer requirements were resolved at the very first contact, that is to say they were immediately addressed, thereby avoiding any further delays. With

Furthermore, in order to enhance the availability of our on-line corporate banking service, we deployed a new channel that can be called in should a contingency event or emergency occur.

Signs of confidence

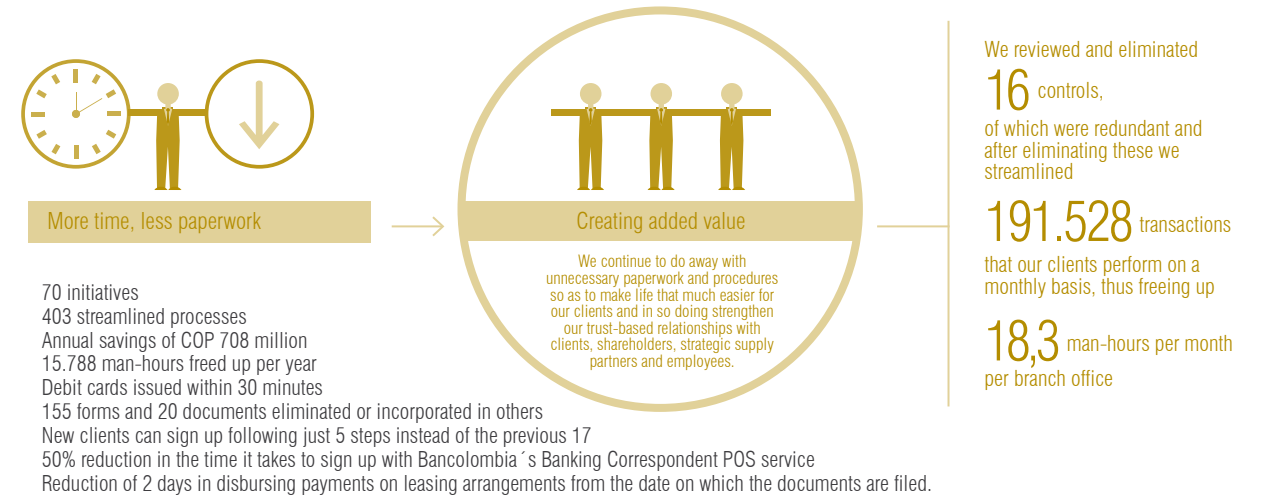
The trust of our clients and stakeholders in the way we go about our business, upholding a more humanistic banking approach, has led us to continue looking for new ways of providing shared value.



Signs of Confidence



Streamlining Initiative



New ways of providing a more gratifying client experience

Our goal is to offer a memorable experience whenever and wherever our clients need us, ensuring easy access to our financial services by means of secure, straightforward processes, providing products and services tailored to the needs of our consumer and corporate clients. For this we are implementing ways of liaising with our clients in a closer more opportune fashion providing the customer care they need so that they may make more mindful, responsible decisions.

Market access:

We are working on initiatives aimed at allowing us to remain closer to our clients, offering them access to different markets, including the capital markets, in a straightforward, dynamic, efficient and interactive fashion at a much lower cost.

We launched two new electronic trading platforms, through Valores Bancolombia. The first of these is Bancolombia's Professional e-Trading service aimed at professional investors, money desks and portfolio managers, both at home

and abroad, since we have an open architecture providing international access for placing orders through said service.

The second is Bancolombia online e-Trading platform for private individuals and SMEs.

With these two solutions we are effecting giving our clients the possibility of trading on the capital markets in a simple, dynamic and interactive way.



Access to the security markets

E-Trading

E-Trading Platform
Facilitating straightforward, dynamic, efficient and interactive access to the capital markets at a much lower cost.

Global Balanced Investment Fund

Combining investments in fixed and variable income as well as other options on both the domestic and international markets Moderate risk profile over the mid- to long term.

SME Cash Management

Thanks to our financial education programs and the assistance of our Sales Department we have converted this into the fastest growing segment for our trading desks who attend 980 SMEs

New!

US Treasury futures, German Bund futures, Non Delivery TES futures, and IBR-LIBOR Basis Swaps Asian derivative structurings

In tandem with the

Developing and implementing algorithmic (statistical) trading based on mathematical models that are becoming more and more important on the international financial markets

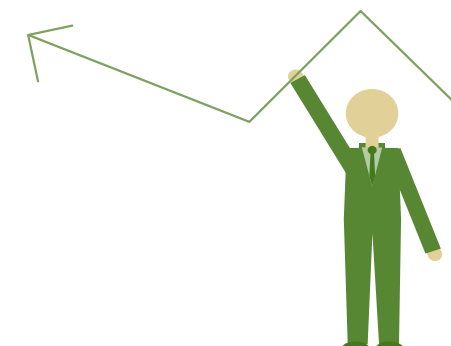
Trades worth
COP 260
thousand million

755
clients

14.686
hedging arrangements worth
USD 1,27
billion

COP 5,6
billion in Non-Delivery
TES Forwards

\$3.400
million



Also our *Basis Swap* initiative is allowing us to provide support to the local derivative market, as pioneers in this sense playing a key role in creating a market for swaps and foreign exchange options.

Sales performance

Last year we made a great deal of effort towards creating a more gratifying experience for our clients, while building lasting trust-based relationships and helping them to turn their dreams into reality. Here we conducted an event which was simultaneously held in Colombia, Panama and El Salvador, where we launched our Responsible Sales and Service strategy committed to providing the best financial advice to our clients in addressing their every need. This strategy is based on respect, a thorough knowledge of our clients and truly understanding what they really need so as to offer the very best solutions in keeping with their financial capabilities.

We also decided to become a family bank, providing special benefits and creating added value for children, youngsters and adults alike providing access to our Young People's Credit Card, student loans, children, youth and parents, who had access to young credit card, student loan, covered credit cards, purchasing credit card loans on a family unit level, as well as unifying household income for housing and vehicle purchases.

Furthermore, we encouraged children with their first ever banking experience, providing them with a motivation kit when opening their first children's savings account. We also visited the Kandú edu-entertainment center for children in Medellín, where youngsters are able to play the role of bankers and interact with the bank whilst they play and have fun. With this, not only were we able to reach out to the children but also to their parents and other family members. This year more than 90,000 children had signed up for our Banconautas children's savings program.

We also extended our Integrated Car Line, for the entire automobile chain, which allows dealers to

finance, by means of factoring arrangements, vehicle purchases, while at the same obtain financing from SUFI for selling these onto the final consumer. At year-end 2013, our factoring business came to a total of COP 184,314 million, for an average monthly growth of 10%, thereby showing a dynamic pace of growth for this line.

At year-end we learned about the family relationships of over 300,000 clients. We also managed to recruit the spouses of 25% of our Preferential client segment, thereby extending the inherent benefits offered to the family members of our clients.

Furthermore through Fiduciaria Bancolombia, our trust fund management subsidiary, we were able to deploy innovative training mechanisms such as case studies, workshops, conferences given by expert professionals as well as other initiatives designed to interact with our clients; this in order to get to know their needs and adjust our procedures and paperwork accordingly, thereby enhancing our levels of customer care and our timely response to client requirements.

On the other hand, with Leasing Bancolombia, we were able to provide our clients with new leasing products and services including: Small-Scale Assets, Más Leasing, Flexible Real Estate Leasing Plans, IBR-linked Financing, Digital Contracts as well as improvements to various processes such as terminating leasing contracts; these solutions allow our clients to make the most of their properties and adjust their cash flows in keeping with their needs, amongst other benefits.

Towards greater convenience: however, whenever and wherever our clients need us

We care about forming close relationships with our clients, and being readily available as, when and where they need us, providing access to financial services and enabling them to complete their transactions so much more swiftly and easily.

Here we have placed at their disposal our mobile and on-line banking services that can be used on a 24 x 7 basis.

"Handy Savings" Product

This new savings account can be opened free of charge by mobile phone allowing clients to perform transactions free of charge, with no handling fees so that more segments of the population can access the financial system

78.958
active accounts
First ever banking product for

55%
of these clients

Bancolombia App

Here we have incorporated new services such as transfers with no account registration, payment and transfer receipts, mobile chat capabilities, third-party account registrations, access to social networks, invoice payment facilities and information concerning our products and services, guaranteeing that the Handy Savings Product can be used with all mobile phone operators

958.310
downloads,
17 million
transactions in
December 2013
alone

Banco Agrícola App

Allowing for banking transactions to be performed in convenient, secure and user friendly fashion anytime, anywhere

30.000
downloads
290.000
transactions

Banco Agrícola Banking Correspondent POS Network

Here we are reaching out to a total of 55 towns and cities in the remoter corners of the country providing clients with access to financial services from different retail establishments such as hardware stores, shops and pharmacies

57
Banking correspondent
POS
34.000
transactions

Getting closer
to our clients



Telephone Banking

We have revamped our Telephone Banking Service with a new personalized menu of products for our clients. We also set up a new Preferential Help Line for Colombian residents abroad providing customized advisory services, a solution with the very first contact and support for phone conversations in English. We also deployed a Service Model in order to converse with our clients and provide them with our best possible advisory services, thereby guaranteeing a memorable client experience. We now offer two post-sales transactions for mortgage loans, whereby clients can request these to be paid via automatic debits and/or for the monthly installments to be adjusted in the case of having paid back the principal owing without having to visit branch office.

2.772
Congratulations
63% to 69%
client referrals



Bancolombia "Just a Click Away"

We extended our product/document request service to our corporate clients, providing the same swift and convenient assistance to the Personal and SME banking segments already covered.

We also extended our portfolio so that clients can request new documents and obtain mortgage loans, investment funds and insurance without having to visit a branch office.

110.801
document and
125.321
product requests



Personal On-Line Banking

We launched a new feature allowing clients to schedule frequent payments to the same account and for the same amounts of money, thereby saving time and guaranteeing the payment of their obligations. Also we launched the new Young People's Credit Card which can be entirely handled on line. We also enhanced our Economic Research site, for a much more convenient and efficient banking experience.

44.592.135
transactions
performed in
December 2'13
alone



Corporate On-Line Banking

We are providing our SME segment with a special package including our on-line services, a checking account and payment facilities at a special discount.

1.000
SMEs



Sufi's On-Line

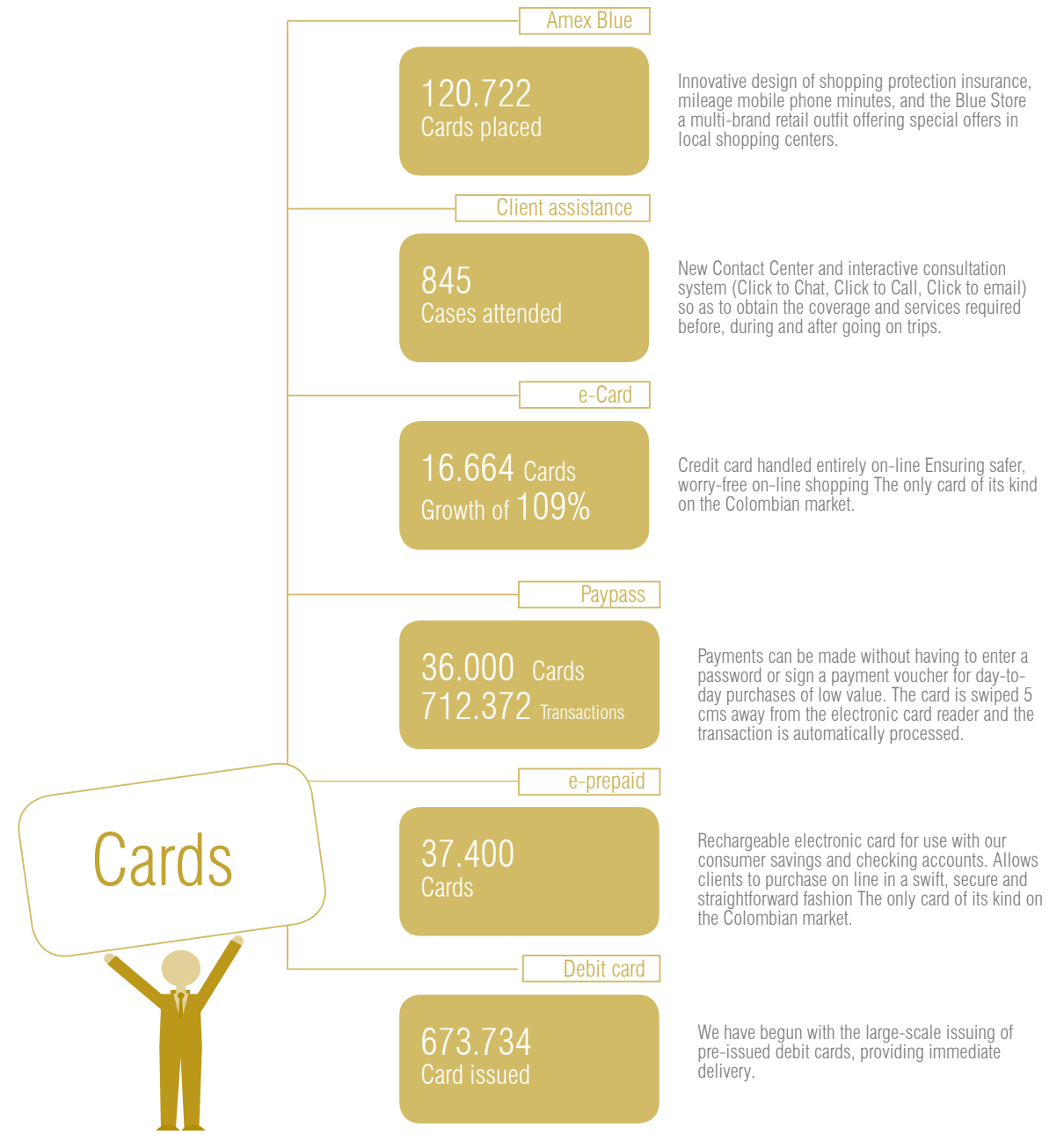
We launched the "Sufi-Ya" product that can be directly handled by the clients through the different channels, providing the corresponding advisory and responsible selling services and attending all those requests for vehicle and student loans. We also use our on-line tools to get closer to our clients, through contacts that have provided support to their initiatives. We also started up our transaction services on our web page.

17.737
consultations



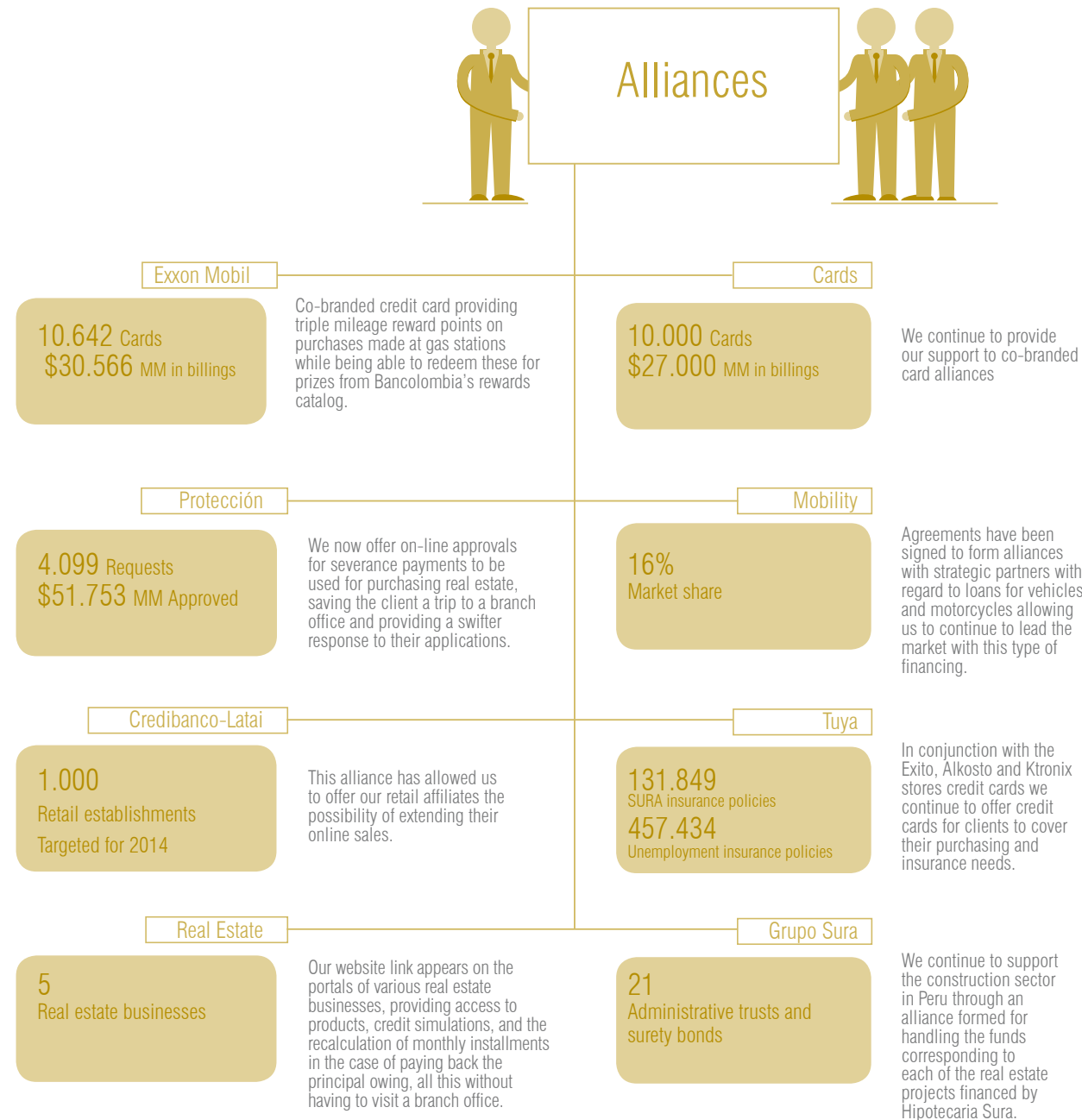
A step closer to our customers

We are working to provide our clients with the very best value propositions, more benefits, greater convenience and innovation as well as the opportunity to experience many unique and unforgettable experiences. This has meant offering a wide range of debit and credit cards that serve as solutions to the different needs of our customers.



le estamos poniendo el alma

Harnessing synergies is being able to integrate our efforts in order to provide transcendental and lasting solutions, and this is precisely what we have been doing with various strategic partners in order to drive new business opportunities, secure greater competitive advantages and inspire a greater degree of trust amongst our clients. The results obtained through these strategic alliances are shown below:



Our first sustainable branch office

As part of our Sustainable, More Humanistic Banking initiative, in the Carvajal neighborhood of Bogota we inaugurated our first ever sustainable branch office, the first of its kind in the Colombian financial sector.

- All areas have direct natural light
- The wood used for the furniture and fixtures were obtained from sustainable forestry initiatives
- Rain water is collected to water gardens and for use with restroom facilities..
- Recycled, recyclable and biodegradable materials were used, purchased locally
- Air conditioning equipment was specially designed to consume less energy
- Has a green wall allowing for proper temperature and ventilation control
- Bathroom fittings with a lower water consumption in accordance with international standards
- This branch office consumer 40% less energy than the conventional type
- Mercury-free LED lighting





Sustainable Growth

This is the result of doing things right, which goes far beyond any financial result we could ever obtain and reflects a responsible business management as well as a firm commitment to continue reaching out to the remoter corners of all those countries where we are present, driving growth and providing shared value. The reason behind all of this is our wish to build a prosperous, inclusive, environmentally healthy society.



Leading with responsibility

The key factors behind our Organization's ample recognition and leading position on the different fronts of the Colombian financial sector include: our service campaigns, the commitment of our employees with our corporate strategy, new services in alternate and electronic channels, comprehensive proposals as well as the synergies we have formed with other companies.



Consumer Banking No. 1 in

Valores Bancolombia obtained a 20% market share in terms of equity and another 41.26% in terms of higher revenues and profits.

We also obtained a market share of 11.3% in Panama and Central America with the start up of Banistmo and the acquisition of a 40% stake in Grupo Financiero Agromercantil in Guatemala.

Personal

Item	Market share
Small-scale accounts	28.1%
Certificates of Deposit	18.4%
Family remittances	28.9%
Consumer lending	14.3%
Vehicle loans	15.6%
Housing (Mortgage + Leasing)	27.1%
Credit card billings	24.1%
Plastic credit cards	13.1%
Debit card billings	40.0%
Plastic debit cards	31.8%
Collective investment funds	29.0%

SMEs

Item	Market share
Clients	27,5%
Bancóldex Lines of Financing	23,5%
Acquiring business (billings)	37,8%

Corporate and Government banking

Item	Market share
Loan Portfolio in Foreign Currency	46,0%
Loan portfolio in L/C (including Leasing)	29,9%
Leasing	44,9%
Financial Leasing	35,2%
Operating leasing	82,5%
Construction loans	48,0%
Municipal clients	85,0%

Channels

Item	Market share
Branch offices	13,2%
ATMs	26,6%
System transactions	42,6%
On-line transactions	62,9%
Banking Correspondent POS	35,0%

*Operating report: Jan- June 2013. Source: Colombian Superintendency of Finance

A step closer to our customers

We offer our clients a wide range of channels thereby providing swift and ready access to our financial services. This has allowed us to increase the number of transactions performed, creating greater opportunities for growth and progress in all those countries where we are present.

We are reaffirming our commitment to offering greater and better access to financial services to all those living in the remoter areas of the country while providing a pleasant and memorable client experiences through an extensive network of canals.

In 2013 we became the first private financial institution to establish a presence in all 32 departments of Colombia, with the opening of our “ Bancolombia at Hand” correspondent banking service in Mitu, the departmental capital of Vaupés. With this we are contributing to the overall social and economic development of the country, enabling us to establish a year-end presence in 844 towns and cities in Colombia and another 106 in El Salvador. Consequently last year, we expanded our service network in Colombia, Panama and El Salvador, by adding 97 new branch offices, 483 ATMs, 1,019 Banking Correspondent POS and 2 Kiosks (El Salvador) *.

Last year we conducted about 1,603 million transactions with an annual growth of 21.5%, 91.3% of which were performed via our electronic channels. As a result we were able to preserve our leading position in the financial sector with a market share of 42.67% **.

Our ‘Bancolombia at Hand’ banking correspondent POS initiative accounted for more than 35% of transactions performed throughout the country, this being the preferred transaction channel for one million clients.

* This increase includes the Banistmo Network in Panama.
**Operating Report. January- June 2013 Source: Colombian Superintendency of Finance

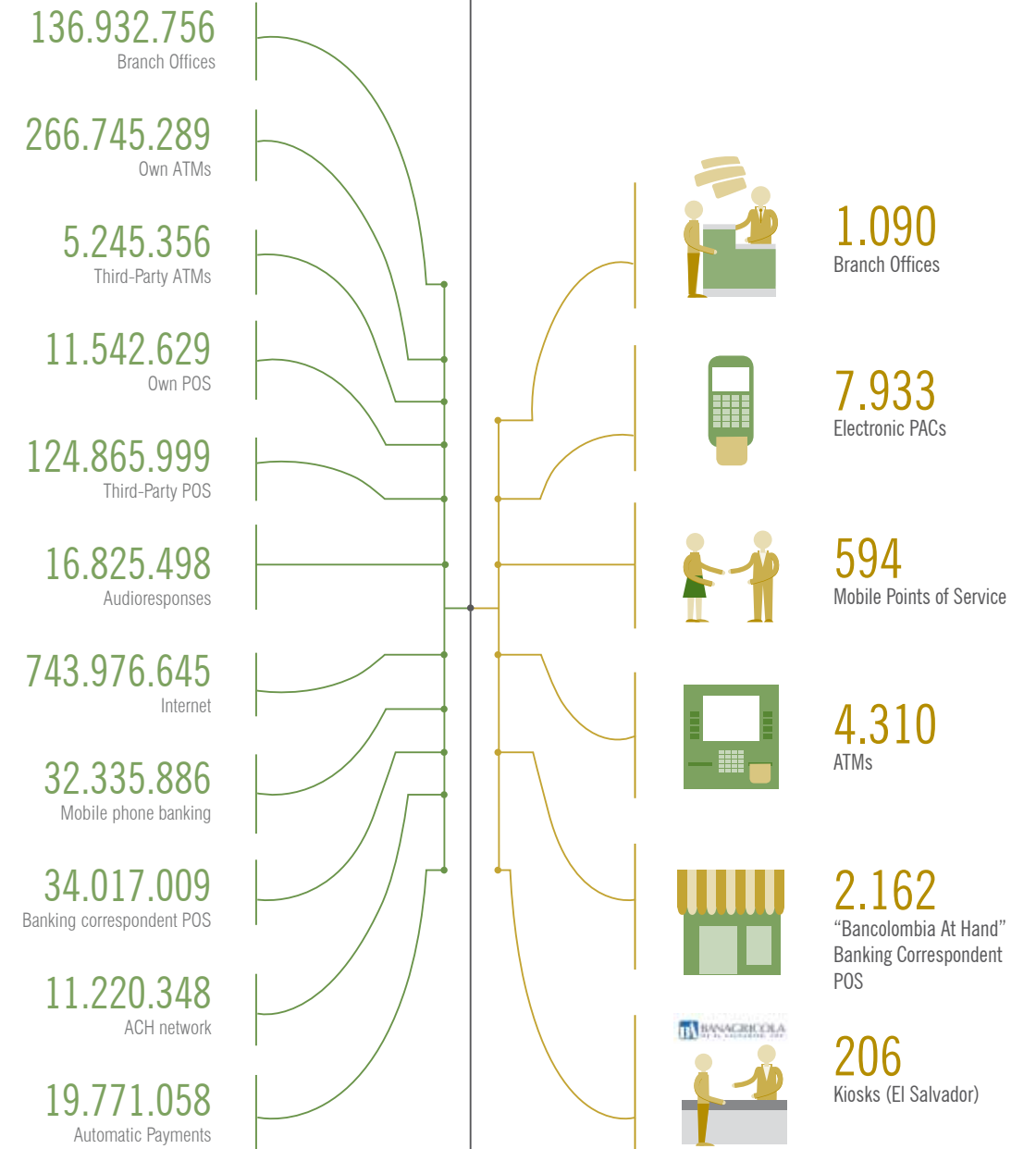
Also, we have 850 thousand active clients with regard to our Mobile Banking service, who performed almost 23 million transactions in December of last year, for growths of 12.4% in the number of active users and 188% in the volume of transactions compared with the previous year.

