



LEA 02	Disclosures: Mandatory	Reason for Interaction	Principle: PRI 1, 2, 3
Individual/ internal staff engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> We do not engage in internal staff</p>	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> We do not engage in internal staff</p>	
Collaborative engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> We do not engage in collaborative engagements</p>		
Service provider engagements	<p><input checked="" type="checkbox"/> To support investment decision-making in a company's business</p> <p><input checked="" type="checkbox"/> To influence corporate transition or identify the need for additional or different investments</p> <p><input checked="" type="checkbox"/> To engage in strategic dialogue or other activities</p> <p><input type="checkbox"/> We do not engage in service providers</p>		

# RI TRANSPARENCY REPORT

## 2014/15

Bancolombia

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2014-15 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
Ⓜ	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Segregated mandates or pooled funds	🔒	n/a							✓
OO 08	Breakdown of AUM by market	✓	Public							✓
OO 09	Additional information about organisation	✓	Public							✓
OO 10	RI activities for listed equities	✓	Public							✓
OO 11	RI activities in other asset classes	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓

Overarching Approach				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OA 01	RI policy and other guidance documents	✓	Public							✓
OA 02	Publicly available policies / documents	✓	Public							✓
OA 03	Policy components and coverage	✓	Public	✓	✓					
OA 04	Conflicts of interest	✓	Public							✓
OA 05	RI goals and objectives	✓	Public							✓
OA 06	Main goals/objectives this year	✓	Public							✓
OA 07	Governance, management structures and RI processes	✓	Public							✓
OA 08	RI roles and responsibilities	✓	Public							✓
OA 09	RI in performance management, reward and/or personal development	✓	Public							✓
OA 10	Collaborative organisations / initiatives	✓	Public				✓	✓		
OA 11	Promoting RI independently	✓	Public				✓			
OA 12	Dialogue with public policy makers or standard setters	✓	Public				✓	✓	✓	
OA 13	ESG issues in strategic asset allocation	✓	Public	✓						
OA 14	Allocation of assets to environmental and social themed areas	✓	Public	✓						
OA 15	ESG issues for internally managed assets not reported in framework	-	n/a							✓
OA 16	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
OA 17	RI/ESG in execution and/or advisory services	🔒	n/a	✓	✓					
OA 18	Innovative features of approach to RI	✓	Public							✓
OA 19	Internal and external review and assurance of responses	✓	Public							✓

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Breakdown by passive, quantitative, fundamental and other active strategies	✓	Public	✓						
FI 02	Breakdown of investments by credit quality	✓	Public							✓
FI 03	Description of ESG incorporation	✓	Public	✓						
FI 04	Percentage of each incorporation strategy	✓	Public	✓						
FI 05	Type of ESG information used in investment decision	✓	Public	✓						
FI 06	Types of screening applied	✓	Public	✓						
FI 07	Processes to ensure screening is based on robust analysis	✓	Public	✓						
FI 08	Processes to ensure fund criteria are not breached	✓	Public	✓						
FI 09	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
FI 10	Description of ESG integration	-	n/a	✓						
FI 11	Review of ESG issues while researching companies/sectors	✓	Public	✓						
FI 12	Processes to ensure integration is based on robust analysis	-	n/a	✓						
FI 13	Incorporation of ESG issues into analysis and decision making	✓	Public	✓						
FI 14	ESG issues in index construction	🔒	n/a	✓						
FI 15	How ESG incorporation has influenced portfolio composition	✓	Public	✓						
FI 16	Incorporation of ESG issues has improved financial/ESG performance and reduced risk	✓	Public	✓						
FI 17	Examples of ESG issues that affected your investment view / performance	-	n/a	✓						
FI 18	Disclosure of approach to ESG incorporation	✓	Public		✓					✓
FI 19	Engagement with corporate issuers	✓	Public		✓					
FI 20	Engagement with government issuers	✓	Public		✓					

# Bancolombia

## Reported Information

## Public version

## Organisational Overview

### PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Basic Information

OO 01	Mandatory	Gateway/Peering	General
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OO 01.1 Select the services you offer.

