

Independent Limited Assurance Report on the Post emission of the Green Bond of Banco Davivienda S.A.

To Banco Davivienda S.A. management office:

Assurance conclusion

Based on the limited assurance procedures conducted and evidence obtained we state the following conclusions about the Green Bond of Banco Davivienda S.A. (hereinafter **DAVIVIENDA**) whose proceeds were placed in to projects that correspond with the category of Green Buildings/Sustainable Construction Projects that have LEED or EDGE certification described in table "Subject Matter Projects", which must be read in with the subject matter and the limitations of our assurance engagement:

- ▶ Nothing has come to our attention that causes us to believe that the **DAVIVIENDA**'s Green Bond, in terms of use of proceeds, process for project evaluation and selection, internal processes and controls for the management of proceeds and procedures for issuing reports, does not meet with the requirements of The Green Bond Principles 2018 (**GBP**) published by International Capital Market Association (**ICMA**).

Scope

As **DAVIVIENDA** requested, we performed assurance procedures on the post issuance of the Green Bond whose proceeds were placed in to projects that correspond with the category of Green Buildings/Sustainable Construction Projects that have LEED or EDGE certification. The objective of this assurance engagement is to obtain a limited assurance level of the internal procedures generated by **DAVIVIENDA** to comply with the requirements of **GBP** published by **ICMA**.

DAVIVIENDA's management office is responsible for the preparation and execution of the procedures that comply with the guidelines and principles of the **GBP** published by **ICMA** and the information that supports them.

The scope of this assurance engagement is substantially less than a reasonable assurance engagement. Therefore, the security provided is lower either. This document cannot be understood as an audit report in any case.

Subject Matter

The subject matter of our assurance engagement is the document “*Procedimiento-Instructivo gestión de recursos de Banca Multilateral IFC Bono Verde*”, generated by **DAVIVIENDA** and their respective execution supports (referent to projects that correspond with the category of Green Buildings/Sustainable Construction Projects that have LEED or EDGE certification described in table “Subject Matter Projects”) which relates the use of proceeds, the process for project evaluation and selection, the internal processes and controls for the management of proceeds and the procedures for issuing reports. All these in order to comply with the requirements of the **GBP** published by **ICMA**.

Subject Matter Projects			
Banco Davivienda S.A. Client	Project Name	Project location	Related Certification
Centro Comercial Barranquilla S.A.S.	Centro Comercial Mall Plaza Barranquilla	Barranquilla, Colombia.	Certificación LEED
Centro Hospitalario Serena del Mar S.A.	Centro Hospitalario Serena del Mar	Cartagena, Colombia.	Certificación LEED
Inmobiliaria La Colina Arauco S.A.S.	Centro Comercial Parque La Colina	Bogotá D.C., Colombia.	Certificación LEED
San Francisco Investments S.A.S.	Hotel San Francisco	Cartagena, Colombia.	Certificación EDGE
Gradeco Construcciones y Cía. S.A.S.	Gradeco Business Plaza	Bogotá D.C., Colombia.	Certificación LEED
Amarilo S.A.S.	Pontevedra Centro Empresarial de locales y oficinas	Bogotá D.C., Colombia.	Certificación LEED
I.C. Constructora S.A.S. y Construcciones LAMBDA S.A.S.	Torre Sigma NQS 95	Bogotá D.C., Colombia.	Certificación LEED
Inmobiliaria Karibana S.A.S.	Hotel Conrad Cartagena	Cartagena, Colombia.	Certificación EDGE
Promotora Apotema S.A.S.	AVATAR	Bogotá D.C., Colombia.	Certificación LEED
SGC Arquitectos S.A.S.	Hotel Hyatt Place	Bogotá D.C., Colombia.	Certificación LEED
Avenida Capital de Colombia S.A.S.	72 Hub	Bogotá D.C., Colombia.	Certificación EDGE

Limitations of our assurance engagement

Our assurance engagement was limited to the post-issuance of the **DAVIVIENDA** Green Bond issued on April 25, 2017; for a price of four hundred thirty-three thousand million Colombian pesos (COP \$ 433,000,000,000), in the second market, for a term of 10 years and a rate of IBR + 2.13% NMV.

The issue was wholly acquired by the International Finance Corporation (**IFC**). Our procedures did not constitute an examination or evaluation of the technical, social and environmental components of projects other than those related to the issuance of the bond.