Banco Agrícola in El Salvador attends a total of 1,094,925 clients through 98 branch offices, 704 ATMs (including stand-alone ATM's and kiosks).

Last year we conducted about

1.603
million transactions with
an annual growth of
21,5%
of which were
91,3%
performed via our
electronic channels.

Summary of total transactions performed through Grupo Bancolombia's distribution channels



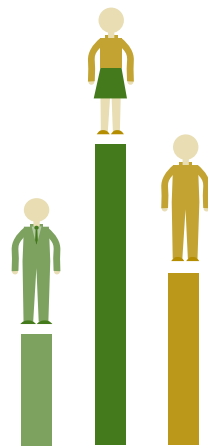
Based on figures reported in Forms 444 and 398 to the Colombian Superintendency of Finance for 2013. These only include withdrawals, payments, deposits, transfers and account statement checks performed by a group of channels selected for Colombia's Banking Unit

These figures are included in Grupo Bancolombia's 20F Statement
* This increase includes the newly acquired Banistmo Network in Panama.

Growing our business in an efficient, cost effective and sustainable manner

We understand growth as being the opportunity to strike a balance between economic performance and human sensitivity so that the pleasure and passion for what we do leads us to create shared value, while reaping the economic rewards of doing things right.

Personal and SME banking



Banconautas	94.998 clientes. Our children's savings accounts are on the rise, with balances averaging out at year-end 2013 at COP 845.000 per account, for a growth of 14% for just last year.
Youngsters	1.113.566 clientes. 14% of this client segment owns a credit card, up from 8% in 2012.
Employees	3.343.505 clientes. 42% growth in payroll loans. COP 1.7 billion disbursed for this line of credit in 2013
Independent Professionals and Policy-Holders	125.115 clientes. 61% de clientes rentables. Después del segmento 61% of profitable customers This has the second largest proportion of profitable clients trailing our Preferential client segment.
Preferential	112.883 clientes. * 21,000 clients served via 18 branch offices in Colombia * Showing a 21% growth in the size of this client segment
Senior	850.422 clientes. Fopep (Colombian Government pension scheme) payroll loans reached COP 325,187 for a total payroll lending figure of COP 473,116 million 50% growth.
Banca Privada	13.000 clientes. Los clientes generaron ingresos en 2013 por \$79.000 millones.
Micro-SMEs	940.075 clientes. SME loans totaled COP 179,000 million with Micro-SME loans reaching COP 30,863 million.
SMEs	135.039 clientes. This segment represented 50.4% of our Cash Management commissions (on both payments and collections, as well as the Bank's acquiring business
Government	2.958 clientes. 85% of those living in Colombian towns and cities are clients of the bank Growth in the actual size of this segment came to 37%

Results

	2013	2012	Variación
Checking Accounts - Local Currency	31.115.824	24.827.348	25,30%
Checking Accounts - Foreign Currency	974.024	928.646	4,90%
Loan Portfolio - Local Currency	32.223.302	27.269.538	18,20%
Loan Portfolio - Foreign Currency	508.974	331.174	53,70%
Net Commissions	1.054.819	963.374	9,50%

Main Indicators

	2013	2012	Variación
Past due loan ratio	4,92%	4,92%	
Sales volume	64.567.932	52.892.591	22,10%

Year-end figures in millions of Colombian pesos

* Includes collective portfolio

We are focusing our efforts on improving our value proposal, while looking for ways of remaining closer to our clients, helping them with their life-time ambitions and advising them on every decision they make.

We have extended our value proposal for the Preferential client segment, where we have now recruited 20 thousand new clients for a total client base numbering 112,883, this representing a year-on-year growth of 23%.

We also helped 5,975 single mothers and more than 32,000 micro-entrepreneurs in Colombia to further their SMEs and entrepreneurial ideas, by disbursing COP 147 thousand million through our micro-credit model 'Bancolombia My Business'.

To support SMEs so that they can get more cash into their different businesses, we are financing working capital and facilitating the purchase of assets, through our different Factoring products, having placed more than COP 300 thousand million in this type of business with a year-on-year growth year of 28%. This in addition to our Leasing products which have recorded a 23% year-on-year growth for a total of COP 3.2 billion.

We continue with the aim supporting Colombian nationals living abroad with savings accounts and life insurance policies as well as helping with their home-ownership dreams.

Through our Total Protection portfolio, including life, household, financial obligation and employment solutions we continue to provide a range of innovative and complementary insurance plans particularly in life and unemployment. That was how we managed to reaffirm our leadership as the first bancassurance institution in the country, with a 70% market share in individual life insurance policies.

We already have 2.2 million insurance policies in full force and effect for an insured value of COP 64 billion; this has allowed one million policy holders the opportunity to protect what they hold most dear

Our sales performance went over and above the level reached last year and in Colombia we sold more than 3.9 million products, which represented 19% of total sales performed in channels other than our branch offices.

As part of our growth strategy, we obtained important results in our consumer loan portfolio securing a leading market share of 14.3% at year-end 2013. Additionally, we achieved a 32.4% growth in CDs, showing a thrust in client savings.

We are underscoring our savings account products as a means of reaching out to the lower-income segments of the population. Today we have more than 7 million savings accounts and enjoy a leading position in savings accounts with balances of less than 5 minimum wages, for a 28.1% share of the market in October, showing an increase of 120 bp.



Remittances

We provide family remittance facilities to Colombians living abroad as well as their families, for a market share of 28.9%

USD 100 million family remittances per month

Mortgage loans

We have provided more than 5,000 Colombian families living abroad with mortgage facilities for their own homes here in Colombia. Family remittances rose by 52.2% compared to the previous year.

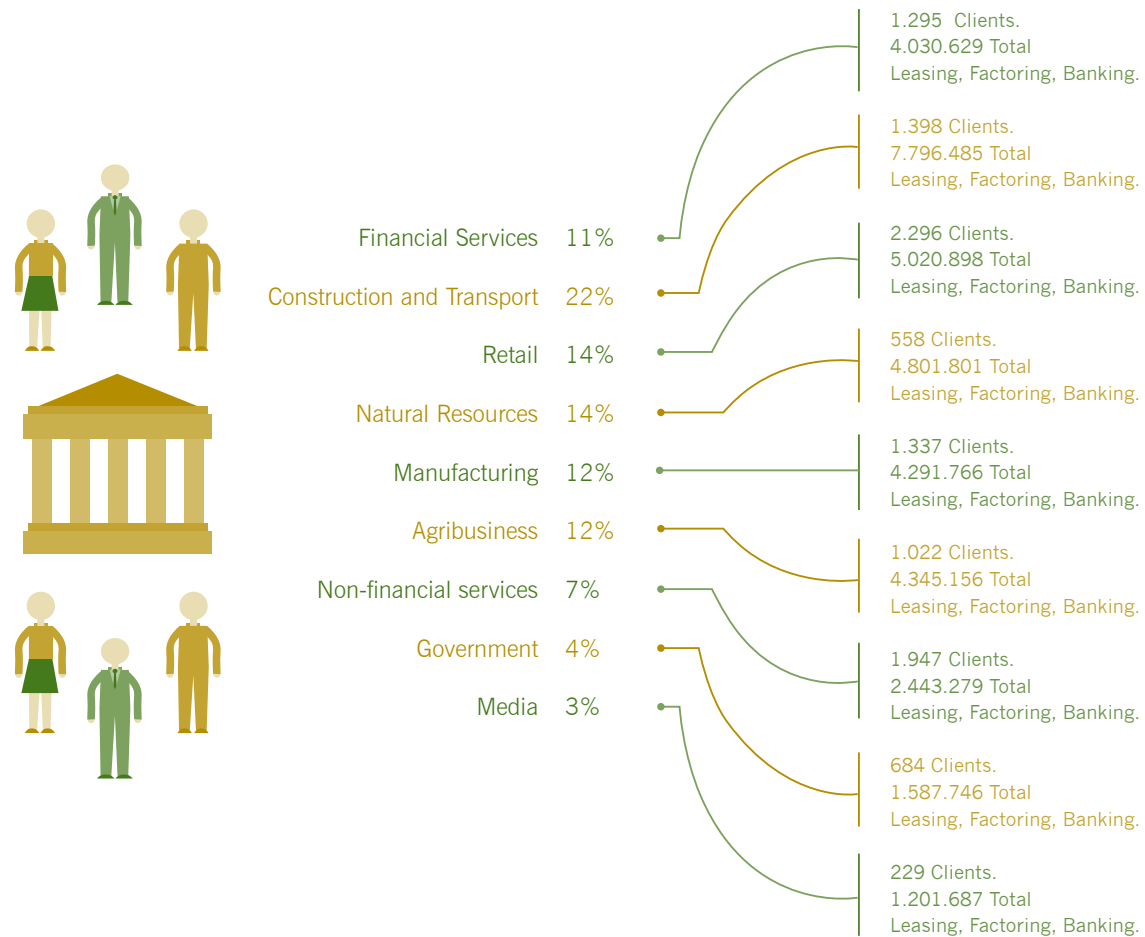
\$126 thousand million in disbursements

Savings accounts

Savings accounts can be opened from abroad so as to be able to deposit the remittance sent and provide families with education, housing and insurance.

2.040 accounts opened

Corporate and Government



We also gave our support to various sectors of the economy in the countries where we are present, assisting with large-scale construction projects bringing further progress and development to the different regions. Also, in searching for innovative proposals we have been able to advance hand-in-hand with our clients.

The volume of deposits in current and savings accounts grew by 27% over the previous year, reaching COP 17.3 billion in average account balances. Our payment, collection, foreign exchange and transfer systems processed more than COP 899.7 billion worth of business for our corporate clients, representing 4.85 times Colombia's Government Budget.

We are also improving our processes, being able to swiftly provide debit cards when clients sign up for payroll products, which led to a 50% decrease in the number of complaints received for this grievance.

The banking service we provide to our clients (payments, collections, taxes, transfers and the acquiring business) represented more than COP 1.2 billion; likewise, our checking account deposits rose by 21% with savings accounts another 30%.

Business loan
(financial solution) disbursements

Growth in loan portfolio **15%**

Market share **29,9%**

At year end, our loan portfolio in foreign currency recorded a year-on-year growth of 7% which was lower than that obtained with our loan portfolio in local currency, this as a result of lower dollar liquidity, restricted terms and the substantial liquidity held in books by foreign financial institutions. Throughout the year, we focused much effort on placing the services and products offered by Bancolombia Panama and Bancolombia Puerto Rico, both on the Colombian market as well as other international markets where the Group is present.

Because of this, we had to control the balance of deposits in foreign entities, by lowering rates in both accounts and term deposits. It is worthwhile noting that with the closure of our Agency in Miami we were able to migrate 63% of its deposits to Bancolombia Panama and Bancolombia Puerto Rico and we laid on a line of term deposit products for Colombian institutional clients and the Government sector.

Results	2013	2012	% Change
Checking Accounts - Local Currency	3.561.657	2.945.322	20,9%
Checking Accounts - Foreign Currency	453.505	400.345	13%
Loan Portfolio - Local Currency	27.054.372	23.138.421	16,9%
Loan Portfolio - Foreign Currency	4.617.840	4.349.035	6,2%
Net Commissions	206.067	230.005	-10,4%
Main Indicators	2013	2012	
Past due loan ratio	0,47%	0,45%	
Sales volume	75.009.251	62.136.212	

Year-end figures in millions of Colombian pesos

Leasing:

Results	2013	2012	% Change
Total assets	14.674.172	12.250.909	19,78%
Productive assets	13.745.645	11.708.727	17,4%
Net profits	241.774	200.037	20,86%
Income before provisions	532.066	468.997	13,45%
Equity	1.373.310	1.203.537	14,11%
Past due loans	154.790	134.277	15,28%
Return on Equity (ROE)	19,02%	18,91%	0,56%

Year-end figures in millions of Colombian pesos

Through our Corporate and Government banking division with disbursed a total of COP 2.7 billion, showing an increase of 15.9% in the total portfolio, with our Personal and SME banking division, disbursing COP 2.4 billion, for a year-on-year growth of 20.7%. Consequently the Organization's portfolio of leasing products and operating lease arrangements recorded in different books, including our vehicle rental subsidiary Renting Colombia, reached COP 15.4 trillion at year-end 2013.

Here it is important to note the good levels of performance with our operating lease business which grew by 43.1% year-on-year representing 18.4% of the Company's productive assets.

This has increased our market share by 50 basis points to 44.66% versus year-end 2012.

We are committed to making our business more sustainable; which is why we are permanently monitoring new regulations that could impact the assets for which we provide financing, while tailoring these regulations to the terms and conditions negotiated with our clients and suppliers alike.

Similarly, we have offset part of the carbon footprint produced by our fleet of vehicles by planting more than 11,000 trees. Also we have recycled about 52 tons of batteries and 2,274 tires.

Table showing information by type of asset financed

Results	Total value	# Transactions	# Clients
Real estate	5.434.579	5.374	4.261
Machinery and equipment	3.681.209	6.648	5.078
Vehicles	2.376.334	17.557	9.971
Other assets	470.445	1.517	722
Technology	369.195	3.323	1.185
Credit	221.331	132	89
Residential leasing	1.172.555	6.648	6.475
Boats, trains and planes	19.995	5	4
TOTAL	13.745.645	44.505	27.785

In millions of Colombian pesos

Factoring Bancolombia:

Results	2013	2012	% Change
Total assets	918.183	765.597	19,93%
Productive assets	808.390	692.671	16,71%
Net profits	13.095	4.925	165,90%
Income before provisions	49.649	38.746	28,14%
Equity	98.254	57.659	70,40%
Past due loans	1,15%	1,17%	
Return on Equity (ROE)	18,16%	8,96%	

In millions of Colombian pesos

Our sales strategies so far have produced COP 4.7 million in total funds disbursed, representing a year-on-year increase of 18.8%.

Our total portfolio of strategic products, based on sustainability criteria, on-line banking services and the efficient use of resources, came to COP 790.177 million, for a year-on-year growth of 17.59%, thus maintaining our leading position on the local factoring market.

Results	2013	2012	% Change
Local Currency			
"Triangular" LINE	364.324	320.000	13,85%
"Confirming" line	177.268	137.392	29,02%
Factoring	223.856	201.746	10,96%
International Factoring	24.729	12.858	92,33%
SUB-TOTAL	790.177	671.995	17,59%

In millions of Colombian pesos

Specialized Real Estate and Consumer Lending

In facilitating the dreams and ambitions of the Colombian people, we do not skimp on our efforts to provide them with the opportunity to own their own homes and vehicles and access the financial market through consumer loans and credit and debit cards.



Real Estate and Consumer	Portfolio (in COP billions)		Disbursements (in COP billions)		Clients
	Amount	% Chg	Amount	% Chg	
Housing (Mortgage + Leasing)	9,5	12,6%	3,0	14,0%	185.962
Construction Segment	3,3	41,9%	2,9	58,1%	562
Sufi	2,5	8,20%	1,2	4,8%	186.640
Cards	Portfolio		Billings		Plastic (in millions)
Payment Options	2,9	10,7%	10,4	12,2%	1,7
Tuya	1,5	15,20%	2,5	4,40%	1,7

Performance highlights:

Real Estate: As part of our commitment to helping the Colombian people with their home-ownership or financial plans, we continue to offer housing loans:

Disbursements: COP 2,4 billion

Financed Homes: 31.791

Portfolio: COP 8.34 billion

Market Share: 29,2%

based on data reported by Asobancaria
(Colombian Banking Association) at December 2013.

Our payment facilities are the largest in the country with 7.7 million credit and debit cards in active use. With regard to the latter debit card category, we achieved a 40% share of the industry's turnover, with 31% of the total plastic in circulation.

We continue to position the Exito card as the country's top private label store card, with this retail company ranking as the third largest credit card issuer in the retail industry. We placed a total of 258,083 Exito cards and 54,116 Alkosto cards for a total of 1,697,770.

On the other hand, with regard to the vehicle loans that the Company has been providing since May 2011, a strategic decision was made for Bancolombia to continue handling these, so that the Tuya product can continue focused on its credit card business. At year end, the balance of vehicle loans issued came to COP 166,776 million.

We therefore ended the year with a total credit card portfolio of COP 1,4 billion compared to COP 1,169,609 million for the previous year, producing a growth of 19.79%.

Past due credit card debt, in terms of days of default, produced a ratio of 6.71%, showing a year-on-year decline of 34.05%.



Capital Markets

Valores Bancolombia (Stock Brokerage Subsidiary)

Valores Bancolombia not only leads the market in terms of equity but also with regard to revenues and profits with shares of 20% and 41.26% respectively. This is the result of a responsible and orthodox management focus, that has remained consistent over time and one which has been leveraged by the comprehensive value proposal that Grupo Bancolombia provides.

This stock brokerage subsidiary continues to further its strategy of bringing the capital market to clients as, when and where it is needed, and that is why we have expanded the firm's nationwide network with 44 new branch offices through which its stock brokerage services are provided.

Also, we decided to maintain conservative positions with the funds managed by this firm, by diversifying its portfolios amongst companies offering both added value and growth expectations in the mid- to long term. That is why, despite the decline with the stock market, funds handled by this firm did well this year with returns going over and above the market average.

Stock brokerage services
provided through a network of

44

branch offices

Valores:

	Dec / 2013	Dec / 2012	% Change
Operating earnings	162.765	144.376	13%
Net profits	31.077	21.170	47%
Equity	193.306	181.638	6%
Return on Equity (ROE)	16,1%	11,7%	38%

Fiduciaria Bancolombia (Trust Fund Management Subsidiary):

	Dec / 2013	Dec / 2012	% Change
Operating earnings	218.124	231.006	-6%
Net profits	58.792	81.702	-28%
Equity	250.157	274.804	-9%
Return on Equity (ROE)	23,5%	29,7%	-21%

The specialty of this trust fund management firm is to provide comprehensive assistance and advisory services to different client segments, in conjunction with other sales areas within the Organization. Also self-managed tools for assessing proposals, quotations, contracts etc. together with new classes of assets being included in the firm's investment strategies, allowed for greater peace of mind on the part of its clients and a much more opportune handling of their investments and trust funds.

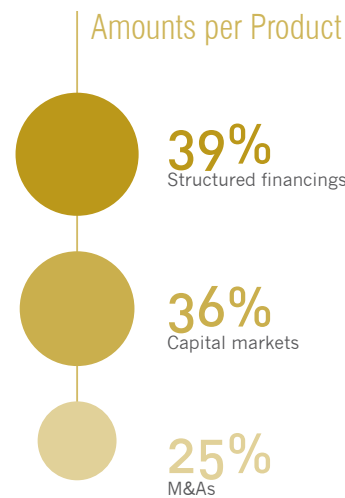
The firm obtained a growth of 52% in its volume of business going from 1.404 to 2.128 different

arrangements in just one year, this thanks to its universal value proposals which have allowed it to drill down in segments that are important for the country's overall development, such as SMEs and the construction industry.

The level of performance reported in terms of its trust business was gratifying, thanks to much better results for those lines guaranteeing sources of payment as well as real estate trusts and other trust products, particularly those aimed at the SME segment. Commission revenues earned on Collective Investment funds rose year-on-year by 14%.

Banca de Inversión (Investment Banking Subsidiary):

	Dec / 2013	Dec / 2012	% Change
Operating earnings	49.864	70.341	-29%
Net profits	30.924	39.020	-21%
Equity	472.542	455.541	4%
Return on Equity (ROE)	6,5%	8,6%	-24%



Last year 23 new transactions were performed (9 on the capital markets, two M&As, 10 finance structuring projects and 2 capital investment) for a total value of COP 9.6 billion, thereby contributing to the progress of our clients, their respective industries and the countries where we are present. These transactions generated total commission revenues for this investment banking subsidiary of COP 40,419 million as well as new business for other units belonging to the Group.

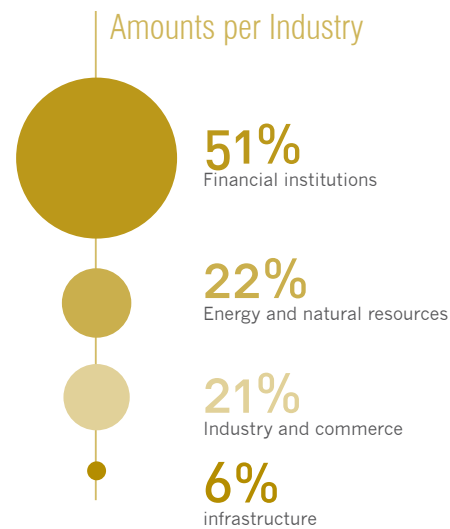
In addition to the advisory services it provides, this subsidiary also manages an investment portfolio worth COP 770 thousand million which is invested in recognized, well-performing companies producing COP 50,849 million in dividends.

Cash Management:

We also coordinate the proprietary positions of our offshore subsidiaries, for a more unified management approach with operation centers in Colombia, Panama and El Salvador.

Trading Desks:

In 2013 our trading desks continued to do well, with a growth of 32,7%. Revenues from the corporate and business sector grew by 17.8%,



with those from SMEs and institutional clients climbing by 17.5% and 53.2%, respectively. In addition to the above, our Trading Desks led Bancolombia's funding initiatives with a new issue of CDs, totaling more than COP 11 billion.

International Growth

Our sustainable growth strategy abroad has allowed us to strengthen our presence in Panama and Central America, these being important steps in bolstering our equity position. This decision was based on extending our Humanistic Banking approach on a cross-border basis, since this is an important initiative geared to fulfilling our clients' dreams and life-time ambitions; and one in which we shall become better acquainted with our clients in these parts of the world so that we can provide them with proper assistance and advisory services.

Extending our presence in Panama and making inroads in Guatemala was not a random decision on our part; rather milestones in our corporate history reflecting our commitment to countries with high growth prospects and where we wish to

help with the development plans of their economies by striking a proper balance between economic performance and our humanistic banking experience.

Panama welcomes Banistmo

Upon completing the acquisition of Banistmo for USD 2.233 million, having purchased 100% of the ordinary stock and 90,1% of the preferred stock belonging to the HSBC Bank (Panamá) S.A. -as announced in February, 2013-, after obtaining due authorization from the oversight authorities in both Panama and Colombia, in October we started up Banistmo, Grupo Bancolombia's newest bank.

With a comprehensive portfolio of products and services, and our Personal, Plus, Preferential, Private and Corporate Banking client segments, this new organization shall be extending its presence in Panama and helping more broadly with the development and prosperity of Panama and its people, a country in which Grupo Bancolombia first began to operate back in 1973.

