

RESPONSIBLE INVESTMENT POLICY

In Bancolombia, we manage important financial resources not only for proprietary trading but also for flow trading throughout consortiums and collective and individual portfolios. Throughout our financial activity we are able to invest directly on companies and we may also advise our clients in their investment decisions. Currently, sustainability criteria are crucial for the successful development of companies' activities, as they guarantee a greater social, environmental and economic long term value generation for our stakeholders.

Commitment

As institutional investors, we must act towards a greater long-term value generation for our stakeholders. In this fiduciary function, we estimate that environmental, social and corporate governance matters may affect the performance of portfolios (in a different degree depending on the company, sector, region, kind of assets, and moment). We also recognize that the application of this policy aids to act consequently to wider social objectives. Consequently, to the extent that is compatible with our fiduciary responsibilities, we commit to the following:

Exclusion list:

Bancolombia shall invest on neither company nor projects related with the production, commercialization or usage of products, substances and activities stated in the exclusion list of activities to finance. This list is available in the sustainability site in Bancolombia's webpage. Any explanation of this exclusion list is in concern of the Sustainability Area of Bancolombia group: www.grupobancolombia.com.co/sostenibilidad/ambiente/listadeexclusion

Environment for Responsible Investment

We understand that for the accurate progress on this policy we must harmonize several features in our operation, in our client's culture and in the market, hence we will do our best to carry out the following actions related to the Principles for Responsible Investment of United Nations

1. We will incorporate the ESG matters (Environmental, Social and Corporate governance) in the analysis processes and in the investment decision-making process.
2. We will be owners of assets and we will incorporate the ESG matters in our practices and policies.
3. We will ask to the entities where we will invest to divulge the right information regarding ESG matters.
4. We will promote the acceptance and application of the Principles in the global investment community.
5. We will collaborate to improve our effectiveness in the application of the Principles.
6. We will inform about our activities and progress in the application of the principles.

Investments to be evaluated

The issuers of the public stock market where the companies of the Bancolombia Group will invest on proprietary trading or flow trading in collective portfolios, companies where we make capital investments, and structured business for clients, will be subject of a sustainability analysis. This evaluation will be based on the issuers' public information regarding sustainability strategies, instead of some sorts of businesses that may directly require information of Environmental, Social and Corporate Governance performance. In individual portfolios and in the accompaniment of our

commission agents, complying with fiduciary duties, we will advise our clients so long as the information of the issuing entity is public.

Sustainability analysis

For the implementation of the policy, the teams related with it will be integrally trained and provided with the necessary tools to guarantee its success; furthermore the related stakeholders will be linked to identify the material topics.

The issuers will be periodically monitored in order to identify behaviors that might lead to a higher risk on their performance. This may be annual or, if necessary, in shorter periods of time.

This analysis seeks to identify relevant issues in the long-term performance of the issuers in Environmental, Social and Corporate Governance matters:

- In the economic matter we will evaluate: corporate governance, risk management, compliance, conduct and ethic codes, supply chain management, among others.
- In the environmental matter we will evaluate: legal compliance, management system, eco-efficiency, business risks and opportunities, climate change strategy, environmental reporting, among others.
- In the social matter we will evaluate: working practices and human rights, occupational health and safety, human capital development, human talent retention and attraction, corporate citizenship, social inclusion, social reporting, among others.

Business investments related with the policy

In addition to the previously exposed, we will adopt the following practices regarding the investments we make in our financial activities:

Bank: investments on temporal and permanent proprietary trading.

Asset Management: portfolio investment and individual portfolio consultancy.

Fiduciary: Consortium structuring

Investment bank: Proper capital investments and structured businesses consultancy.

Commission agent: consultancy on compliance of fiduciary duties in the stock market.

Sustainable investment funds

We will develop, if it is viable, sustainable investment portfolios on projects and activities that promote environmental welfare and social inclusion.

Promotion of responsible investment

We will actively participate in initiatives and alliances with relevant actors of the public stock market that drive efforts to promote and implement responsible investment. This includes our adhesion to the United Nations Principles for Responsible Investment and the following recommendations to the issuers:

The inclusion of sustainable performance information in the prospects of emission.

The inclusion of the ESG matters in the financial annual reports.

Responsibilities on the diffusion and implementation of the Responsible Investment Policy:

According to the issues covered in the policy the responsibility will be in the head of the areas of: Finance and Strategy, Business Units and Sustainability.

Evaluation: The Sustainability Area will periodically, at least annually, revise the results of compliance of the policy.

Divulgation: The material progress on this policy will be divulged to stakeholders through the official channels disposed for such purpose and will be consolidated in the annual report.

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