In addition, our engagement was limited only to review the information provided by **DAVIVIENDA** management office that supported the requirements of **GBP**. Neither did it intend to determine if the technological tools used for the development of the projects are the most appropriate and/or efficient to comply with the goals of the environmental objectives of the bond. Our assurance engagement was limited to the procedures and information in effect until October 16, 2018, in relation to the post issuance of the **DAVIVIENDA**'s Green Bond.

Criteria of the assurance report

The criteria for our assurance report are:

- ▶ International Standard on Assurance Engagements (ISAE 3000) established by International Auditing and Assurance Board (IAASB) from International Federation of Accountants (IFAC).
- ▶ The **GBP** published by **ICMA**.

We believe these criteria are suitable according to the purpose of our assurance engagement.

Performed procedures

Our procedures were designed with the objective of determining that the policies, procedures and supports of the Green Bond have been prepared in accordance with the requirements of the **GBP** and executed as defined in the pre-issuance phase, as reported by **DAVIVIENDA**.

A summary of our procedures is shown in this table:

GBP component	Assurance procedure
Use of Proceeds.	<ul style="list-style-type: none"> ▶ Verification that the use of bond proceeds were used for green projects that provide clear environmental benefits that are assessed and, where feasible, quantified by the issuer. Also that they fall within the categories of eligible green projects defined in the pre-emption stage: <i>Renewable Energy; Energy efficiency; Water Efficiency and or Sustainable Construction.</i> ▶ Verification that the financing and refinancing of projects is carried out according to plan in the pre-issuance phase of the green bond.
Process for Project Evaluation and Selection.	<ul style="list-style-type: none"> ▶ Verification of the supports of the evaluation and selection process for projects that contribute to the fulfillment of the environmental sustainability objectives planned in the pre-issuance phase. ▶ Verification of the supports of the evaluation and selection process through the issuer determines how the projects fit within the categories of eligible Green Projects. ▶ Verification of the supports of the environmental and social risk assessment and the definition of controls over the projects with the possibility of financing or re-financing through the green bond.
Management of Proceeds.	<ul style="list-style-type: none"> ▶ Verification of the supports of the financial information of the bond where the obtained net proceeds are managed according to the GBP guidelines. ▶ Verification that disbursements of the green bond (placement in each selected project) are made in accordance with the GBP guidelines as planned in the pre-issuance phase.
Reporting.	<ul style="list-style-type: none"> ▶ Verification of the supports on the information delivered to the interested parties in relation to the issuance of the green bond, which includes a list of the projects to which the bond proceeds have been assigned, a brief description of the projects and the assigned amounts, in addition to its expected environmental impact. ▶ Verification of the publication of reports to the interested parties in relation to the issuance of the green bond according to the periodicity defined in the pre-issuance phase. ▶ Verification of compliance with the confidentiality clauses defined in the pre-issuance phase.

Our approach

Our limited assurance procedures performed included, but were not limited to:

- ▶ Review the supports for compliance of the policies and procedures established by **DAVIVIENDA** involved with the issuance of the Green Bond whose proceeds were placed in to projects that correspond with the category of Green Buildings/ Sustainable Construction Projects that have LEED or EDGE certification.
- ▶ Verify how **DAVIVIENDA** identifies evaluates and controls the risks associated with the development of the projects.
- ▶ Review the execution of the evaluation and selection processes of the projects.
- ▶ Verify the financial management of the proceeds according to the **GBP** guidelines.
- ▶ Verify the publication of information to the interested parties on the environmental performance of the projects financed or re-financed with the green bond, and, mainly, the reports sent to the investor.

Responsibility of the independent verifier

We carry out our limited assurance procedures in accordance with the Assurance Standard ISAE 3000 (International Standard on Assurance Engagements) established by the International Auditing and Assurance Board (**IAASB**) of the International Federation of Accountants (**IFAC**).

Our responsibility is to express an opinion about if something comes to our attention that causes us to believe that subject matter, in its content and development, does not meet the requirements of **GBP** published by **ICMA**.

Use of Report

Our responsibility in performing our assurance activities is to the management office of **DAVIVIENDA** only and in accordance with the terms of reference for this engagement as agreed with them, therefore, we do not accept or assume any responsibility for any other purpose or to any other person or organization.



Any trust that a third party may place in the issuance of the **DAVIVIENDA**'s Green Bond is entirely at its own risk.

Cordially,

A handwritten signature in black ink, appearing to read 'Felipe Augusto Jánica', is written over a light gray rectangular background.

Felipe Augusto Jánica.
Leading Partner for *FAAS - CCaSS Latam-North*.
October 17, 2018.
Bogotá D.C., Colombia.