

**IMPLEMENTATION REPORT OF BEST CORPORATE
PRACTICES**

**ISSUER'S BUSINESS NAME
BBVA COLOMBIA**

**LEGAL REPRESENTATIVE:
OSCAR CABRERA IZQUIERDO**

**LEGAL REPRESENTATIVE APPOINTED FOR SENDING
THE IMPLEMENTATION REPORT:
ULISES CANOSA SUÁREZ**

REPORT PERIOD: 2017

REPORT DATE: JANUARY 26TH, 2017

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

INTRODUCTION

The implementation of the recommendations of the new Code of Best Corporate Practices of Colombia should be reported by issuers to the Financial Superintendence of Colombia (FSC) by this Implementation Report of Best Corporate Practices.

This report is aimed to inform the securities market about the implementation or not of the recommendations of the Code by each issuer. To this end, for each recommendation there are three boxes for YES, NO and N.A. (not apply), as well as a space to supplement its response as follows:

If the answer is yes, the issuer must briefly describe the way such implementation has been made. If not, the issuer must explain the reasons why it has not been adopted.

The “N.A.” response can only be provided by the issuer in cases that for legal reasons it is not possible to adopt the recommendation. In this case, the issuer must indicate precisely the law or regulation which prevents it.

Given that, some recommendations are made up of a number of specific aspects, is important to emphasize that these will only be understood as implemented if all of the aspects that compose them are met, unless the reason for not adopting some is of legal nature, which should be indicated.

Each recommendation has a box to indicate the date the issuer first implemented it. Additionally, there will be a box where the dates on which changes are made will be recorded.

Finally, when the issuer by its nature does not have the specific body to which the recommendation relates it shall be understood that it refers to the equivalent body within the entity.

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I. SHAREHOLDER RIGHTS AND EQUAL TREATMENT

Measure No. 1: The principle of equal treatment.

1.1. The corporation gives equal treatment to all the shareholders who have similar shares and conditions, without granting access to privileged information to some shareholders above others.

1.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Corporate Bylaws, the Corporate Governance Code and the regulations of the General Assembly of Shareholders, documents that are at the time published on BBVA website, holds the rules and obligations to every shareholder. Additionally, the Corporate Governance Code in article 8.4, states that the shareholders and investors have the right to receive from the Bank's directors and administrators an equitable treatment, ensuring the respect of the rights of information, inspection and notice provided by law, the Bylaws, and the Corporate Governance Code. This same document establish that in the event that is provided to a shareholder information that may grant him some advantage, the Bank guarantees the access to the information to other shareholders, by posting the information on the Bank's website.

Through the link "*Investor Relations*" in BBVA website, is frequently publishes relevant information and events, regarding the Corporate Governance System highlighting the decisions taken by the General Assembly of Shareholders, composition of the Board of Directors with the complete information of their Curriculum vitae, the Annual Report of the previous financial year, the ordinary and preferential shares, the market price of the shares, new issues, and all relevant financial information.

In accordance to the guidelines of the Resolution 116 of the *Superintendencia Financiera de Colombia*, BBVA Colombia publishes in the Bank website link "*Investor Relations*" and intranet for the knowledge of the legal representatives, directors and the employees of the bank, the obligations to act out with impartiality with any shareholder, with the intent of assure equal treatment and guarantee the complete engagement of the shareholders in fulfilment of their rights and their execution in the General Assembly of Shareholders.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 04.04.2003 |
| Modification Dates | 01.01.2008 |

1.2. The Board of Directors has approved concrete procedures to determine the corporation's ways **to relate to the different types of shareholders**, regarding matters such as: access to information; answer to information requests; communication channels; interaction between the shareholders and the corporation, its Board of Directors, and the remaining managers.

1.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Corporate Governance Code, chapter 8 establishes the procedure in which the shareholder can relate with the organization, access to the information, resolve petitions, the different channels of communication, and the execution of the Inspection Right.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 01.04.2008 |
| Modification Dates | |

Measure No. 2: Information about shares.

2.1. Through its web site, **the corporation informs the public**, in a clear, precise, and comprehensive way, **the different types of shares issued** by the corporation, the quantity

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issued per type, and the quantity of shares reserved, as well as the rights and obligations inherent to each type of share.

2.1 Measure Implementation

YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>In BBVA Colombia website in the link <i>“Investor Relations/the share”</i>, BBVA publishes information regarding ordinary shares and shares with preferential dividend also the information of the par value and the intrinsic value of the shares. Furthermore, BBVA informs the quantity of shares for the kind of share, the authorized capital of the company, the shares in circulation and the ones on reservation.</p> <p>This recommendation is register in the Corporate Governance Code (number 7, subnumber 7.3 letter (e), which states that the Bank shall publish and disclose to the market on its Website this kind of information.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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| Implementation Date | 12.01.2008 |
| Modification Dates | |

Measure No. 3: No capital dilution.

3.1. In transactions that may cause the dilution of the capital of minority shareholders (i.e. a capital increase with a waiver of preemptive rights in the subscription of shares, a merger, a segregation (spinoffs), among others), **the corporation will explain them to the shareholders in detail** through a previous report of the Board of Directors. Such a report will contain the opinion, about the terms of the transaction, of a renowned external independent advisor appointed by the Board of Directors (*fairness opinion*). These reports will be made available to the shareholders before the Assembly, within the terms for the exercise of inspection rights.

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3.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The rules of procedure of the General Assembly of Shareholders (Number 3.5 paragraph 2) establishes:

“3.5. RIGTH OF INSPECTION

(...) SECOND PARAGRAPH: When transactions cause capital to increase waiving preemptive rights in the subscription of shares, merges, division or segregation, the Board of Directors shall make available to the shareholders, during the term of notice of the meeting of Shareholders, a report containing the main terms of the transaction, which will be accompanied by the opinion of an independent external consultant appointed by the Board of Directors to the effect.”

During fiscal year 2017, BBVA Colombia did not increase capital by waiving the right of preference in the subscription of shares, mergers, segregation, or any other operation that entails a dilution of the capital of the minority shareholders.

NO. Explain:**N.A. Precise the law or regulation that prevents the adoption of the recommendation:**

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| Implementation Date | 19.01.2016 |
| Modification Dates | |

Measure No. 4: Information and communication with shareholders.

4.1. The corporation has an institutional web site in Spanish and English, with a link of Corporate Governance, or of relations with shareholders and investors, or equivalent. It will include financial and non-financial information in the terms proposed by recommendations 32.3 and 33.3. Furthermore, under no circumstance, it will include the corporation’s confidential information, or that relative to company secrets, or any other whose disclosure could be used to the detriment of the corporation.

4.1 Measure Implementation

YES

NO

N.A.

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YES. Briefly indicate:

This recommendation was adopted by BBVA Colombia since 2013 and it is registered in the Corporate Governance Code (number 7, subnumber 7.1, 7.2, 7.3, among others)

BBVA Colombia has since 2013, a friendly website, with information in Spanish and English, with extensive information including the suggested recommendations by the Corporate Governance Survey, as well as other information of interest to shareholders and investors of the company.

On BBVA's website the shareholders and investors may find: (i) About the company; (ii) Shareholders: Quote, equity, significant events reported to "*Registro Nacional de Valores y Emisores-RNVE*", financial information, shareholder's agenda, General Assembly of Shareholders, historic of dividends, etc; (iii) Investors Relations, results and their presentations, events, financial reports, characteristics of current debt emissions, reports on ratings; (iv) Corporate Governance: Bylaws, Shareholders Assembly regulations, Board of Directors, Audit Committee, Annual Report of Corporate Governance Survey; v) Corporate Responsibility Report audited by the Fiscal Auditor, which shows the actions taken by BBVA to support social initiatives.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|----------------------------|------------|
| Implementation Date | 02.09.2013 |
| Modification Dates | |

4.2. The corporation has permanent-access mechanisms targeted exclusively to shareholders, such as a web link (only for them), or an office devoted to the relations with shareholders and investors, periodical information sessions, among others. These spaces should permit them state their opinions, concerns or suggestions on the corporation's development, or about their condition as shareholders.

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4.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia has an exclusive office dedicated only to the attention of the shareholder's and investor's, which constitutes the link with the company governing bodies and whose main objective is to provide complete and clear information, related with the Bank and other topics that allow the shareholder's and investor's to make informed decisions and proper exercise of their rights.

Supplementary, every three months are scheduled conferences in order to report the entity results of that period and the Bank's business performance. Additional to these events, the investors and shareholders have a special space with complete and sufficient information of their interest in the Bank's website link "*Investor Relations*".

On the mentioned website link, BBVA Colombia inform the different communication channels established to answer the requests of information, in compliance of the confidential protocols.

Finally and by legal regulation, the shareholders have the inspection right, before every shareholders meeting.

This recommendation is register in the Corporate Governance Code, number 8.7.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 01.01.2008 |
| Modification Dates | |

4.3. The corporation organizes events to present quarterly results to its shareholders and to market analysts. These may be in person or through distant-communication media (conference, video conference, etc.).

4.3 Measure Implementation

YES

NO

N.A.

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YES. Briefly indicate:

BBVA Colombia, at the end of every trimester has an audio conference with the shareholders and investors to inform the results of the period.

On the Bank's website there is an Agenda that holds the dates of events to present the trimester and year results.

This recommendation is registered in the Corporate Governance Code, number 7.1

NO. Explain:**N.A. Precise the law or regulation that prevents the adoption of the recommendation:**

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| Implementation Date | 01.09.2013 |
| Modification Dates | |
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4.4. The corporation organizes or takes part in presentations, events, or fora on fixed-yield instruments, mostly addressed to debt-security investors and market analysts. These events offer updates on the issuer's business indicators, the management of its liabilities, its financial policy, its ratings, its behavior concerning *covenants*, etc.

4.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia informs the market the results and the development of the company, according to the previous point.

This recommendation is register in the Corporate Governance Code, number 7.1 letter e).

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| Implementation Date | 28.02.2006 |
| Modification Dates | 14.04.2016 |

4.6. For the exercise of this right, **the corporation has a written procedure** with the precisions provided in recommendation 4.6.

4.6 Measure Implementation YES NO N.A.

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| YES. Briefly indicate: The Corporate Governance Code (Number 8.6) states the procedure that must be follow by the shareholders in order to propose specialized audits. Each of the items from this recommendation is register in the Corporate Governance Code. |
| NO. Explain: |
| N.A. Precise the law or regulation that prevents the adoption of the recommendation: |

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| Implementation Date | 28.02.2006 |
| Modification Dates | 19.01.2016 |

Measure No. 5: Behavior of managers before takeovers or transactions to change the corporation's control.

5.1. The members of the Board of Directors and of the senior management have agreed expressly, in their letters of acceptance or contracts, that as soon as they learn of a take-

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over bid or other relevant transactions, such as mergers or segregation (spinoffs), there will be periods during which they will not negotiate, directly or indirectly through a third party, any shares of the corporation.