Banistmo came into being as the second largest financial institution in Panama in terms of market share as well as deposits and local loans, with assets estimated at September 2013 near the USD 8 billion mark, loans of nearly USD 5.5 billion and deposits of approximately USD 5, 6 billion, reflecting the strength and backing that Grupo Bancolombia represents to its clients in this part of the world.

Clients:	450.165
Employees:	2.466
Branch Offices:	58
ATMs: :	274

40% stake in BAM Guatemala

After announcing in December 2012 the signing of a contract for the purchase of a 40% stake in Grupo Agromercantil Holding, the parent company of Grupo Financiero Agromercantil and its subsidiaries, including Banco Agromercantil de Guatemala (BAM), we duly completed this transaction in October 2013. This acquisition totaling USD 217 million, was duly approved by corresponding regulatory authorities.

Grupo Financiero Agromercantil is the fourth largest financial organization in Guatemala, dedicated to providing top-quality financial solutions and services. Its clear focus on providing customer care is a value shared with Bancolombia, which was why we were so interested in this acquisition in the first place.

With a client satisfaction level of 76% and a repurchase intention of 71%, Grupo Financiero Agromercantil recorded the highest performance indicators in the Guatemalan financial market, thereby amply demonstrating its capacity for growth, the quality of its products and services and the guarantee of having the best possible human talent.

Clients:	1.365.323
Employees:	3.427
Branch offices:	234
ATMs:	187

Our business abroad

We are joining forces to drive the excellent growth prospects of all those economies where we are present, strengthening our position in each country and in applying our "Humanistic Banking" approach getting to know and respecting the different cultures, building long-term relations with our stakeholder groups, and promoting greater social equality and inclusion as a way of furthering economic, social and environmental development.



Banco Agrícola:

Through Banco Agrícola we are striving to get that much closer to our clients, providing them with the best possible customer care, offering solutions based on their financial needs and preserving our position as the No. 1 Bank in El Salvador.

In assisting with the dreams and life-time ambitions of thousands of Salvadorans and their families, we have issued over 156 thousand loans and 196 thousand credit cards in this part of the world.

Highlight: 14 thousand families have been able to own their own homes with the help of our mortgages loans.

Helping with the growth of the business sector and its liquidity needs, we have offered 4,223 financing solutions to different sectors of the economy.

Our specialized range of cash management products also did well, representing revenues of USD 4.18 million.



Valores Bancolombia Panama:

This subsidiary provides excellent customer care and access to the international investment products so far made available, this based on its thorough knowledge of the market, its ability to handle information with the utmost confidentiality, a skilled and professional team of employees *par excellence*, as well as compliance with all applicable business standards and good sales practices, all of which have allowed Valores Bancolombia Panama to satisfy the expectations on the part of clients, shareholders and employees alike.

This is plainly evident with the fact that this is the country's top stock brokerage firm, ranking in first place in terms of transaction volumes that came to USD 2.071 million in 2013, that is to say, 9.50% of the total trades reported by 74 stock brokerage firms existing on the Panamanian market.

On the other hand, revenues from local and Central American clients came to USD 179 thousand, having increased almost three fold compared to the

previous year. This was also amply demonstrated by the firm's 1,730 active accounts.

So that our clients can make better financial choices, we set up our world-class *Pershing* service platform offering minute-by-minute stock information along with a complete breakdown of each individual portfolio. With this new technology we are providing greater transaction security, as well as other similar security features associated with on-line investing in the United States.

Furthermore we have been able to incorporate into our client base, various active clients who are insured by the FDIC - Federal Deposit Insurance Corporation.



Leasing Perú

Leasing Peru has consistently showed a steady increase in loan placements, this based on an excellent diversification of its client base as well as by type of assets, and the economic sectors to which its clients belong.

At year-end we held a total of 548 leasing agreements, representing a 18.61% growth compared to 2012, of which 513 correspond to activated business operations for a total value of USD 147 million.

Figures: We are contributing to the economic development of each of the countries where we are present by providing our support to the following economic sectors:

- 21% - Construction sector
- 18% - Transport and warehousing
- 17% - Manufacturing
- 10% - Mining
- 14% - Other (real sector)
- 9% - Fishing
- 11% - Other sectors

Figures: The main assets financed through leasing arrangements in 2013 are broken down as follows:

- 40% - Vehicles
- 36% - Machinery and equipment
- 8% - Real estate
- 10% - Ships, trains and planes
- 6% - Other assets

We set a precedent by providing a solution to a major player in the engineering and construction sector via a leasing arrangement worth USD 30 million. This allowed the client to finance 40% of the equipment required for operating an iron mining business in southern Peru.

Renting Perú

This subsidiary reported a total of 219 clients at year-end 2013, leasing a total of 371 new vehicles worth USD 8.2 million. The total number of units rented to date comes to 1,632, for a total fleet value of USD 44.6 million, of which 30% are heavy-duty vehicles (trucks and dump trucks).

Fidu Perú:

This subsidiary performed its first ever operation as a lead arranger in Peru, in a deal worth USD 215 million, for a total position of USD 80 million, this as a result of the positioning and the trust earned from one of the top economic groups in the country.

We have helped to expand the production of palm oil and its by-products by 80%, as well as the production of ethanol (vehicle fuel) by 33%



Bancolombia Miami Agency

(Changes shown due to having closed this subsidiary and liquidated almost all of its assets and liabilities)

Based on our wish to expand in other international markets, we decided to close our Miami Agency, although we still continue to attend its clients with our specialized services and products in Bancolombia Panama and Bancolombia Puerto Rico, to which we managed to migrate 63% of the Agency's deposit business to both countries. We also set up a new line of term deposit products for our institutional and government clients in Colombia.

1,2 million

savings and checking accounts bear witness to the trust placed in us by our clients in handling their financial resources.

le estamos poniendo el alma

Banco Agrícola:

	2013	2012	% Change
Assets	3.943,2	3.779,8	4,32%
Liabilities	3.386,7	3.233,2	4,75%
Equity	556,4	546,6	1,79%
Operating earnings	320,8	256,5	25,07%
Net Profits	91	89,1	2,13%

Year-end figures stated in millions of US dollars.

Panamá:

	2013	2012	% Change
Assets	4.372,6	3.816,7	14,56%
Liabilities	3.531,3	3126	12,97%
Equity	841,4	690,7	21,82%
Operating earnings	181,2	116,1	56,07%
Net Profits	165,2	129,5	27,57%

Year-end figures stated in millions of US dollars.

Puerto Rico:

	2013	2012	% Change
Assets	383,5	292,8	30,98%
Liabilities	291,7	209,8	39,04%
Equity	91,7	83	10,48%
Operating earnings	14,2	10	42,00%
Net Profits	10,1	10,2	-0,98%

Year-end figures stated in millions of US dollars.

Leasing Perú:

	2013	2012	% Change
Assets	135,9	109,7	23,88%
Liabilities	119,2	92,5	28,86%
Equity	16,7	17,2	-2,91%
Operating earnings	7,2	5,5	30,91%
Net Profits	1,5	-0,079	1.998,73%

Year-end figures stated in millions of US dollars.

Renting Perú:

	2013	2012	% Change
Assets	65	74,6	-12,87%
Liabilities	56,5	60,9	-7,22%
Equity	8,5	13,6	-37,50%
Operating earnings	23	22	4,55%
Net Profits	-2,3	3,14	-173,25%

Year-end figures stated in millions of US dollars.

Fidu Perú:

	2013	2012	% Change
Assets	4,1	4	2,50%
Liabilities	0,1	0,1	0,00%
Equity	4	3,9	2,56%
Operating earnings	1,37	1,29	6,20%
Net Profits	0,4	-0,29	237,93%

Year-end figures stated in millions of US dollars.

Valores Panamá:

	2013	2012	% Change
Assets	17,4	16,5	5,45%
Liabilities	0,48	0,6	-20,00%
Equity	17,6	16	10,00%
Operating earnings	6,3	6,2	1,61%
Net Profits	0,9	1,58	-43,04%

Year-end figures stated in millions of US dollars.

Agencia Miami:

	2013	2012	% Change
Assets	48,9	747,5	-93,46%
Liabilities	0,17	711,7	-99,98%
Equity	9	16,2	-44,44%
Operating earnings	12,9	7,7	67,53%
Net Profits			

Year-end figures stated in millions of US dollars.

Changes due to having closed the Miami Agency and wound down its assets and liabilities



Salvador Meléndez
Reporting for Reuters in El Salvador

The investment that changed lives

The story of Augustín Landos is one of human values, solidarity with others, working as a family and entrepreneurship. 'Don Tin', as he is known, began his business career when he graduated as an accountant when he was just 18 years old. He had no work and was living in Nueva San Salvador otherwise known as Santa Tecla in 1970, in El Salvador.

Since he and his wife were expecting their first child, he set up a coffee shop called Cafetería Don Tin. "My in-laws and god parents provided us with their financial support in setting up this business. We began on the corner of 8ª Avenida Sur and Calle Daniel Hernández with a total capital of 1,300 colons, which nowadays would be the equivalent of just USD 148." So we bought tables, chairs and plates and rented a small shop measuring just 5 square meters, next to the business owned by my wife María's parents.

María has been learning how to cook Salvadorian traditional dishes since she was five years

old. She has always been the culinary brains behind the Cafetería Don Tin. Her parents also had a shop as well as a small restaurant. At that time, in Santa Tecla, the municipal market was the only place you could get food. "At that time my wife was just 25 years old. She took over the cooking making simply exquisite home-made food" said Augustín.

"On the very first day we opened our doors, we began early to serve breakfast. Our first ever sale was to our neighbors, a 40-year old lady with her daughter who were the first to arrive. We were so nervous in spite of the experience we had with my in-laws' restaurant. But we were so excited! I remember serving coffee in china cups that were all the rage back in the 70s. The bill came to just 3 colons for two breakfasts, but this gave us our first start." he stated with pride.

The Cafetería Don Tin is a well-known landmark in Santa Tecla. Various generations of town-dwellers have watched us grow. The coffee shop is decorated

with a fusion of typical landscapes painted by Alejandra, Don Tin's granddaughter who has been painting since she was 5 years old and has provided a unique touch to her grandparents' business.

The pedestrian walkway that changed lives.

The Cafetería Don Tin is one of 82 shops lining the Paseo El Carmen, a downtown street that has been favored by the modern municipal parking units that have gone up, providing safe and well-lit facilities for Don Tin's patrons. "This is something new that we didn't have before and this has given our clients much more confidence. When the amount of traffic began to increase, the Town Hall provided night-time parking facilities" he added.

"Before we used to close at 6 p.m. but since the Town Hall provided this new service along with a pedestrian walkway crossing the historical downtown area, the restaurants, bars and art galleries have seen a rise in





business. Thanks to all these new changes, sales have risen by 15% so far and we have extended our premises from 20 to 60 square meters.

"This has been a life-line for us, since business was getting tough. When we first found out about this project, we were the first to say "yes". The Town Hall invited all the restaurant owners, but I was the only one to begin a restaurant business here. We spent 18 months offering typical food, pastries, coffee and hot chocolate and with time other restaurants were set up and business took a turn for the better. Thank God we could purchase this property. Who wouldn't want to come and have a walk around here?"

In 2011, Santa Tecla's Town Hall assigned funds from future budgets to improve the parking facilities and build a new football stadium. The parking facilities, located next to the Town Hall building and near the Cafeteria Don Tin, were revamped last Decem-

ber and in record time thanks to the funds that were transferred via the Automatic Clearing House ACH-Network).

In addition to this Banco Agrícola signed an alliance with the Salvadoran Institute for Municipal Development (ISDEM in Spanish) so as to be able to transfer funds from the Salvadoran Fund for Social and Economic Municipal Development (FODES in Spanish) in a swift and efficient fashion using the ACH banking network. This has allowed the different town halls access to ready cash through Banco Agrícola's on-line banking service.

Thanks to this Organization, the Santa Tecla Town Hall has managed to reduce lead times for its various projects. The ACH network facilitates electronic interbank transfers for the Salvadoran Fund for Social and Economic Municipal Development "all this is important, it is not the same to have a check from another bank and have to wait until it is

duly processed. The greatest benefit of this is to be able to provide our suppliers with an opportune response and to be able to help to complete these projects in a swift and straightforward fashion," stated Enris Antonio Arias, Mayor of Comacarán and President of ISDEM

Since the Salvadoran Ministry of Finance freed up the use of FODES funds, we used to have to wait for up to 10 days for the municipal authorities to receive the money. This has been reduced to just three days with the ACH network.

These investments are turning the local people's dreams into a reality. For example, Don Tin now wants to diversify: "Taking advantage of the amount of tourism the Paseo del Carmen road is attracting, one of the future projects being considered is to build a four or five storey hostel To finance this we are thinking of taking out loans," said Augustin, blowing the steam off one of his cups of hot chocolate.



An aerial night view of Panama City, Panama, showing the illuminated skyline and the waterfront. The city lights are reflected in the water, and the sky is a deep blue with some clouds. The image is used as a background for the slide.

3

Contributing to overall economic growth

PANAMÁ

With the start-up of Banistmo we are getting that much closer to the Panamanian people and those residing in this country, although we have been present here since 1973 through our Bancolombia Panamá and Valores Panamá subsidiaries. Here we intend to continue driving overall development and bringing greater prosperity to this country and its people.

The economic results obtained by Grupo Bancolombia in 2013 helped to create added value amongst our stakeholder base (consumer, corporate and government clients as well as employees, shareholders, and the public at large), strengthening our relationships with both clients and the public as well as helping to drive the overall economy. *Here we relied on the methodology proposed by the Global Reporting Initiative (GRI)² to calculate the following series of performance values: our economic value, that is to say net operating revenues; our distributed economic value, or payments to employees, shareholders, suppliers, customers, the Government and the public at large; and our retained economic value, or the portion of the economic value produced and used to strengthen the organization.*

In 2013, the Grupo Bancolombia provided a total value of COP 7.90 billion, representing an annual increase of 5.0% over the previous year, this mainly due to higher net income from its services and products, including portfolio investments and leasing contracts, worth COP 5.3 billion, which represented 66.5% of total value obtained and an annual growth of 5.8%. Likewise, net commissions, with a share of 25.7% and an annual growth of 5.3%, totaling COP 2.0 billion helped to drive the total value generated.

The economic value generated in 2013 is divided by the value that is distributed amongst stakeholder groups and the value retained by the Organization. The value thus distributed equals 67.1% of the total value generated, and the remaining 32.9% corresponds to the retained value. The value distributed in 2013 reached COP 5.3 billion and the group to which the greatest value was distributed consisted of suppliers who received 37.16%, or COP 2.0 billion of the total in the form of payment for their services and products namely insurance, transport, fees, maintenance and repairs this as a fundamental part of the proper functioning of our Organization.

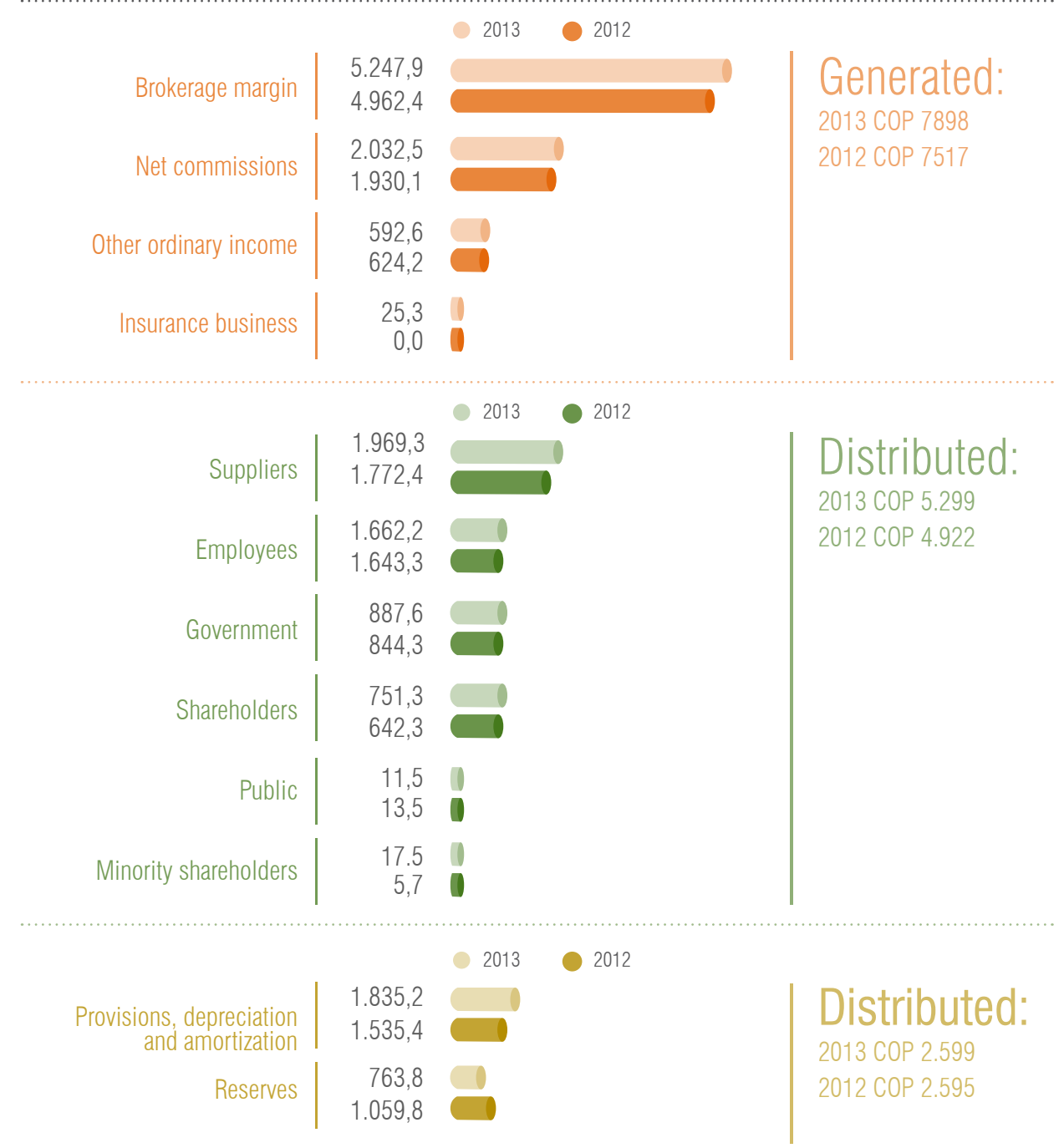
Another important beneficiary group was that of employees. At the end of 2013 we had 26,282 employees, amongst whom COP 1.7 billion was distributed in the form of wages, salaries, employment benefits and bonuses, accounting for 31% of the total value distributed. Additionally, we provided other benefits to this group, such as loans with preferential rates and incentives to engage in cultural, sporting and social programs that are held throughout the year.

5%

fue el incremento del valor económico generado durante 2013, logrando distribuir más de \$5,2 billones a nuestros grupos de interés.

² The Global Reporting Initiative (GRI) is a Non-Government Organization created in 1997 by the Coalition for Environmentally Responsible Economies (CERES) and the United Nations Environment Programme (UNEP), which promotes and develops a standardized reporting approach for companies and organizations alike. The GRI has established principles and indicators that organizations can use to measure and disclose their economic, environmental and social performance. This methodology has been used by Grupo Bancolombia since 2008 in drawing up both its Annual Management and Corporate Responsibility Reports.

Economic Value Generated, Distributed and Retained 2012-2013



Figures in percentages and Colombian pesos, in keeping with that reported in the Consolidated Financial Statements for year-end 2012 and 2013 respectively.
* Including net operating revenues other than commissions and interest, net non-operating income and exchange differences.
The amount distributed to shareholders at year-end 2013 was based on the dividends proposed by the Group's Board of Directors in March 2013. As for the Group's insurance business at year-end 2012, no value was recorded due to having sold off our Salvadoran insurance subsidiary, Aseguradora Suiza Salvadoreña S.A. - ASESUISA in September, 2012

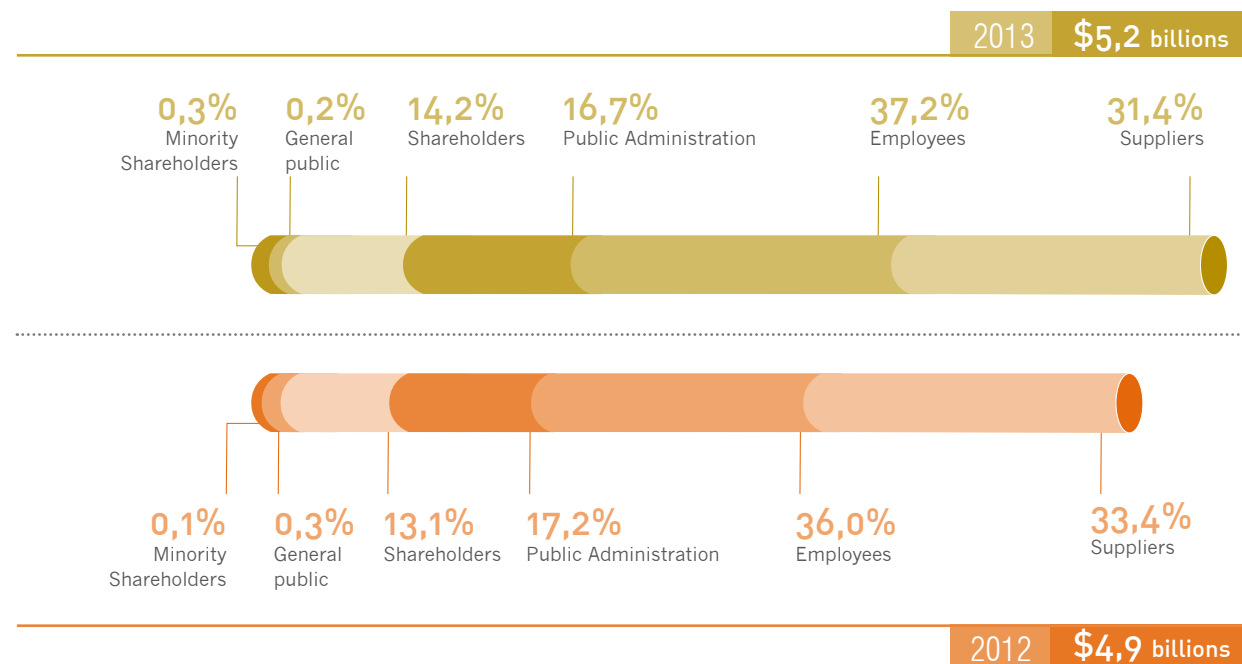
Bancolombia had a total of 17,874 shareholders at year-end 2013. This group received COP 751 thousand million in the form of dividends. The percentage of profits distributed in 2013 corresponds to the dividends to be approved by the Board of Directors after the year's profits are determined, this subject to the approval of the Group's General Assembly of Shareholders.

For the Bank, it is vital to improve community welfare, which is why we have established the beneficiary groups "General Public" and "Public Administration" for the distribution of the value it creates. The first of these received COP 11 thousand million in the form of donations, and the second another COP 887 thousand million in taxes, this for the purpose of carrying out social, educational and cultural programs to further the country's development and well-being.

After distributing the generated value, 32.9% was retained in the form of a retained value, this amounting to COP 2.6 billion. Out of this total, COP 1.5 billion (56%) was assigned to provisions for preserving the quality of the balance sheet; COP 373 thousand million (14%) was used to replace and maintain the Organization's production capacity; and the remaining COP 768 thousand million (30%) was used to set up reserves for the Organization's future growth plans as well as to be able to comply with additional or amended regulatory requirements

Grupo Bancolombia upholds guidelines for transforming its banking business, making it increasingly more humanistic and more approachable by means of financial education programs, innovative new products and services for the community, reaching the remoter corners of the country that up till now have never had any contact whatsoever with a bank. Also by means of high-impact social development programs the Bank is helping to build a better quality of human capital, while becoming a preferred choice for the Colombian people when it comes to turning their dreams into a reality!

Distributed Economic Value 2012-2013



Figures shown in Colombian pesos, in keeping with that reported in the Group's Consolidated Financial Statements at year-end 2012 and 2013.