Fund management

% of assets under management (AUM) in ranges

- <10%
- 10-50%
- >50%

Fund of funds, manager of managers, sub-advised products

Other, specify

Execution and advisory services

OO 02	Mandatory	Peering	General
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OO 02.1 Select the location of your organisation's headquarters.

Colombia

OO 02.2 Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

OO 02.3 Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

46519

OO 03	Mandatory	Descriptive	General
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OO 03.1 Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

OO 04	Mandatory	Gateway/Peering	General
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**OO 04.1** Indicate the year end date for your reporting year.

31/12/2014

**OO 04.2** Indicate your total AUM at the end of your reporting year, excluding subsidiaries you have chosen not to report on, and advisory/execution only assets.

	trillions	billions	millions	thousands	hundreds
Total AUM		8	707	000	000
Currency	USD				
Assets in USD		8	707	000	000

**OO 04.5** Indicate the level of detail you would like to provide about your asset class mix.

- Approximate percentage breakdown to the nearest 5% (e.g. 45%)
- Broad ranges breakdown (i.e. <10%; 10-50%; >50%)

**OO 06**

**Mandatory**

**Descriptive**

**General**

**OO 06.1** To contextualise your responses to the public, indicate how you would like to disclose your asset class mix.

- Publish our asset class mix as broad ranges

	Internally managed (%)	Externally managed (%)
Listed equity	<10%	0
Fixed income – corporate	>50%	0
Fixed income – government	10-50%	0
Fixed income – other	<10%	0
Private debt	0	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0



Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	10-50%	0
Other (1), specify	<10%	0
Other (2), specify	<10%	0

'Other (1)' specified

Mutual Funds

'Other (2)' specified

Non-Listed Property

Publish our asset class mix as per attached file (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OO 08	Mandatory to Report Voluntary to Disclose	Peering	General
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OO 08.1	Indicate the breakdown of your organisation's AUM by market.
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Market breakdown	% of AUM
Developed Markets	<input type="radio"/> 0%
	<input checked="" type="radio"/> <10%
	<input type="radio"/> 10-50%
	<input type="radio"/> >50 %
Emerging, Frontier and Other Markets	<input type="radio"/> 0%
	<input type="radio"/> <10%
	<input type="radio"/> 10-50%
	<input checked="" type="radio"/> >50 %

OO 09	Voluntary	Descriptive	General
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OO 09.1

Provide any additional information about your organisation, its mission, strategies, activities or investments which are important to contextualise your responsible investment activities.

Bancolombia is Colombia's leading financial institution, with a presence in other jurisdictions such as Panama, El Salvador, Puerto Rico, Guatemala, the Cayman Islands, Peru and the United States, providing a wide range of financial products and services to a diversified individual, corporate, and Government customer base throughout Colombia, Latin America and the Caribbean region.

Since 1995, Bancolombia has maintained a listing on the NYSE, where its ADSs are traded under the symbol —CIBll, and on the Colombian Stock Exchange, where its preferred shares are traded under the symbol —PFBCOLOMll. Since 1981 Bancolombia's common shares have been traded on the Colombian Stock Exchange under the symbol —BCOLOMBIAll.

Bancolombia is a full service financial institution that offers a wide range of banking products and services to a diversified individual and corporate customer base of more than 10 million customers. Bancolombia delivers its products and services through its regional network comprising Colombia's largest non-Government owned banking network, El Salvador's leading financial conglomerate, off-shore banking subsidiaries in Panama, Cayman and Puerto Rico, and subsidiaries in Peru.

Bancolombia and its subsidiaries offer the following products and services: Savings and investment, financing, mortgage banking, factoring, financial and operating leases, comprehensive cash management, foreign currency, bancassurance and insurance (in partnership with Sura - insurance company), investment banking: trust and fiduciary services, and Capital Markets. Fiduciaria Bancolombia and Valores Bancolombia also offer a wide range of proprietary asset management products, such as Mutual Funds, Private Equity Funds, and Privately Managed Investment Accounts for institutional, corporate and private bank clients.

As institutional investors, we have the fiduciary duty to conduct our activities towards generating the most long term value for our beneficiaries. In this fiduciary function, we consider that environmental, social and governance issues can affect the performance of investment portfolios (to varying degrees depending on companies, sectors, regions, timing and asset types). We also recognize that applying our Responsible Investment Policy helps us act accordingly to the broadest of society's objectives.