5.1 Measure Implementation

YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>The <i>“Internal Standards of Conduct on the Securities Markets”</i> of BBVA Colombia, presents a section of general prohibitions to operate under special circumstances, with a general restriction to all employees and Board of Directors that has the knowledge of an operation that might involve privilege information, so they will not perform any business with shares of the company, values or financial instruments, by themselves or through a third person.</p> <p>This procedure is formalize by the Compliance area, which sends a communication that is accept by the employee.</p> <p>Additionally, in the document <i>“Internal Standards of Conduct in the Securities Markets”</i>, Annex I, states that the information related to operations on large stock packages will be consider as Insider Information. Therefore, all the regulatory obligations and prohibitions related to this type of information must be comply.</p> <p>The document is publish on Bank’s website link: <i>“Investor Relation”</i> - <i>“Corporate Governance”</i></p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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| Implementation Date | 01.02.2001 |
| Modification Dates | |

Measure No. 6: Listing of corporations clustered in conglomerates.

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6.1. Without prejudice to the independence of every single company of the conglomerate and to the responsibilities of its management bodies, the conglomerate has an **organizational structure** that defines for the three (3) governance levels (Shareholders Assembly, Board of Directors, and senior management), the key bodies and individual positions and the relations between them. Such a structure is public, evident, and transparent; it determines clear responsibility and communication channels; it facilitates the conglomerate’s strategic direction, and its effective supervision, control, and management.

6.1 Measure Implementation

YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>BBVA Colombia and its subsidiaries publish their organizational structure, including the three levels of government, on their respective websites.</p> <p>In addition, BBVA Colombia Corporate Governance Code defines a framework for institutional relations between the Bank as a holding with its subsidiaries. This framework indicates the Corporate Purpose of the BBVA Group in Colombia, which is aligned with BBVA's Purpose in the world, which guides the strategy and decision making at the local and corporate level.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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| Implementation Date | 01.02.2001 |
| Modification Dates | 13.12.2016 |
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6.2. Under the previous provision, **the holding company and its most important subordinates have defined a framework for institutional relations** through the subscription of an agreement. Such an agreement is public, has been approved by the Board of Directors of each of the companies, and it regulates the topics indicated in recommendation 6.2.

6.2 Measure Implementation

YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>BBVA Colombia has defined in the Corporate Governance Code (number 14) the framework for institutional relations between BBVA Colombia as a holding with its subsidiaries, which includes: i) The Corporate Purpose that guides the Group's strategy and decision-making; and ii) The Guiding principles such as: Use of synergies, articulation of the company social organs, cohesion of the Control Architecture and mechanisms of conflict resolution.</p> <p>The Board of Directors of each subsidiary has adopted this Model framework through its Corporate Governance Code.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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| Implementation Date | 01.12.2001 |
| Modification Dates | 13.12.2016 |
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Measure No. 7: Conflict resolution.

7.1. Except for the disputes between shareholders, or between shareholders and the corporation or its Board of Directors that by explicit legal mandate must be settled necessarily before the ordinary jurisdiction, **the corporation's bylaws include conflict-resolution mechanisms such as direct agreements, amiable composition, settlement, or arbitration.**

7.1 Measure Implementation

YES

NO

N.A.

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| <p>YES. Briefly indicate:</p> <p>The article 74 of the bylaws of the Bank, establish the direct settlement and in case of no solution, the arbitration clause.</p> <p>ARTICLE 74- ARBITRATION CLAUSE: Any difference arising between the Bank and its shareholders or the Board of Directors, and the shareholders internally, during the social contract or at its dissolution</p> |
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or liquidation stages, shall be resolved directly between the parties. After ten (10) calendar days unless an agreement is reached, the dispute shall be resolved by a court of arbitration, which shall be subject to the following rules: 1. It will be composed of three (3) arbitrators appointed by mutual agreement between the parties. In case of disagreement, their designation will be delegated to the Director of the Center for Arbitration and Commercial Conciliation of the Bogotá Chamber of Commerce. 2. The arbitrators must be Colombian lawyers and their decisions are binding. 3. The tribunal will work in Bogotá and its organization is subject to the rules of the Arbitration and Commercial Conciliation Centre of the Bogota Chamber of Commerce.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 25.04.2007 |
| Modification Dates | 14.04.2016 |
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II. GENERAL ASSEMBLY OF SHAREHOLDERS

Measure No. 8: Functions and competence.

8.1. Besides other functions assigned to the **General Assembly of Shareholders** by the legal framework, **the bylaws explicitly confer the functions of the General Assembly of Shareholders related in recommendation 8.1**, and emphasize their exclusive and non-delegable nature.

8.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Bank's Bylaws, Article 25, confers these functions to the General Assembly of Shareholders, emphasizing its exclusive and not delegable character.

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 14.04.2016 |
| Modification Dates | |
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Measure No. 9: Regulation of the General Assembly of Shareholders.

9.1. The corporation has a regulation for the General Assembly of Shareholders, which set up norms for any tasks within its competence. They range from its meeting calls, to the preparation of the information intended for shareholders, their attendance, the development and exercise of their political rights, so that they are fully aware about the regime that governs the Assembly's sessions.

9.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia has a Regulations of the General Assembly of Shareholders of Shareholders, that can be access on the Bank website and it regulate all topics with citation, preparation of information that must be delivered or offered to all shareholders, the execution of the inspection right, attendance, and the execution of all political right of the shareholders.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|---------------------|------------|
| Implementation Date | 31.08.2007 |
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| Modification Dates | |
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Measure No. 10: Meeting Call for the Assembly.

10.1. To ease the shareholders' exercise of their information rights, **the bylaws provide that the meeting call for the ordinary General Assembly of Shareholders must take place no less than thirty (30) common days in advance; in the case of the extraordinary meetings, the call will take place with at least fifteen (15) common days of anticipation.** This will be without prejudice to the legal terms set forth for company restructuring (e.g. mergers, segregation (spinoffs), or transformations).

10.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The article 17 of the Bank's Bylaws states that the meeting call for the ordinary General Assembly of Shareholders must take place no less than thirty (30) common days in advance; in the case of the extraordinary meetings, the call will take place with at least fifteen (15) common days of anticipation. Notwithstanding the legal terms set forth for company restructuring.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|---------------------|------------|
| Implementation Date | 19.01.2016 |
| Modification Dates | 08.03.2017 |

10.2. Besides the traditional and obligatory media set forth within the legal framework, **the corporation ensures the widest communication and publicity for the meeting call.** This will be done by using e-media, such as the corporate web site, individual alerting e-mails, and even the social networks if deemed appropriate.

10.2 Measure Implementation

YES

NO

N.A.

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YES. Briefly indicate:

The Paragraph of the article 17 of the bylaws, about the Meeting Call determine:

“FIRST PARAGRAPH- NOTICE. The meeting call to shareholders will be done by one (1) notice published in one or more newspapers of national circulation at the registered office and will be communicated through the website of the Bank along with the information deemed necessary for the development of the Assembly. In the summon for extraordinary meetings In the summon for extraordinary meetings there shall be specified issues on which it will deliberate and decide, and other topics may not be discussed unless the majority of the shares represented say so otherwise and once topics on the agenda have been dealt with. In any case the Assembly may remove administrators and other officials whose appointment deems inappropriate.”

This is ratified in the Regulations of the General Assembly of Shareholders (article 3.3) , that establish: *“The meeting call to shareholders will be done by one (1) notice published in one or more newspapers of national circulation at the registered office and will be communicated through the website of the Bank along with the information deemed necessary for the development of the Assembly.”*

NO. Explain:**N.A. Precise the law or regulation that prevents the adoption of the recommendation:**

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| Implementation Date | 28.02.2006 |
| Modification Dates | 08.03.2017 |

10.3. For increased transparency during the decision-making process of the General Assembly, besides its Agenda, stating point by point the subjects for discussion, **the corporation ensures that simultaneously with the meeting call, or at least fifteen (15) common days before the meeting, the shareholders receive the Agreement Proposals** that the Board of Directors will submit to the General Assembly of Shareholders concerning each of those points.

10.3 Measure Implementation

YES

NO

N.A.

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YES. Briefly indicate:

The Regulations of the General Assembly of Shareholders of Shareholders (Number 3.2 Paragraph) lay out that all propositions that the Board of Directors presents to the shareholders are available on the bank website, with 15 days prior to the meeting.

Additionally, for the 2017 Ordinary Shareholder's Meeting, the Bank published all the information related to the meeting, 15 days in advance, on the Bank's website link Investor Relations- General Assembly of Shareholders 2017.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

10.4. The General Assembly of Shareholders will analyze and approve the corporation's segregation (spinoffs) (*escisión impropia*) only when this subject had been included explicitly in the respective meeting call.

10.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulations of the General Assembly of Shareholders lay out on the numeral 3.4 the section "Agenda", that establish:

"(...) However, when the Assembly considers matters of segregation, a change of corporate objectives, renounce to preference rights, change of registered office, an increase or decrease of the authorized capital or an early dissolution, the agenda shall explicitly address these situations."

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

Implementation Date

31.08.2007

Modification Dates

10.5. The Agenda that the Board of Directors is proposing features the subjects for discussion accurately. It does not permit that any significant issues become obscured under imprecise, nonspecific, overly general, or very wide expressions such as “others” or “proposals and miscellaneous.”

10.5 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

On the third numeral of the “Rules of Procedure of the General Assembly of Shareholders of Shareholders”, which regards to the types of meeting and in particular the Agenda, it states the following:

“3.4 Agenda

The agenda must be clear and properly disaggregated giving full disclosure of the issues that will be addressed. Similarly, and without prejudice to the rights of shareholders to submit proposals to the Assembly, different issues must be disaggregated in the agenda so as not to be confused with others except topics to be discussed jointly because they are related to one another, fact which should be noted.

The General Assembly of Shareholders retains the authority to address additional topics by a decision adopted by the majority of the shares represented and once topics on the agenda have been dealt with. In any case the Assembly may remove administrators and other officials whose appointment deems inappropriate.

However, when the Assembly considers matters of segregation, a change of corporate objectives, renounce to preference rights, change of registered office, an increase or decrease of the authorized capital or an early dissolution, the agenda shall explicitly address these situations. (...)”

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 31.08.2007 |
| Modification Dates | |

10.6. In the case of amendments to the bylaws, each article or group of articles substantially different will be voted separately. In any case, an article will be voted separately if any shareholder or group of shareholders, representing at least five percent (5%) of the corporate capital, request it during the Assembly. The shareholders will be informed of this right beforehand.

10.6 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>the "Rules of Procedure of the General Assembly of Shareholders of Shareholders" (Number 3.1 First Paragraph) states:</p> <p><i>"3.4. Agenda</i> <i>(...) FIRST PARAGRAPH: In the case of amendments to the bylaws, each article or group of articles substantially different will be voted separately. In any case, an article will be voted separately if any shareholder or group of shareholders, representing at least four percent (4%) of the corporate capital, request it during the Assembly. The shareholders will be informed of this right beforehand."</i></p> <p>During 2017, the proposal for partial reform of the Bylaws of BBVA Colombia was included in the agenda of the General Shareholders' Meeting number 13. During the term of the call, the comparative information of the articles that were modified was presented in a precise manner. See link: https://www.bbva.com.co/fbin/mult/Estatutos_Sociales_Informaci_n_Comparativa_2017_Ingl_s_tcm1304-643334.pdf</p> <p>The voting procedure was taken following recommendation 10.6.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

10.7. Without prejudice to the article 182 of the Code of Commerce, to strengthen and ensure the shareholders' rights of inspection and information before the Assembly, **the bylaws recognize their right to propose the inclusion of one or more points for discussion within the Agenda of the General Assembly of Shareholders, regardless of the size of their stock participation.** This will take place within reasonable period of time and provided that their request includes a justification. The shareholders will make such a request within five (5) common days following the publication of the meeting call.

