

# Second-Party Opinion

## Bancóldex Social Bond Framework

### Evaluation Summary

Sustainalytics is of the opinion that the Bancóldex Social Bond Framework is credible and impactful and aligns with the four core components of the Social Bond Principles 2017.

Key strengths:



**USE OF PROCEEDS** The eligible use of proceeds category (micro and small enterprise financing and financial inclusion) is aligned with those recognized by the Social Bond Principles that seek to achieve positive socio-economic advancement and empowerment for target populations. Sustainalytics views this use of proceeds category as having positive impact.



**PROJECT EVALUATION / SELECTION** The selection of eligible projects and assets will be completed by the bank's Social Bonds Committee, which will be comprised of members from the treasury and special projects offices and coordinated by the bank's Financial and Administrative Vice Presidency. This process is in line with market practice. Furthermore, the bank implemented an Environmental and Social Risk Management System (ESMS) to identify and mitigate the environmental and social risks of credit operations. This is in line with market best practice.



**MANAGEMENT OF PROCEEDS** Bancóldex has an internal statistical tracking system in place to manage the social bond's use of proceeds. This is in line with market practice.



**REPORTING** Bancóldex intends to report on the allocation of proceeds in an annual report which will be made publicly available and externally verified. Bancóldex is also committed to report on the social impact of projects on an annual basis and will disclose information such as the number of rural and women-owned micro and small enterprises financed. Overall, the bank's commitment to transparency in allocation and impact reporting is in line with market best practice.

<b>Evaluation date</b>	April 2, 2018
<b>Issuer Location</b>	Colombia

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## Introduction

Banco de Comercio Exterior de Colombia S.A. (“Bancóldex”, “the bank” or “the issuer”) is a state-owned development bank that provides financial solutions to support the growth of Colombian companies of all sizes and industries. Bancóldex has developed a social bond framework under which it is issuing multiple social bonds the proceeds of which are being used to finance or refinance expenditures related to micro and small enterprise financing, with the aim of promoting financial and workforce inclusion, gender equality, and local economic development.

Bancóldex has developed the Bancóldex Social Bond Framework (“the framework”) under which it is planning to issue multiple social bonds the proceeds of which are being used to finance or refinance, in whole or in part, existing and future projects that promote sustainable economic development and financial inclusion in Colombia. The framework defines ‘Micro and small enterprise financing and financial inclusion’ as its eligible project category and further breaks down this project category into four eligible target groups:

1. Micro and small enterprise financing
2. Rural business financing
3. Women-owned business financing
4. Victims of armed conflict-owned business financing

Bancóldex engaged Sustainalytics to review its Social Bond Framework and provide a second-party opinion on the alignment of the framework with the Social Bond Principles 2017 (the “SBP”), as administered by the International Capital Market Association (the “ICMA”).<sup>1</sup> and the framework’s social credentials. This framework has been published in a separate document.<sup>2</sup>

As part of this engagement, Sustainalytics held conversations with various members of the Bancóldex management team to understand the social impact of their business processes and planned use of proceeds, as well as the management of proceeds and reporting aspects of the bank’s social bond. Sustainalytics also reviewed relevant public documents and non-public information. Following this engagement between Bancóldex and Sustainalytics, some elements of the Social Bond Framework were clarified to ensure an alignment with the level of disclosure expected by ICMA’s Social Bond Principles, 2017.

This document contains Sustainalytics’ opinion of the Social Bond Framework and should be read in conjunction with that framework.

<sup>1</sup> ICMA’s Social Bond Principles 2017 <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/SocialBondsBrochure-JUNE2017.pdf>

<sup>2</sup> The Bancóldex Social Bond Framework will be available through the following link: <https://www.bancoldex.com/informacion-emisiones/prospecto-bonos-2014.aspx>

## Sustainalytics' Opinion

### Section 1: Sustainalytics' Opinion on the Bancóldex Social Bond Framework

#### Summary

Sustainalytics is of the opinion that the Bancóldex Social Bond Framework is credible and impactful and aligns with the four core components of the Social Bond Principles 2017. Sustainalytics views the following elements of the Bancóldex framework positively.