**Gateway asset class implementation indicators**

OO 10

Mandatory

Gateway

General

OO 10.1

Select the responsible investment activities your organisation implemented, directly and/or indirectly, for listed equities in the reporting year.

- We incorporate ESG issues into investment decisions on our internally managed assets
- We engage with companies on ESG issues via our staff, collaborations or service providers
- We cast our (proxy) votes directly or via service providers
- None of the above

OO 11

Mandatory

Gateway

General

**OO 11.1**

Indicate if in the reporting year you incorporated ESG issues into your investment decisions and/or your active ownership practices in the following internally managed asset classes.

- Fixed income – corporate
- Fixed income – government
- Fixed Income – other
- Cash
- Other (1)
- Other (2)
- None of the above

'Other (1)' [as defined in OO 05]

**Mutual Funds**

'Other (2)' [as defined in OO 05]

**Non-Listed Property****OO 12****Mandatory****Gateway****General****OO 12.1**

The modules and sections that you will be required to complete are listed below.

*This list is based on the percentages provided in your AUM breakdown and your responses to the gateway indicators. You are only required to report on asset classes that represent 10% or more of your AUM. You may report voluntarily on any applicable modules or sections by selecting them from the list. Fixed Income and Infrastructure are voluntary.*

**Core modules**

- Organisational Overview
- Overarching Approach (including assets which do not have a separate module)

**RI implementation directly or via service providers**

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements

Direct - Fixed Income

- Fixed Income - Corporate
- Fixed Income - Government

**Closing module**

Closing module

# Bancolombia

## Reported Information

## Public version

## Overarching Approach

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## Responsible investment policy

OA 01	Mandatory	Gateway/Core Assessed	General
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OA 01.1	Indicate if you have a responsible investment policy.
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- Yes  
 No

OA 01.2	Indicate if you have other guidance documents or more specific policies related to responsible investment.
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- Yes  
 No

OA 01.3	Provide a brief description of the key elements of your responsible investment policy or, if you do not have a policy, of your overall approach to responsible investment. [Optional]
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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](http://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

OA 02	Mandatory	Core Assessed	PRI 6
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OA 02.1	Indicate if your responsible investment policy is publicly available.
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- Yes

OA 02.2	Provide a URL to your responsible investment policy.
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	URL
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<http://www.grupobancolombia.com/sustainability/pdf/ResponsibleInvestmentPolicy.pdf>

No

<b>OA 02.3</b>	Indicate if your other policies or guidance documents related to responsible investment are publicly available.
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Yes

Yes, all

Yes, some

<b>OA 02.4</b>	List these other policies or guidance documents related to responsible investment that are publicly available and their URLs.
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Policy or document name	URL
Controversial Issues In Financing	<a href="http://www.grupobancolombia.com/sustainability/pdf/ControversialIssuesPolicy.pdf">http://www.grupobancolombia.com/sustainability/pdf/ControversialIssuesPolicy.pdf</a>
Human Rights Policy	<a href="http://www.grupobancolombia.com/sustainability/pdf/HumanRightsPolicy.pdf">http://www.grupobancolombia.com/sustainability/pdf/HumanRightsPolicy.pdf</a>

No

<b>OA 03</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 1,2</b>
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<b>OA 03.1</b>	Indicate the components/types and coverage of your responsible investment policy and guidance documents.
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Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input type="checkbox"/> (Proxy) voting policy <input checked="" type="checkbox"/> Engagement/active ownership policy <input checked="" type="checkbox"/> Specific guidelines on corporate governance <input checked="" type="checkbox"/> Specific guidelines on environmental issues <input checked="" type="checkbox"/> Specific guidelines on social issues <input type="checkbox"/> Asset class-specific guidelines <input checked="" type="checkbox"/> Screening/exclusion policy <input type="checkbox"/> Other, specify <input type="checkbox"/> Other, specify	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

OA 04	Mandatory	Core Assessed	General
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**OA 04.1** Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.