10.7 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> |
| <p>NO. Explain:</p> <p>Considering that the floating capital of BBVA Colombia is 4,57% represented in 65.423 it was included on the Bylaws of BBVA Colombia (Article 17 Second Paragraph) that the shareholders who represent at least 4% of the subscribed shares are allowed to submit written proposals to the Board of Directors about the Agenda, following the procedure established on the Regulations of the Board of Directors.</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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|---------------------|------------|
| Implementation Date | 14.04.2016 |
| Modification Dates | |

10.8. If the Board of Director refuses the request, **it must reply in writing** to those requests supported by at least five percent (5%) of the corporate capital, or a lower proportion as provided by the company based on its degree of ownership concentration. In such a reply, it will **explain the reasons for its decision**, and inform the shareholders of their right to make proposals during the Assembly, under the provisions of the abovementioned article 182 of the Code of Commerce.

10.8 Measure Implementation YES NO N.A.

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| <p>YES. Briefly indicate:</p> <p>The Regulation of the General Assembly of Shareholders (Number 3.4 Second Paragraph) states the procedure that must be followed by the shareholders in order to include issues or matters in the Agenda of the General Assembly of Shareholders. The procedure includes the items of the recommendation 10.8.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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|----------------------------|------------|
| Implementation Date | 19.01.2016 |
| Modification Dates | |

10.9. If the Board of Directors accepts the request, once expired the shareholders' term to propose subjects –as set forth in the preceding recommendations, **a complement to the meeting call for the General Assembly of Shareholders will be published** at least fifteen (15) common days before the meeting.

10.9 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>The Regulation of the General Assembly of Shareholders (Number 3.4 Second Paragraph) states the procedure that must be followed in order to include issues or matters in the Agenda of the General Assembly of Shareholders. The procedure includes the items of the recommendation 10.9.</p> |
| <p>NO. Explain:</p> |

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| N.A. Precise the law or regulation that prevents the adoption of the recommendation: |

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| Implementation Date | 19.01.2016 |
| Modification Dates | |

10.10. Within the same term provided in the paragraph 10.7, **the shareholders may submit new and well-grounded Agreement Proposals** to matters previously included on the Agenda. For these requests, the Board of Directors will act according to the provisions of the paragraphs 10.8 and 10.9 above.

10.10 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>The Regulation of the General Assembly of Shareholders (Number 3.4 Second Paragraph) states that the shareholders that represent at least four percent (4%) of the corporate capital, can submit agreement proposals about the items included in the Agenda, following the procedure indicated by the recommendation 10.8 and 10.9.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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| Implementation Date | 19.01.2016 |
| Modification Dates | |

10.11., The corporation will use e-media, and particularly the institutional web site available only to shareholders, to convey to them the documents and information related to each of the points of the Agenda for the meeting.

10.11 Measure Implementation YES NO N.A.

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| YES. Briefly indicate: The Regulation of the General Assembly of Shareholders (Number 3.2 Paragraph) states that within fifteen (15) calendar days before the meeting, the information regarding the Proposals that the Board of Directors will submit to the General Assembly of Shareholders, will be available for the shareholders on the website and at the primary residency of the Bank. Therefore, for the General Assembly of Shareholders held on February 28 th , 2017, the Bank published all the information related to the Assembly, with the foregoing indicated in the Regulations, on the web page link "Investor Relations -General Assembly 2017". |
| NO. Explain: |
| N.A. Precise the law or regulation that prevents the adoption of the recommendation: |

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

10.12. The corporation bylaws recognize the shareholders' right to request the information or clarification that they deem appropriate with enough anticipation, either through traditional channels and/or, if suitable, through new technologies, or to express in writing their questions on the subjects of the Agenda, the documentation

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received, or the public information issued by the corporation. Depending on the term of the corporation to call for a General Assembly of Shareholders, it will determine the period within which the shareholders will exercise this right.

10.12 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>On the numeral 3.5 of the Regulations of the General Assembly of Shareholders, is establish the section name "<i>Right to Inspect</i>", that indicate: "The Bank will aid its shareholders in decision making by placing at their disposal, within the term of the call and at the registered office, the legal information required and the ability to exercise the right of inspection, including among other the resumes and most relevant details of the nominees as members of the Board of Directors.</p> <p>Additionally, the Bank must make available to shareholders the financial information regarding its subsidiaries in order for decisions to be taken."</p> <p>The Rules of Shareholders were modified to allow within the channels of communication with shareholders the reception of requirements, the attention of enquires and to facilitate the required information to take informed decisions.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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|----------------------------|-------------|
| Implementation Date | 31.08. 2006 |
| Modification Dates | 14.04.2016 |

10.13. The corporation foresees that the requested information may be denied if, based on internal procedures, it may be considered: i) non-reasonable; ii) irrelevant to learn about the corporation's progress or interests; iii) confidential, which will include reserved information within the securities market; business secrets; and transactions in progress, whose success for the company will be contingent upon their secrecy; iv) any other information that if disclosed will compromise imminently and seriously the competitiveness of the company.

10.13 Measure Implementation YES NO N.A.

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| <p>YES. Briefly indicate:</p> <p>Article 66 number 2 of the Company's Bylaws, states that the requested information may be denied when this is qualified as unreasonable, irrelevant, confidential, or if the disclosure of it threatens the competitiveness of the Bank in accordance with the Regulations of the General Assembly of shareholders.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

| | |
|----------------------------|------------|
| Implementation Date | 28.02.2006 |
| Modification Dates | 14.04.2016 |

10.14. When an answer provided to a shareholder may grant him some advantage, the **corporation guarantees the access to that answer to the other shareholders**, on a concomitant basis, according to the mechanisms set forth for that purpose, and under the same conditions.

10.14 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>The Corporate Governance Code (Number 8.1.) states that when an answer provided to a shareholder may grant him some advantage, the Bank guarantees the access to that answer to the other shareholders, by posting the information on the Bank's Website.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| Implementation Date | 28.02.2006 |
| Modification Dates | 19.01.2016 |

Measure No. 11: Norms on representation.

11.1. Without prejudice to the limits set forth in the article 185 of the Code of Commerce, the External Circular 24 of 2010, and the regulations which may amend, supplement, or substitute them, **the corporation does not limit the shareholder's right to be represented at the General Assembly of Shareholders**, including the delegation of his vote to any other person, whether it is a shareholder or not.

11.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

Both, the Company Bylaws and the Regulation of the General Assembly of Shareholders allow shareholders to be represented in the General Assembly of Shareholders of Shareholders, they can delegate their vote to any person, it does not matter if that person is not a shareholder.

BBVA Colombia Company Bylaws:

"Article 21- Shareholders Representation. "Any shareholder may be represented at meetings of the General Assembly of Shareholders through power of attorney in writing where the name of the attorney is stated, the person who is being replaced and the date of the meeting or meetings for which it is conferred. It is understood that the power given to a meeting is valid for the number of sessions of the Assembly corresponding to the same meeting. The powers will be submitted to the General Secretariat of the Bank with notice of no less than two (2) business days and until the time set in the notice of summon for the meeting. It is understood for these effects that Saturdays are not business days.

Paragraph: The meeting principals and representatives will be identified in accordance with the legal provisions."

In the Regulation of the General Assembly of Shareholders it is established the following:

" 5. SHAREHOLDERS REPRESENTATION

5.1. POWER OF ATTORNEY

Any shareholder may be represented at meetings of the General Assembly of Shareholders through power of attorney in writing where the name of the attorney is stated, the person who is being replaced and the date of the meeting or meetings for which it is conferred. It is understood that the power given to a meeting is valid for the number of sessions of the Assembly corresponding to the same meeting. The powers will be submitted to the General Secretariat of the Bank with notice of no less than two (2) business

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days and until the time set in the notice of summon for the meeting. It is understood for these effects that Saturdays are not business days.

The meeting principals and representatives will be identified in accordance with the legal provisions (...).”

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 29.08.1996 |
| Modification Dates | |

11.2. The corporation minimizes the use of blank-voting representatives or those without voting instructions by promoting actively the use of a standard letter of representation that the company conveys to the shareholders or publishes on its web site. The model features the points of the Agenda and the respective Agreement Proposals, determined under the procedures previously set forth, which will be submitted to the shareholders for consideration. The purpose is that shareholders, as they deem appropriate, may instruct their representatives about their voting on each case.

11.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

This recommendation is register in the Number 5.1 “POWER OF ATTORNEY” of the Regulation of the General Assembly of Shareholders.

Additionally, in 2017, it was published on the Bank’s website the proxy forms for natural persona and legal entity, which features the points of the Agenda and the respective Agreement Proposals, which will be submitted to the shareholders for consideration.

This practice will be also implement in the annual meeting of 2018.

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II. BOARD OF DIRECTORS

Measure No. 13: Functions of the Board of Directors.

13.1. The bylaws specify explicitly the **functions that will not be delegated to the senior management**, among them the ones provided in recommendation 13.1.

13.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

Article 38 of the Company Bylaws states the functions of the Board and the functions related to the measure 13.1. of the Code of Best Corporate Practices of Colombia are also included, stating that they cannot be delegated to the CEO.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|-------------|
| Implementation Date | 29 .08.1996 |
| Modification Dates | 14.04.2016 |

13.2. Without prejudice to the autonomy of the governance bodies of the subordinated companies, **when the corporation acts as the holding company of a conglomerate**, these functions of the Board of Directors keep a group perspective and are **implemented through general policies, guidelines, or information requests that respect the balance between the interests of the holding company, those of the subordinates, and those of the conglomerate as a whole.**

13.2 Measure Implementation

YES

NO

N.A.

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

YES. Briefly indicate:

BBVA Colombia is the holding of BBVA Asset Management and BBVA Valores, and is part of the BBVA Group, being subordinate of BBVA S.A., international financial company.

By being part of the Group BBVA, the Bank is under the General Managerial model and risk control from the holding.

This model allows the Bank to develop its activity inside the strategic and the control policy established by the social bodies of the Bank, but this must be in accordance to the model defined by the holding, which has always seek to adapt to an always changing economic and regulatory environment confronting the management in a global manner.

Article 70 of the Company Bylaws, states that the Bank as a holding shall ensure that its subordinated companies (affiliates and subsidiaries) have an appropriate internal control system, to achieve this, the Bank issues the minimum general guidelines that consider should be applied, considering the nature, magnitude and other characteristics.