Jaime Viana Rojas
Assistant Editor Portafolio newspaper

Factoring arrangements with 100% of my suppliers

Over the last seven years, two events have come together to help drive the firm, Granyproc, on a path of fast, well-planned growth

Granyproc is a family-based company run by a father and son, Guillermo and Wilson Pérez, who got together in 2007 to import corn, sorghum and soy and sell these commodities onto to poultry farms and processing plants, as well as factories producing local corn cakes (arepas) as well as snacks and cereals

In just seven years, the Company's billings have gone from 3 thousand to 30 thousand million Colombian pesos, which is pretty big leap in today's business world. The plant currently provides 22 direct jobs and roughly the same number of indirect jobs. It imports roughly equal quantities from the United States, Brazil and Argentina, which comes to 70% of the total with the remaining 30% sourced locally in Colombia

Wilson Pérez, is the Company's 40-year old Sales Manager, who is in charge of the Bogota business, whereas his father coordinates operations in Tolima,

where a large part of the Company's client base is located.

Having a keen business vision, Wilson Pérez realized some years ago, that the domestic demand for these raw materials would rise and that it was necessary to leverage the Company's capital to be able to build up a good business. Granyproc has suffered the effect of rising international commodity prices, as a result of the global financial crisis in 2008 and 2009, although it has always had a keen sense of knowing when to buy and sell, as well as to obtain loans or take a step forward and grow the business. Its clients are located throughout the length and breadth of Colombia, from La Guajira to Florencia and from Uraba to the Llanos, in a country that imports four times what it produces using these raw materials

One of Granyproc's main business decisions involved Bancolombia who has been a major ally in the development of its business, providing such simple things such as a checking account and opportune financial advice to something much more sophisticated and useful such as factoring arrangements."We

have always used Bancolombia, almost on principle really since all our clients use the Bank's branch office network. As soon as the Company began to produce good results and increase its sales, the Bank approached us offering more products and services," commented Wilson Pérez.

The first thing that Granyproc was offered was extra working capital with all-purpose loans, through lines of credit with Finagro, which are in turn backed by the Colombia's National Guarantee Fund. Then we signed up for a leasing arrangement to buy a plot of land in Girardot (Cundinamarca) where we plan to build a warehouse with a capacity for 3 thousand tons."We extended the maximum limits of these loans and at the end of last year (2012) we began to talk about factoring arrangements with Bancolombia Panama," explained Wilson

"We knew then that these factoring arrangements would come in useful with our clients, since it would be a way of financing what we were selling them, but I had no idea it would work the other way with my suppliers." Bancolombia's Panamanian subsidiary



provided this service, in the form of a loan in foreign currency

Thanks to these factoring arrangements, Granyproc managed to buy more product from its suppliers, and not only that, but it also became aware of new suppliers abroad offering much better prices, as well as more opportunities in Argentina and Brazil. Today the Company's entire supplier base are using factoring arrangements in their different businesses.

The advantage with this type of financing is that international interest rates are a lot lower so we are paying half of what a similar business would cost here in Colombia, so it represents a great deal of savings for us

Endorsed invoices

Granyproc has a maximum factoring limit of USD 900 thousand over a term of 12 months, although the Company imports

on average just USD 600 thousand, and these are paid off well within 6 months.

The process begins when the Company purchases area on vessels of 35 thousand tons, pricing the product thus acquired based on quotes from the Chicago Commodity Exchange. Then when we receive the corresponding invoice, this is endorsed and sent off to Bancolombia, who proceeds to pay the supplier, generally speaking transferring the amounts from accounts held in the United States.

"From the very moment the invoice is paid until the product becomes available at the respective port there is an interval of between 10 and 15 days. It takes another 10 days or so to load the product onto overland transport trucks and we have another 30 days to invoice the product and collect the amount owing. So we are talking about a period

of 60 days. I always play safe and ask for 180 days, but I pay well before then to free up the pre-approved limits," explained the young business man

"It has been quite a profitable venture for us and we have grown as a result. Last year we did well with these arrangements that Bancolombia is offering and we want to continue along the same lines this year", he added.

During the second half of 2014, Granyproc's Sales Manager plans to increase the Company's factoring limits, because he intends to import more from Brazil and Argentina, taking advantage of the lower crop prices at this time of the year.

So these factoring arrangements are indeed an ideal way for small businesses to ensure their sustainable growth, with all the personalized support the Bank is able to offer.





4

Commitment to our investors

GUATEMALA
Having obtained a 40% stake in Grupo Financiero Agromercantil, we have extended our presence in this Central American country previously attended through an agency belonging to Banco Agrícola. Here we have ratified our commitment to Guatemala, honoring the confidence deposited in us in helping to drive the growth of its economy which already attracts a great deal of foreign investment while taking care of the needs of our clients in this part of the world

In 2013, our Organization held more than 450 meetings with investors in order to transmit the Bank's results and answer any questions these may have.

The purpose of these meetings is to communicate the most relevant aspects of the Organization's performance to its shareholders and bondholders. These are interactive in nature, with investors asking openly and directly about issues that matter most, while providing the Bank's Senior Management with the opportunity to explain in detail the strategy being deployed. The prime objective of these meetings is to let shareholders know that Senior Management is always at hand and in so doing create added value for all stakeholder groups.

Bancolombia is monitored by 14 international and 5 local brokerage firms, who constantly gauge the Bank's performance and make recommendations to their own clients and investors regarding the Bancolombia shares, the ADRs issued abroad as well as the different bond issues.

These initiatives help Bancolombia to access the capital markets on a recurring basis, as a well-known issuer

Channeling and clearing up concerns on the part of shareholders with regard to dividend payments, converting old stock certificates into new ones, shareholder rights and issues of shares, etc.

The Bank has a dedicated Shareholder Office, which is a specialized help center responsible for addressing their concerns. We have also laid on an exclusive Help Line where shareholders can ring up and talk to somebody who can take care of any problem they may have. This is providing excellent added value as well as being a sign of respect for our shareholders.

Quarterly teleconferences at which the Bank reports its recent results.

Here our shareholders can connect up via Internet for an on-line presentation of the Bank's financial figures for the most recent quarter. In this way, the Bank is able to permanently report on the latest business trends, the manner in which the strategy is being deployed and how Senior Management envisions the future. A final Q&A session is provided to clear up any queries.

Supporting the Bank's relationship with the capital markets in issuing bonds and shares both at home and abroad.

The relationship we have built up with the Colombian pension funds that invest in our securities has been very fruitful for both parties. While these pension funds have seen a growth in their investments, the Organization on the other hand has obtained funds from share and bond issues to secure its future growth. At year-end 2013, Bancolombia's bonds accounted for 10.4% of the Bank's liabilities while its Equity + bonds represented 19% of the Bank's assets.

More than 8 million Colombian private pension fund members are the ultimate beneficiaries of Bancolombia's combined growth, strength and profitability, which is one more reason for stating that if the bank does well, so does the country and its people.

Finally, the Colombian Stock Exchange issued us with its IR award, for our best practices in the fields of Investor Relations, Information Reporting to investors and the market in general, as well as Corporate Governance.

Corporate Governance and Ethics

Aware of our responsibility as a major player in the Colombian finance industry and given the enormous challenge facing Grupo Bancolombia in terms of its expansion abroad, we are intent on implementing our new Humanistic Banking approach as our corporate governance philosophy in each and every country where we are present.

We are determined to transcend the concepts of growth and profitability in order to advance with our focus of viewing our business in a different way, which shall allow us to preserve our most valuable asset: trust.

We continue to implement changes in aid of greater transparency, while cementing in all our companies a culture based on our principles and values in which business ethics takes precedence over any sales result and any wrong doing, corruption or fraud is met with zero tolerance.

With regard to our Corporate Governance and a long-term business vision, we continue with our efforts to guarantee the Group's ongoing solvency and sustainability in accordance with our principles of creating value for our shareholders, clients and savers, as well as for the economies of all those countries where we are present.

In keeping with international standards as well as regulatory trends in our industry, we have furthered our corporate governance model to ensure the unity and direction of the Bank in its role as parent company. The Bank's Board of Directors, for its part, continues with its role of managing business risk in terms of capital, defining the Group's risk appetite and establishing clearly defined controls, reports and lines of accountability.

Although this task is yet to be completed, the steps taken so far in meeting these high standards shall translate in greater confidence on the part of all those who have entrusted us with their financial resources.

More than

8

million Colombian private pension fund members are the ultimate beneficiaries of Bancolombia's combined growth, strength and profitability

Committed to creating economic, social and environmental value

We continue listed with the Dow Jones Global Sustainability Index, one of the main global benchmarks that tracks the performance of leading companies in terms of corporate sustainability. We are also the only Colombian bank that forms part of this group along with five other Latin American banks. Similarly, we form part of the Emerging Markets Index which was first launched in 2013.

In keeping with our 20/20 Vision, aimed at providing shared value from the economic, social and environmental standpoints Bancolombia's best practices obtained a higher score than 94% of the other 114 banks on a world-wide level competing for this listing. It is also important to note that we belong to the second best performing sector of the 59 that were assessed, with the overall score outstripping that of 52% of the rest of these sectors.

Dow Jones Global Sustainability and Emerging Markets Indices

Index	Scope	Result	Banks	Result
DJSI World USD10.441 billion RA: 16,95% 0,26% COL	2.500 companies	333 companies	179 banks	23 worldwide
	45 countries	25 countries	40 countries	5 LatAm
	59 sectors	59 sectors	13 LatAm	1 Colombia
NYSE		Additions: 39 Deletions: 47		
DJSI Emerging Markets USD1.338 billion RS: 4,27% 4,91% COL	800 companies	81 companies	96 banks	10 worldwide
	20 countries	12 countries	20 countries	5 LatAm
	57 sectors Biotechnology Professional Services	34 sectors	17 LatAm	1 Colombia
Local Stock Exchanges		Additions: 20 Deletions: 8		



Grupo Bancolombia: the only Colombian bank amongst the top 2.500 most sustainable companies in the world.

Dow Jones Global Sustainability and Emerging Markets Indices

Criteria	Points	% Weighting	Percentile	Average	Dimension	Area Responsible
Employees committed to our humanistic banking approach 83 points 20% weighting						
Human Capital Development	100	6	90	54	Social	HR Management
Occupational Health And Safety	85	3	96	41	Social	HR Management
Labor Practices And Human Rights	78	5	80	63	Social	HR Management
Talent Attraction And Retention	70	6	85	49	Social	HR Management
The Value of Trust 89 points 36% weighting						
Financial Stability And Systemic Risk	100	4	68	61	Economic	Risk Management
Anti-Crime Policy / Measures	100	4	91	76	Economic	Corporate Services
Risk And Crisis Management	93	6	83	72	Economic	Risk Management
Brand Management	93	4	84	61	Economic	Corporate Identity
Controversial Issues / Business	90	4	98	47	Social	Corporate Identity
Codes Of Conduct/ Ethics / Corruption & Bribery	74	7	58	73	Economic	Company Secretary 's Office
Corporate Governance	73	7	46	72	Economic	Company Secretary 's Office
Finding new ways of shaping a more gratifying experience for our clients 89 points 36% weighting						
Sustainable Business	97	9	93	60	Environmental	Each business unit
Client Relationship Management	91	6	81	66	Economic	Each business unit
Financial Inclusion	79	3	82	47	Social	Each business unit
Sustainable growth 71 Points 26% weighting						
Environmental Management System	93	4	93	58	Environmental	Corporate Identity
Operating Eco-Efficiency	88	4	98	37	Environmental	Corporate Services
Corporate Citizenship	88	3	87	46	Social	Corporate Identity
Climate Change Governance	87	4	93	46	Environmental	Corporate Identity
Stakeholder Engagement	79	2	81	56	Social	Corporate Identity
Supply Chain	70	3	87	45	Economic	Corporate Services
Social Reporting	37	3	35	46	Social	Corporate Identity
Environmental Reporting	28	3	30	48	Environmental	Corporate Identity

Average: average score for the banking sector
Percentile: Percentage of entities surpassed by Bancolombia
Our Auditing and Finance and Strategy Departments play "across-the-board" roles with regard to all the abovementioned indicators



5

Teaming up with our employees

PERÚ
Through our banking, vehicle rental and leasing subsidiaries in Peru, we have provided support to the main Peruvian economic sectors with their growth plans and financing needs



Teaming up with our employees

Attracting, developing and retaining talent for our business, strengthening our culture in terms of the number of employees committed to our “Humanistic Banking” approach and playing a collaborative role in community work to achieve excellence, are the three main objectives on which we are working as part of our purpose of enhancing the quality of life of our employees and their families.

Recruiting and developing the very best human talent

As part of our commitment to enhancing labor market inclusion and building a fairer, more equitable society, we have hired 20 people with physical disabilities who formed part of our ‘Bancolombia for All’ program. On the other hand, as part of an agreement signed with Colombian Apprentice Institute, (Sena), we sponsored 122 disabled students aspiring to decent job opportunities.

We have begun to work and deploy a range of employee training programs, having launched an on-line program ‘Live to Grow’, which was completed by a total of 10 thousand employees.

This is being extended on an international level, having identified a group of 160 high-potential employees who shall be transferring to our subsidiaries abroad. Here, we have aligned the variable remuneration plans of Banco Agrícola in El Salvador, as well as those in Costa Rica, Guatemala and Peru..

Levels of psychosocial risk at employee level are closely linked to the way the work is organized, and its most obvious manifestations are related to stress and the mental and physical health of our employees. Consequently, after measuring the inherent risk back in 2012, we came up with a prioritization methodology and plans for addressing these psychosocial risk factors.

Furthermore, in order to offer our employees a better quality of life allowing them to identify with the Bank’s aims, values and policies involving them more as individuals rather than employees, and in this way we have effectively raised the “emotional salary” as a fourth component of the Group’s total remuneration.

Organizational culture aimed at transforming our business

We started the second level of our Leadership Institute, aimed at developing conversation skills, which at the end of 2013 had been

completed by 30% of the target employee base. And at the end of the first “A Leader Is’ stage, aimed at applying the humanistic approach at managerial level, 93% of our managerial and section head personnel had taken part in this phase with 87% of these receiving their “A Leader Is” certification.

In partnership with the University of Quebec, we have been deploying a humanistic management model that allows us to transfer this focus to our day-to-day financial business. We carried out six large-scale workshops in major cities of Colombia, attended by over a thousand employees.

We also worked in conjunction with our foreign subsidiaries, strategic supply chain partners as well as the “Bancolombia at Hand” Correspondent Banking POS, standardizing our organizational culture map as well as initiatives such as service and responsible selling and our overall service model, with the aim of sharing our vision as we continue to secure results based on our humanistic objectives.

Working in conjunction with the community in achieving excellence

We launched our “First Communities” initiative as part of our Knowledge Management strategy covering innovative non-formal learning methodologies, underscoring our tele-working function, covering a total of 518 employees at the moment.

In order to strengthen our collaborative efforts, we changed the methodology used to draw up our business management plans, establishing collective goals and strengthening teamwork.

In our aim to create healthy, supportive work environments based on dialog, we created collaborative quality of life networks in which a total of 1,032 leaders provided early warnings of absenteeism and accidents. We also provided opportunities for interaction with our trade unions, seeking to strengthen dialog, labor relations, quality of life and communications with our employees.

Demographics and employment generation

About 44,000 employees of Grupo Bancolombia are putting their souls into transforming ourselves into a much humanistic bank.

We recognize demographic diversity and generational changes, seeking greater flexibility in all those processes that go into the Organization's overall.

Job Breakdown

Direct jobs

COMPANY	# EMPLOYEES
Bancolombia	18.463
Banca de Inversión Bancolombia	77
Factoring Bancolombia.	177
Fiduciaria Bancolombia	484
Leasing Bancolombia	782
Valores Bancolombia	618
Foreign subsidiaries	5.438
Other companies belonging to the Group	2.724
TOTAL	28.763

Other types of employment contracts:

Outsourcing	14.046
Apprentices/ interns	1.092
TOTAL	43.901

Distribution of direct jobs by country

COUNTRY	# EMPLOYEES
Colombia	23.325
Costa Rica	3
Guatemala	6
Puerto Rico	14
Peru	81
Panama	2.627
El Salvador	2.707
TOTAL	28.763

Diversity and Demographics: Upon analyzing Grupo Bancolombia's direct employees, both at home and abroad, we have:

26.039
direct jobs*



Seniority

34%
Less than 3 years

37%
Between 3 and 10 years

30%
More than 10 years



Gender

63%
Women

37%
Men



Age

42%
Less than 30 years

35%
Between 30 and 40 years

23%
More than 40 years

Only local and foreign-based banking units

Job creation

In Colombia we are providing 1,414 net jobs, with another 258 abroad.

Promotions

Nearly 3,394 employees were promoted within the Organization; 2,863 of these in Colombia and the rest abroad.

Human Talent Training

Here we are directly encouraging the skills of our employees in all those countries where we are present, including our Strategic Supply Chain Partners. These programs had an indirect impact on our client service as well as welfare of the families of our employees. We invested around COP 10,800 million in these training programs.



CULTURE focused on employee commitment to our humanistic banking approach

Disseminating knowledge

On-line courses	124.258 participants	28.525 people	98% of Grupo Bancolombia's employees received at least one on-line course in 2013
Personally-attended courses	15.217 participants	10.104 people	40.3% of Grupo Bancolombia's employees participated in at least one personally-attended course in 2013
Knowledge Management plan	6 areas	500 people	
Conferences	4 conferences	280 people	

Change management

employees	2094
attending coverage	67.9%

Transforming organizational culture

Communities	3 communities	809 people
Collaborative work shops	11 workshops	200 people
Yammer		1500 users

Quality of Life

We continue to build up an organizational culture focused on promoting the quality of life, self-care and healthy lifestyles conducive to the welfare of both our employees and their families. Here, we invested about COP 63,800 million in programs and incentives to foster a better quality of life for our employees in all those countries where we are present. The following is a breakdown of this initiative:

(These figures correspond to Bancolombia and its Colombian subsidiaries, since each foreign subsidiary handles its own range of HR initiatives, depending on the context, customs and culture of each country).

- Healthy Employees: 45,162 signed on for the medical check-ups and the active break program.)
- Sports activities: Benefiting a total of 9.874 employees
- Cultural Activities: 1,414 participants
- Celebratory Programs: 11,466 participants (retirees, five-year service milestones, special dates, etc.)
- Employee Benefits: Our Employee Benefit Model helps to improve the quality of life of our employees through the following range of programs and services that promote greater human and social well-being and a stronger organizational culture:

Employee loans:

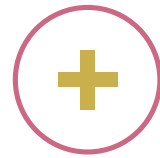
LINE OF CREDIT	LOANS GRANTED	TOTAL VALUE
Family misfortune	119	904.836.501,00
Education	145	50.907.705,00
Cash Shortfalls	232	402.102.783,00
All-purpose	3.645	30.439.334.915,00
Postgraduate studies	207	2.529.071.128,00
Vehicle	1.082	39.912.916.491,77
Conventional Housing	444	23.946.481.343,96
Special Housing	963	77.809.754.907,00
Grand total	6.837	175.995.405.774,73

Insurance:

We, in Grupo Bancolombia, are committed to raising awareness regarding risk management so as to further the welfare of both our employees and their families.

We invested more than COP 63.000 million in programs and initiatives aimed at enhancing the quality of life of our employees in every country where we are present.

Insurance
60.261
premiums worth
\$24.850MM



Healthcare
24.263
beneficiaries
\$20.121MM

- Employees 11.619
- Family members 10.886
- Parents 1.758



Vehicle
6.103
beneficiaries
\$2.104MM



Household
2.740
beneficiaries
\$272MM

- Fire Financial 1.462
- Obligations Residential 1.278 \$272MM



Life
27.155
beneficiaries
\$2.353MM

- Payroll 20.601 \$1.941
- Accident 20.601 \$412
- Voluntary Unemployment 3.635
- Voluntary Spouse 1.065
- Financial Obligations 1.854

Mutual Investment Fund

Through Protección's "Mutuocolombia Institutional Plan", all employees are able to save and attain their personal goals: own homes, further studies, or trips abroad. So saving with the "Mutuocolombia Institutional Plan", employees receive many more benefits.

Recognition

"Setting an Example- 2013" was an event staged to recognize the achievement of all those strategic objectives we have set on both an individual and collective level. So, through a series of memorable experiences, 500 employees from our sales and administrative areas, obtained our gratitude for their dedicated efforts in various professional skills, such as leadership, service and human qualities, producing an excellent level of results.

Total aportes y afiliados al Fondo Mutuo de inversión

Member contributions
\$16.509.519.845

Bank's matching contributions
\$5.448.543.182

Total membership base
12.984





6

Hand-in-hand with our strategic partners

PUERTO RICO

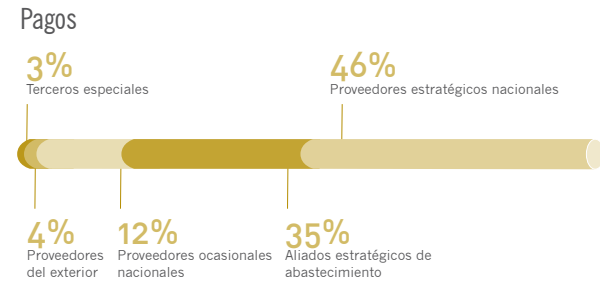
For the last five years now we have been attending non-resident holders of investments in foreign currency on this island, providing financing for infrastructure and different expansion plans in Latin America, particularly in sectors such as industry, telecommunications, construction, energy, transport and agriculture

We recognize the important role played by our suppliers and strategic partners bring our strategy to fruition, achieving the highest client referrals as a more Humanistic Bank. In this way, we are focusing our efforts on building up a responsible operating model, seeking to create shared value from the economic, social and environmental standpoints.

We have over 12,000 registered suppliers and 55 Strategic Supply Chain Partners (the latter receiving this name given their impact on customer service, business continuity, information confidentiality and the bank's social and environmental commitment).

For 2013, we paid out COP 2.1 (*) billion to a total of 8,156 active suppliers and partners, broken down as follows:

Percentage of payouts and number of suppliers by category



Cantidades

- 259 Foreign Suppliers
- 3.852 Special Third party Suppliers
- 2.006 Colombian Strategic Suppliers
- 1.984 Occasional Colombian Suppliers
- 55 Strategic Supply Chain Partners

* Este valor corresponde al total neto pagado a los proveedores y aliados estratégicos de abastecimiento en el 2013, por lo tanto incluyen todos los impuestos y retenciones asociados a los mismos.

- Strategic suppliers, both at home and abroad: frequent suppliers who are large and medium-sized companies hired for a specific purpose.
- Occasional suppliers: with whom we have an occasional business relationship.
- Special third party suppliers: those that are not hired by the Grupo Bancolombia, but who provide a service, and therefore receive payment for such.
- Strategic supply chain partners: suppliers having a considerable impact on the Organization with regard to customer care, business continuity, social and environmental issues, and handling confidential information.

172
new supplier contracts
170
renewed supplier contracts
3.405
new suppliers.