Yes

**OA 04.2** Describe your policy on managing potential conflicts of interest in the investment process. [Optional]

In Bancolombia's ethics code there is an entire section regarding conflicts of interest, so specifically regarding the investment process, a conflict of interest is defined as Taking part in any asset acquisition or investment decision for Grupo Bancolombia, when the employee's spouse or relatives or companies where they have participation are the suppliers of said asset.

No

## Objectives and strategies

OA 05	Mandatory	Gateway/Core Assessed	General
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**OA 05.1** Indicate if your organisation sets objectives for its responsible investment activities.

Yes

**OA 05.2** Indicate how frequently your organisation sets or revises objectives for responsible investment.

- At least once per year
- Less than once per year

**OA 05.3** Indicate how frequently your organisation formally reviews performance against its objectives for responsible investment.

- Quarterly
- Biannually
- Annually
- Every two years or less
- It is not reviewed

No

OA 06	Voluntary	Descriptive	General
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**OA 06.1** List your three main responsible investment objectives you had set for the reporting year. For each, indicate any key performance indicators you set to measure your progress and also indicate your progress towards achieving your objectives.

Add responsible investment objective 1



Objective 1	Development of Grupo Bancolombia´s Responsible Investment Policy
Key performance indicators	CEO Signature of the policy and publication
Describe the progress achieved	Objective Achieved, Grupo Bancolombia´s RI policy has been aproved by the CEO and is currently under implementation and application.

Add responsible investment objective 2

Objective 2	Adhere to the Principles for Responsible Investment
Key performance indicators	Confirmation from PRI on Grupo Bancolombia´s Adhesion
Describe the progress achieved	In March 2014 the PRI Secretariat confirmed that Grupo Bancolombia formally adopted the Principles for Responsibles Investment

Add responsible investment objective 3

Objective 3	Participation as a member of the Steering Committee of the Colombian - Dutch Responsible Investment Iniciative
Key performance indicators	Launch Of the Iniciative
Describe the progress achieved	In February 2014 Grupo Bancolombia formally supported the Colombian - Dutch Responsible Investment Iniciative led by Sustainalytics

**OA 06.2** List your three main objectives for responsible investment implementation for the next reporting year and indicate any key performance indicators you intend to use to measure your progress.

Add responsible investment objective 1 for the next reporting year

Objective 1 for the next reporting year	Provide a forum for investors, and other stakeholders to come together,debate, and network on RI in Colombia and Latin America more broadly.
Key performance indicators	Conference with approximately 50 – 60 attendees

Add responsible investment objective 2 for the next reporting year

Objective 2 for the next reporting year	Develop a training program for investment analysts on RI and ESG integration
Key performance indicators	Delivery of one training program with approximately 10 – 20 attendees with at least one representative from five significant financial institutions

Add responsible investment objective 3 for the next reporting year

Objective 3 for the next reporting year	Develop a series of sector reports that provide investors with understanding of ESG issues facing a particular sector and who those issues may be material
Key performance indicators	Publication of three sector reports

## Governance and human resources

OA 07	Voluntary	Descriptive	General
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OA 07.1	Provide a brief description of your organisation's governance, management structures and processes related to responsible investment.
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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.

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.

Divuligation: 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.

I would like to attach an organisation chart (the following image formats can be uploaded: .jpg, .jpeg, .png, .bmp and .gif)

OA 08	Mandatory	Gateway/Core Assessed	General
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OA 08.1	Indicate the roles present in your organisation and for each, indicate whether they have oversight and/or implementation responsibilities for responsible investment.
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Roles present in your organisation

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
  - Head of Sustainability**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- External managers or service providers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify
- Other role, specify

OA 09	Voluntary	Additional Assessed	General
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OA 09.1	Indicate if your organisation’s performance management, reward and/or personal development processes have a responsible investment element.
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**Board members/Board of trustees**

- Responsible investment included in personal development and/or training plan
- None of the above

**Chief Executive Officer (CEO), Chief Investment Officer (CIO), Investment Committee**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Other C-level staff or head of department**

**Head of Sustainability**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Portfolio managers**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Investment analysts**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Dedicated responsible investment staff**