Additionally, article 38 of the Corporate Bylaws indicates the functions of the Board of Directors of BBVA Colombia, which have a group approach when establishing that the Board of Directors is responsible for the approval and monitoring of the strategic plan, business plan, management objectives and the annual budgets of the Bank, its subsidiaries; define the structure and governance model of the Bank and its subsidiaries; approve the remuneration, compensation, bonus and evaluation policy for the Management and other employees whose functions affect the risk profile of the Bank and its subsidiaries.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 17.08.2010 |
| Modification Dates | 19.01.2016 |

Measure No. 14: Regulation of the Board of Directors.

14.1. The Board of Directors has approved internal regulation for its organization, operation, the rights and duties of its members, its President, and its Secretary. This regulation is informed to the shareholders, and they are binding upon the members of the Board.

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14.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulation of the Board of Directors of BBVA Colombia and the Regulation of the Executive Members of the Board of Directors are mandatory; therefore, its content shall be enforce.

It regulates its organization, functions, Directors responsibilities, as well as the functions of the President and the Secretary, their duties and rights.

The Regulation is available on the Bank's website, link "*Investor Relations/Corporate Governance*",

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

Measure No. 15: Size of the Board of Directors.

15.1. In its bylaws, the corporation has decided not to have alternate members in its Board of Directors.

15.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The article 26 of the corporate Bylaws *BOARD OF DIRECTORS*, establish: "*The Bank's Board of Directors shall consist of five (5) principal members elected by the shareholders with the application of the electoral quotient. The serving term of the members of the Board of Directors is two (2) years, from their election.*"

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 07.05.2008 |
| Modification Dates | 08.03.2017 |

Measure No. 16: Appointment of the Board of Directors.

16.1. Departing from the premise that, once elected all the members of the Board of Directors act in the corporation's best interest, **the corporation**, enforcing the highest transparency, **identifies the origin of the different members of the Board** according to the scheme provided in recommendation 16.1.

16.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulation of the Board of Directors Chapter I number 3 "*Composition*" states that the Board of Directors is composed of five (5) members, who shall have a specific origin based on the following the recommendation 16.1.

In addition, BBVA Colombia's website presents information about the members of the Board of Directors where the curriculum vitae is included and the origin of each one of the members, whether independent , proprietary or executive members.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|----------------------------|------------|
| Implementation Date | 31.03.2013 |
| Modification Dates | 19.01.2016 |

16.3. The Board of Directors informs the shareholders about the professional profiles deemed necessary so that the different stakeholders (mainly any controlling, significant, or institutional shareholders, any groups of shareholders or families, if there are any, and the Board itself) may identify the most appropriate candidates.

16.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia presents the professional backgrounds, experience, curriculum vitae and expertise of the members of the Board of Director, which are available on the website, so the best candidates can be identify.

The Selection, Appointment and Succession Policy of the Board of Directors states the profile that Directors must fulfill.

As indicated in point 16.2., for the re-election of the members of the Board of Directors and to fill the vacancy of one of the Directors, the Board with the support of the Corporate Governance Committee, identified the professional and personal profiles necessary for the conformation of the Board of Directors, including diversity of knowledge, skills, experience and gender, that allow the proper development of their functions, counting with Directors with training and experience, national and international, in areas such as banking, finance, accounting and risks, as well as in the legal, academic and business fields.

Therefore, within the proposals presented to the Shareholders General Assembly, the decision of the Board of Directors was included in point 15 the Board of Directors appointment, informing the shareholders, within the period of notice prior to the meeting, the profiles, experience and career of the Directors proposed to be reelected and to fill the vacancy and including the curriculum vitae.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 16.03.2012 |
| Modification Dates | 17.03.2016 |

16.4. The corporation considers that the mere review of the résumés by the shareholders is not enough to decide on the candidates' fitness. Consequently, it **has internal procedures to assess any legal incompatibilities and inabilities, as well as a candidate's appropriateness to the needs of the Board of Directors.** These procedures evaluate a set of criteria that the candidates' functional and personal profiles must meet, and verify their compliance with some objective requirements to become a member of the Board of Directors, and some additional requisites to become an independent member.

16.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In BBVA Colombia, the appointment of the Board of Directors is done by a procedure that evaluates if the Directors meet the requirements of prevailing legislation, the specific regulations applicable to financial institutions, and the provisions of the Company Bylaws.

In particular, directors should meet the necessary suitability requirements to exercise their directorship. Thus, they must be considered to be of commercial and professional good repute, with adequate knowledge and expertise to perform their duties and be in a situation in which they can exercise good governance of the entity.

The Board of Directors will endeavour to ensure that the selection procedures for directors favors experience, knowledge, skills and achievements of the candidate, and in general, that the candidate is not under any kind of inabilities, incompatibilities, examining the amount of time willing to spend fulfilling the duties according to the needs of corporate bodies and the committees in which the Director participates.

The Bank has implemented the Regulation of the Directors, which includes all this topics, and also, the Selection, Appointment and Succession Policy of the Board of Directors.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.07.2012 |
|---------------------|------------|

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Modification Dates

17.03.2016

16.5. Besides the **independence** requirements set forth by the Law 964 of 2005, the corporation **has voluntarily adopted a more rigorous definition** for this concept than that of the said law. Such definition has been accepted as a reference framework through the regulation of the Board of Directors; it includes, among other requirements to be assessed, that of the relationships or links of any kind of a candidate to become an independent member with any controlling or significant shareholders or their related parties, either domestically or abroad. Furthermore, it requires a double statement of independence: (i) that of the candidate before the corporation, its shareholders, and senior-management members, expressed in his letter of acceptance, and (ii) that of the Board of Directors with respect to the candidate's independence.

16.5 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

NO. Explain:

BBVA Colombia uses the Independence definition from Law 964 of 2005, which is also implemented by the Colombian Country Code.

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | |
| Modification Dates | |

16.6. Based on its internal regulations, the corporation considers that the Board of Directors, through its President and with the support of the Nomination and Compensation Committee, or that which fulfil its duties, is the most appropriate body to centralize and coordinate the process to appoint the Board before the General Assembly. In this way, the shareholders that wish to become Board members based on their stock participation, may learn about the Board's needs, express their aspirations, and negotiate any stock-based balances and distribution among the different types of members. Moreover, they may present their candidates and agree that the Nomination and **DISCLAIMER:** The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

Compensation Committee assess their fitness before the vote during the General Assembly of Shareholders.

16.6 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Chairman of the Board of Directors, alongside the Corporate Governance Committee, constituted by two independent members and presided by one of them, will coordinate the Selection Procedure and the appointment of the Board of Directors and will ensure that the requirements for the position are met so the balance of knowledge, competence and experience is maintained.

The Selection, Appointment and Succession Policy of the Board of Directors states the procedure for appointment of Directors and in it the aspects indicated by this recommendation.

During 2017 and due to the resignation of one of the members of the Board of Directors, the Selection, Appointment and Succession Policy of the Board of Directors, the Corporate Governance Committee (hereinafter the "Committee") analyzed the composition of the Board of Directors, as well as the need for its members to have a diversity of knowledge, skills, experience and gender that will allow them to perform their functions properly, and the re-election of other Directors and applications for vacancy coverage.

For this purpose, the Committee evaluated the balance of knowledge, skills and experience, as well as the other conditions that the candidates had to meet and the dedication of time for the adequate performance of their function according to the needs of the Board of Directors of the BBVA Colombia.

The Committee valued the curriculum vitae, profile, academic and professional career of Dr. Ana María Ibáñez and taking into account the structure, size and composition of the Board of Directors, as well as the policy of selection, appointment, renewal and gender diversity. The Board considered the application appropriate and presented the proposal for the selection of Dr. Ibáñez to the Shareholders General Assembly, who has extensive training and experience, both nationally and internationally, in economics and finance, dedication of time, as well as the requirements of suitability and independence required.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|----------------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | 17.03.2016 |

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16.7. Regulation of the Board of Directors foresees that the assessment of the candidates' suitability must take place before the General Assembly of Shareholders. Consequently, the shareholders will have, with enough anticipation, sufficient information on the proposed candidates (personal qualities, suitability, background, experience, integrity, etc.) to evaluate them well.

16.7 Measure Implementation

YES

NO

N.A.

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| <p>YES. Briefly indicate:</p> <p>The Selection, Succession and Appointment policy of the Board of Directors (number 3 sixth paragraph) indicates that the information related to the candidates, as well as the report made by the Corporate Governance Committee, which will include the evaluation of incompatibilities and legal inabilities, and the compliance with the requirements to be a member of the Board, is available to the shareholders prior to the Meeting, together with all the material necessary to facilitate informed decision making at the time of voting.</p> <p>During 2017, within the proposals submitted to the Shareholders Meeting, the election of the Board of Directors was included in point 15 of the agenda of the Board of Directors appointment, informing the shareholders, within the period of notice prior to the meeting the profiles, experience and career of the Directors proposed to be reelected and to fill the vacancy and including the curriculum vitae.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

| | |
|----------------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | 17.03.2016 |

Measure No. 17: Functional structure of the Board of Directors.

17.1. Regulation of the Board of Directors provides that the independent and proprietary members are always a majority with respect to the executive members whose number, if they are included in the Board of Directors, will be the minimum necessary to meet the

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information and coordination requirements that exist between the Board of Directors and the corporation's senior management.

17.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulation of the Board of Directors (Number 3) states:

"3. Composition (...)

FIRST PARAGRAPH: Regulation of the Board of Directors provides that the independent and proprietary members are always a majority with respect to the executive members whose number, if they are included in the Board of Directors, will be the minimum necessary to meet the information and coordination requirements that exist between the Board of Directors and the Senior Management of the Bank."

During 2017, BBVA Colombia's Board of Directors was made up of five (5) Directors, two (2) independent, two (2) proprietary and 1 (one) of executive. Consequently, it is evident that the independent and patrimonial (in total 4) are majority with respect to the executive (1).

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 08.07.2005 |
| Modification Dates | 19.01.2016 |

17.2. Beyond the minimum rate of twenty-five percent (25%) of **independent members** set forth by the Law 964 of 2005, **the corporation analyzes and adjusts upwardly their number on a voluntary basis.** Not being a fixed rule, this occurs in a way that the proportion of proprietary and independent members within the Board of Directors is comparable with the stock participation of the controlling and significant shareholders, and that of the floating capital, where the minority shareholders are.

17.2 Measure Implementation

YES

NO

N.A.

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The Bylaws (Article 43BIS) sets the rules to appoint the secretary of the Board of Directors, according to the recommendation 18.3.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|----------------------------|------------|
| Implementation Date | 14.04.2016 |
| Modification Dates | |

18.4. Regulation of the Board of Directors set forth the Secretary's functions, among them are those indicated in recommendation 18.4.

18.4 Measure Implementation YES NO N.A.

YES. Briefly indicate:

The Regulation of the Board of Directors (Number 11B) includes the functions of the Secretary of the Board of Directors, according to the recommendation 18.4.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 19.01.2016 |
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Modification Dates

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18.5. The Board of Directors has created a Nomination and Compensation Committee.

18.5 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Board of Directors approved to create the Nomination and Remuneration Committee on August 31, 2007, which is recorded in Minute 1512 of 2007.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

Implementation Date

31.08. 2007

Modification Dates

18.6. The Board of Directors has created a Risk Committee.

18.6 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Board of Directors approved to create the Risk Committee on January 19, 2016, which is recorded in Minute 1616 of 2016.