- The eligible use of proceeds category micro and small enterprise financing and financial inclusion aligns with the SBP categories of (i) Employment generation including through the potential effect of SME financing and microfinance and (ii) Access to essential services, and is therefore recognized by the Social Bond Principles as a project category with clear social benefits. Sustainalytics also views these projects as having a positive impact (for additional information on impact see Section 3).
- With regards to social impact, Bancóldex has clearly defined the vulnerable groups that will receive support in terms of social expenditures, benefitting from several programs specifically developed to support their social and financial integration and improve local economic conditions. Furthermore, Colombian government definitions were used by Bancóldex to define micro and small enterprises, rural areas, and victims of armed conflict. Sustainalytics is of the opinion that aligning these definitions with the government's definitions ensures that the social bond is credible with respect to targeting vulnerable populations.
- The selection of eligible projects will be completed by the bank's Social Bonds Committee, comprised of representatives from the treasury, project management and commercial vice-presidency and overseen by the bank's Financial and Administrative Vice Presidency. Sustainalytics considers this in line with market practice.
- To mitigate project financing environmental and social risks, Bancóldex implemented an Environmental and Social Risk Management System (ESMS) for second-tier banking activities in 2012, with the support of the Inter-American Development Bank (IADB). Sustainalytics considers this to be in line with market best practice.
- Bancóldex has an internal statistical tracking system in place that is connected to the Bancóldex central banking system which allows the bank to validate the information of each credit operation. This use of proceeds management system is in line with market practice.
- Bancóldex commits to annual disclosure. The allocation reporting will be externally audited and made available to investors on Bancóldex's website, the National Registry of Securities and Issuers, as well as on the website of the Colombia Stock Exchange. In addition, Bancóldex will disclose impact reporting in its "Use of Social Bond Resources" annual report, including information such as the number of rural and women-owned micro and small enterprises financed. Overall, the bank's commitment to transparency in allocation and impact reporting is in line with market best practice.

#### Alignment with Social Bond Principles 2017:

Sustainalytics has determined that the Bancóldex Social Bond Framework aligns to the four core components of the Social Bond Principles 2017. For detailed information please refer to Appendix 2.

## Section 2: Sustainability Strategy of the Issuer

### Contribution of framework to issuer's sustainability strategy

Sustainalytics considers Bancóldex's sustainability strategy to be strong given that:

- The bank's sustainability strategy is aligned with the Colombian National Development Plan 2014 – 2018,<sup>3</sup> which outlines clear social objectives on aspects such as promoting financial inclusion, improving access to financial resources for SMEs, improving access to rural employment programs, reducing poverty, promoting social equality, and stimulating economic development in Colombia;
- Bancóldex has been a major actor in mediating the relationship between the National Government and the business sector to support the financial sector, particularly microenterprises;
- The social bond aligns with the bank's sustainability strategy which includes the following goals: (i) generating value through sustainable economy, (ii) increasing productivity and competitiveness of Colombian companies, and (iii) promoting the adoption of sustainable development standards of cities;<sup>4</sup>

Sustainalytics considers Bancóldex to be well positioned to issue social bonds given its alignment with the National Government's development plan. Furthermore, Bancóldex has developed various financial products customized to address relevant socio-economic needs of the country. Overall, the issuance of social bonds aligns with the bank's social objectives and will contribute to the realization of these long-term goals.

### Well positioned to manage social and environmental risks associated with the financed projects

By offering financial services, banks are exposed to risks associated with controversial companies and/or projects they may finance. To reduce exposure and prevent negative impacts, banks are expected to implement social and environmental risk assessments for projects that they choose to finance.

There are two main groups of intermediaries that participate in the financing of micro and small businesses with Bancóldex. The first group includes banks, financing companies and financial cooperatives. The first group is overseen by the Colombian Finance Superintendent. The second group includes entities such as credit unions and employee funds. The second group of entities are overseen by NGOs and other superintendents.

In all project funding cases, Bancóldex completes the following steps as an evaluation process of the entities that will be providing credits and managing the loan portfolios of the micro and small enterprises.

