

BOARD OF DIRECTORS APPOINTMENT AND REMUNERATION POLICY



Corficolombiana

Trabajamos e invertimos
en el progreso del país

BOARD OF DIRECTORS APPOINTMENT AND REMUNERATION POLICY

1. PURPOSE

The purpose of this policy is to establish some guidelines and procedures to be followed by different governance bodies of Corporación Financiera Colombiana S.A. (hereinafter, “Corficolombiana” or the “Company”), especially the Shareholders Assembly, to ensure that the persons appointed to the position within the Board of Directors are the most suitable and are adequately compensated.

2. SCOPE

This policy applies to shareholders, directors and employees of the Company.

3. APPLICABLE CRITERIA TO THE COMPOSITION OF THE COMPANY’S BOARD OF DIRECTORS

In addition to the legal requirements, the following criteria will be taken into consideration by the Company shareholders for the nomination, election, reelection or replacement of the members of the Company’s Board of Directors:

- Have professional training, competencies, knowledge and experience related to the financial or stock exchange sector and the activities and business developed by the Company and its affiliates or subordinated entities.
- Have recognition, reputation, leadership, prestige, director capacity and teamwork skills.
- Have the necessary time availability and dedication to fulfill the responsibilities demanded by the position and the strategic objectives of the Company.

4. PROCEDURE FOR THE PRESENTATION AND ASSESSMENT OF PROPOSALS AND CANDIDATES

Shareholders who based on their shareholding interest and in application of the electoral quotient system aspire to be part of or to propose lists for the election of the Board of Directors may, before the relevant Assembly, propose the name of one or more candidates by means of written proposal to be filed before the General Secretariat together with the CV of the relevant candidate(s) and additional documentation necessary to support compliance with the criteria required for their nomination.

The mentioned proposal must be accompanied by the written communication of each candidate manifesting his acceptance to be included in the relevant list. In case of lists of independent members, it shall also include a written communication of each candidate stating he complies with the requirements of independence provided in the applicable regulation.

The Chairman of the Board of Directors, with the assistance of the President of the Company and the Secretary of the Board of Directors, shall assess the proposals received within five calendar days following the relevant call to the Shareholders Assembly. Such assessment shall verify the absence of incompatibilities and disqualifications of legal nature and the adequacy of candidates to the needs of the Board of Directors through the validation of applicable professional and personal criteria.

The CVs of the candidates proposed who fulfill the applicable criteria for election, shall be previously submitted for consideration by the relevant Assembly for the exercise of the right to inspection, provided they have been received within the term established for the receipt of such proposals.

In case any of the candidates proposed to comprise the Board of Directors does not meet the requirements established by law or in this policy, such situation shall be informed to the relevant shareholder.

The procedure established in this policy intends to centralize and coordinate before the meetings of the General Shareholders Assembly the process of conformation of the Board of Directors. Notwithstanding the above, it does not constitute an impediment for the nomination and election of members of the Board of Directors in the relevant meeting of the Shareholders Assembly discussing such election, according to the rights granted by the common shares of the Company.

5. REMUNERATION OF THE BOARD OF DIRECTORS

The General Shareholders Assembly shall indicate the amount of fixed fees to be paid to the directors as remuneration for their attendance to the meetings of the Board of Directors or to those of its Support Committees. The alternate members that attend meetings of the Board of Directors, even when not acting in replacement of their relevant principal shall be entitled to earn the same remuneration as the principals.

The amount of fixed fees approved by the Assembly, applied to the total number of meetings of the Board of Directors or Support Committees to which each member attends, shall constitute the maximum cost of compensation of the Board of Directors and only compensation component approved for such body.

6. EXPENSES TO BE ASSUMED BY THE CORPORATION

The Corporation shall directly assume the following expenses while necessary for the exercise of the functions of the Board of Directors and the Board Committees:

- The travel expenses, accommodations, ground transportation and sending of information.
- Expenses related to trainings, updates and hiring of external advisors required by the Board of Directors as a collegiate body.

SUPERINTENDENCIA FINANCIERA
DE COLOMBIA

VIGILADO

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