NO. Explain:

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 19.01.2016 |
| Modification Dates | |

18.7. The Board of Directors has created a Corporate Governance Committee.

18.7 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Board of Directors approved to create the Corporate Governance Committee on August 31, 2007, which is recorded in Minute 1512 of 2007.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | |

18.8. If the corporation considers that it is unnecessary to create all these committees, their functions are distributed among the committees that do exist, or they are performed by the Board of Directors at large.

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

18.8 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

Since 2016, the Board of Directors has the four Committees recommended by the Colombian Country Code with all the functions assigned to them.

NO. Explain:**N.A. Precise the law or regulation that prevents the adoption of the recommendation:**

| | |
|----------------------------|------------|
| Implementation Date | 31.07.2008 |
| Modification Dates | 19.01.2016 |

18.9. Each of the committees of the Board of Directors has its internal regulation for its creation, its functions, the subjects in which the committee must work, and its operation. They pay special attention to the channels of communication between the committees and the Board of Directors; and in the case of conglomerates, to the tools for the interaction and coordination between the committees of the Board of Directors of the holding company and those of the subordinate companies, if they exist.

18.9 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Committees have their respective regulation, which includes the recommendations of this measure 18.9.

NO. Explain:

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 25.04.2007 |
| Modification Dates | 13.12.2016 |

18.10. The committees of the Board of Directors are comprised exclusively by independent or proprietary members exclusively; they have a minimum of three (3) members, and are chaired by an independent member. In the case of the Nomination and Compensation Committee, the independent members are always a majority.

18.10 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Committees of Audit, Risk, Corporate Governance and Nomination and Compensation have been composed exclusively of independent and proprietary members. In addition, the Chairman of the Committees is an independent member.

The Corporate Governance Committee, which supports the Board of Directors in the exercise of functions related to the appointment, remuneration and evaluation of the Board of Directors, is formed mostly by Directors of independent origin.

This recommendation 18.10 is registered in the Regulation of the Board of Directors (Number 13) and also in the Regulations of each Committee (number 3).

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
|---------------------|------------|

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| Modification Dates | 19.01.2016 |
|---------------------------|------------|

18.11. The committees of the Board of Directors may have the support, specific or permanent, of senior management members, with experience in the matters of the committee's competence, and/or that of external experts.

18.11 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>The Regulation of the committees states the clause "5- Internal and External Colaboration". This clause states that the meetings of the committees, the executives of whom the areas that manage affairs depend on may be summoned, also, at the request of those executives of such areas, the employees that have knowledge or responsibilities in matters included in the agenda, when their presence at the meeting is deemed appropriate.</p> <p>Likewise, the Committee may contract external services of advisory of relevant issues when considered that for reasons of specialization or independence, these cannot be presented by experts or technicians of the group.</p> <p>During 2017, the sessions of the Audit, Risks, Appointments and Remuneration Committees and Corporate Governance, were permanently supported by the Vice Presidents of the respective areas, according to their competence.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

| | |
|----------------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | 19.01.2016 |

18.12. In the creation of its committees, the Board of Directors takes into account the profiles, knowledge, and professional experience of their members, with regard to the committee's subject matter.

18.12 Measure Implementation YES NO N.A.

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| <p>YES. Briefly indicate:</p> <p>The Support Committees of the Board of Directors will consist of three (3) members of the Board of Directors, appointed by their knowledge, skills and experience.</p> <p>This recommendation is register in the number 3 of the Regulation of the Committees.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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|----------------------------|-------------|
| Implementation Date | 31.08. 2007 |
| Modification Dates | 19.01. 2016 |

18.13. The committees draft minutes of their meetings and send a copy of them to all the members of the corporation's Board of Directors. If the committees have delegated functions that enable them to take decisions, the minutes will comply with the requirements of the articles 189 and 431 of the Code of Commerce.

18.13 Measure Implementation

YES

NO

N.A.

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| <p>YES. Briefly indicate:</p> <p>The corresponding minutes of the meetings are drawn up and made available to all the Directors through a network in the Bank's servers for exclusive access to them.</p> <p>This recommendation is register in the Regulations of the Board of Directors number 13.</p> |
| <p>NO. Explain:</p> |

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|---------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | 19.01.2016 |

18.14. Except if the applicable legal or regulatory framework demands their creation, in the case of conglomerates, the internal regulations foresee that **the Boards of Directors of the subordinate companies may decide not to create specific committees** to deal with certain matters, and those matters may be assumed by the committees of the Board of Directors of the holding company. However, this will not imply a transfer of the responsibilities of the Boards of Directors of the subordinate companies to the holding company.

18.14 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia's subsidiaries are BBVA Asset Management S.A. and BBVA Valores, that qualify as financial services companies, not issuers, have only the Audit Committee, which should operate by legal requirement since 1998.

The Risk, Corporate Governance and Nomination and Compensation Committees of BBVA Colombia, may take the topics of their own areas of competence, but extending its scope to subsidiaries.

This recommendation is register in the Regulation of the Board of Directors number 13.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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The Committee may contract external advisory services in relevant issues when considered for reasons of specialization and independence.

The matters related to the composition and profiles of the members of the Audit Committee are regulated in number 3 of the respective Regulations.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 02.05.2008 |
| Modification Dates | 31.07.2012 |

18.17. Upon request of the President of the Assembly, the **President of the Audit Committee informs the General Assembly of Shareholders** of concrete aspects of the committee's work, for instance, the analysis of the scope and contents of the Report of the Statutory Auditor.

18.17 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In the Regulations of the Audit Committee (number 7 letter b) posted on the website, there is a list of the reports that the Committee should submit and present to the Assembly of Shareholders.

The Audit Committee presented to the Assembly of Shareholders a report covering its activity for the year 2017, which realized the tasks performed by the Committee regarding its own functions, stating that the Committee had developed its activity without any incident and having fulfilled the functions assigned to it in relation to the supervision of the internal control system of financial and accounting information; monitoring and supervision of internal audit and statutory audit; the annual plan of the area and its regular monitoring; as well as the analysis on the scope and content of the Fiscal Auditor's Report.

NO. Explain:

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

18.21. Upon request of the President of the Assembly, the President of the Nomination and Compensation Committee may inform the General Assembly of Shareholders on the concrete tasks that the committee has performed, such as monitoring the compensation policies for the Board of Directors and senior managers.

18.21 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In accordance with the regulations of the Appointments and Remuneration Committee, the Chairman of the committee may submit the report on the activities of the Committee during the year.

This Report shall be presented to the General Assembly of Shareholders by the Chairman of the Committee, in case it is asked by the President of the General Assembly of Shareholders.

This recommendation is register in the Regulation of the Appointments and Remuneration Committee, numeral 7.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
|---------------------|------------|

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| Modification Dates | 19.01.2016 |
|---------------------------|------------|

18.22. The internal regulation of the Nomination and Compensation Committee assigns it the functions provided in recommendation 18.22.

18.22 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>The Internal Rules of the Remuneration and Compensation Committee meets the functions of the recommendation 18.22 regarding Senior Management of the Bank.</p> <p>The tasks related to advisement on the appointment and reappointment of members of the Board, evaluation of their performance, the review of their status of Advisers and their remuneration system, depends on the Corporate Governance Committee.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

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|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

18.23. The main objective of the Risk Committee is to assist the Board of Directors in its responsibility to oversee the management of risks.

18.23 Measure Implementation YES NO N.A.

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| <p>YES. Briefly indicate:</p> <p>Among the functions of the Risk Committee created by the Board of Directors, is to assist the Board in determining and monitoring control of the policy of risk management and its strategy.</p> |
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NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 19.01.2016 |
| Modification Dates | |

18.24. Upon request of the President of the Assembly, the **President of the Risk Committee may inform the General Assembly of Shareholders** on the concrete tasks that the committee has performed.

18.24 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In accordance with the rules of the Risk Committee, the Chairman of the committee may submit a report to the Board related to the most significant aspects of their activity during the year.

This report shall be presented to the General Assembly of Shareholders by the Chairman of the Committee, in case it is asked by the Chairman of the General Assembly of Shareholders.

This recommendation is registered in the Regulation of the Risk Committee, number 7.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| Board, their performance evaluation, the review of their status of Directors and their remuneration system. |
| NO. Explain: |
| N.A. Precise the law or regulation that prevents the adoption of the recommendation: |

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|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

18.27. The internal regulation of the Corporate Governance Committee assigns it the functions provided in recommendation 18.27.

18.27 Measure Implementation

YES

NO

N.A.

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|---|
| YES. Briefly indicate: The Internal Rules of the Corporate Governance Committee establishes the functions of the recommendation 18.27 of the New Colombian Country Code and advice on the appointment and reappointment of members of the Board, their performance evaluation, the review of the status of Directors and its remuneration system. |
| NO. Explain: |
| N.A. Precise the law or regulation that prevents the adoption of the recommendation: |

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

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| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

Measure No. 19: Operation of the Board of Directors.

19.1 The President of the Board of Directors with the assistance of the Secretary and of the President of the corporation **prepares a work plan for the Board**, for the period under assessment. This tool helps to determine a reasonable number of ordinary meetings per year, and their estimated length.

19.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In the Regulations of the Board of Directors (number 10.2), it is pointed out that at the beginning of each annual fiscal year, the Board prepares the corresponding schedule for the year, so that it will be in charge of all functions that are legally and statutorily related to it. At the same time, the Chairman of the Board, together with the Secretary General and the Executive Chairman, review the work plan of the Board, which will include the schedule of the regular meetings of the Board, the estimated duration and the topics to be discussed, including the definition and monitoring of the Entity's strategy.

In addition, during 2017, this practice was fulfilled through meetings between the President and the Secretary of the Board of Directors, who monthly and prior to each Board and support Committees coordinated the preparation of the agenda, the call and the estimated duration of sessions.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.08.2007 |
|----------------------------|------------|

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

The Board conducts sessions in which they develop issues of strategic or business plan, management objectives, and annual budgets, among others.(Corporate Bylaws article 38)

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 31.07.2012 |

19.4. The Board of Directors approves a concrete calendar for its ordinary sessions. However, it may also meet, on an extraordinary basis, as many times as necessary.

19.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Board approves each year the schedule of ordinary sessions of the starting year. This recommendation is registered in the Regulation of the Board of Directors (number 10.2):

“10.2. ISSUES TO BE ADDRESSED

At the beginning of each fiscal year the Board must prepare the annual schedule in order to comply with its legal functions and comply with the Bank’s bylaws. At the same time the Chairman of the Board of Directors, together with the General Secretary and the Chief Executive Officer, shall review the work plan for the Board, which will include a schedule of regular meetings of the Board, estimated duration and topics. The topics covered will include the definition and monitoring of the strategy of the Bank.”

In session of the Board of Directors of December 13, 2016, the calendar of ordinary sessions of the Board of Directors and support committees for the year 2017 was approved. During 2017 the Board of Directors met 12 times and one extraordinary session was held.