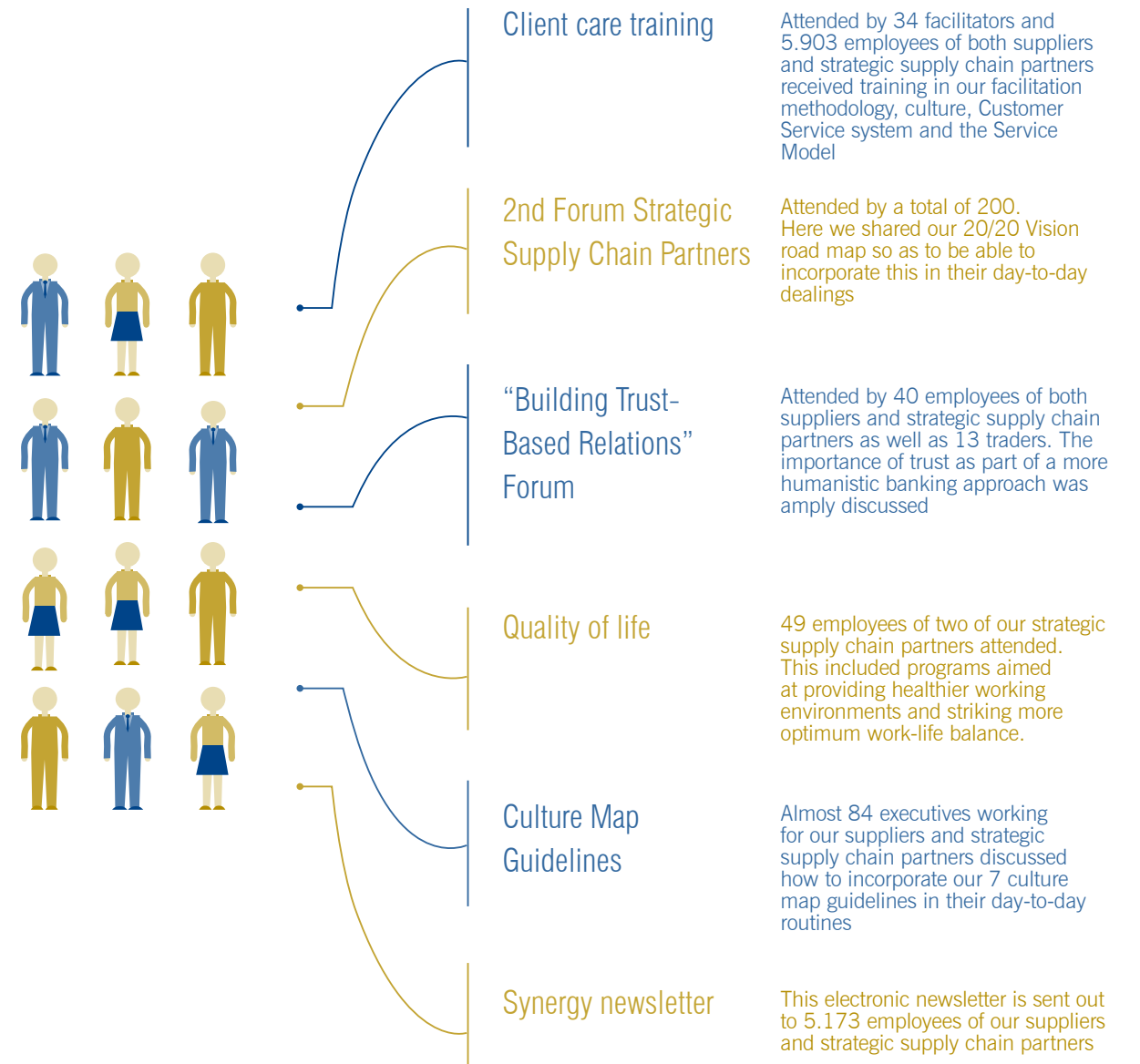
Last year we started up our Strategic Sourcing Model, allowing us to make a positive impact on our total demand, with the cost of goods and services declining by 6.7% for total savings of COP 38 thousand million for 2013. This was achieved through effective strategies aimed at regulating the bank's demand for goods and services along with a thorough analysis of the costs involved ensuring that fair prices were paid.

So as to be able to integrate our supply and support processes with the aim of producing reliable, secure and fully compliant solutions, we created what we call an Integral Logistic Operator formed with the alliance of two of our suppliers, which produced the following year-end results:

- savings of 5.9% with respect to the amounts paid during the two previous years with regard to the supply of corporate materials.
- a lower carbon footprint due to having reorganized our logistic supply transport model.
- Lower deliveries and receipts of supplies to more than 930 branch offices in Colombia.
- In terms of our IT development initiatives, we have designed our own technological solutions, representing year-end savings of COP 5 thousand million.

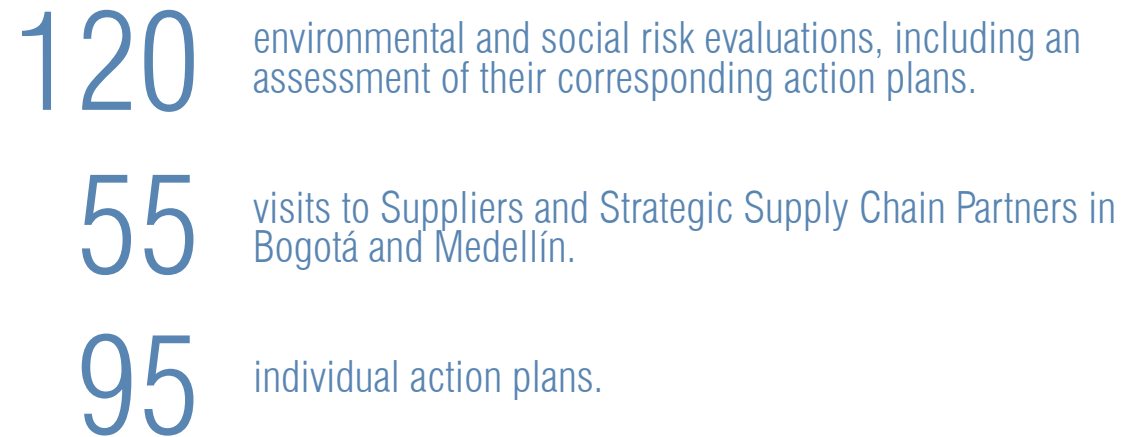
Impact on the relationship and the management of the human with suppliers and partners

We worked in conjunction with more than 14.000 employees belonging to our suppliers and strategic supply chain partners on how to build closer bonds with our clients.



Shared Value

Working with our suppliers and strategic supply chain partners is essential for the sustainability of Grupo Bancolombia. Last year, after detecting high levels of sustainability risk with various suppliers, we staged a series of visits where we evaluated the social and environmental issues present and drew up action plans for the respective improvements.



Joining forces

Our Sustainable Development Model allows us to monitor improvements made by our suppliers and strategic supply chain partners. Through on-site visits, evaluations and a rating scale from 0 to 5, we define the status

of each supplier or partner, for which action plans are implemented aimed at improving scores over time. This scoring system takes into account the contracts entered into or renewed.

Service Received	Visits		Evaluations		Score	
	2013	2012	2013	2012	2013	2012
Maintenance	15	14	15	13	3,73	3,83
Goods and Services	44	42	60	49	4,11	3,67
Civil engineering and retrofitting work	4	28	25	29	4,14	2,98
Total	63	84	100	91	3,99	3,49

Based on the 95 action plans formulated for 86 Providers or Strategic Supply Chain Partners, we were able to collate the following information:



Out of the 100 suppliers and strategic supply chain partners evaluated, performance improvements were noted in 56 of these. Average rating among suppliers and partners who introduced improvements: 4.34

For 29 of these suppliers and supply chain partners, no improvements were detected since this was their very first evaluation visit. Average score on sustainability issues for suppliers being evaluated for the very first time: 3.68.

In the case of all those suppliers and strategic supply chain partners where no improvement was observed (15), it was because they already had a very high rating or new information was requested that had not been required in previous visits. The average score regarding the sustainability issues of suppliers and strategic supply chain partners who did not introduce improvements: 3.7.

Sustainable procurement policy: we continued to implement our sustainable procurement policy containing environmental, social, economic and ethical criteria for selecting products and services. We received 114 price quotations for different goods and services throughout the year which were assessed applying our sustainability criteria.



7

Our Corporate Identity and Social Responsibility

COSTA RICA, ISLAS CAYMÁN, HONDURAS, NICARAGUA
Through the agencies belonging to Bancolombia and Banco Agrícola, we handle and coordinate relationships with different clients in all those countries where we are present, meeting their needs and structuring excellent value-added solutions, this as part of our focus on building long-lasting relationships based on trust.



Our role as agents of social transformation

We are firmly committed to remaining sustainable over time without compromising the welfare of future generations. For this reason, we focused our strategy on economic, social and environmental development in the context of a more Humanistic Bank as well as the four mainstays of our 20/20 Vision road map, as one of the most sustainable financial corporations on a global level. This requires that we must continue implementing initiatives to promote community development in all those countries where we are present.

We, in Grupo Bancolombia, have reaffirmed our commitment to the public by going beyond our role within the financial sector and helping with programs such as the comprehensive development of pre-school children, education and entrepreneurship. We are convinced of the importance of working with our local communities creating shared value and serving as a source of opportunities for people who need it most, while continuing to deploy community development strategies through our own lines of business as well as our own Bancolombia Foundation on the following fronts:

Early Childhood

We are making a great deal of effort with comprehensive early childhood care by supporting different initiatives and programs that have allowed us to improve the conditions in which children develop during the initial years of their lives

This we do through large-scale partnerships with the public and private sectors aimed at equipping Child Development Centers, staging education and psycho-affective development programs, teacher rating assessments, and strengthening the social and technical capabilities of institutions that are responsible for promoting early childhood care.

The total number of beneficiaries of our Early Childhood programs in 2013 came to 12,171, for an investment of COP 3,904 million.

Education

Education is one of the main vehicles of social transformation, so we have drawn up a series of programs for children and youngsters including 'Reading and Writing in Colombia', which is improving the literacy

skills of children and young people in rural communities by rating teachers and parents, as well as setting up school libraries.

The launching of our 'Dreams of Peace' scholarship program has provided young people with outstanding skills in different regions of the country with the opportunity of receiving higher education, thereby turning their dreams into a reality instead of falling prey to street crime, violence and an informal job market.

In partnership with the "Dividendo por Colombia" Institute, and thanks to the contributions of our employees, we opened 98 new classrooms and 197 basic accelerated learning centers.

The total number of beneficiaries on a nationwide level came to 169,438 for a total investment of COP 4.094 million

Entrepreneurship:

The Bancolombia Foundation strengthened its "Growing With My Business" initiative for micro-entrepreneurs, through strategies covering frequent sales formal sales channels and markets, driving job creation, formalizing the job market, extending banking services to more segments of the population,, opening new sales channels, enhancing products and services, production capabilities and financial structurings.

The total number of beneficiaries for these entrepreneurial programs on a nationwide level came to 95. The total amount invested in our Entrepreneurship lending program in 2013 came to COP 738,600,000

We lent a total of COP 738 million to 95 entrepreneurs as part of our Entrepreneurship program

Volunteer Corps

Our employees actively participated in building up Colombia's social fabric, thereby reaffirming our commitment to the community through teamwork and meeting a number of challenges on our stra-

tegic work fronts, including: Early Childhood Care, Education, Entrepreneurship, as well as other activities with different segments of the population, furthering our humanistic banking approach through two types of volunteer work: "A Day's Work For My Country" specific day-long initiatives and the "Leave Your Mark" program which is a permanent activity conducted throughout the year.

Number of volunteers by region:

- Antioquia: 1,730
- Bogota: 1,096
- Southern Colombia: 614
- The Caribbean Coast: 469
- Central Colombia: 666

The number of volunteers in 2013 grew by 88% year-on-year, for a total of 4,575 volunteers taking part in 43 different activities in 23 towns and cities. A total of COP 1,164 million was invested in the Volunteer program during 2013

We invested COP 1.164 million in our Volunteer program in 2013

Building together a better country

We all know that to in order to reach out to more people, secure greater social development and build the country we dream of, we need to join forces in initiatives that have a positive impact on the greater good. The support of our shareholders has been fundamental to our endeavors in this sense as well as the relationships of trust that we have been able to create over time with other foundations and charitable institutions through alliances such as: the Carulla Foundation, ALAS, Mario Santo UNDAY Foundation, Pies Descalzos Foundation, Genesis Foundation for Children, Carvajal Foundation Propal Foundation Success Foundation, Sofia Perez de Soto Foundation, Fellowship Medellín, Bavaria Foundation, Dividendo Por Colombia Foundation, Colombian Ministry of Education, Departmental and Municipal Departments of Education, Ecopetrol, Home Center, Universidad Nacional, Universidad de Los Andes, Universidad de La Sabana, Universidad Tecnológica del Chocó, Universidad de Caldas, Universidad de la Salle and Universidad del Norte

For more information, please click on the following link: www.fundacionbancolombia.org

The impact of our work in different parts of Colombia




Early childhood


Education



















Entrepreneurship


Volunteer

Region/Departments

Line

Beneficiaries

 The Caribbean Coast Córdoba Cesar Bolívar Sucre Atlántico Magdalena San Andrés		7.788	
		57.249	<ul style="list-style-type: none"> • 6.040 children • 60 elderly people • 1 Institution • 4 families
 Antioquia and Chocó Antioquia Chocó		681	
	 	41.961 48	<ul style="list-style-type: none"> • 10.936 children • 400 adolescents • 15 adults • 297 elderly people • 10 families • 700 trees • 200 cats and dogs • 4 Institutions
 Bogotá and Cundinamarca Bogotá Cundinamarca		553	
		20.084	<ul style="list-style-type: none"> • 4.027 children • 120 adolescents • 180 adults • 130 elderly people • 750 trees • 6 families • 130 cats and dogs
 Central Region Putumayo Boyacá Caquetá Casanare Santander Guaviare Norte de Huila Santander Meta Amazonas Tolima Arauca		1.381	
		17.898	<ul style="list-style-type: none"> • 2.324 children • 120 adolescents • 85 adults • 70 elderly people • 154 trees
 Southern region Valle del Cauca Cauca Risaralda Caldas Nariño Quindío		1.768	
	 	32.566 47	<ul style="list-style-type: none"> • 2.807 children • 60 adults • 30 elderly people • 230 cats and dogs • 300 trees

Institutional Planning

In Bancolombia we are committed to social change in all those countries where we are present. All 10 countries, so far, have taught us that through art and culture we can also contribute to the development of society, since it is the people, the populations and their cultural diversity that enrich our Organization.

This goal encouraged us in 2013 to help with initiatives promoting the enjoyment and appreciation of cultural heritage, cultural enrichment and civic trends furthering the quality of life as well as peaceful and harmonious coexistence on an urban level.

In this form we are materializing our desire to make a difference and contribute to community progress through our cultural activities. The following is a brief summary of a few of these:

Committed to our country's identity

As a result of our partnership with the Delirio Foundation in Cali, we continued to promote the cultural identity of the Department of Valle de Cauca, with theatrical events featuring professional and amateur artists, bringing about happiness and regional pride.

We were also present at the first prize-winning ceremony held by the Gabriel García Márquez Foundation for Latin American Journalism, for which 1,379 applications from representatives of 30 countries were received, thereby reaffirming our commitment to freedom of expression. At this event, people were able to interact with leading Latin American journalists.

We visited more than 30 towns and cities in Colombia with the Caracol radio and TV network. Our "Making a Difference" program was broadcast on prime time newscasts, the purpose of

which was for people to get to know and appreciate the different regions of Colombia and how people are striving to make a difference.

We also gave our support to regional festivities, such as the Flower Festival, the Black and White Carnival, the Carnival of Barranquilla and the International Cultural Festival of Boyacá. We participated in each of these in the knowledge that we were helping to showcase our rich traditions to the entire world.

We continue to sponsor the Caribbean Museum's Nature Exhibition. This so far has received 320,000 visitors who were able to get to know more about the history and cultural heritage of the Colombian Caribbean Coast.

Thanks to an alliance with the La Cueva Foundation, we have encouraged 25 thousand spectators to enjoy the story-telling efforts of major literary artists as part of the Arts Carnival.

Appreciating the history or art and beauty in El Salvador, we published a book called "Monuments and Sculptures of the Magic Corner", a compilation of photographic images and stories paying tribute to the Salvadoran sculptors who have shaped and carved the country's identity.

Encouraging the cultural enrichment of all those communities where we are present

- Through partnerships with the Metropolitan Theater and the project 'The City and The Children' exhibition at the Museum of Modern Art of Medellín (MAMM), we took more than 80 children to enjoy the Bancolombia Family concert helping them to get to know different artistic traditions.

In alliance with the Julio Mario Santo Domingo Theater in Bogota, we are sponsoring the Public Audience Training School, enabling young people

"We love having the backing of a bank with a sense of patriotic pride". A Bank that believes in the distinct role of culture in appreciating humanity as a whole, without abandoning its money-managing responsibility.

*Heriberto Fiorillo,
director of the La Cueva Foundation.*



to enjoy, free of charge, the planned activities for the "A Theater For All" program.

We gave our support to the International Classical Music Season - 2013 at the Medellín Metropolitan Theater with concerts which were attended by around 1,500 people who admired the diversity of the finest exponents of classical music from France, Switzerland, Macedonia, Spain, United States and Lithuania, among others. It also featured one of the most important flamenco songwriter and musician, Miguel Poveda, who came from Spain to delight us with the best of this genre.

Again we opened the doors of Colombia to the world by giving our support to a presentation of Cirque du Soleil in Bogotá, that was attended by 150,000 people.

We continued partnering the Museum of Antioquia with its exhibition 'Wow! Africa in Antioquia' inspired by the first con-



Cultural Enrichment

Julio Mario Santo Domingo Theater

More than 150.000 people attended theater plays including 20.000 students from the Artist Training School

Medellin Planetarium

More than 140.000 local and foreign visitors in 2013



continent to form on the Earth and the cultural legacy of the people of West Africa. This event was attended by 45 thousand people.

We also sponsored a community inclusion initiative in alliance with the Julio Mario Santo Domingo Theater in Bogotá, with its first ever International Music Festival “Bogota is Beethoven”, where more than 100 thousand people enjoyed the performances of more than 420 artists from around the world, an event that drew nationwide attention and was held in more than 12 different locations in Bogotá.

About 100 thousand people attended the concerts staged at the International Music Festival organized by the Medellín Philharmonic Orchestra. In this way, we were able to provide around 700 people with free tickets to enjoy these events.



Country Identity

Delirio Foundation

Involving 9.800 people per year in its activities

Medellin Flower Festival

Approximately 1.950.000 people enjoyed the different activities and events staged Assembly of Shareholders part of these local festivities in 2013.

Black and White Carnival

Attracted a total of 30.000 including more than 500 foreigners in 2013.

A brand that builds closer client relationships

In 2013 we focused our brand management initiatives on building closer bonds by including our more humanistic banking approach in everything we do.

One of the activities staged in this regard was the ‘Responsible Money Management’ campaign where we are trying to raise awareness of the importance of handling money properly so as to make better decisions. This was one of the initiatives that had the most impact on our brand’s top-of-the-mind levels

Also, we are evaluating the enduring relationship we have achieved with our business clients, staging a large-scale campaign of the results mutually obtained so far. “*Bancolombia is no longer a mere bank*” was the central message used as an example of what it means to build relationships based on trust.

On the other hand, we staged certain brand management initiatives on a completely selfless basis, promoting patriotic pride and exalting Colombian values, on special dates such as the Independence of Colombia Day, where people were able to express their pride of being Colombian. We also did the same during the Christmas and New Year festivities, where 38,000 electronic Christmas cards were sent out through our Client Gratitude service.

The fact that Colombia has chosen us as its preferred banking brand shows that we are on the right path, with figures revealing a Top of the Mind brand awareness of 46.8%. It is also good to note that we command a consumer interest of 54%, which means that for every 100 people who are not clients of Bancolombia, 54 want to be.

Finally, as part of our growth strategy, we launched and supported the new corporate identity adopted by the subsidiaries of Banco Agrícola in El Salvador and Banistmo in Panama, where we are now united not just under the same banner but with the same common purpose: becoming a more humanistic bank in everything we do.

Out of every
100
people who are
not clients of
Bancolombia,
54
want to be

Working to preserve the environment

In Bancolombia we are striving to strike a perfect sustainable balance between the quality of the environment and the quality of people's lives,, identifying the direct and indirect impacts of our activities on the environment while preventing, mitigating, correcting and offsetting the inherent risks for a better tomorrow that future generations can enjoy.

For growth to be sustainable

Eco-efficiency

Our eco-efficiency strategy is aimed at reducing the direct environmental impact of our operations and improving our cost structure.

Climate Change

Climate change poses new risks and opportunities as well as strategic and financial implications for our business, our clients, and the sustainable development of all those countries where we operate; we have therefore drawn up our climate change strategy and policy having remitted our first ever report to the *Carbon Disclosure Project*.

The aim of this is to assess the direct effects of climate change on our business and take the corresponding corrective measures, as well as considering how these indirect effects can influence the way we do business, while identifying any opportunities brought about by climate change for both ourselves and our clients; this in order to provide them with our support in meeting the challenges in this regard.

Resource consumption	2009	2010	2011	2012	2013	Target 2014	Variation 2013 - 2014%	Variation 2012 - 2013%	Total 2013	Variation % 2012 - 2013
Energy MWh	73.051	79.484	86.147	90.513	87.687	85.933	-2%	-3,22%	Per transaction 74,1 W Per employee 4.357 Kw/h	-193% -6,76%
Water m ³	465.275	398.172	223.884	277.239	245.336	240.429	-2%	-13%	Per transaction 207 cm ³ Per employee 12 m ³	-220% -16,87%
Paper kg	201.022	106.507	96.830	84.721	66.211	62.900	-5%	-27,96%	Per transaction 0,06 g Per employee 3.029 gr	-263% -32,33%
Air travel Miles de Km		10.963	12.660	10.701	10.446	9.924	-5%	-2,38%	Per transaction 8,8 m Per employee 519 Km	-190% -5,95%
Waste solid	833	5.044	1.722	1.121	998	948	-5%	-12,32%		
Recyclable	268	391	412	472	332	398	20%	-42,17%		
Electronic	26	66	172	198	174	165	-5%	-13,79%		
Hazardous		2	22	15	6,5	5,9	-10%	-131%		



The effluents, gas emissions and waste we produce are managed according to applicable standards and current legislation through entities that have been specially authorized by the competent authorities.

We also implemented mitigation and adaptation plans regarding the adverse effects of climate change as part of our Climate Change Management Strategy, which we shall be deploying in the coming years in all those countries where we are present.

Carbon footprint

We are currently measuring the carbon footprint of our direct operations, managing the different components in order to reduce consumption, and offsetting our impact through a coordinated tree-planting initiative in conjunction with the Natura Foundation. Last year we planted a total of 12,600 trees. To date we have planted 117,144 trees in partnership with the Natura Foundation.

The direct emissions of CO2 that we have produced both in Colombia and El Salvador, come to a total of 129 tons, which is 239% less than for the previous year. On the other hand, our indirect CO2 emissions in both Colombia and El Salvador reached 14,606 tons, showing a year-on-year decline of 2.6%.

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CO2 EMISSIONS (EQUIVALENT)	T CO2 eq. 2013	T CO2 eq. 2012	T CO2 eq. 2011	T CO2 eq. 2010
Direct (Scope 1)	129	437	280	146
Indirect (Scope 2)	12.439	12.661	11.716	10.150
Other indirect (Scope 3)	2.167	2.326	2.188	1.895
Total	14.735	15.424	14.184	12.191

Including CO2 emissions in Colombian and El Salvador

Total CO2 emissions came to 14735 tons, for which we are targeting a 2% reduction in 2014

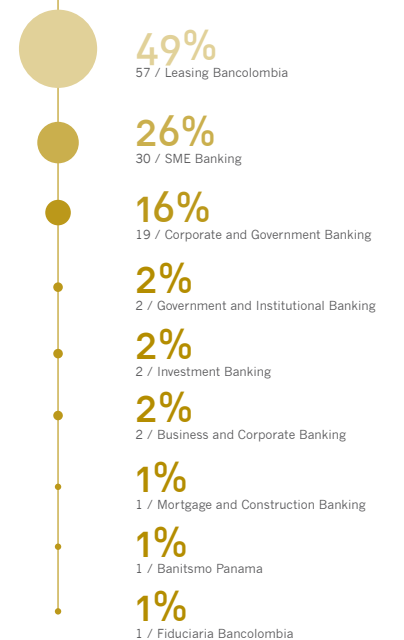
Social and Environmental Risk Assessments

Projects:

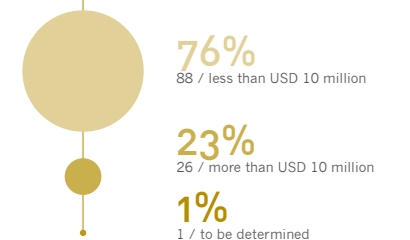
We strive to mitigate the indirect environmental and social risks of the projects and activities we finance. For this we have a policy in place that governs our commitment to the Principles of Ecuador.

We evaluated 115 investment projects on the part of our different business units, 58 of which corresponded to our banking business and the remaining 57 to our leasing subsidiary. 26 of these projects are worth more than USD 10 million.

projects per business unit.



Projects based on their net worth



We defined our Environmental and Social Risk Assessment policy (ARAS) for the SME segment, this focused on the mining, energy, gas stations and tannery sectors. We also included an eco-system service analysis and how such services may be affected or affect the projects we finance.

Furthermore, we draw up contractual environmental clauses and covenants, taking into ac-

count the recommendations laid down in the Principles of Ecuador for contractual arrangements both for the Bank's business as well as that of our other lines of business.

