

INTERNAL REGULATIONS FOR THE BOARD OF DIRECTORS



INTERNAL REGULATIONS FOR THE CONSTRUCTORA CONCRETO BOARD OF DIRECTORS

INTRODUCTION

These regulations reflect the principles, rules and procedures that govern the operation of the Constructora Concreto Board of Directors, thus seeking to facilitate its management and provide greater transparency, effectiveness and certainty to its actions.

These regulations shall apply to the Board as a collegiate body and the members thereof, as well as all officers of Constructora Concreto, as they relate to said governing body. All officers have the obligation to know, comply with and enforce these Regulations.

ARTICLE ONE – GENERAL PRINCIPLES

The actions of Board members will be fulfilled within the general principles of good faith, equality, morality, speed, economy, impartiality, effectiveness, efficiency, participation, publicity, accountability and transparency.

ARTICLE TWO – COMPOSITION OF THE BOARD AND DESIGNATION OF ITS MEMBERS

The Board shall be composed of ten (10) directors, who will be elected for two (2)–year periods through the application of the electoral quotient. Those chosen may be replaced in partial elections, in which case their period will be the remainder of the two (2)–year period of the previous member. There are no alternate members on the Board.

Designation as a member of the Company's Board of Directors is in a personal capacity.

The electoral quotient system shall be used when all the members of the Board are to be elected, subject to the reelection of one or some of them.

The professional profiles to form the Board are reported through the Shareholders' Webpage, so that various persons, mainly controlling shareholders, significant shareholders, families, groups of shareholders and institutional shareholders, if any, and the Board itself, are able to identify the most suitable candidates.

ARTICLE THREE – QUALITIES OF THE MEMBERS

Board members shall be chosen according to criteria of professional competence, expertise and recognized moral standing; in any case, at least thirty percent (30%) of

them will be Independent Members who, together with the Patrimonial Members, will be a majority with respect to the Executive Members. If the Board is composed of Executive Members, they will be the minimum number required to meet the needs of information and coordination between the Board and Top Management of the Company.

The evaluation of the expertise of the candidates will be carried out prior to holding the General Assembly of Shareholders, so that shareholders have sufficient information (personal qualities, expertise, career, experience and integrity) on the candidates proposed to be members of the Board, in time to allow for a proper assessment.

It is understood that an Independent Members is one who in no case is:

1. an employee or officer of the Company or any of its affiliates, subsidiaries or national or foreign controlling companies, including those persons who have such a quality during the year immediately preceding the election, except in the case of the election of an independent person.
2. Shareholders who directly or by virtue of an agreement, guide or control the majority of the voting rights of the Company or who determine the majority composition of the administration, management of control thereof.
3. A partner or employee of the associations or companies that provide advisory or consulting services to the Company or companies that belong to the same economic group of which the Company is a part, when the income for this concept represents for those persons twenty percent (20%) or more of their operating income.
4. An employee or director of a foundation, association or company that receives significant donations from the company or the companies belonging to the same economic group of which it is a part. Significant donations are those that represent more than twenty percent (20%) of the total donations received by the respective institution.
5. The manager of an entity on whose board the Company's Legal Representative participates.
6. A person who receives, or who has received in the last five (5) years, from the Company, its affiliates, subsidiaries or national or foreign controlling companies, any remuneration different from the fees as a member of the Board and the fees as a member of the Board do not constitute a significant portion of their annual income.
7. A person who participates in schemes or options to acquire interest in the Company or in a pension plan or scheme of the Company, its affiliates, subsidiaries or national or foreign controlling companies.

8. The legal representative of a company in which a member of the Company's Top Management is a member of the Board.
9. A person who is or who has been affiliated with or employed by the fiscal auditing firm of the Company, its affiliates, subsidiaries or national or foreign controlling companies, in the last five (5) years.
10. A person who is a member of the immediate family of the persons listed above. They are considered as such only up to the second degree of consanguinity and the first degree of affinity or first degree of adoption.

In line with the above, a candidate to be an Independent Member is required to present a double declaration of independence: (i) from the candidate to the Company, its shareholders and members of Top Management, implemented through his Letter of Acceptance, and (ii) from the Board, regarding the candidate's independence.

Independent members are obliged to inform the Company of any circumstance that may affect their independent status.

ARTICLE FOUR – REMUNERATION

The remuneration of the members shall be established by the General Assembly of Shareholders, considering the objective criteria of a business nature. This payment shall be transparent, and to this end, the amount will be published in the annual information given to the Company shareholders.