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 31.07.2012 |

19.5. At least five (5) common days before the meeting, the Board members receive, simultaneously with the meeting call, the documents or information related to each of the points on the Agenda. This ensures their active participation and their well-thought decision-making.

19.5 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The rules of the Board (number 10.4) states that for the proper exercise of their duties, the Board members shall have access to the related information to the topics on the agenda with an anticipation of a minimum of five days:

"10.4. INFORMATION FOR MEMBERS OF THE BOARD

For the proper performance of their duties, members of the Board of Directors must have a minimum of five (5) days of advanced access to relevant information for decision making, except in emergency situations, in accordance with the agenda contained in the meeting call. Such information will be available at the offices of the Secretariat General of the Bank, without prejudice of the additional information required by members of the Board, which shall be processed through the same Secretariat."

BBVA Colombia Administration prepares and publishes the information related to the topics of the agenda, with 5 days prior to the Board meeting. For this purpose, the information associated with each item on the agenda is shared through a restricted access network resource that is hosted on the Bank's servers, allowing a safe and adequate handling and access of confidential information. This allows them to take informed decision by the Directors, by having permanent accessibility of the reports and pertinent information.

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 19.01.2016 |
| Modification Dates | |

19.6. The President of the Board of Directors, with the support of the Board's Secretary, **assumes the ultimate responsibility for the timeliness and usefulness of the information delivered to the members.** Consequently, in the set of documents provided (the *dashboard* of the Board of Directors) the quality will be most important than the quantity.

19.6 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The rules of the Board (number 11A letter f) established that due to the fact that the Chairman of the Board is responsible for the effective functioning of the Board, s/he will ensure that the Board members receive prior to each session enough information on matters to be treated, either directly or through the Board's Secretary.

It also includes as a function of the Secretary of the Board, number 11B letter b) to assist the Chairman so the members of the Board can receive the information adequately and on time.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

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19.7. The ultimate responsibility to prepare the Agenda for the meetings of the Board of Directors corresponds to the Board's President and not to the President of the corporation. The structure of the Agenda follows given parameters that ensure a logical order for the presentation of the subjects and for the debates.

19.7 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulation of the Board of Directors (Number 10.3) establishes that the Chairman of the Board will ensure that the agenda of the meetings will be structured following parameters established by the Board itself, to give a logical order of presentation of issues and debates.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

19.8. On the Annual Corporate Governance Report and on the institutional web site, the company publishes the attendance of the Board members to the meetings of the Board of Directors and to its committees.

19.8 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Corporate Governance Report submitted to the Shareholders' Meeting of 2017, reports on the number of meetings conducted by the Board during the year, with the attendance of all its members.

This report is part of the Annual Report and is published on the website of BBVA Colombia.

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Additionally, on the Bank's Website, link Investor Relations –Corporate Governance-Board of Directors, the Bank publishes the percentage of attendance for the last year.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

19.9. Every year, the Board of Directors assesses the effectiveness of its work as a collective body, that of its committees, and that of its members individually considered, including peer evaluation. Furthermore, it evaluates the reasonableness of its internal regulations, and the dedication and performance of its members, proposing changes in its organization and operation deemed pertinent. In the case of conglomerates, the Board of Directors of the holding company demands that the assessment process takes place also within the Boards of Directors of the subordinate companies.

19.9 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulation of the Board of Directors (Chapter II number 1) states:

“The Board of Directors of the Bank and the Board of Directors of the subsidiaries will assess annually the effectiveness of their work as a body, the effectiveness of its committees and the members as individuals, including peer evaluation. Proposals for improvement will be done when it deems appropriate.

For the evaluation of the Committees, the Board of Directors of BBVA Colombia also has as a reference, the Annual Report of the Committees. If deemed appropriate, the Board may alternate the internal self-assessment with the external assessment done by an independent consultant hired for this purpose.

The annual assessment will also aim to identify the most appropriate personal and professional profiles for the composition of the Board and evaluate the time and dedication that are necessary to allow members to perform their duties.”

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In 2017, the Directors made the self assessment according the Regulation. The results of this self assessment were published in the Annual Corporate Governance Report.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 13.12.2016 |

19.10. The Board of Directors alternates internal evaluation techniques with external evaluation performed by independent advisors.

19.10 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulation of the Board establishes the possibility of having an independent advisor for external evaluations.

Regulation of the Board of Directors (Chapter II number 1):

“(…) If deemed appropriate, the Board may alternate the internal self-assessment with the external assessment done by an independent consultant hired for this purpose. (…)”

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 31.07.2012 |

Measure No. 21: Conflicts of interest.

21.1. In its internal regulations, **the corporation has a clear and formal policy and procedure for the identification, management, and resolution of conflicts of interest, whether direct or indirect through related parties,** that may affect the members of the Board of Directors and other managers.

21.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulation of the Board of Directors includes (Chapter II Number 4) the duty to avoid conflicts of interest and a procedure in case of actions or operations that the Board Member should refrain from doing, either directly or with related parties.

BBVA Colombia also has the Internal Code of Conduct in the Stock Market, which aims to control potential conflicts of interest, applying to the Affected Person, including Board Members.

Finally, Article 67 of the Bylaws also addresses the issue, indicating that the directors and executives of the Bank must disclose potential conflicts of interest that arise in the performance of their duties and refrain from making decisions, transactions or intervene in operations unless it is authorized under the procedure established for the purpose.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 31.08.2007 |
| Modification Dates | 31.07.2012 |

21.2. The procedure for the management of conflicts of interest makes a distinction about their nature as occasional or permanent. If they are occasional, the applicable procedure indicates the rules and steps to be followed, which should be relatively easy to implement and hard to avoid for those affected. In the case of permanent conflicts of interest, the procedure stipulates that if the situation affects the corporation's overall operations, it must be regarded as a cause for the obligatory resignation of those affected, for it makes it impossible for them to hold the position.

21.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Rules of the Board of Directors (Chapter II Number 4), when developing the conflicts of interest, differences between sporadic and recurrent indicating the treatment to be followed in case of one or the other.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

21.3. The members of the Board of Directors, legal representatives, senior managers, and other administrators of the corporation **inform the Board periodically about any relationships**, whether direct or indirect, that they keep between them, or with other entities or structures of the conglomerate to which the issuer belongs, or with the issuer, or with providers, or clients, or any other stakeholders, out of which given conflicts of interest might

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arise, or that might influence their opinion or vote, thereby building up the managers' "map of related parties."

21.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Regulation of the Board of Directors establishes as a duty of the member of the Board of Directors on communicating to the board, any conflict, direct or indirect, that they or persons related to them may have with the interests of the society.

Additional, BBVA Colombia has a map of related parties that is regularly updated, based on which, the Members of Board of Directors, Senior Management and other managers reveal potential conflicts:

1. The BBVA Code of Conduct, which contains the guiding principles to which all BBVA employees are committed with their customers, colleagues and society, and which is the cornerstone of the company's reputation.
2. The BBVA Policy in the field of the Securities Market that includes the framework of action under parameters of prudence, transparency and integrity in the intervention of BBVA in the Markets.
3. The Internal Code of Conduct in the Field of the Securities Market that develops the Policy and establishes the ethical assumptions for carrying out the operations on its own account, the management of privileged information and the proper handling of conflicts of interest.
4. The Standard of Conduct in Businesses that establishes provisions to prevent reveal and properly manage possible conflicts of interest.
5. Tools and controls for managing conflicts of interest.

Consequently, BBVA has policies, guidelines, regulations and tools that ensure that it has a map that constitutes an effective control of periodic disclosure of information by members of the Board of Directors, legal representatives and management.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

21.4. Any relevant conflict-of-interest situations, understood as those that would force the affected to refrain from attending a meeting and/or voting, involving the members of the Board of Directors and remaining managers, **are featured in the public information** that the corporation posts every year on its web site.

21.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Corporate Governance Report which is part of the Annual Report will reveal whether any relevant conflict of interest happened, which has forced the Member of Board to abstain from voting at the meeting.

The annual report is published on the website of the Bank.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 22.12.2015 |
| Modification Dates | |

21.5. For these purposes, the definition of Related Party that the corporation applies is **consistent with the International Accounting Standard No. 24 (IAS 24)**.

21.5 Measure Implementation

YES

NO

N.A.

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YES. Briefly indicate:

The definition of Related Party is the one that corresponds to the International Accounting Standard NO. 24 (NIC24). It is included in the Regulation of the General Assembly of Shareholders (Number 11.1):

“11.1. RELATED PARTY DEFINITION

a) That which directly or indirectly through one or more intermediaries: i) controls the Bank, is controlled by the Bank, or is under common control with the Bank (this includes parent company, subsidiaries and other dependents of the same parent company); ii) has a participation in the Bank that gives it significant influence over it; or iii) has joint control over the Bank;

b) Key management staff of the Bank or its parent company;

c) The spouses and relatives within the fourth degree of consanguinity, affinity or first civil of a person who is in the cases a) or d);

d) An entity over which any person of the cases b) or c) exercises control, joint control or has significant influence, or has directly or indirectly a significant voting power”

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 22.12.2015 |
| Modification Dates | |

Measure No. 22: Related Party Transactions.

22.1. The corporation has a policy that specifies the concrete procedures for the assessment, approval, and disclosure of related-party transactions, including any pending balances, and the relationships among those transactions.

22.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia has implemented a policy in which a procedure to evaluate, approve and disclose transactions with related parties is defined.

This recommendation is registered in the Regulation of the General Assembly of Shareholders, number 11.

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payments, or other items, awarded to senior or newer members, as well as any liability-insurance coverage (Directors and Officers – D&O policies) that the company acquires for its Board members.

23.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Bank has a Remuneration Policy of the Board of Directors, approved by the General Shareholders' Meeting on March 17, 2016, that consists of a fixed remuneration attendance and membership to the meeting of the Board of Directors and the Committees. The remuneration also consists the insurance fees paid by the Bank for the benefit of the Directors.

In addition, for the Directors living abroad, the policy includes the pay of the emoluments necessary for attending sessions that must have their physical presence.

The Remuneration Policy of the Board of Directors is published on the Bank's website.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 17.03.2016 |
| Modification Dates | |

23.2. If the corporation adopts any variable compensation systems related to the company's progress in the medium and long terms, **the compensation policy sets limits to the amounts** that may be distributed to the Board of Directors. If the variable component is related to the corporation's profits or other management indicators by the closing of the term assessed, whatever qualifications [*salvedades*] made by the Statutory Auditor in his report, which could lessen the term's results, will be considered.

23.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 13.03.2016 |

23.4. Within the compensation policy, for every term assessed, the General Assembly of Shareholders approves a maximum cost for the Board of Directors, including all the compensation elements authorized.

23.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The General Assembly of Shareholders held on February 28, 2017, approved the maximum amount of remuneration for the Board, for membership and attendance to the meetings of the Board and the respective Committees.

This recommendation is registered in the Remuneration Policy of the Board of Directors (number 5), which states that the General Assembly of Shareholders shall establish the annual cost of the Board of Directors.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 28.02.2017 |

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23.5. The shareholders know the complete actual cost of the Board of Directors during the term assessed, including all the compensation elements awarded to the Board members plus any spending reimbursements. Furthermore, it is published on the corporation's web site, itemized and detailed as the Board approves.