Project Finance evaluated during 2013

Among the 115 projects financed during 2013, 17 correspond to Project Finance arrangements in Latin America, these broken down as follows:

SECTOR	CATEGORY	EVALUATION DATE	PAÍS	REVIEW	
				Independiente	Internal
ENERGY					
Thermoelectric Generation Project	A	26/12/2013	Colombia		X
Thermoelectric Generation Project	A	26/12/2013	Colombia		X
"El Barroso" Hydroelectric Generation Project.					X
"San Miguel" Hydroelectric Generation Project	A	26/12/2013	Colombia		X
Hydroelectric Generation Project				X	
Thermoelectric Generation Project	A	30/12/2013	Colombia		X
Combined Heat/Power Plant	B	30/07/2013	Panamá		X
"Supía" Small-Scale Hydroelectric Generation Project.	A	07/07/2013	Colombia		X
"Santiago" Small-Scale Hydroelectric Generation Project.	B	28/06/2013	Colombia		X
	B	09/07/2013	Colombia		
	B	11/07/2013	Colombia		
INFRASTRUCTURE					
"Central Plaza" Shopping Center - Retail Infrastructure					
Quick Access Corridor to the Cartagena Link Road	C	13/02/2013	Colombia	X	
Highway Construction	B	24/02/2013	Colombia		X
Magdalena River Dredging Project	B	27/12/2013	Colombia	X	
	A	30/12/2013	Colombia		X
AGRIBUSINESS					
Palm Oil Extraction and Processing Plant for 5000 hectares					
Palm Oil Extraction and Processing Plant	B	30/01/2013	Colombia	X	
Soy, Corn and Sorghum Processing Plant	B	29/08/2013	Colombia		X
	C	25/07/2013	Colombia		X
MINING					
Iron Ore Mining	A	10/09/2013	Peru	X	

Sustainable Business

We seek to promote client sustainability through new business opportunities based on designing strategies to facilitate project financing, investment and implementation along with activities that create a positive social and environmental impact.

For this purpose we have two dedicated lines of credit: The Environmental Sustainability Line of Credit (until September 2013) and the Environmental Line of Credit (SECO). This in addition to the rediscount lines offered by Findeter and Bancóldex. We also provided technical support to our clients in identifying possible tax benefits as well as sources of national and international cooperation for project development.

We also helped

105

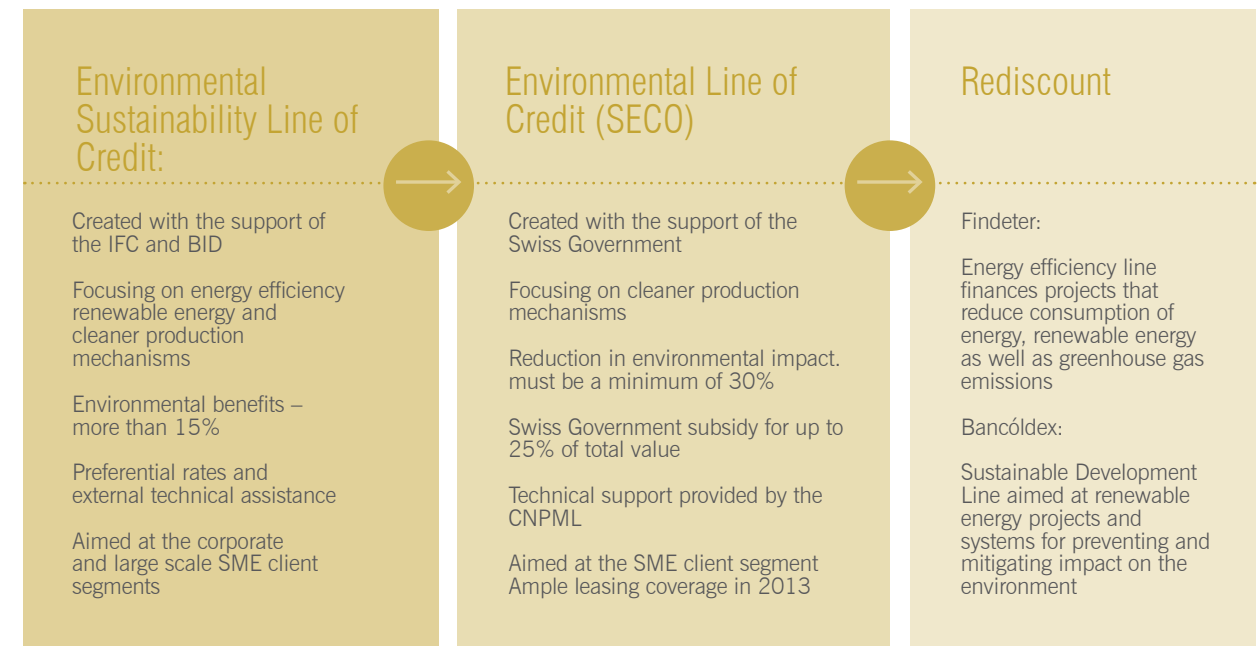
clients and technology suppliers to choose the best financing strategy for their projects.

Sustainable business

Sustainability Line of Credit:
3 operations worth COP 11.319.000.000

Environmental Line of Credit:
3 operations worth COP 2.978.000.000

Environmental Line of Credit:
3 operations worth COP 2.978.000.000



Santa Elena Case History

In 1987 Banco de Colombia received from the Colombian Federation of Cotton-Growers a plot of land on the Mamonal highway in Cartagena, in the form of a payment in kind. This land showed trace contamination due to herbicides and pesticides deposited on the ground prior to its being received as payment. Since then the Bank has had to take measures to correct this situation. Last year, we began a clean-up on this land as part of a plan drawn up in conjunction with the Colombian Ministry for the Environment and Sustainable Development. In August we encountered certain issues that delayed the planned schedule, by approximately two or three months. So we expect to have the land completely decontaminated by second half of 2014. Preliminary results indicate that the treatment so far applied has been highly effective. The communities adjacent to this land have welcomed this project.

Main Environmental Partnerships



UNEP-FI: We continue to be form part of this alliance together with more than 200 financial institutions sharing best sustainable practices in this regard.



Green Protocol: Our organization led the structuring of the Green Protocol, and is actively participating in each of its respective work fronts, including: ARAS, Eco-Efficiency, Green Products and Sustainability Reporting and Awareness. We were also present at the "Green Protocol Skill-Building "

event attended by 256 people and 14 domestic and foreign financial institutions.



Principles of Ecuador: We continue to actively participate and implement the latest version (III) of these principles, using the standards defined in the IFC's Performance Standards.

Support Fronts:

Protocol Adherence: Principles of Ecuador, UNEP FI, DJSI, Green Protocol, CECODES (WBCSD - WRI), PRI

Together we are taking care of the environment

Environmental education programs: here we trained 12,077 employees in issues such as eco-efficiency (8,647); Environmental and Social Risk Assessment of both the Bank and Leasing Bancolombia (2780); and Sustainable Business (650).

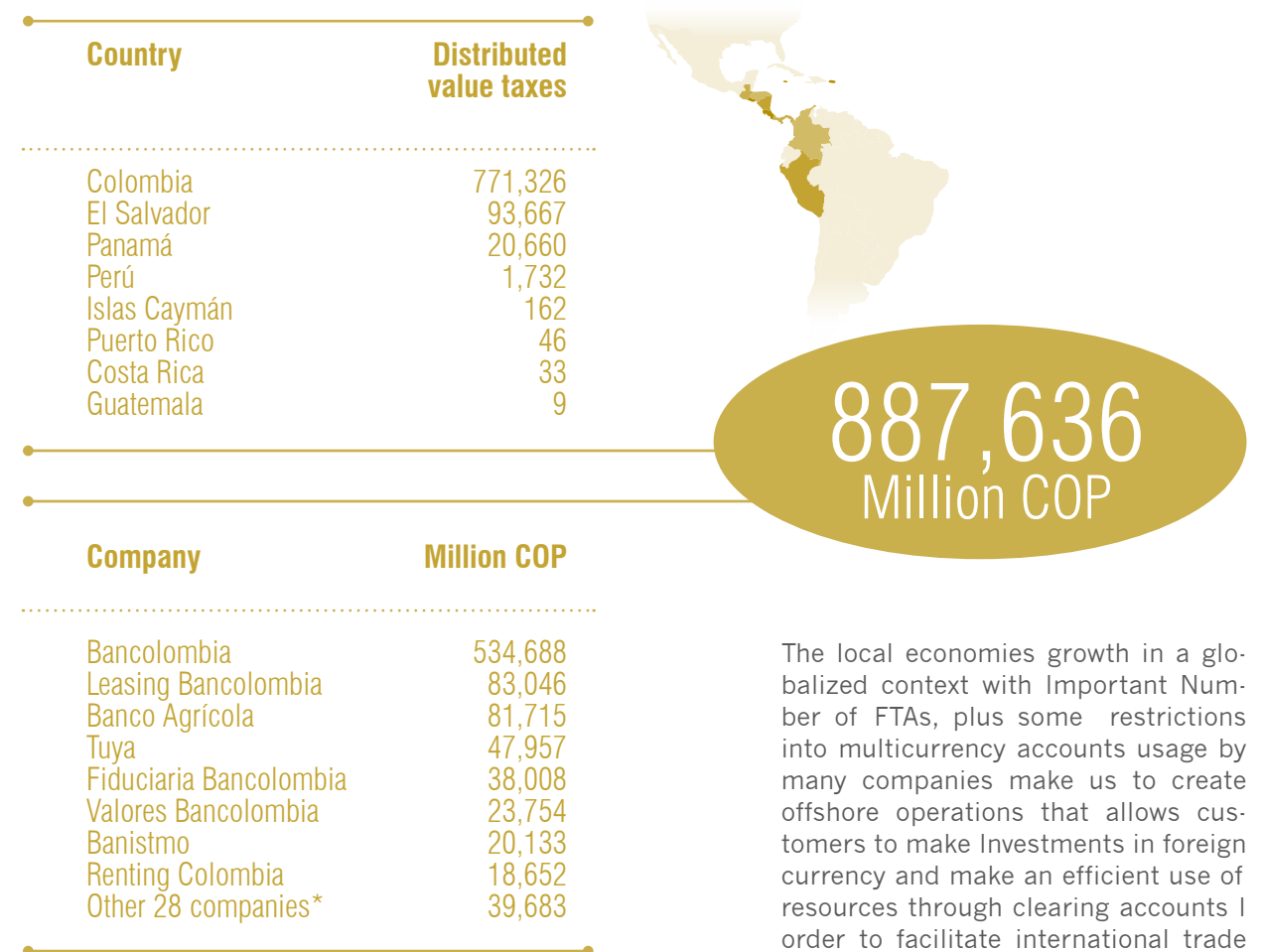
We communicate continuously with our employees so as to maintain awareness of responsible environmental management practices. We also maintain these duly informed of the most important initiatives carried out with regard to environmental management, focusing on the following topics: Earth Hour, Car Free Day in Bogotá and Medellín, Waste Management, Batteries and their effect on the Environment, ECO computer disposal, Environment Day, eco-bricks, roles of ecology, corporate eco-efficiency, waste selection, Green Bancolombia, on-line account statements, Adopt a Tree, Free Miles (environmental issues), Sufi Sustainable Development, Bancolombia's Green Website, 3 specialized articles on Intelligent Capital, and a communication campaign on our listing with the *Dow Jones Sustainability Index*.

Distributed Economic value to authorities through taxes

As a regional entity with presence in ten countries, Grupo Bancolombia attends responsibly to its role as a tax contributor, fully aware that corresponding tax payment associated with Bancolombia's activities must be done in each respective country of operation. This has a deep social sense since said resources move development forward in the communities where Bancolombia is present. A third of the company's revenue is distributed to local authorities through this fiscal mechanism. Being in a highly regulated, monitored

and highly taxed economic sector, in addition to the importance of Bancolombia in the national fiscal collection, is beneficial for the company's strategy, since it promotes permanent work on an ethic framework ensuring business perdurability, since we understand that we can only develop in societies that also develop in a sustainable manner.

2013 Distributed Economic value classified by country of operation of each company and Distributed value taxes.



*Colombia, El Salvador, Panamá, Perú, Puerto Rico, Costa Rica, Guatemala, Islas Cayman.

The local economies growth in a globalized context with Important Number of FTAs, plus some restrictions into multicurrency accounts usage by many companies make us to create offshore operations that allows customers to make Investments in foreign currency and make an efficient use of resources through clearing accounts in order to facilitate international trade operations, everything under the exchange and tax control.



8

Regulatory Matters

COSTA RICA

The firm, Compassbranding, in conjunction with Raddar Consumer y Knowledge, ranked Bancolombia as the most valuable brand in Colombia in terms of its tangible and intangible assets as well as proprietary brands exceeding a net worth of USD 1,000 million which represents a significant recognition for Bancolombia's image, influence and the confidence it inspires

The Bank's Legal Situation

In 2013, Bancolombia S.A. conducted its operations and business in strict accordance with current regulations, under the oversight of the Colombian Superintendency of Finance. Its financial results have been faithfully reflected in its financial statements, as submitted for the consideration of its shareholders, and all relevant events and circumstances with regard to its activities have been duly disclosed using the reporting mechanisms laid on in both Colombia and the United States.

The main contingencies arising from legal proceedings are disclosed in the notes to the financial statements. Since the end of the fiscal year of 2013, the Bank has not been made aware of any significant events that could adversely affect the Bank's economic, administrative or legal situation.

Internal Control Report

Grupo Bancolombia has a structured internal control system in place based on the model recommended by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), in compliance with the standards set by local and international standards.

Similarly, we uphold policies, controls and procedures to mitigate the risk of fraud with regard to banking transactions, as well as a comprehensive risk management model to ensure that our business is managed effectively and efficiently and to ensure that our stakeholders receive reliable and opportune information.

All this is part of the internal control system, which in 2013 was duly assessed by Senior Management in conjunction with the Bank's statutory auditing firm and internal auditing staff, the results of which were duly presented to the Audit Committee.

This Internal Control Report has been approved by the Audit Committee and includes the activities of this governing body.

• Senior Management Report:

Based on the activities and assessments conducted by Senior Management, the Bank's internal control system at December 31, 2013 produced positive results in terms of its effectiveness. The control weaknesses detected had no material impact on the financial statements of 2013.

The results of the assessments made by Senior Management with regard to the control environment, risk management, controls exerted, information, communication and monitoring are presented below:

Control Environment

This is based on the Organization's corporate values and ethical principles as contained in its Codes of Ethics and of Good Corporate Governance. Employee performance is subject to annual evaluations in this sense, thereby complementing that stipulated in the Bank's internal work regulations. On the other hand, the Bank's objectives and strategic planning were drawn up and communicated to all employees through its *20/20 Vision* road map.

In 2013 the Bank's organizational structure was re-adjusted in order to obtain greater efficiency in processes relating to its client service while striving to empower all employees with their control responsibilities and functions. Compensation plans are periodically reviewed in keeping with the Bank's objectives and market conditions. Additionally, job descriptions have been drawn up stipulating the skills, abilities, aptitude and expertise that our employees must have in order to fulfill their duties, and these are subject to bottom-up and top-down performance evaluations as well as conversations with their superiors designed to recognize or enhance their individual efforts. We also continued with our employee training courses, both personally attended and on-line, which included content relating to regulatory compliance, risk prevention, information transparency and internal controls.

On an annual basis, the Bank's internal control system is evaluated by its Senior Management to make sure that all the corresponding components

are in place and working properly. The results of these assessments were duly validated by our Internal Auditing Department.

Also we checked the proper functioning of our "Ethics Help Line" this being the channel used to report any wrongdoing as well as for structuring the Anti-Fraud Program as a means of preventing and mitigating fraud.

Risk Management

Through the Bank's risk management systems a wide range of risks, including credit, market, liquidity, operating, financial reporting, business continuity, fraud, asset laundering and the financing of terrorism, were duly evaluated. It is important to mention that at year-end 2013, we changed the methodology used for identifying and measuring risks in order to provide more objective assessments on the part of both those responsible for such as well as Senior Management, so as to provide a more comprehensive coverage of processes, products, channels, suppliers, technology, and special contingencies. This methodology allowed us to measure our risk exposure more efficiently while obtaining a more comprehensive view of how this is controlled, the effectiveness of such controls and the residual risks obtained, which served as input for consequent decision-making as well as subsequent risk mitigation plans. In all those cases where a material risk was detected, these losses were measured, recorded and reported to the appropriate management levels.

Control activities

Senior management reviews, analyzes and monitors the results obtained and compares these with the estimated ranges so as to be able to detect possible problems or errors with our financial reporting and/or fraudulent activities and hence apply the corrective measures required. The Bank has defined controls for the segregation of duties controls that prevent any possible omissions or the manipulation of information. Most processes are documented,

including those identified as critical. There are general and specific application controls in place, that have been designed and implemented to support the proper functioning of the Bank's IT programs and platforms. Every six months, the Bank evaluates and certifies employee application access to ensure that this remains in keeping with the policies and responsibilities assigned to each position.

Information and communication

We, in Grupo Bancolombia, are constantly working to ensure the utmost security and quality of our information systems. All processes have clearly-defined requirements as to how information from both internal and external sources is received, interpreted and processed. The Bank has adopted the COBIT 4.1 methodology that supports all of its IT processes and there are adequate levels of information confidentiality and safekeeping as well as policies governing the safekeeping of such information.

In 2013, we informed all our employees of any relevant issues affecting our internal control system and ethical behavior. This was conducted using our corporate bulletin boards, internal communications and our own TV facilities. Here we firmly underscored our zero tolerance to fraud, and whenever we did discover instances of internal fraud, we promptly communicated this situation to all our employees together with the sanctions that were applied. Senior Management also sent out messages reminding employees of their ethical commitment to the Bank, inviting them to report any wrongdoing using our Ethics Help Line or the Group's Security Departments.

Bancolombia is governed by its ethical principles and corporate values as contained in its Codes of Ethics and Corporate Governance.

The Audit Committee was duly informed of the latest trends with regard to the Bank's internal control system and we duly complied with all our reporting requirements providing the market with any relevant information.

Monitoring

Senior Management monitored all relevant business processes, as previously defined for the organizational structure. This is carried out by means of indicators, metrics, committee meetings, among others. Annual assessments of controls affecting the Bank's financial reporting were conducted by those responsible for such, identifying control weaknesses and devising the corresponding action plans. Internal Auditing presented its overall work plan along with how much of this was accomplished during the year. The results of the monitoring conducted by both Senior Management and the oversight authorities were duly discussed amongst the different areas involved, and transmitted to the higher managerial levels whenever necessary. The Audit Committee for its part, reviewed the various control issues in monitoring the implementation of the corresponding action plans on the part of Senior Management, so as to be able to evaluate the results of the work of the Statutory Auditing firm as well as Internal Auditing staff, along with other matters for which it is responsible. The Audit Committee kept the Board of Directors permanently informed of the progress made with their activities.

Senior Management shall continue to adjust and update the Bank's internal control model introducing the latest COSO requirements, regulations issued by the Securities and Exchange Commission of the United States along with all applicable local standards, in order to maintain the highest standards.

• Statutory Auditor's Report:

Bancolombia's Statutory Auditor in his annual report for 2013 concluded the following regarding the Bank's internal control system:

"(...) Adequate internal controls were observed

along with a proper preservation and custody of the assets belonging to both the Bank as well as those of third parties held in safekeeping. I have performed follow-ups on the recommendations made to improve the internal control system, finding that all significant recommendations were duly implemented as well as more than 70% of other minor recommendations, which in my opinion have no material effect on the Bank's financial statements (...)"

• Internal Auditing Report:

Grupo Bancolombia's Corporate Vice Presidency of Internal Auditing conducted its work by applying International Standards for the Professional Practice of Internal Auditing in accordance with the Bank's international certification obtained from the Institute of Internal Auditors (IIA).

In 2013, Grupo Bancolombia's internal auditing staff conducted a total of 463 audits by means of which vital business processes were evaluated including credit cycle management, the capital markets, risk management systems, the life cycles of technological solutions, channels, strategic partners, information security, accounting and financial management, among others.

The results obtained proved satisfactory and no material or significant shortfalls were identified with the Bank's process controls and financial reporting mechanisms. In carrying out their work, the internal auditing staff made recommendations which were duly accepted by Senior Management.

Internal Auditing continues to provide support to attaining the Bank's strategic goals of building trust and new business approaches including service and responsible selling audits and follow-ups on the implementation of the action plans drawn up. With the aim of enhancing the Organization's processes, recommendations were provided that added measurable value to the Bank's comprehensive risk management system and the effectiveness and efficiency of its internal control system; also new innovation-based work plans were

introduced and advances were made with knowledge management.

• Audit Committee Report

For the year ended December 31, 2013, Bancolombia's Audit Committee ensured the proper performance of the Group's internal control system with the aim of guaranteeing appropriate controls over its operations and lines of business and that information, transactions and records contained in the financial statements faithfully reflected the reality of its business.

In drawing up the corresponding work plan that included issues relating to its affiliated and subsidiary companies, the Committee conducted a complete evaluation of the individual and consolidated financial information presented to the market, along with the effectiveness of the controls deployed and the risks associated with the different lines of business while monitoring the various projects or initiatives underway to mitigate each of these risks.

This Committee also covered issues such as fraud and the Bank's zero tolerance to such, back office operations carried out by the different trading desks, business risk affecting payment systems, leasing, relevant legal proceedings, Banco Agrícola's handling of assets and liabilities in El Salvador, as well as the observations and recommendations made by the Colombian Superintendency of Finance.

Special attention was given to the current project of switching over to IFRS reporting requirements in 2014, along with designing accounting policies and measuring their impact on the Group's financial and operating performance as part of its role in providing support to the Board of Directors.

The Committee also provided its assistance to the work plans drawn up by the Statutory

Thanks to the support of the Disclosure Committee, the market information released by Grupo Bancolombia for the year ended December 31, 2013 was sufficient, reliable, timely and reflected the reality of its business.

Auditing firm and the Group's Internal Auditing Department, both of which constantly interacted with the Committee to whom they subsequently presented the results of their independent evaluations. Their comments and recommendations, and the action plans undertaken to address these, were subject to ongoing monitoring.

A periodic report was submitted to the Board of Directors on policy implementation and the progress made with such. Also auditor opinions on the proper working order, reliability and integrity of the Group's information systems were also submitted for the consideration of this Committee.

Thanks to the support of the Disclosure Committee, the market information released by Grupo Bancolombia for the year ended December 31, 2013 was sufficient, reliable, timely and reflected the reality of its business. Furthermore, the Committee was not made aware of any material shortfalls with the internal control system or undisclosed fraud situations affecting the Group's financial statements and Management Report.

Intellectual Property and Copyright Legislation Pursuant to Sub-Section 4 of Article 47 of Law 222 passed in 1995, introduced by Article 1 of Law 603 of 2000, we hereby inform our shareholders that Bancolombia has duly complied with all intellectual property and copyright legislation in carrying out its business purpose, possessing the corresponding rights and/or authorizations, as part of the contracts entered into with owners or authorized distributors of such intellectual property and / or copyright.

Our own Bancolombia brand as well as other relevant brands are duly registered. In Colombia, the Bank has registered 225 trademarks, 11 commercial slogans, 4 commercial emblems

and 6 trade names; while registering 136 trademarks and 1 commercial slogan abroad.

At December 31, 2013 and since then, we have not been made aware of any pending legal claims on the part of authorities or third parties involving possible violations of intellectual property or copyright legislation.

Managing the Risks of Asset Laundering and the Financing of Terrorism

According to the regulations governing risk management in the case of Asset Laundering and the Financing of Terrorism and as part of our continuous improvement drive, we designed a new corporate risk management methodology for segmenting, identifying, measuring and controlling the inherent risk factors, this based on other methodologies providing a recognized technical value which shall allow us greater efficiency in detecting the corresponding warning signs, mitigating legal and reputational risks for the Organization and promoting business continuity.

Similarly, we developed new transaction monitoring models for the early detection of unusual transactions, increasing the level of product coverage and reducing overall risk exposure.

In 2013 we continued to analyze the alerts produced by our transaction monitoring system and the media, requirements from external entities and notifications from our sales personnel, and whenever necessary, we reported these cases to the corresponding authorities.

With regard to our market knowledge initiatives, we analyzed certain economic sectors that are most prone to the risk of asset laundering and the financing of terrorism and, based on these results, we drew up stricter CRM policies to further our knowledge of the clients in these

Bancolombia continues to reinforce its security measures and enhance transaction performance while giving precedence to the convenience, availability, efficiency and reliability of the banking experience we provide.

sectors as well as handling our business relationship with these same. Similarly, and in order to mitigate repossession risks in our real estate business where the Group has provided its financing or trust fund management services, new policies and processes were set up governing business decisions and performance in this regard.

To strengthen our corporate governance compliance model, we made great efforts in standardizing our parent company policies and processes amongst our business units abroad.

Requirements from different oversight authorities and the Public Prosecutor's Office were duly attended along with client petitions regarding asset laundering and the financing of terrorism. Furthermore, action plans were set up to address the SARLAFT inspection recommendations as a result of a report from the Colombian Superintendency of Finance, with the corresponding activities currently on schedule. With regard to the Internal and Statutory Auditing reports, the Bank continued to monitor the corresponding action plans put into place so as to verify their proper implementation..