- Responsible investment KPIs and/or goals included in objectives
- Responsible investment included in appraisal process
- Variable pay linked to responsible investment performance
- Responsible investment included in personal development and/or training plan
- None of the above

**Promoting responsible investment**

<b>OA 10</b>	<b>Mandatory</b>	<b>Core Assessed</b>	<b>PRI 4,5</b>
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<b>OA 10.1</b>	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
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**Select all that apply**

Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

- Asian Corporate Governance Association
- Association for Sustainable & Responsible Investment in Asia
- Australian Council of Superannuation Investors
- CDP Climate Change

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- Global Investors Governance Network (GIGN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify  
LatinSIF

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

OA 11

Mandatory

Core Assessed

PRI 4

OA 11.1

Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.

- Yes

OA 11.2

Indicate which of the following actions your organisation has taken to promote responsible investment, independently of collaborative initiatives.

- Provided or supported education or training programmes for clients, investment managers, broker/dealers, investment consultants, legal advisers or other investment organisations
- Provided financial support for academic or industry research on responsible investment
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry
- Spoke publicly at events and conferences to promote responsible investment
- Wrote and published in-house research papers on responsible investment
- Encouraged the adoption of the PRI
- Other, specify

- No

OA 12

Voluntary

Additional Assessed

PRI 4,5,6

OA 12.1

Indicate if your organisation - individually or in collaboration with others - conducted dialogue with public policy makers or standard-setters in support of responsible investment in the reporting year.

- Yes
  - Yes, individually
  - Yes, in collaboration with others

OA 12.2

Select the methods you have used.

- Endorsed written submissions to governments, regulators or standard-setters developed by others
- Drafted your own written submissions to governments, regulators or standard-setters
- Participated in face-to-face meetings with government members or officials to discuss policy
- Other, specify

**OA 12.3**

Where you have made written submissions (individually or collaboratively) to governments and regulatory authorities, indicate if these are publicly available.

- Yes, publicly available
- No
- No

## ESG issues in asset allocation

**OA 13**

Voluntary

Descriptive

PRI 1

**OA 13.1**

Indicate if your organisation considers ESG issues in strategic asset allocation and/or allocation of assets between geographic markets.

- Yes
- No

**OA 14**

Voluntary

Descriptive

PRI 1

**OA 14.1**

Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

- Yes
- No

## Innovation

**OA 18**

Voluntary

Descriptive

General

**OA 18.1**

Indicate whether any specific features of your approach to responsible investment are particularly innovative.

- Yes

**OA 18.2**

Describe any specific features of your approach to responsible investment that you believe are particularly innovative.

Bancolombia is the first company in Colombia to adhere to the Principles for Responsible Investment, additionally we are part of the Steering Committee of the Colombian - Dutch Responsible Investment Initiative, known as the LatinSIF where we play a leading role alongside other investment companies and the Colombian Stock Exchange to promote and generate a Forum for RI in Colombia.

- No

## Assurance of responses

**OA 19**

Voluntary

Additional Assessed

General

**OA 19.1**

Indicate whether your reported information has been reviewed, validated and/or assured by internal and/or external parties.

Yes

No



# Bancolombia

## Reported Information

### Public version

#### Direct - Fixed Income

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

FI 01	Mandatory to Report Voluntary to Disclose	Gateway/Peering	PRI 1
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FI 01.1	Provide a breakdown of your internally managed fixed income investments by passive, quantitative, fundamental and other active strategies. For strategies that account for less than 10% of your fixed income investments, indicate if you would still like to report your activities.
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	Fixed income – corporate
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### Strategies

- Passive
- Active – quantitative (quant)
- Active - fundamental and other active strategies

	Percentage of internally managed fixed income - corporate
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- <10%
- 10-50%
- >50%

	Fixed income – government
--	---------------------------

### Strategies

- Passive
- Active – quantitative (quant)
- Active - fundamental and other active strategies

	Percentage of internally managed fixed income - government
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- <10%
- 10-50%
- >50%

FI 02	Mandatory to Report Voluntary to Disclose	Peering	General
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FI 02.1	Provide a breakdown of your internally managed fixed income investments by credit quality.
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Credit quality	Fixed Income - Corporate
Investment grade	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
High yield	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Distressed	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%

Credit quality	Fixed Income - Government
Investment grade	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
High yield	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Distressed	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%

FI 02.2

Provide a breakdown of your fixed income investments between primary and secondary market.