23.5 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In the Annual Report of BBVA Colombia for the year 2017, the Note - *Transactions with Related Parties*, the remuneration of the Board is included, disaggregating the fixed remuneration and remuneration in kind, corresponding to travel and other expenses.

This report is published on the Bank's website, with the level of disaggregation and detail approved by the General Assembly of Shareholders in the Remuneration Policy of the Board of Directors.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 19.01.2016 |
| Modification Dates | 17.03.2016 |

Measure No. 24: The President of the corporation and the senior management.

24.1. The corporation's governance model creates an effective separation between the corporation's administration or governance (represented by the Board of Directors) and the ordinary course of business (in the hands of the senior management and led by the President of the corporation).

24.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

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NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

24.3. As a general rule, the President of the corporation identifies, assesses, and appoints the senior management members directly, for they are his immediate staff. Otherwise, **the corporation may have the Board of Directors appoint the senior management members upon the proposal of the President of the company.** However, no matter who makes the final appointment, the Board's Nomination and Compensation Committee will get to know and assess the candidates to hold key executive positions within the company, and it will issue its opinion.

24.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The legal representatives of the Bank and other Senior Managers are appointed by the Board, from a proposal made by the Appointments and Compensation Committee, after consulting the President of the Bank.

The Appointments and Compensation Committee has among its functions to support the Board in matters relating to the selection and evaluation of Senior Management officials, to propose to the Board the appointment of the Chairman and Vice chairmen, among others.

(Internal Regulations of the Appointments and Remuneration Committee, number 4)

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

24.4. The corporation has a clear policy to delegate functions approved by the Board of Directors and/or a power scheme that permits to assess the degree of empowerment of the President of the corporation, and that of the remaining members of the senior management.

24.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

By express legal mandate and in accordance with the bylaws (article 41 Legal representation), the legal representative of the Bank, the Chairman, the Vice's Chairmen and other officials are appointed by the Board, have defined their capacities by the Law and the Bylaws, a situation that is public knowledge through the certificates of existence and legal representation issued by the Supervisory authority (*Superintendencia Financiera de Colombia*), allowing the general public to be aware of the level of empowerment of these officials.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.07.2007 |
| Modification Dates | |

24.5. The Board of Directors, through the Nomination and Compensation Committee, or whoever fulfills its functions, **leads annually the performance assessment of the**

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President of the corporation, and learns about the assessments of the other senior management members.

24.5 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Appointments and Compensation Committee supports the Board of Directors in the evaluation of the President's performance. This function is in the Regulation of the Committee number 4 letter g).

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

24.6. The corporation has a compensation policy for the President of the company, and for the remaining senior management members approved by the Board of Directors. It identifies all the compensation elements that may be actually met, bound to the attainment of long-term objectives and to risk levels.

24.6 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia has a policy of remuneration of Senior executives and employees whose professional activities have a significant impact on the risk profile of the bank, approved by the Board and reviewed annually, according to the corporate bylaws article 38 number 4).

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 19.01.2016 |

24.7. If the compensation of the President of the corporation includes fixed and variable components, its technical design and method of calculation impede that the variable component may surpass the maximum limit set forth by the Board of Directors.

24.7 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In BBVA a key element of the orientation to results is its model of variable compensation, which is aligned with the best practices and recommendations in the market. The variable compensation is conceived as the final result of the objectives achieved both at Bank and individual level, taking into account the achievements, the contribution and achievement of the targets set earlier the same year, but not exceeding the limits set by the Board of Directors.

This recommendation has been adopted by BBVA Colombia through its Bylaws. The Board of Directors has the function of approving the Remuneration Policy of the Senior Management.

In 2017 the Board of Directors approved the variable compensation Policy of the Board of the Senior Management for the results of the financial year of 2016.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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companies. It will establish responsibilities for the related policies and guidelines throughout the conglomerate and define clear reporting lines. All this will promote an all-inclusive perspective of the conglomerate's risks as well as the adoption of pertinent control mechanisms.

25.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The internal control system of the BBVA Group is based on the best practices developed both in the "Enterprise Risk Management - Integrated Framework" of the Committee of Sponsoring Organizations of the Treadway Commission and in the "Framework for Internal Control Systems in Banking Organizations", which is prepared by the International Bank for Payment of Basel (BIS).

Thus, the Group's Internal Control System reaches all areas of the organization and is designed to identify and manage the risks faced by its entities, in order to ensure the established corporate objectives.

This is found in different policies and manuals such as Corporate Risk Management Corporate Policy, the Policy of Administration System of Operational Risk of BBVA Colombia, BBVA Valores and BBVA Fiduciaria.

Additionally, the final section of article 70 of the Company's Bylaws states:

"ARTICLE 70.- CONTROL ARCHITECTURE:

(...) The Bank in its capacity as parent must ensure that its subordinate enterprises (subsidiaries or affiliates) are provided with an adequate Control Architecture, for which it DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail. Page 41 out of 42 shall issue minimum guidelines that it considers should be applied according to the nature, size and other characteristics thereof".

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 17.08.2010 |
| Modification Dates | 14.04.2016 |

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Measure No. 26: Risk management.

26.1. The corporation's **risk management objectives** are the ones indicated in recommendation 26.1.

26.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In the Risk Management model of the Group, the evaluation, monitoring and reporting is considered as a crosscutting element which should allow the model to have a dynamic and foresight vision that could make possible the compliance of the risk appetite approved by the corporate bodies, even when confronting unfavorable scenarios.

This process covers all categories of material risks and has the following objectives: identification, assessment, effective management (act to avoid impact) monitoring and reporting.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

Implementation Date

02.08.2010

Modification Dates

26.2. The corporation has a *map of risks*, understood as a tool to identify and monitor the financial and non-financial risks to which it is exposed.

26.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia has a Risk Appetite Framework approved by the Board of Directors. Following the approval of the Risk Appetite Framework, the Vice-Presidency of Risks submits to the Board of Directors a monthly report on the follow-up to compliance with the Framework

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On the other hand, the Risk Committee is responsible for submitting to the Board of Directors proposals for delegation rules for the approval of the different types of risk that correspond to assume at other lower levels of the Entity.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | |

26.7. Within conglomerates, there must be a comprehensive management of risks, so that there is cohesion among the belonging companies and control of them.

26.7 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia has a Model of Institutional Relations Between Holding And Subsidiary. This model allows the BBVA Colombia Group to be integrated into the management and supervision of the risks to which it is exposed, defining the role of the Board of Directors of the subsidiaries and their relationship with the Board of Directors of BBVA Colombia as a holding, as well as establishing channels for communication between the Bank's risk areas and those of its subsidiaries.

Likewise, this Model contributes in the fulfillment of the Board's role of supervising compliance with the risk appetite at the Group level, allows monitoring the application of corporate and local policies on risks, encouraging a culture of risk and set a standard expert criterion.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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Committee that serves as support for the Board of Directors in the implementation and supervision of internal control.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
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| Implementation Date | 17.08.2010 |
| Modification Dates | |

27.3. The corporation applies and demands the self-control principle. It is understood as the *ability of the individuals who participate in the various processes to consider control as an inherent part of their responsibilities, fields of activity, and decision-making.*

27.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA considers risk culture as an essential element for the consolidation and integration of the rest of the model components.

The culture includes at all levels of the organization, the implications from a risk perspective, proper of the group activities and businesses.

The risk culture is articulated and promoted among officials of the Bank, through internal communication, promoting the diffusion of the model through the most appropriate channels; also through training, with the main objective of spreading and establishing the model of prudent risk management.

It is important to mention that for the incentive of the teams, the control of risk is taken into account the values and the culture of the function at all levels.

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | |

Measure No. 28: Information and communication.

28.1. Within the corporation, there is top-down and horizontal communication about the culture, philosophy, and policies concerning risk, and about the limits of exposure approved, so that the staff at large regards the risks and control activities within their functions.

28.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

As indicated in the previous paragraph the risk culture of the Bank is promoted among employees of the institution, through communication, promoting the diffusion of the model through the most appropriate channels; also by training, with the main objective of spreading and establishing the model of prudent risk management.

Thus, the Corporate Governance Code (number 9) states that the Board of Directors is responsible for the existence of a solid control environment within the Bank, and to encourage a culture of risk and control throughout the Bank.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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|---------------------|------------|
| Implementation Date | 17.08.2010 |
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- i. Allow the senior management to engage the corporation as a whole, highlighting its responsibility in risk management and the setup of controls.
- ii. Enable the corporation's personnel to understand their role in risk management and the identification of controls, as well as their individual contribution in connection with the work of others.

28.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The model of communication and report of information of BBVA, allows that the risk management and the definition of controls apply to the entire Bank, therefore in every area of the Bank there is a Specialist of Internal Control (Internal Financial Control, Internal Risks Control, Technology, fraud prevention and security; Operational Control and support areas, such as Human Resources, Legal, etc.) whose function is to control the different areas in their transversal specialty, they define the mitigation measures and promote improvement and proper implementation of them. Additionally this line is part of Operational Risk area that provides a methodology and tools for management.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 17.08.2010 |
| Modification Dates | |

28.4. There are internal anonymous-tip systems or “whistle blowers” through which the employees may inform anonymously any illegal or unethical behaviors, or those that may contravene the corporation's risk management and control culture. The Board of Directors receives a report on these claims.

28.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia has a Denounce Channel that is an essential part of the BBVA Compliance System as one of the processes established to ensure the effective application of the rules and guidelines of the Code of Conduct (Corporate Governance Code number 9.4).

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| Implementation Date | 31.08.2007 |
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29.2. The corporation's **monitoring activities, aimed at confirming the effectiveness of the Control Architecture**, involve, in a special way, the **cooperation of the internal audit functions and of the Statutory Auditor** in matters within their competence, and particularly those regarding the company's financial information.

29.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In BBVA Colombia, both the internal audit and the Statutory Auditor supervise the process of preparation and presentation of the financial information issued by the Bank and its subsidiaries. Likewise, the Entity's Control System foresees the implementation of permanent monitoring mechanisms and procedures, which allows assessing the quality and performance of the system, corresponding to the Internal Audit and the Fiscal Audit performing the evaluations of these systems and carrying out the corresponding recommendations.

The functions of these bodies of control, related to Control Architecture, are included in the Corporate Governance Code.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
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| Implementation Date | 31.08.2007 |
| Modification Dates | |

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29.3. The corporation's internal audit function has bylaws approved by the Audit Committee. They describe explicitly the scope of its duties, and should comprise the topics indicated in recommendation 29.3.

29.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Internal Audit has the Internal Bylaws approved by the Audit Committee that according to what is stated in the Internal Regulations of this Committee is in charge of analyzing and approving the Internal Audit Statute and the Annual Internal Audit Plan.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
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| Implementation Date | 26.02.2015 |
| Modification Dates | |

29.4. The head director of the internal audit remains professionally independent of the senior management of the corporation or conglomerate that has hired him, by being functionally dependent from the Audit Committee exclusively.

29.4 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Director of Internal Audit of the Bank is appointed by the Board and reports to the Board, with functional dependence of the Audit Committee. This is included in the Internal Audit Bylaws.