1. Onboarding documents from the entity and risk evaluation information is requested and assessed
2. A complete due diligence on the entity regarding complying with Anti-Money Laundering (AML) and Terrorism Financing (TF) sanction lists is performed
3. The Bancóldex Risk Department visits the entity and establishes a limit amount for loans which is approved by senior management
4. A follow up assessment of the entity is completed on a quarterly basis.

In addition to these measures, Bancóldex implemented an Environmental and Social Risk Management System (ESMS) for second-tier banking activities in 2012, with the support of the Inter-American Development Bank (IADB). For further details on the ESMS please refer to Appendix 1.

Overall, given the level of assessment required in Bancóldex's evaluation of entities providing micro and small enterprise loans, the ESMS, the exclusionary criteria (which identify activities that cannot be financed by Bancóldex due to associated risks<sup>5</sup>), and the due diligence performed at project level, Sustainalytics is of the

<sup>3</sup> Colombia's National Development Plan 2014 – 2018, available at: <https://colaboracion.dnp.gov.co/CDT/Prensa/PND%202014-2018%20Bases%20Final.pdf>

<sup>4</sup> Bancóldex Social Bond Framework

<sup>5</sup> Bancóldex excluded activities, defined in Bancóldex's Environmental and Social Management Policy [https://www.bancoldex.com/documentos/4603\\_Formato\\_de\\_información\\_ambiental\\_y\\_social.pdf](https://www.bancoldex.com/documentos/4603_Formato_de_información_ambiental_y_social.pdf)

opinion that Bancóldex is well positioned to identify, manage and address environmental and social risks associated with the projects financed.

### **Section 3: Impact of Use of Proceeds**

Micro and small enterprise financing and financial inclusion is recognized as an impactful use of proceeds category by the SBP and Sustainalytics views the selection of this category positively. Sustainalytics has focused on two issue areas below where the impact is specifically relevant in the local context.

#### **Contribution towards the social inclusion of victims of armed conflict**

Bancóldex recognizes the vast negative effects that were generated by the Colombian armed conflict which began in the mid-1960s and resulted in the death of hundreds of thousands and the forced displacement of millions of people. According to the Victims Registry (Registro Único de Víctimas)<sup>6</sup>, the rights of more than 8 million people were affected by the armed conflict. To address this issue, the Colombian Government outlined three action points within the National Development Plan 2014 – 2018, to support the transition to peace: ensuring security, justice, and democracy, including the reintegration, both socially and economically, of victims of armed conflict into society. Proceeds from the social bonds will finance, through targeted business loans, victims of the Colombian ongoing armed conflict in order to facilitate their reintegration into the workforce. Overall, although the financing of conflict victim-owned businesses accounts for a relatively small portion of the social bond's overall use of proceeds portfolio, Sustainalytics considers the financing of conflict victim-owned businesses as a strong and impactful use of proceeds, particularly due to the large targeted population, the support it provides in activating local economies, as well as in terms of preventing overall social exclusion.

#### **Importance of supporting women-owned businesses in achieving peace**

According to both Colombia's National Development Plan 2014 – 2018<sup>7</sup> and the UN Colombia Strategy Plan for Women 2017-2019<sup>8</sup>, gender inequality is a structural issue, and considered a major obstacle in achieving general peace in Colombia. According to the United Nations Development Program's Gender Inequality Index<sup>9</sup>, Colombia ranks 95 out of 188 countries with respect to gender equality. The general objective of the UN Colombia Strategy Plan for Women 2017-2019 is to empower women politically and economically in order to eradicate violence, support peace and security, as well as to promote female leadership and political participation. Bancóldex intends to allocate social bond proceedings to businesses owned by women in order to promote their integration and employment, reduce the gender pay gap, and support victims of gender violence, all sustainability goals which are aligned with Colombia's National Development Plan 2014 – 2018 and the UN Colombia Strategy Plan for Women 2017-2019. Sustainalytics recognizes the importance of gender parity and the link between supporting female-owned businesses and improving gender equality, and regards the projects funded through Bancóldex's social bonds as bringing significant positive social benefits to Colombian society.