Market	Fixed Income - Corporate
Primary market (new issues)	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Secondary market	<input type="radio"/> 0% <input type="radio"/> <10% <input checked="" type="radio"/> 10-50% <input type="radio"/> >50%

Market	Fixed Income - Government
Primary market (new issues)	<input type="radio"/> 0% <input checked="" type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Secondary market	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%

### ESG incorporation in actively managed fixed income

FI 03	Voluntary	Descriptive	PRI 1
FI 03.1	Provide a brief overview of how you incorporate ESG issues in fixed income investments.		

Fixed Income - Corporate

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.

Fixed Income - Government

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.


Fixed Income - Corporate

Implementation processes

FI 04	Mandatory	Gateway/Core Assessed	PRI 1
FI 04.1	Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed corporate fixed income investments; and, (2) the breakdown of your actively managed corporate fixed income investments by incorporation strategy or combination of strategies.		

**ESG incorporation strategy** (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)
- Screening + Integration strategies

Percentage of active corporate fixed income to which the strategy is applied (estimate +/- 10%)	 % 100
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- Thematic + integration strategies
- Screening + thematic strategies
- All three strategies combined
- No incorporation strategies applied

Total actively managed fixed income - corporate

100%

**FI 04.2** Describe your primary reasons for choosing a particular incorporation strategy.

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](http://www.grupobancolombia.com.co/sostenibilidad/ambiente/listadeexclusion)

<b>FI 05</b>	<b>Voluntary</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
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**FI 05.1** Indicate what ESG information you use in your ESG incorporation strategies and who provides this information.

**Type of ESG information**

- Raw ESG company data
- Issuer-related analysis or ratings
- Sector-related analysis or ratings
- Country-related analysis or ratings
- Screened bond list
- ESG issue-specific analysis or ratings

Describe who provides this information.

Blommborg ESG Data.

Other, specify

## (A) Implementation: Screening

FI 06	Mandatory	Descriptive	PRI 1
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FI 06.1

Indicate and describe the type of screening you apply to your internally managed active corporate fixed income investments.

### Type of screening

Negative/exclusionary screening

#### Screened by

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

#### Description

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](http://www.grupobancolombia.com.co/sostenibilidad/ambiente/listadeexclusion)

Positive/best-in-class screening

Norms-based screening

FI 06.2

Describe how the screening criteria are established, how often the criteria are reviewed and how you notify clients and/or beneficiaries when changes are made.

The screening criteria is based on IFC and UNEPFI standards related to specific sectors and activities with high environmental or social impact.

FI 07	Mandatory	Core Assessed	PRI 1
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**FI 07.1**

Indicate which processes your organisation uses to ensure that screening in corporate fixed income is based on robust analysis.

- Comprehensive research is undertaken or sourced to determine issuers' ESG performance
- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify issuers to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Information on ESG issues and/or ratings is updated regularly to ensure that portfolio holdings comply with fund policies
- A committee or body with representatives independent of the individuals who conduct ESG research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Other, specify
- None of the above

**FI 08**

**Voluntary**

**Additional Assessed**

**PRI 1**

**FI 08.1**

Indicate which processes your organisation uses to ensure that fund criteria are not breached in corporate fixed income investments.

- Checks are performed to ensure that issuers meet the funds' screening criteria. These checks are:
  - Systematic
  - Occasional
- Automated IT systems prevent investment managers from investing in excluded bonds or those that do not meet positive screening criteria
- Audits of fund holdings are undertaken regularly by internal audit function
- Other, specify
- None of the above

### (C) Implementation: Integration of ESG factors

**FI 11**

**Mandatory**

**Core Assessed**

**PRI 1**

**FI 11.1**

Indicate if E, S and G issues are reviewed while researching companies and/or sectors in active strategies.



ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

## Fixed income - Government

FI 13	Mandatory	Core Assessed	PRI 1
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FI 13.1

Indicate if you incorporate ESG issues in investment analysis and decision making for your government fixed income investments.