The annual SARLAFT training program was conducted on-line, covering a broad spectrum of employees.

Operating Quality and Security

Bancolombia continued to reinforce its transaction security and quality initiatives, prioritizing the convenience, availability, efficiency and reliability of its transaction systems, pursuant to that stipulated by the Colombian Superintendency of Finance in External Circular 042 of 2012.

We leveraged our channel distribution strategy, improving the ease with which our consumer clients can log onto our electronic banking services. Our Consumer On-Line,

Mobile Phone and Telephone Banking services are now much more efficient, and also we have provided greater convenience by migrating all those transactions that previously required the client to visit a branch office and stand in line. We also reduced usage barriers for our different channels allowing for accounts to be set up electronically. We also provide greater availability for our banking services allowing for invoice payments to be set up and scheduled and transaction limits to be defined as well as enhancing the reliability of our branch offices, POS, ATMs and banking correspondent POS. Generally speaking we are aiming to expand our range of secure financial transactions in all our channels, while reducing our risk exposure and improving customer service.

Similarly, and in order to reinforce our banking correspondent POS service while maintaining a secure access to such, we reduced our standard limit for cash withdrawals, transfers and credit card advances in order to mitigate the risk of fraud. Furthermore we made adjustments to our security monitoring facilities, so as to be able to identify any unusual behavior in the use of our channels and provide a timely response to prevent criminal gangs from making fraudulent withdrawals. All our transactions (including cash deposits) have a stop to control the use of the canal, from the point of view of risk of fraud (for cash outflows) and from the point of view of LAFT (for transaction entries cash).

Another important development in 2013 was having migrated our operating devices, with almost all of such devices having the hardware necessary for handling chip cards. Approximately 75% of our banking correspondent POS are able to process chip-enabled EMV transactions and this year we have expect to migrate the remaining 25%, so that as a channel, 100% of our banking correspondent POS are able to securely process these EMV transactions.

Towards an advanced risk and reputation management

Based on that stipulated in Circulars 067 of 2001 and 04 of 2008 issued by the Colombian Superintendency of Finance, we present the following risk management report.

Grupo Bancolombia's comprehensive risk management system was developed in compliance with current regulations and internal standards defined by the Group's Board of Directors with regard to credit, market, liquidity and operating risks. Our risk management activities are fully integrated and coordinated with the rest of the Organization's other activities, for which advanced methodologies are used to identify the different risks to which we are exposed.

The Board of Directors reviews and approves resources, structures and processes required for the Organization's risk management function, and in supervising such receives the support of the Risk Committee, which is the area responsible for advising the Board with regard to issues concerning the approval, monitoring and control of policies, methodologies, tools, guidelines and strategies for identifying, measuring, controlling and mitigating risk.

In 2013, we were able to consolidate the efforts of our different risk committees as part of Grupo Bancolombia's new organizational structure, as well as incorporating our overseas operations having made important progress in standardizing our methodologies and policies, while taking into account the characteristics of each region or business unit thereby ensuring regulatory compliance, where applicable, or implementing Grupo Bancolombia's own best corporate governance practices.

The trading, risk management and accounting areas are mutually independent and report to different functional areas.

Our Risk Management Department is made up of highly-skilled officers able to provide

comprehensively manage different risks inherent to the Bank's activities, this in compliance with their own responsibilities and duties for which it has the required technological infrastructure to obtain the necessary information with which to handle and monitor all types of risk, based on the type of operation performed. This has allowed the Risk Department to draw up and present consolidated risk management reports to Board of Directors and Senior Management,

Likewise, the Bank has properly documented processes in place, with which we check that operations are fully compliant with the agreed terms and conditions and are properly registered in books. Similarly, the Internal and External Auditing staff keeps track of the Bank's operations and opportunely report on all issues required by current regulations.

Our major achievements in the field of risk management for 2013 included:

New credit risk rating model

For rating credit risk we implemented a new rating or scoring model, which enables us to assign a level of risk to corporate clients belonging to the real sector in a much more precise and uniform fashion. This replaced the previous model and now we are able to differentiate the different economic sectors for the purpose of grading credit risk in keeping with the situation of the sector itself. This allowed us to extend our client rating scale from 4 to 11, entailing a much better ability to differentiate between the different risks for more enhanced client selection and price allocation.

Valuation model for written-off past due loans

This year, progress was made in gathering historical information with regard to loan write-offs and any subsequent recoveries of such. With this information, we constructed the first version of a model that shall allow us to evaluate written-off loans much more accurately.

This has been mainly used for the written-off loans that Bank has sold off in recent years. This model shall continue to be fed with both internal and external credit information with regard to write-offs and we expect to have more accurate valuations of such in the future.

New consumer client ratings

A new consumer client scoring system was adopted so as to be able identify much more precisely the risk associated with our clients, thereby increasing the acceptance rate through a better selection process. Throughout the year we adjusted the tools and policies which allowed us to permanently fine-tune the origination parameters so as to handle the inherent risk exposure.

To complement the above, adjustments were made to the collection model, redefining the roles of the risk areas as well as client conciliations so as to implement a clearly-defined and consolidated strategy with the aim of recovering our past-due loans so much more effectively.

Changes in our operating risk methodology.

Our operating risk methodology was updated in keeping with Grupo Bancolombia's principles of flexibility and value creation, with risk assessments covering important elements of the different channels, products, technological applications, insurance coverages, among others; that shall allow us to draw up reports for better risk-based decision-making. Additionally, we reinforced the quantitative bases for risk assessment, allowing us to present more precise and accurate reports that more faithfully reflect the reality of our business.

By identifying and measuring operating risks in a much more precise and efficient fashion we have been able to shape our decisions for structuring our current policies and we are currently developing methodologies to strengthen the transfer of risks and taking out the required insurance policies.

Additionally in order to extend our coverage in managing operating risks, we incorporated the issue of business continuity in our Operating and Strategic Risk Department, thereby harnessing the synergies present within the Group.

Centralized model management.

In 2013 we consolidated our risk model inventory management, which encapsulates and classifies the type of statistical models, methodologies, parameters and / or policies used in measuring and handling of the Group's risk exposure. Based on this inventory, we are able to centrally handle all the risk models deployed by the Grupo Bancolombia in different parts of the world (Bancolombia S.A., Bancolombia Panama, Banistmo in Panama, Banco Agrícola in El Salvador) since we have all the detailed information we need regarding each and every one of these countries as well as the corresponding supporting documentation and the record of validations performed. Furthermore this centralized model management allows us to focus our efforts on permanently fine-tuning the models being used for decision-making purposes and in so doing mitigate the risk of having too many inadequate models being used for this purpose. All this duly subject to systematic follow-ups besides being able to present Senior Management with periodic reports on how our best practices are holding up along with all the pertinent local and international regulations.

Money desk compliance

As part of Grupo Bancolombia's comprehensive risk management, the Trading Desk Compliance area conducts various activities with the aim of supervising trades performed on the capital markets, thereby preventing any untoward conduct and inadequate practices, as well as providing follow-ups on non-frequent market operations.

CREDIT RISK

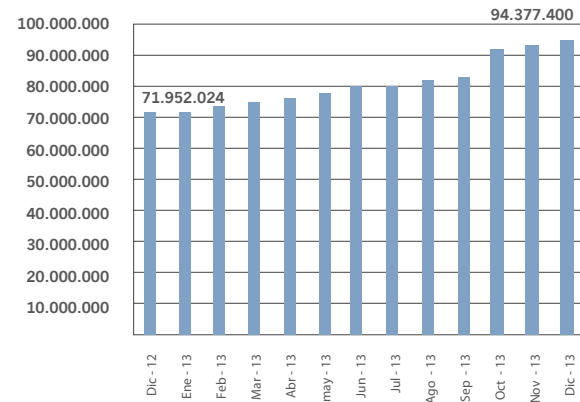
With respect to credit risk management, 2013 was an excellent year for Grupo Bancolombia given the acquisition of the HSBC Bank in Panama, today known as Banistmo. Now that Banistmo has been included in the consolidation of the Group's financial statements, the Bank's loan portfolio as of October of last year rose by almost COP 11 billion. This had similar, important effects on other portfolio indicators such as coverage and rates of nonperforming loans.

In keeping with the above, Grupo Bancolombia presented an year-on-year increase of 31% for its gross loan portfolio, a large part of this difference corresponding to the acquisition of Banistmo. Upon excluding the effect of said acquisition, growth for 2013 came to 16.2%, which is slightly higher than that recorded for 2012 given a good level of performance with its business loan portfolio especially during the first half of the year.

The **Past Due Loan Ratio** rose from 2.6% at year-end 2012 to 2.8% at year-end 2013, including Banistmo whose past due loan ratio came to 5.2%. Upon excluding Banistmo, Grupo Bancolombia's 30-day past due loan ratio stood at 2.5%, which was slightly lower than for the previous year. It is important to note that after reaching a peak in March 2013 our consumer loan portfolio began to improve, which in turn helped us to reduce our provision expense for the entire year.

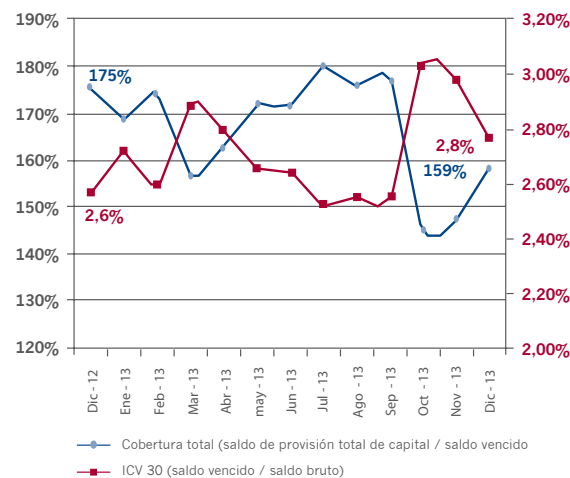
The increase in 30-day past due loans (including Banistmo) caused a decrease in our provision coverage ratio that went from 175% at year-end 2012 to 159% at the end of 2013. This decrease, upon consolidating the Banistmo figures, was largely due to the higher volume of 30-day past due loans and the difference between the provision models used by the parent company and this newly-acquired subsidiary. Upon excluding the effect of Banistmo, the provision coverage ratio would have reached 185%.

Grupo Bancolombia's Gross Loan Portfolio
In millions of Colombian pesos



Notes: These figures do not include employee loans Including Bancolombia, Leasing Bancolombia (Financial, Operational and Stand-Alone Trusts), Factoring Bancolombia, Tuya, Bancolombia Panama, Bancolombia Cayman, Bancolombia Puerto Rico, Bancolombia Peru, Banistmo and Banco Agrícola. Including the loan portfolios of our subsidiaries abroad converted to Colombian pesos. Before inter-company eliminations

ICV 30 y Cobertura de provisiones Grupo Bancolombia



Notes: These figures do not include employee loans Including Bancolombia, Leasing Bancolombia (Financial, Operational and Stand-Alone Trusts), Factoring Bancolombia, Tuya, Bancolombia Panama, Bancolombia Cayman, Bancolombia Puerto Rico, Bancolombia Peru, Banistmo and Banco Agrícola. Including the loan portfolios of our subsidiaries abroad converted to Colombian pesos. Before inter-company eliminations

Throughout the year, we implemented strategies aimed at enhancing our client selection processes, especially with regard to consumer loans. This included amending our credit policies, drawing up new credit ratings, and implementing a new model that classifies our clients according to set attributes that are important when defining well-differentiated policies for these segments. It is now also possible to assess clients, including those with no credit experience, providing a much greater discriminatory capacity.

We also drew up a model that evaluates different risk and return variables which was subsequently applied to products such as: all-purpose loans, the Crediágil line of revolving credit, credit cards, vehicle and mortgage loans. The decisions that we expect to make based on this model include: pricing, the risk profile of target clients, maximum lending limits, incentive programs and client profitability.

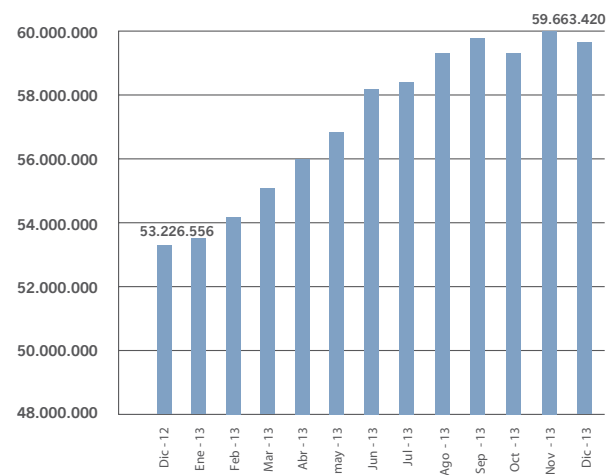
We are also implementing a new rating model for corporate clients belonging to the real sector. The main features of this model are the wider rating scale with which to better discriminate inherent risk with the consequent advantages for client selection and pricing the different operations. Another important aspect is the differentiation between sectors and client segments, taking into account the characteristics of small and large-scale companies as well as different industries (e.g. between the retail and manufacturing sectors). In order to draw up this new model, we gathered information from the clients' financial statements as well as their credit history going back to 2005 and compiled a statistical analysis of such complemented by expert criteria. This produced a model offering a very good level of performance.

Another important development in 2013 consisted of a new valuation model for written-off past due loans, which can be used when selling off such loans so as to provide a much better selection of such. This model was constructed based on information regarding the payment of written-off obligations, for which we estimated the probability

of recovering the amounts outstanding in the short- to mid-term, in keeping with the characteristics of this portfolio on a given date. This model is now up and running, allowing us to calculate so much more precisely the value of our written-off loans which provides us with additional benefits when selling these on and greater efficiency with our collection processes.

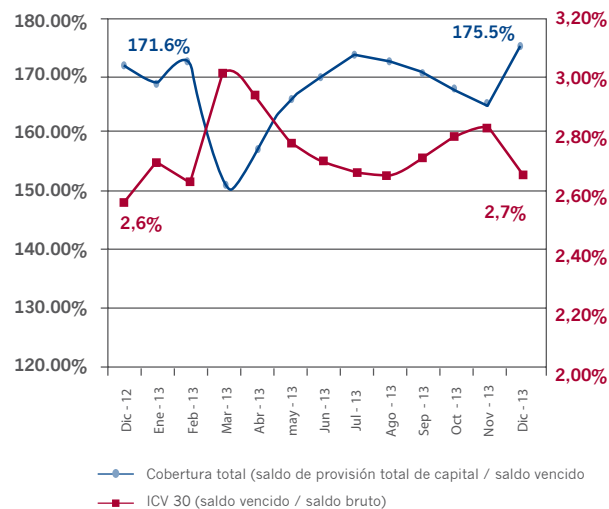
Finally, we wish to mention how the Group has continued with its commitment to sustainable development. In 2013, we saw a 39% increase in the number of requests for environmental and social risk assessments. These assessments were requested for a total of 115 projects, of which 98% have already been rated (64% carrying a high degree of environmental risk, 24% medium risk and 10% low risk). A total of 26 large-scale projects worth more than USD 10 million (23% of total) were evaluated, representing a year-on-year increase of 35%. We also revised and updated our environmental and social risk assessment policies and processes which are being implemented by all our lines of business, namely banking, leasing and receiving guarantees and collateral, as well as our SME Banking Division.

With regard to the results reported by each individual unit, in the case of Bancolombia its loan portfolio rose by 12.1% which was lower than for 2012. Generally speaking, all types of loans produced moderate growth rates compared to the previous year, in keeping with a slower pace of growth in lending that affected Colombia's entire financial system, this as a result of lower consumption levels. Past due loans remained relatively stable at year-end 2013, with the corresponding ratio rising by 9 bp to 2.7%. This is mainly due to a decline with the SME segment. So as to contain the impairment to this type of loans, we permanently monitor the main areas where past due loans are concentrated, so as to be able to take the corrective measures in the event of detecting any impending impairment. We also adjusted our lending policies accordingly and staged sales force training with regard to policy issues and financial analysis.

Bancolombia's Gross Loan Portfolio
In millions of Colombian pesos

Note: These figures do not include employee loans

30-day past due loans and provision coverage



Note: These figures do not include employee loans

For 2013, **Leasing Bancolombia's** financial and operating leasing portfolio grew by 18.0%, driven by a greater number of infrastructure projects, a more dynamic pace of business investment, in addition to strategies aimed at deepening the market. Hence its total portfolio came to COP 10.14 billion with advanced payments to suppliers standing at COP 2.3 billion. The Company's past-due loan ratio for 2013 performed very well indeed at 1.5%, with its provision coverage reaching 223.4%. Upon consolidating its financial and operating leasing information as well as the sale of its portfolio to the Residential Leasing Stand-Alone Trust, its past due loan and provision coverage ratios fell by 1.7% and 207.6% respectively.

During the entire year, Leasing Bancolombia continued to actively work on its lending processes, bringing to bear its knowledge on its lending, monitoring and collection processes.

Factoring Bancolombia's overall portfolio on the other hand produced a growth of 16.7%, this mainly due to its efforts to deepen the market. Thanks to the strategies implemented with regard to credit policies and handling non-performing loans and lines of credit, the company has managed to obtain an excellent past due loan ratio of 1.1% while maintaining its provision coverage ratio at 336%, thereby enabling the Company to adequately cover its 30-day past due portfolio.

Tuya showed an increase in its portfolio of 15.2% which was 13.1% higher than for the previous year. This growth is mainly explained by its successful marketing campaigns. Due to the specific profile of its borrowers, out of all the Group's subsidiaries TUYA continues to post the highest Past Due Loan Ratio, that is to say 7.51%, after reaching 11.60% for the previous year. However, it must be noted that in 2013, efforts were made with regard to the firm's client selection process, which produced much better risk profiles, this in addition to constant reviews of its statistical credit approval model which managed to reduce the amount of outstanding credit.

With regard to the Group's overseas subsidiaries, **Bancolombia Panama** posted a significant growth in terms of its portfolio, which reached COP 4.31 billion at year-end 2013. In the case of **Bancolombia Cayman** and **Bancolombia Puerto Rico** their portfolios showed similar trends to the previous year. Its past-due loan ratio continues to decline which allows it to maintain high coverage levels to address 30-day past due loans.

As for **Banco Agrícola's** loan portfolio, this presented a growth of around 13.1% for 2013, credit risk management played an important role in last year's results, since in spite of being a pre-electoral year with low economic growth and growing competition, it managed to reduce its past-due loan indicator by 43 bp to end the year at 2.6%; this thanks to the follow-ups and the pro-active collection measures introduced. With these efforts, the Bank was also able to maintain its expenditure levels at similar levels as those of 2012 with provision coverage running at above the 185% mark, and becoming a benchmark for the Salvadoran market in terms of best practices. Likewise, much progress has been made in terms of standardizing Grupo Bancolombia's policies and methodologies.

Banistmo's portfolio for 2013 remained stable compared to the previous year, with the best performing sectors being housing, infrastructure and construction. Its 30-day past-due loan ratio came to 5.2%, with a provision coverage ratio in the case of overdue loans of more than 30 days of 61%. In November and December of last year, we began to readjust the Group's risk management model in keeping with the particular characteristics of the Panamanian economy. This year, Banistmo's risk management focus shall be leveled at collecting loans with shorter defaults which shall help to maintain lower levels of loans more than 30 days past due, and consequently we expect coverage levels for the entire Group to improve.

Leasing Peru for 2013 showed an increase of 18.9% in its loan portfolio, in spite of the situ-

ation on a global level and a slower GDP growth in this part of the world. Its past-due loan indicator dipped below the average reported by the Peruvian financial system, reaching 2.6% at year end. Its provision coverage ratio therefore ended up at 68%

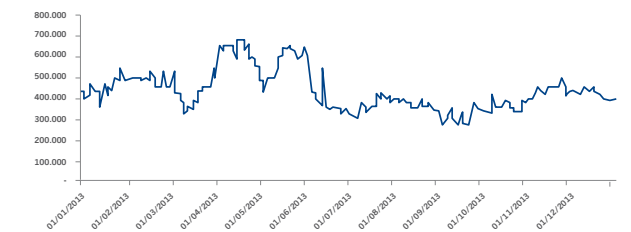
Renting recorded a fairly stable performance with various insignificant changes in the monthly past-due loan figure.

As a result of having closed the Miami Agency there was no significant change reported on a consolidated level since all obligations were transferred to different business units in countries nearby.

MARKET RISK

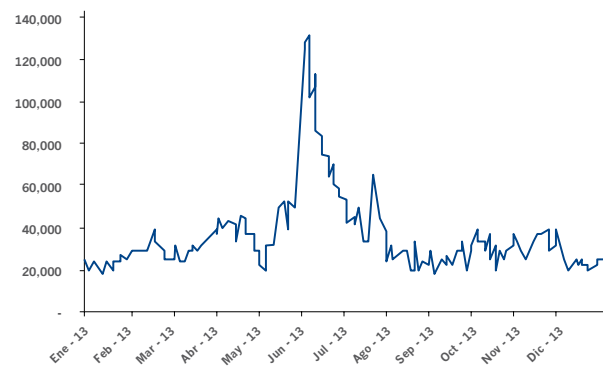
For 2013 the market risk affecting Bancolombia's cash management ledger continued to be measured using the Bank's internal Value at Risk (VaR) model based on historical simulations with a confidence level of 99% over a time horizon of 10 days. We also continued with our historic and hypothetical stress testing in monitoring risks that are not addressed by our internal VaR model.

Market risk exposure measured using the standard methodology required by the Colombian Superintendency of Finance, ranged between COP 278.796 million and COP 690.188 million, and the interest rate risk factor contributed the most to the total cash management exposure figure, accounting for 67% of the total value at risk.

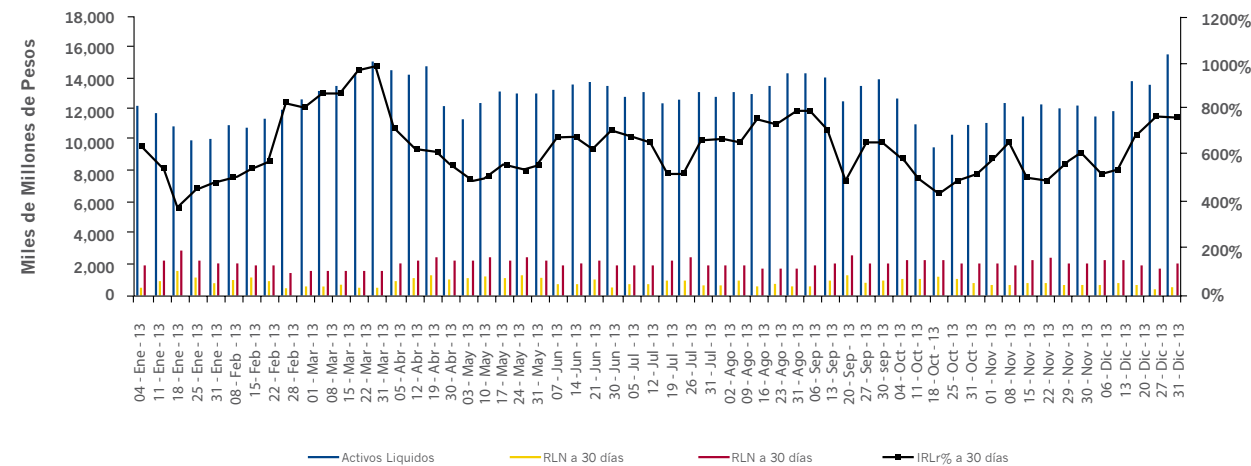


The regulatory VaR used by the Group's subsidiaries accounted for approximately another 35% of the VaR reported by the Bank; the actual breakdown of risk was similar in each of the four factors. The subsidiaries that are most active in terms of their own cash management proprietary position, and therefore account for a greater proportion of the consolidated VaR figure are as follows: Banistmo with 24%, and Valores Bancolombia with a share of 3%.

Meanwhile, exposure to market risk in the area of cash management as measured with the Bank's internal methodology, ranged from COP 130.343 million to COP 17,800 million, and its dispersion is explained by a concentration of Government TES bonds in some months.



In millions of Colombian pesos



The subsidiaries of the Grupo Bancolombia posted an average consolidated VaR for 2013 of COP 2,100 million, representing 7% of the market risk assumed by the Group with subsidiary risk largely concentrated in Valores Bancolombia's with more than 70% of the total.