<sup>6</sup> Registro Único de Víctimas, available at: <https://rni.unidadvictimas.gov.co/RUV>

<sup>7</sup> Colombia's National Development Plan 2014 – 2018, available at:

<https://www.contraloria.gov.co/documents/463406/472376/Comentarios+al+Plan+Nacional+de+Desarrollo+2014-2018.pdf/e1781355-35fb-45da-9eea-0a12269d7778?version=1.0>

<sup>8</sup> UN Colombia Strategy Plan for Women 2017-2019, available at: <http://colombia.unwomen.org/es/como-trabajamos/estrategia-pais-2017-2019>

<sup>9</sup> Gender Inequality Index, available at: <http://hdr.undp.org/en/composite/GII>

### Alignment with/contribution to the SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This social bond advances the following SDG goals and targets:

Use of Proceeds Category	Eligible Projects	SDG	SDG Target
Micro and small enterprise financing and financial inclusion	Micro and small enterprise financing	<b>8. Decent work and economic growth</b>	8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.
	Rural business financing	<b>9. Industry, Innovation, and Infrastructure</b>	9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets
	Victims of armed conflict-owned business financing	<b>10. Reduced inequalities</b>	10.3 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
	Women-owned business financing		
	Women-owned business financing	<b>5. Gender equality</b>	5.1 End all forms of discrimination against all women and girls everywhere.

### Conclusion

Bancóldex has developed the Bancóldex Social Bond Framework under which it intends to issue social bonds. Proceeds of the bonds will be used to finance or refinance projects and assets with related expenditures in the area of micro and small enterprise financing and financial inclusion, recognized by the Social Bond Principles as a project category with clear social benefits.

Sustainalytics is of the opinion that the framework aligns with the ICMA’s Social Bond Principles 2017 given both the nature of the eligibility criteria of the project category and the targeted populations served. By issuing social bonds to finance micro and small business loans to vulnerable groups in Colombia, Bancóldex is promoting a fairer and more inclusive society, improving the quality of life of vulnerable citizens, and supporting local economic growth. Through the issuance of this social bond, Bancóldex is carrying out the objectives of its sustainability strategy, the National Development Plan 2014 – 2018, as well as helping to advance SDGs 5, 8,9 and 10.

Based on the above, Sustainalytics is confident that Bancóldex is well positioned to issue social bonds and that the Bancóldex Social Bond Framework is credible, transparent and well-aligned with the four core components of the Social Bond Principles.

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## Appendices

### **Appendix 1: Bancóldex Environmental and Social Risk Management System**

Bancóldex implemented an Environmental and Social Risk Management System (ESMS) for second-tier banking activities in 2012, with the support of the Inter-American Development Bank (IADB). This system allows Bancóldex to identify the environmental and social risks of credit operations, to have a more comprehensive profile of its clients in the portfolio, and to make investment decisions in a more informed way.

This assessment includes five stages:

- a) Verification of the coherence of the information provided by the enterprise;
- b) Initial categorization of the level of risk associated with the credit operation;
- c) identification of environmental and social risks, that are not being avoided, mitigated or compensated;
- d) definitive categorization;
- e) monitoring measures aimed at controlling and mitigating risks that are not being avoided, mitigated or compensated.

According to this information, Bancóldex assigns one of the following socio-environmental risk categories to the credit operation: High Risk (Category A), Medium Risk (Category B), or Low Risk (Category C).

In 2016, Bancóldex requested the International Finance Corporation (IFC) to evaluate its Environmental and Social Risk Management System. IFC considered Bancóldex's ESMS as "developed" and provided additional recommendations. As part of its continuous improvement process, Bancóldex is currently implementing some adjustments to address the improvements areas identified during the evaluation.

## Appendix 2: External Review Form

### Section 1. Basic Information

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<b>Issuer name:</b>	Bancóldex
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<b>Green Bond ISIN or Issuer Green Bond Framework Name, if applicable: <i>[specify as appropriate]</i></b>	Bancóldex Social Bond Framework
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<b>Review provider's name:</b>	Sustainalytics
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<b>Completion date of this form:</b>	
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<b>Publication date of review publication: <i>[where appropriate, specify if it is an update and add reference to earlier relevant review]</i></b>	
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### Section 2. Review overview

#### SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarize the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBPs:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds        | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting                                    |

#### ROLE(S) OF REVIEW PROVIDER

- |   |  |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 <sup>nd</sup> opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification   | <input type="checkbox"/> Rating        |
| <input type="checkbox"/> Other <i>(please specify)</i> :                        |  |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

#### EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW *(if applicable)*

Please refer to the Social Bond Framework and Second-Party Opinion Document above. Please note, that as this is a social bond, this external review form is being used to indicate alignment with the Social Bond Principles 2017.



### Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

#### 1. USE OF PROCEEDS

Overall comment on section *(if applicable)*:

Eligible investments for Bancóldex include all credit operations in which the beneficiary is considered a micro or a small enterprise (MSE), defined as either a “natural or legal person”, as well as those credits directed to business owners located in rural areas, women business owners, or victims of armed conflict business owners. The Projects to be financed or refinanced with the proceeds from the issuance of the Bancóldex Social Bond may be originated from January 1<sup>st</sup>, 2016, or after the issue. The refinancing could include 100% of the resources at the time of the issue. The Projects must fulfill one or more of the following eligibility criteria:

Microenterprises and small enterprises were first defined by Colombian law 590 of July 10th 2000, which was modified by Law 905, 2004.

The size of the enterprise is established based on:

1. number of employees,
2. total number of assets (in terms of legal minimum wage in force) .

	Micro enterprise	Small enterprise
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2017	Assets cannot exceed COP \$368.858.500	Assets cannot exceed COP \$3.688.585.000
2018	Assets cannot exceed COP \$390.621.000	Assets cannot exceed COP \$3.906.210.000

Rural businesses are those operating in areas defined by the National Department of Planning (Departamento Nacional de Planeación -DNP) and the Mission for the Transformation of the Field (Misión para la Transformación del Campo) as rural municipalities. These include:

- Municipalities that have fewer than 25 thousand inhabitants
- Or
- Municipalities that present intermediate population densities (between 10 inhab/km2 and 100 inhab/km2)
- Female business owners over the age of 18
- Defined by Colombian Law 1448 of 2011, Law of Victims and Restitution of Lands, article 159. Victims of conflict are defined as all people who individually or collectively have suffered violations according to International Humanitarian Law and International Human Rights Standards and damages as a result of internal armed conflict.

#### Use of proceeds categories as per GBP:

- |  |  |
|--|--|
| <input type="checkbox"/> Renewable energy                                  | <input type="checkbox"/> Energy efficiency   |
| <input type="checkbox"/> Pollution prevention and control                  | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation  |

- |  |  |
|--|--|
| <input type="checkbox"/> Sustainable water and wastewater management   | <input type="checkbox"/> Climate change adaptation   |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes                             | <input type="checkbox"/> Green buildings   |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input checked="" type="checkbox"/> Other ( <i>please specify</i> ):<br>Micro and small enterprise financing and financial inclusion |

If applicable please specify the environmental taxonomy, if other than GBPs:

## 2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

The Social Bonds Committee will be coordinated by the bank's Financial and Administrative Vice-Presidency and will be attended by representatives from the following areas: Treasury Department, Special Project Management and Office of New Products and Services. Likewise, the Committee will be composed of a representative of the Commercial Vice-Presidency who will have participated in the structuring of the corresponding operation.

The operations to be financed with the proceeds from the issue will be evaluated by the Bancóldex Social Bond Committee, in order to determine their alignment with eligibility and exclusion criteria.

### Evaluation and selection

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives            | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories               |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available       | <input type="checkbox"/> Other ( <i>please specify</i> ):   |

### Information on Responsibilities and Accountability

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other ( <i>please specify</i> ):  |  |

## 3. MANAGEMENT OF PROCEEDS

Overall comment on section *(if applicable)*:

The proceeds of the Social Bond will be managed by the Bancóldex Treasury Department and will be used to finance existing or new loans. The resources pending disbursement will be exclusively held in cash or other instruments with high liquidity and low risk, and in any case, will not be used to finance projects other than eligible social projects.