Yes

FI 13.2

Indicate for what percentage of your government fixed income investments you incorporate ESG issues in investment analysis and decision making.

- <10%
- 10-50%
- 51-90%
- >90%

FI 13.3

Indicate if in active strategies, E, S and G issues are reviewed while researching government issuers.

ESG issues	Coverage/extent of review on these issues
Environmental	<input checked="" type="radio"/> We systematically review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of environmental issues and investigate them accordingly <input type="radio"/> We do not review environmental issues
Social	<input checked="" type="radio"/> We systematically review the potential significance of social issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of social issues and investigate them accordingly <input type="radio"/> We do not review social issues
Corporate Governance	<input checked="" type="radio"/> We systematically review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We occasionally review the potential significance of corporate governance issues and investigate them accordingly <input type="radio"/> We do not review corporate governance issues

No

## Outputs and outcomes

FI 15	Voluntary	Descriptive	PRI 1
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FI 15.1	Indicate how your ESG incorporation strategies have influenced the composition of your fixed income portfolio(s) or investment universe.
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### Fixed Income - Corporate

- Narrow down or prioritise the investment universe
- Buy / sell / weight decisions
- Other, specify

FI 15.1	Indicate how your ESG incorporation strategies have influenced the composition of your fixed income portfolio(s) or investment universe.
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### Fixed Income - Government

- Narrow down or prioritise the investment universe
- Buy / sell / weight decisions
- Other, specify

FI 16	Voluntary	Descriptive	PRI 1
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**FI 16.1** Indicate whether your organisation measures how your approach to ESG issues in Fixed Income investments has affected financial and/or ESG performance.

We measure whether our approach to ESG issues impacts funds' financial performance

Fixed Income - Corporate

Describe the impact on:	Impact	Strategies considered
<b>Funds' financial performance</b>	<input checked="" type="radio"/> Positive <input type="radio"/> Negative <input type="radio"/> No impact <input type="radio"/> We do not measure the impact for this asset class	<input checked="" type="checkbox"/> Screening <input type="checkbox"/> Integration

Fixed Income - Government

Describe the impact on:	Impact	Strategies considered
<b>Funds' financial performance</b>	<input type="radio"/> Positive <input type="radio"/> Negative <input checked="" type="radio"/> No impact <input type="radio"/> We do not measure the impact for this asset class	<input checked="" type="checkbox"/> ESG incorporation (actively managed funds)

- We measure whether our approach to ESG issues impacts funds' risk or volatility
- We measure whether our approach to ESG issues impacts funds' ESG performance
- None of the above

**Communication**

**FI 18** **Mandatory** **Core Assessed** **PRI 2,6**

**FI 18.1** Indicate if your organisation proactively discloses information on your approach to ESG incorporation in all fixed income investments.

We disclose it publicly

Provide URL

<http://www.grupobancolombia.com/sustainability/pdf/ResponsibleInvestmentPolicy.pdf>

FI 18.2

Indicate if the information disclosed to the public is the same as that disclosed to clients/beneficiaries.

Yes

FI 18.3

Indicate the information your organisation proactively discloses to clients/ beneficiaries and the public regarding your approach to ESG incorporation.

- Broad approach to ESG incorporation
- Detailed explanation of ESG incorporation strategy used

FI 18.4

Indicate how frequently you typically report this information.

- Quarterly or more frequently
  - Between quarterly and annually
  - Less frequently than annually
  - Other, specify
- No
- We disclose it to clients/beneficiaries only
  - We do not proactively disclose it to the public and/or clients/beneficiaries

## Engagement in fixed income investments

### Fixed Income - Corporate

FI 19	Voluntary	Descriptive	PRI 2
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FI 19.1

Indicate if you engage with corporate issuers.

- Yes
- No

FI 19.3

Additional information.

Asset Management don't have a commercial relationship with issuers. For investment opportunities we consider: risk and market analysis. This analysis are part of the investment process we follow.

### Fixed Income - Government

FI 20	Voluntary	Descriptive	PRI 2
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**FI 20.1**

Indicate if you engage with government issuers such as government departments (national or local), agencies and other entities in order to influence their approach to ESG issues that may affect creditworthiness.

Yes

No