During the first quarter of 2013, we implemented a supplier pricing system, the effect of which was felt in the financial results reported on March 31, 2013, showing an increase of COP 19,072 million in the cash management investment portfolio. We also reviewed the Bank's risk profile adjusting the VaR limits corresponding to its cash management portfolio, as well as those of its portfolio of delta and gamma options.

Among the new management tools implemented we have the incremental VaR and the marginal VaR, which we use to identify all those positions or assets that contribute the most to overall risk. We also performed clean back testing on our internal VaR model in the case of the main cash management products.

So as to reinforce our interest rate risk measurements, in 2013 we approved and implemented a parametric Value at Risk methodology to estimate the effect of changes in interest rates, under normal market conditions on the economic value of the Bank's equity, this over a time horizon of one year with a confidence level of 99%. We also set alert levels on measures of sensitivity and volatility with our net interest margin in order to avoid excessive increases in our balance sheet sensitivity that could adversely affect the Bank's earnings.

LIQUIDITY RISK

With regard to liquidity risk management, we continued in 2013 to use our internal projection model for measuring liquidity gaps at different time intervals for situations both real and stressed; as well as with the LRI (Liquidity Risk Indicator) stipulated by the Colombian Superintendency of Finance.

Our efforts in managing liquidity risk have been largely focused on improving projection models that support daily liquidity measurements, such as CD renewals and cash withdrawals from deposit accounts. We also worked on revising and updating contingency plans for the Group's subsidiaries, as well as the methodology used for defining liquidity alerts so that these reflect, on a more timely basis, recent changes to the market as well as the size of the Bank's business.

Finally, another front on which we have made much progress is measuring the Basel III liquidity risk indicators namely the liquidity coverage ratio (LCR) and the Net Stable Funding Ratio (NSFR) for all the Group's subsidiaries, this producing satisfactory results with regard to the Bank's liquidity risk.

OPERATING RISK

Our operating risk management system (SARO in Spanish) is a robust and mature model that allows for proper policies and procedures to be put into place to ensure that risks are identi-

fied and measured appropriately and support is provided for the decisions made with regard to the more important risks to which the Bank is exposed. This year we attained three important goals: (i) changes were successfully made to the methodology used which was subsequently deployed for all the Bank's processes; (ii) business continuity became part of the Bank's risk structure; and (iii) risks were transferred to insurance policies.

2013 was a year in which we moved towards a more mixed approach that took full advantage of the qualitative information gathered in identifying risks while providing more accurate quantitative assessments of the risks involved and the corresponding controls. Here we made much progress in defining the tools used to assess the effectiveness of our internal controls and risks were more broadly quantified in terms of each of the different effects produced.

Continuing with the issue of quantifying risk, we built a new valuation model to assess the risk of impairment to our corporate image due to large-scale contingencies affecting our services or producing the suspension of our business. Here we worked on ensuring the quality of our data base so as to facilitate future measurements of the Bank's materiality profile.

This new methodology enables us to associate the risks and their causes, insofar as these affect the Bank's different structures, namely technology, suppliers, products or channels. This allows for multivariate risk maps to be drawn up so as to identify possible risk concentrations not only from the process standpoint but also given other relevant variables when deciding on how to treat and handle such. The maturity of our Operating Risk Management system has also enabled us to successfully incorporate necessary elements that further enrich operating risk management, these including the transfer of risk through insurance policies as well as our business continuity strategy.

Because we expect to build up a network of 8,000 banking correspondent POS by 2015, in 2013 we made it a priority to review all the risks inher-

ent to this channel so as to proactively mitigate potential losses in the future. We also updated our technological platform in order to support our planned growth, and revised our insurance policies using the probable maximum loss methodology, approximating our coverage for this channel to its residual risk. To combat the risk of external fraud, we reduced maximum transaction limits at banking correspondent POS level, and also made much progress with the introduction of chip-enabled EMV card transactions. Lastly, we have begun to develop work plans for drawing up policies for the proper allocation of maximum limits, clearing operations and the reconciliation of portfolio balances.

On the first front we have been actively involved in the revamping corporate policies from a risk-based standpoint, so as to produce an insured risk profile in accordance with the portion of risks thus transferred or retained as well as the equivalent exposure levels. We have also furthered our pricing and premium models and optimized our insurance policies for more efficient insurance coverage.

On the second front, we reinforced our business continuity strategy, with the aim of guaranteeing service availability even in the event of a shutdown and in this way continue to attend our clients and stakeholder groups. Our business continuity management initiative focused on implementing and adjusting our new governance model along with the organizational structures that support such. Similarly, a Business Impact Analysis (BIA) was performed which allowed us to identify critical sub-processes for the Bank. Starting this year, we are drawing up work plans designed to ensure that these sub-processes have procedures in place to address possible contingencies along with the necessary trained back-up personnel.

CAPITAL ALLOCATION

Aware of the importance of optimizing its capital structure, creating shareholder value and maintaining an adequate level of solvency, Grupo Bancolombia has developed a frame-

work of policies, principles and methodologies to assess the relationship between risk and returns for decision-making purposes. The Value Added System (VAS) model was set up for assessing risk with regard to profitability so as to facilitate pricing and form a basis for the Bank's variable compensation plans.

The prudent and balanced capital allocation policy adopted by the Grupo Bancolombia to assess inherent risk, is mainly focused on covering unexpected losses that may be caused by the risks to which it is exposed.

In August 2013, Decree 1771 of 2012 came into full force and effect, amending the capital adequacy ratios of credit institutions.

This new regulation was introduced in keeping with Basel III, whereby measures were adopted to bolster capital requirements amending the criteria applied to the equity accounts on which the technical equity of a bank is calculated. This raised solvency levels, introducing stricter requirements to protect the interests of both creditors and depositors. The minimum solvency ratio remains at 9% with a basic capital adequacy requirement of 4.5% being introduced, with which basic ordinary equity, made up of instruments bearing the highest loss absorption capacity, must comply.

We continue with our efforts to validate and fine-tune the methodologies used to calculate capital allocation percentages, these being key to measuring risk in compliance with all applicable rules and regulations as well as Grupo Bancolombia's consolidated models.

In 2013 we implemented capital allocation parameters in the case of corporate clients as part of our new internal rating scale. We also enhanced our capital allocation criteria as applicable to payroll loans, contingent credit card quotas, lines of revolving credit and overdrafts. We also estimated our economic capital in terms of the market risk affecting our bank book and this was duly incorporated within the corresponding model; this together with other important advances.

Transactions with related parties

Transactions with related parties as performed in 2013 were properly recorded in our financial statements and duly complied with all applicable legislation. Note 30 to the financial statements contains a list of these transactions.

Special Report On The Economic Group

Leasing arrangements, usage agreements for both the network and other operations and financial service or product contracts have been entered into between the Bank, its affiliates and subsidiaries. These were agreed upon in accordance with current legislation and were for the benefit of each of the companies individually considered.

The most significant transactions are described below:

Leasing Bancolombia S.A

At year end, the main lending operations performed by this subsidiary included a loan portfolio of COP 490.724 million (including provisions totaling COP 5.983 million); as well as investments in bonds and CDs issued by Leasing Bancolombia for a total of COP 62,059 million. Bancolombia reported borrowings on the part of Leasing Bancolombia for a total of COP 829,592 million, this in the form of deposit-taking.

The above operations provided Bancolombia with COP 25.428 million in interest and commission income as well as COP 29.460 million in interest expense on deposits.

Compañía de Financiamiento Comercial Tuya S.A

At December 31, 2013, liabilities with this subsidiary in the form of deposit-taking totaled COP 65.270 million. This produced an interest expense of COP 3.096 million.

Factoring Bancolombia S.A

In 2013, Bancolombia S.A. lent its subsidiary, Factoring Bancolombia S.A. a year-end total of COP 72.941 million (including provisions for COP 887 million). Transactions in the form of interbank funds sold came to COP 45.000 million.

As for deposit-taking, Bancolombia reported borrowing transactions with Factoring Bancolombia for a total of COP 84,852 million

These produced interest income totaling COP 3.040 million and interest expense on deposits of COP 1.326 million for Bancolombia S.A.

Renting Colombia S.A

At year end, the main lending operations for this Company corresponded to a loan portfolio of COP 112.642 million (including provisions for COP 1.373 million).

The above operations produced an interest income of COP 5.981 million for Bancolombia S.A.

Banagrícola Conglomerate

At December 31, 2013, Bancolombia did not report any transactions with the entities that make up the Banagrícola Conglomerate.

Bancolombia Panamá

At year end, Bancolombia S.A. recorded deposits with other corresponding banks amounting to COP 35.071. In 2013, Bancolombia S.A. issued loans to its subsidiary Bancolombia Panamá S.A., for a year-end total of COP 1,689,830 million.

The above operations produced interest expense of COP 31.393 million for Bancolombia S.A.

Inversiones CFNS

At year end, the main lending operations with this company corresponded to a loan portfolio of COP 347.092 million (including provisions for COP 4.232 million). These operations produced revenues of COP 13.108 million.

Banistmo S.A

Bancolombia S.A. recorded a year-end total of COP 385,366 million in interbank funds sold to its subsidiary Banistmo S.A. At year-end this transaction produced revenues of COP 234 million.

Other Operations

Bancolombia received deposits in both savings and checking accounts belonging to Fiduciaria Bancolombia, Valores Bancolombia and Banca de Inversión Bancolombia, which at year-end 2013 totaled COP 238.654, COP 27.653 and COP 41.859 million respectively. These borrowing operations produced COP 9.969 million in interest expense and other items for Bancolombia S.A.

Article 446 of the Code of Commerce

Other reports required by Article 446 of the Code of Commerce have been duly disclosed in the financial statements and accompanying notes.

Certifications from Bancolombia's legal representative

The Legal Representative of Bancolombia hereby declares to its shareholders that:

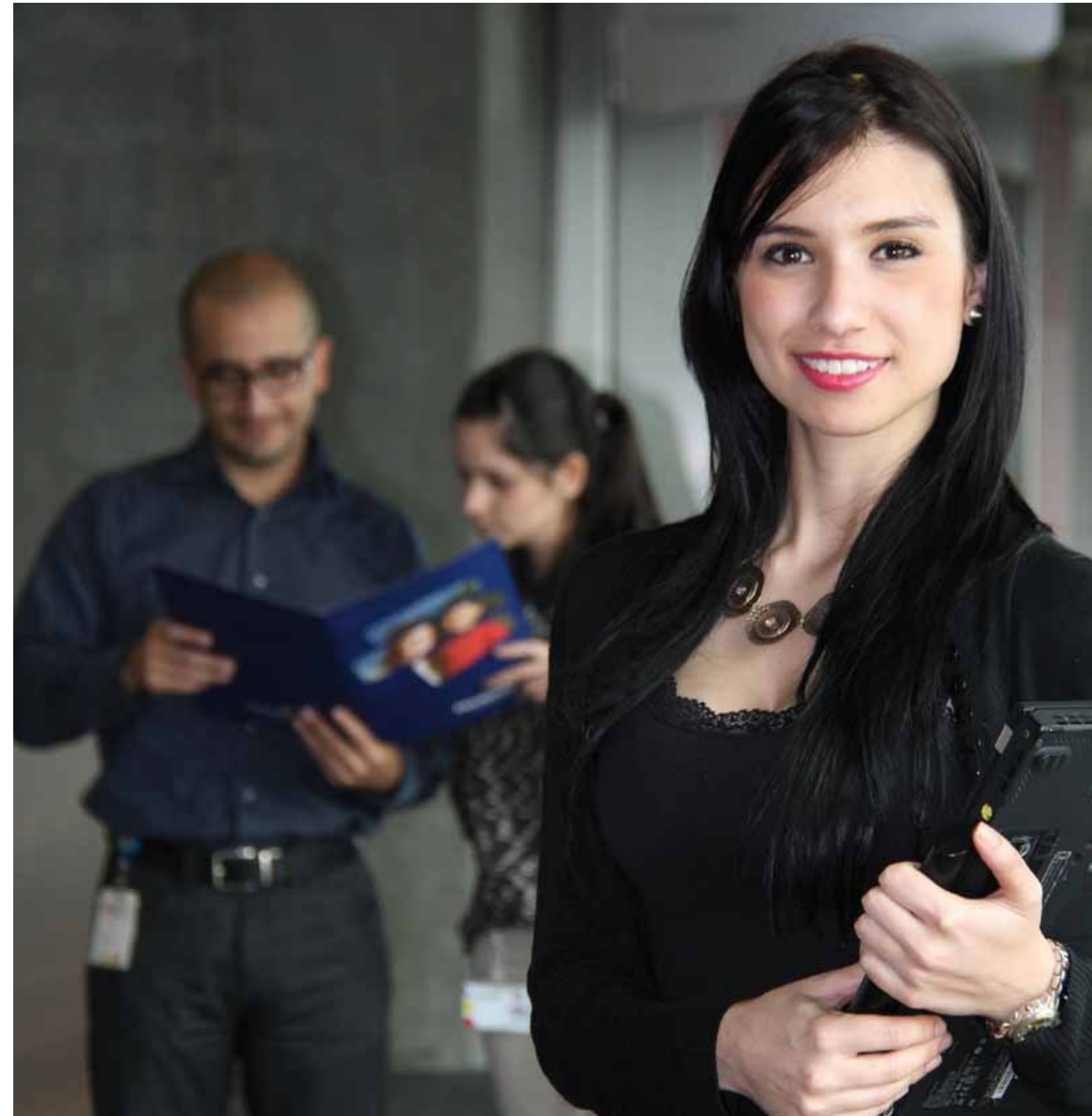
1. In conjunction with the Bank's Chief Accountant he has duly verified the individual and consolidated financial statements,

along with other relevant reports. The records therein contained have been faithfully taken from Bancolombia's books and do not contain any errors, inaccuracies or omissions that could prevent the true situation with the Bank's equity or operations from being known.

2. The results of the audit performed on Grupo Bancolombia's Internal Control System were satisfactory with regard to the control environment and respective activities, risk management, information and communication and overall monitoring, as stated in the Internal Control System Report presented to the shareholders in conjunction with the Bank's Board of Directors.

Based on the above, I am able to reasonably attest to the quality, adequacy and timeliness of the Group's financial information.

At year-end 2013,
Bancolombia S.A.
had lent a total of
COP 1.689.830
million
to its subsidiary
Bancolombia
Panama.





Sustainability
Report GRI

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Strategy and Analysis	Page	Omissions	Verification
General basic indicators			
Strategy and Analysis			
G4-1 Statement from the most senior decision-maker of the organization	10		X
G4-2 Key impacts, risks, and opportunities	142		X
Organizational Profile			
G4-3 The name of the organization	1		X
G4-4 The primary brands, products, and services	9/44-83		X
G4-5 The location of the organization's headquarters.	8		X
G4-6 The number of countries where the organization operates	8		X
G4-7 The nature of ownership and legal form	20F pg 22		X
G4-8 The markets served	8		X
G4-9 Report the scale of the organization: Total number of employees, total number of operations, net sales, total capitalization broken down in terms of debt and equity, quantity of products or services provided	16		X
G4-10 The total number of employees by employment contract and gender	107		X
G4-11 The percentage of total employees covered by collective bargaining agreements	Corporative web		X
G4-12 The organization's supply chain	113		X
G4-13 Significant changes during the reporting period	10		X
G4-14 Whether and how the precautionary approach or principle is addressed by the organization		Internal issue	
G4-15 Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	10/133		X
G4-16 Memberships of associations	Corporative web		X
Identified Material Aspects and Boundaries			
G4-17 All entities included in the organization's consolidated financial statements or equivalent documents	20F Pg IV		X
G4-18 The process for defining the report content and the Aspect Boundaries	42-43		
G4-19 List all the material Aspects identified in the process for defining report content	43		
G4-20 The aspect boundary within the organization	43		
G4-21 The aspect boundary outside the organization	43		
G4-22 The effect of any restatements of information provided in previous reports, and the reasons for such restatements	7		
G4-23 Significant changes from previous reporting periods in the Scope and Aspect Boundaries	7		
Stakeholder Engagement			
G4-24 List of stakeholder groups engaged by the organization.	42		
G4-25 The basis for identification and selection of stakeholders with whom to engage	Corporative web		
G4-26 The organization's approach to stakeholder engagement	42		
G4-27 Key topics and concerns that have been raised through stakeholder engagement	Corporative web		
Report Profile			
G4-28 Reporting period	7		X
G4-29 Date of most recent previous report	7		X

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Strategy and Analysis	Page	Omissions	Verification
G4-30 Reporting cycle	7		X
G4-31 The contact point for questions regarding the report or its contents.	7		
G4-32 The 'in accordance' option the organization has chosen	7		
G4-33 The organization's policy and current practice with regard to seeking external assurance for the report	20F pg F3 F4		
Governance			
Governance structure and composition			
G4-34 The governance structure of the organization	30		X
G4-35 The process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees."	Corporative web		
G4-36 Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	30		X
G4-37 Processes for consultation between stakeholders and the highest governance body	Corporative web		
G4-38 The composition of the highest governance body and its committees	29 /Corporative web		X
G4-39 Report whether the Chair of the highest governance body is also an executive officer	29/30		X
G4-40 The nomination and selection processes for the highest governance body	Corporative web		
G4-41 Report processes for the highest governance body to ensure conflicts of interest are avoided and managed	99		
Highest governance body's role			
G4-42 The highest governance body's and senior executives' roles	Corporative web		
Highest governance body's competencies and performance evaluation			
G4-43 The measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	Corporative web		
G4-44 The processes for evaluation of the highest governance body's performance	Corporative web		
Highest governance body's role in risk management			
G4-45 The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities	138		
G4-46 The highest governance body's role in reviewing the effectiveness of the organization's risk management processes	142		
G4-47 The frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	Corporative web		
Highest governance body's role in sustainability reporting			
G4-48 The highest committee or position that formally reviews and approves the organization's sustainability report	10		
Highest governance body's role in evaluating economic, environmental and social performance			
G4-49 Report the process for communicating critical concerns to the highest governance body	Corporative web		
G4-50 Report the nature and total number of critical concerns that were communicated to the highest governance body		Reserve	

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Strategy and Analysis	Page	Omissions	Verification
Remuneration and incentives			
G4-51 The remuneration policies for the highest governance body and senior executives	Corporative web		
G4-52 The process for determining remuneration		Reserve	
G4-53 How stakeholders' views are sought and taken into account regarding remuneration		Reserve	
G4-54 The ratio of the annual total compensation for the organization's highest-paid individual in each country		Reserve	
G4-55 The ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to		Reserve	
Ethics and Integrity			
G4-56 The organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Corporative web		
G4-57 The internal and external mechanisms for seeking advice on ethical and lawful behavior	99		
G4-58 The internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity	99		
Specific basic indicators			
Aspect: Linking and developing the best human talent			
G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region	107		X
G4-LA9 Average hours of training per year per employee by gender, and by employee category	108		X
G4-LA12 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Corporative web		X
G4-EC3 Coverage of the organization's defined benefit plan obligations	20F pg F50		X
Aspect: Organizational Culture for business transformation			
Own indicators People committed with a more human banking	13/44/105		
G4-HR1 Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	114/130		X
Aspect: Making close relationships with our strategic allies and suppliers			
G4-EN32 Percentage of new suppliers that were screened using environmental criteria	116		X
G4-EN33 Significant actual and potential negative environmental impacts in the supply chain and actions taken	117		X
G4-LA14 Report the percentage of new suppliers that were screened using labor practices criteria	116		X
G4-HR10 Percentage of new suppliers that were screened using human rights criteria			
G4-SO9 The percentage of new suppliers that were screened using criteria for impacts on society	116		X

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Strategy and Analysis	Page	Omissions	Verification
Aspect: Improving the interactions with our clients through a responsible management			
Own indicators Clients' requirements management	55		X
Aspect: Improving our operational reliability			
Own indicators Simplicity management	57		
Aspect: An advanced risks and reputation management			
Own indicators Risks management report	142		X
FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	130		
Aspect: Being convenient: How, When, and Where our clients need us			
Own indicators being closer through the creation of innovative experiences	61		X
Aspect: Committed with economic, social and environmental value generation			
Own indicators Sustainable performance results	100		X
Aspect: A step closer to our clients			
Own indicators Channels and products in order to be closer	62-63		X
Aspect: Transforming key experiences			
Own indicators For a memorable experience	54		
Aspect: Growing our business in an efficient, profitable and sustainable manner			
Own indicators Segment results	70		X
FS1 Policies with specific environmental and social components applied to business lines	130		X
FS2 Procedures for assessing and screening environmental and social risks in business lines	130		X
FS3 Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreement or transactions	130		X
FS4 Process(es) for improving staff competency to implement environmental and social policies and procedures as applied	132		
FS5 Interactions with clients/ investees/ business partners social risks in business lines	130		
FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector	66-83		
FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	43-47/66-83		X
FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	131		X
Aspect: International growth			
Own indicators Increasing regional coverage	78		X
Aspect: Simplicity management			
Own indicators Reduce procedures	57		X
FS15 Policies for the fair design and sale of financial products and services	Corporative web		X
FS16 Initiatives to enhance financial literacy by type of beneficiary	Corporative web		X

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Strategy and Analysis	Page	Omissions	Verification
Aspect: A corporate governance concerned about what is essential			
Own indicators Corporate governance and ethic	99		
FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental and social issues	20F pg IV		X
FS11 Percentage of assets subject to positive and negative environmental or social screening	Corporative web		
FS12 Voting polic(ies) applied to environmental or social issues for shares over which the reporting organisation holds the right to vote share or advises on voting	Corporative web		
Aspect: Results of a good performance			
Own indicators Awards and assessments to the management of a more human banking	31		X
Aspect: Working for a healthy environment			
G4-EN3 Energy consumption within the organization	128		X
G4-EN5 Energy intensity	128		X
G4-EN6 Reduction of energy consumption	128		X
G4-EN7 Reductions in energy requirements of products and services	128		X
G4-EN8 Total water withdrawal by source	128		X
G4-EN15 Direct greenhouse gas (ghg) emissions (scope 1)	129		X
G4-EN16 Energy indirect greenhouse gas (ghg) emissions (scope 2)	129		X
G4-EN17 Other indirect greenhouse gas (ghg) emissions (scope 3)	129		X
G4-EN18 Greenhouse gas (ghg) emissions intensity	Corporative web		X
G4-EN19 Reduction of greenhouse gas (ghg) emissions	Corporative web		X
G4-EN23 Total weight of waste by type and disposal method	128		X
G4-EC2 Financial implications and other risks and opportunities for the organization's activities due to climate change	Corporative web		X
Aspect: Generating economic value			
G4-EC1 Direct economic value generated and distributed	90-92		X
Aspect: Our role as social transformation agents			
FS13 Access points in low-populated or economically disadvantaged areas by type	68		X
FS14 Initiatives to improve access to financial services for disadvantaged people	62		X
Aspect: Financial results			
Own indicators Information about Bancolombia and consolidated results	Corporative web		X

According to the audit made by PricewaterhouseCoopers Ltda., there exists the proper concordance between the accounting information included in the managers' report and the information included in the financial statements available in the Spanish version of this report. Pag.170



For further details of information related to basic and specific indicators, and management models, please refer to our Corporate Website, in the following links:

<http://www.grupobancolombia.com/sostenibilidad/>

<http://www.grupobancolombia.com/webcorporativa>

<http://www.grupobancolombia.com/webcorporativa/gobierno>

<http://www.grupobancolombia.com/webcorporativa/proveedores>

<http://www.grupobancolombia.com/investorRelations/informacionEmpresarial/investorRelations/20FForms/index.asp?opcion=op1>

Financial results

We have an integrated report available in Spanish which includes all financial information.
For financial information in English, please refer to our 20F form, and the following websites:

Annual Integrated Report (Spanish) – Pag 162- 337
[http://www.grupobancolombia.com/contenidoCentralizado/informacionEmpresarial/
relacionInversionistas/gobiernoCorporativo/resultadosFinancieros/resultadosAnuales/
anuales/2013/BANCOLOMBIAINFORMEDEGESTION2013.pdf](http://www.grupobancolombia.com/contenidoCentralizado/informacionEmpresarial/relacionInversionistas/gobiernoCorporativo/resultadosFinancieros/resultadosAnuales/anuales/2013/BANCOLOMBIAINFORMEDEGESTION2013.pdf)

20F Form (English)
[http://www.grupobancolombia.com/relacionInversionistas/informacionEmpresarial/
relacionInversionistas/forma20F/index.asp?opcion=op1](http://www.grupobancolombia.com/relacionInversionistas/informacionEmpresarial/relacionInversionistas/forma20F/index.asp?opcion=op1)