The eligibility of the projects will be guaranteed through the use of an internal statistical tracking system connected to the Bancóldex central banking system that allows the bank to validate the information of each credit operation.

The processes outlined above will apply throughout the life of the bond.

**Tracking of proceeds:**

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other *(please specify)*:

**Additional disclosure:**

- |   |   |
|---|---|
| <input type="checkbox"/> Allocations to future investments only                             | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements                             | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements          |
| <input checked="" type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other <i>(please specify)</i> :                                |

**4. REPORTING**

Overall comment on section *(if applicable)*:

Bancóldex shall annually disclose the use of the proceeds from the issue, indicating the number of beneficiaries, the average value of the loans, the disbursement by social category and the regional distribution of resource use, through the annual report on "The Use of Social Bond Resources," which must be published in the following media: (i) the bank's website: [www.Bancóldex.com](http://www.Bancóldex.com) ; (ii) the National Registry of Securities and Issuers, available in the Relevant Information section of the website of the Colombian Financial Superintendence [www.superfinanciera.gov.co](http://www.superfinanciera.gov.co) ; and (iii) the website of the Colombian Stock Exchange [www.bvc.com.co](http://www.bvc.com.co) .

The use of the Social Bond proceeds shall be audited by an external party.

**Use of proceeds reporting:**

- Project-by-project
- On a project portfolio basis

- Linkage to individual bond(s)  Other (*please specify*):

**Information reported:**

- Allocated amounts  Green Bond financed share of total investment
- Other (*please specify*):

**Frequency:**

- Annual  Semi-annual
- Other (*please specify*):

**Impact reporting:**

- Project-by-project  On a project portfolio basis
- Linkage to individual bond(s)  Other (*please specify*):

**Frequency:**

- Annual  Semi-annual
- Other (*please specify*):

**Information reported (expected or ex-post):**

- GHG Emissions / Savings  Energy Savings
- Decrease in water use  Other ESG indicators (*please specify*):

# of micro and small enterprise companies financed  
Amount disbursed to micro and small enterprise companies  
# of rural business owners financed  
# of women-owned business financed  
# of victims of armed conflict-owned business financed  
Amount disbursed to rural business owners  
• Amount disbursed to women-owned business  
• Amount disbursed to victims of armed conflict-owned business

**Means of Disclosure**

- Information published in financial report  Information published in sustainability report

- Information published in ad hoc documents                       Other (please specify):
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review): Allocation reporting externally reviewed

Where appropriate, please specify name and date of publication in the useful links section.

**USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)**

Bancóldex Social Bond Framework  
<https://www.bancoldex.com/informacion-emisiones/prospecto-bonos-2014.aspx>

**SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE**

**Type(s) of Review provided:**

- Consultancy (incl. 2<sup>nd</sup> opinion)                       Certification
- Verification / Audit                                       Rating
- Other (*please specify*):

**Review provider(s):**

**Date of publication:**

**ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GBP**

- i. **Consultant Review:** An issuer can seek advice from consultants and/or institutions with recognized expertise in environmental sustainability or other aspects of the issuance of a Green Bond, such as the establishment/review of an issuer's Green Bond framework. "Second Party Opinions" may fall into this category.
- ii. **Verification:** An issuer can have its Green Bond, associated Green Bond framework, or underlying assets independently verified by qualified parties, such as auditors. In contrast to certification, verification may focus on alignment with internal standards or claims made by the issuer. Evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against an external green assessment standard. An assessment standard defines criteria, and alignment with such criteria is tested by qualified third parties / certifiers.
- iv. **Rating:** An issuer can have its Green Bond or associated Green Bond framework rated by qualified third parties, such as specialised research providers or rating agencies. Green Bond ratings are separate from an issuer's ESG rating as they typically apply to individual securities or Green Bond frameworks / programmes.

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As the Opinion is based on information made available by the client, Sustainalytics does not warrant that the information presented in this Opinion is complete, accurate or up to date.

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The client is fully responsible for certifying and ensuring its commitments` compliance, implementation and monitoring.

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For more information, visit [www.sustainalytics.com](http://www.sustainalytics.com)

Or contact us [info@sustainalytics.com](mailto:info@sustainalytics.com)