Additionally, among the functions of the Board it is to adopt the measures necessary to ensure the independence of the Internal Auditor (Regulation of the Board of Directors number 11 subnumber 38).

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29.6. The Statutory Auditor of the corporation or conglomerate is clearly independent of them. The respective audit report makes a statement about this capacity.

29.6 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia adopts this recommendation, which is registered in the company's bylaws, which states (Article 44) that the Statutory Auditor is independent and free from conflicts of interest and unrelated to any situation of subordination to the governing bodies

The auditing firm appointed as Statutory Auditor of BBVA Colombia, holds its independent status and thus revealed in its opinion on the financial statements at year end.

Additionally, one of the functions of the Audit Committee is to ensure the effective independence of the Statutory Auditor, supervising and evaluating their services periodically.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | 14.04.2016 |

29.7. If the corporation is the holding company of a conglomerate, the Statutory Auditor is the same for all the companies, including those that are offshore.

29.7 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Statutory Auditor of BBVA Colombia is the same for its subsidiaries.

This recommendation is registered in the Corporate Governance Code number 6, subnumber 6.1 letter b) that establish:

"6. CONTROL ENTITIES

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Modification Dates

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29.10. Within the maximum contract term, halfway through it, the corporation **promotes the turnover of the auditing-firm associates assigned to it**, and that of their work teams. At the end of such term, the turnover of the firm itself must obligatorily take place.

29.10 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia promotes rotation of the partners of the Statutory Auditor and their teams, accepting this recommendation.

This practice is set out in the Corporate Governance Code, which states in number 6, sub-item 6.1 letter b), that the Statutory Audit of the Bank must rotate the associates assigned every five (5) Years and, in case the person has been rotated, it can only return the audit after a period of two years.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

Implementation Date

31.08.2007

Modification Dates

29.11. The corporation extends the existing prohibition to avoid **contracting with the Statutory Auditor any professional services other than the auditing of its accounts** – and related functions sanctioned by the current regulations, to individuals or entities related to the auditing firm. This includes companies within the group of the auditing firm, and companies of which a large number of shareholders and/or administrators coincide with those of the auditing firm.

29.11 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

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The circumstances of incompatibility arising from services rendered, such as the contracting of professional services other than those of the statutory audit itself, also are applicable to the persons or entities related to the Statutory Auditor.

The foregoing is due to the compliance by BBVA S.A. and its group by the current regulation. Thus, BBVA Colombia receive this recommendation in the Corporate Governance Code Number 6.1 letter b).

Additionally, the Regulation of the Audit Committee states that the Statutory Auditor (Number 3 subnumber xvi) should report any issues that may threaten the independence, for the evaluation by the Audit Committee, and to report the additional services rendered and the corresponding fees received by the external auditor or by the persons or entities related to it.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
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| Implementation Date | 31.07.2012 |
| Modification Dates | |

29.12. In its public information, **the corporation discloses the total amount of the contract with the Statutory Auditor**, as well as the proportion that these honoraria have for the auditing firm in relation to the total income associated to the firm's financial auditing activity.

29.12 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Bank adopts this recommendation which is registered in the Corporate Governance Code. Thus, the Annual Report 2017 of BBVA Colombia discloses in the Financial States, the total amount of the contract with the Statutory Auditor, as well as the proportion that these costs have for the auditing firm in relation to the total income associated to the firm's financial auditing activity.

Within the proposal for setting the Fiscal Auditor's fees that is presented annually to the General Assembly of Shareholders, BBVA Colombia reports on the fees of the Fiscal Audit service.

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 13.12.2016 |
| Modification Dates | |

V. FINANCIAL AND NON-FINANCIAL TRANSPARENCY AND INFORMATION

Measure No. 30: Information disclosure policy.

30.1. The Board of Directors has approved an information disclosure policy that features, at least the information provided in recommendation 30.1.

30.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Board of Directors of BBVA Colombia, adopted within its Policy of Disclosure of Information, that the financial information must comply with the system of financial internal control (hereinafter, "SFIC") which provides reasonable assurance of the reliability and integrity hold both of the consolidated financial information and that the operations are conducted and processed in accordance with the criteria established by the own Directorate and the applicable regulations.

The SFIC was developed by the Financial Directorate of the Group and it establishes five components: (i) To establish an adequate control environment for monitoring these activities; (ii) To evaluate the risks that may incur an entity in preparing its financial information; (iii) designing the necessary controls to mitigate the most critical risks; (iv) To establish appropriate information channels for detecting and reporting the system weaknesses or inefficiencies; (v) To monitor these controls to ensure its viability and validity of their effectiveness over time.

Additionally, the Board of Directors approved the Policy of preparation and disclosure of financial information. This policy is included in the Manual SARO (Operational Risk Administration System) and also in the Internal Control Model, or Storm corporate tool.

On the other hand, regarding the disclosure of significant events, the Bank complies with the Regulation issued by *Superintendencia Financiera de Colombia (SFC)* related to the obligation of disclosing information by issuers of securities. By following that Regulation of SFC, the Bank has included in its

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Corporate Governance Code, the rules related to the disclosure of relevant information of the Bank, whether financial or non-financial.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | |

30.2. In the case of conglomerates, the disclosure of information to third parties is comprehensive and transversal in regard to the group of companies, so that those external parties may have a well-grounded idea of the conglomerate's facts, organization, complexity, activity, size, and governance model.

30.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia launches its respective consolidated annual report, which is published on the Bank's website through the link "Investor Relations / Financial/ Annual Reports".

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 08.03.2004 |
| Modification Dates | |

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

Measure No. 31: Financial statements.

31.1. If there are qualifications [salvedades] in the Statutory Auditor's report, these, and any possible corporate actions to solve the situation, will be explained to the shareholders gathered at the General Assembly, by the president of the Audit Committee.

31.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

If the Fiscal Auditor reports any proviso, the Chairman of the Audit Committee will submit to the General Assembly of Shareholders the provision to the dictum and action to follow by the entity.

This recommendation is register in the Regulation of the Audit Committee (number 7 letter b).

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | |

31.2. If the Board of Directors considers that it must keep its own opinion vis-à-vis the Statutory Auditor's qualifications [salvedades] or emphasis paragraphs , these are explained and justified appropriately to the General Assembly through a written report that specifies the contents and scope of the discrepancy.

31.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia adopts this recommendation, which is registered in the Corporate Governance Code (number 4.2).

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Thus, within the policies of BBVA Colombia about transparency in financial and non-financial information, it must be submitted to the General Assembly of Shareholders of Shareholders, the different opinions between that of the Auditor and that of the Board, which shall be duly substantiated.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.08.2007 |
| Modification Dates | |

31.3 The public financial information contains a detailed description of transactions with or between related parties. These include transactions between conglomerate companies that the corporation deems material through objective parameters such as their volume, percentage on assets, sales or other indicators. **There is also a reference to any offshore transactions.**

31.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

In the Annual Report published on the website of the Bank, a Note called "Transactions with related parties" is included.

BBVA Colombia does not have within its group Companies Offshore.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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32.2 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

BBVA Colombia has a friendly website through which you can easily access to information related to corporate governance of the Bank. This information is hosted in the link "Investor Relation".

Additionally, the Corporate Governance Code (number 7) states that the "(...) Bank unveils to its shareholders and investors its structures and practices of corporate governance through its website or by other means of sufficient disclosure".

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 09.09.2013 |
| Modification Dates | |

32.3. In this vein, the corporation's web site includes, at least, the links indicated in recommendation 32.3.

32.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The website of BBVA Colombia includes the links covered by this recommendation, 32.3 and complies with the best practices for disclosure and investor relations (investor relations- IR) and gained this recognition again by the Colombia Stock Exchange for the period 2017-2018.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

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On the website of BBVA Colombia is published an explanatory report on the organization, the Architecture of Control and the consolidated annual report within which you can consult a report on the Internal Control System.

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 09.09.2013 |
| Modification Dates | |

Measure No. 33: Annual Corporate Governance Report.

33.1. The company prepares an Annual Corporate Governance Report. The Board of Directors is responsible for its contents, after their review and a favorable concept by the Audit Committee. This report accompanies the remaining documents of the closing of the accounting period.

33.1 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Board of Directors of BBVA Colombia prepares annually the Corporate Governance Report, which is part of the Annual Report and other documents of the end of year closure.

When preparing this Report, the Board of Directors has the support of the Corporate Governance Committee, as it has this function according the Regulation of this Committee (number 4 subnumber XX).

NO. Explain:

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N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|----------------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | |

33.2. The company's **Annual Corporate Governance Report is not a mere transcription of the governance norms** included in the bylaws, internal regulations, good-governance codes, or other company documents. It does not intend to describe the corporation's governance model, but rather explain how it actually works and any relevant changes during the accounting period.

33.2 Measure Implementation

YES

NO

N.A.

| |
|---|
| <p>YES. Briefly indicate:</p> <p>The report that Board of Directors presents to the General Assembly of Shareholders includes a section of Corporate Governance in which the operation and activities e made during the year are reported. This is how information is provided on how the Board of Directors fulfilled its duties during the period, both globally for the entire board and specifically for each committee, the members of the Committees, information on the overall compensation received by the members of the board of directors, conflicts of interest, transactions with related parties that were approved during the period, among other aspects that are all related with the reality of the operation of the Board of Directors and relevant changes during the year.</p> <p>In addition, BBVA Colombia prepares the Corporate Governance report, also taking as reference the guidelines of the international guide Global Reporting Intiative (GRI4) which in the matter of the Corporate Governance Report also requires reporting on the relevant operations, activities and changes during the period evaluated.</p> |
| <p>NO. Explain:</p> |
| <p>N.A. Precise the law or regulation that prevents the adoption of the recommendation:</p> |

DISCLAIMER: The English version is only a translation from the original in Spanish and should be used for information purposes. In case of discrepancies, the Spanish original shall prevail.

| | |
|---------------------|------------|
| Implementation Date | 31.07.2012 |
| Modification Dates | |

33.3. The company's **Annual Corporate Governance Report describes**, at the end of the accounting period, **how the company enforced, throughout the year, the governance recommendations it adopted as well as the leading resulting changes.**

The structure of the company's Annual Corporate Governance Report coincides with the scheme provided in recommendation 33.3.

33.3 Measure Implementation

YES

NO

N.A.

YES. Briefly indicate:

The Annual Corporate Governance Report 2017 has been prepared following the structure recommended in 33.3. This Report is available on the Bank's website and is part of the Annual Management Report presented to the General Shareholders' Meeting. In addition, as indicated in the previous response, BBVA Colombia prepares the Corporate Governance Report, also taking as a reference the guidelines of the Global Guide Global Reporting Initiative (GRI4), which in terms of the Corporate Governance Report requires reporting on the aspects indicated in the proposed structure in this recommendation 33.3.

The structure of the Report is regulate in the Corporate Governance Code (number 4.3).

NO. Explain:

N.A. Precise the law or regulation that prevents the adoption of the recommendation:

| | |
|---------------------|------------|
| Implementation Date | 19.01.2016 |
| Modification Dates | |

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