RISK MANAGEMENT SYSTEM

Our Risk Management System includes definition of risk policies and guidelines, specific objectives to manage thereof, definition and implementation of the system components (identification, evaluation, measurement, management, monitoring, and reporting risks), creation and follow-up of a risk map, as well as minimum and maximum exposure limits, among others.

Risk management policies and general objectives encompass all companies, in such a way that cohesion and control is guaranteed.

The Internal Control and Risk Management Systems require an organizational culture and philosophy based on, among other principles, self-control, understood as the capacity of everyone in the organization of considering control as an inherent part of their responsibilities and decision-making.

Based on that principle and on the internal control and risks pillars of culture and philosophy that we apply within the Group, the companies have mechanisms aimed at effectively communicating, at all levels, such culture, so that the information disclosed ensure understanding, importance, and role that each employee has for the business sustainability, having risk management and appropriate identification of controls thereof.

System for Prevention and Control of Money Laundering and Terrorism Financing

At Bancolombia Group we have a Comprehensive System for Prevention and Control of Money Laundering and Terrorism Financing, the basic principles of which relate to customer knowledge, determining movements by user and customer, market intelligence, detection and analysis of unusual transactions, and determining and reporting suspicious transactions. To verify compliance with the aforementioned comprehensive system, there has been a compliance officer appointed for each of the companies where regulations require having the same, and having a set of policies for money laundering prevention and control, which gathers regulations and policies that should be followed in this matter.