ARTICLE FIVE – SUMMONS

Board meetings will be summoned by any suitable means, at least five (5) calendar days in advance, in which the place of the meeting will be indicated by the Secretary, the Board Chairman or the President of the Company.

In the first meeting of the year, after its appointment, the schedule of regular meetings throughout the year will be approved. However, the Board may meet on other dates different from those foreseen in the annual calendar or meetings, when so provided, if the summons is made at least forty-eight (48) hours prior, except when, for reasons of urgency, this is not possible.

The Order of the Day will be included in the summons, but other matters may be included if so indicated by the Board Chairman, who considers them advisable for the corporate interest, likewise deciding, even after the summons, that an issue is not to be addressed in the session. The information and/or documents to be discussed in the respective meeting will be sent with the summons. If exceptionally all or part of the information is not available at the time of the summons, it may be sent later, but in any case, it must be sent at least three (3) calendar days before the date of the meeting.

ARTICLE SIX – BOARD MEMBERS APPOINTED FOR THE FIRST TIME

Every member of the Board appointed for the first time will receive an induction and the information necessary from the Company President to have ample knowledge thereof as well as the environment. Likewise, they will receive a copy of the Internal Regulations of the Board of Directors and will be made aware of the responsibilities, obligations and attributes arising from their office.

ARTICLE SEVEN – MEETINGS

The Board shall meet when summoned by the President, by the Fiscal Auditor or by two (2) of its members at least eight (8) times a year; at least one (1) of the meetings will clearly focus on defining and monitoring the Company's strategy.

Unattended Meetings: The Board may conduct unattended meetings and may also resort to decision making through the written expression of the vote, provided that all its members express their opinion, in accordance with the provisions of Articles 19, 20 and 21 of Law 222 of 1995 or the regulations that amend or replace it.

In any case, the Board may validly meet, deliberate and decide on any day and place, when all its members are present.

ARTICLE EIGHT – MINUTES OF THE MEETINGS

After each meeting, the Board Secretary shall prepare the draft of the minutes, which will be approved by the Board Chairman; once approved, it will be recorded in the respective books and signed by the Board Chairman and Secretary. In the event of unattended meetings or by the mechanism outlined in Article 19 of Law 222 of 1996, the minutes shall be signed by the Company President and Secretary.

Each act, if this is the case, should identify the studies, foundations and other sources of information that formed the basis for making decisions, as well as the reasons for and against that were taken into account when making the decisions.

ARTICLE NINE – QUORUM

The Board of Directors shall validly deliberate and decide with the presence and votes of the majority of its members. Also, Company directors and officers or other persons whose presence is deemed appropriate for the proper treatment of the matters under consideration by the Board may also be invited, if the Board Chairman or the Company President so decides.

ARTICLE TEN – FUNCTIONS

In the Board of Directors, it is understood that the broadest mandate to administer the Company is delegated and, therefore, it will have sufficient authority to order the

execution of or entering into any act or contract within the corporate purpose and whose competence is not attributed by the Bylaws or by law to the General Assembly of Shareholders.

ARTICLE ELEVEN – DUTIES

Board members will have the duties prescribed by law and in the Bylaws, in particular:

1. The duty to act in good faith, understood as the “conscience of acting through legitimate means, free of fraud and other vice,” as defined in Article 768 of the Civil Code.
2. The duty to act with loyalty to the Company.
3. The duty to act with the diligence of a good businessman.
4. The duty not to use corporate assets: Generally, Board members may not dispose of Company assets nor use their position in the Company to obtain a financial advantage not entitled to by reason of their duties, unless they have paid an adequate consideration.
5. The duty of secrecy: This duty implies that:
 - a) In exercising their position and after leaving it, Board members must maintain confidentiality on all information, data or background information that they know because of their position. Except as contemplated in the laws, this information may not be communicated or disclosed.
 - b) Board members may not use non–public Company information for private purposes, if there is no prior agreement with the Board.
6. The duty of non–competition: This duty implies that:
 - a) Board members shall communicate the share participation they have in the capital of competing companies, as well as the positions or functions exercised therein, and the pursuit of activities that are similar to the Company’s corporate purpose by themselves or others.
 - b) The person who ceases to be a Board member may not accept his appointment as director of another competitor company for a period of one (1) year, beginning on the date on which the cessation occurs, without the express authorization of the Board of Directors.
7. To act in the interests of the Company and to take into account the interests of shareholders.

8. To make efforts aimed at the appropriate development of the corporate purpose.
9. To ensure strict compliance of legal or statutory provisions.
10. To attend promptly the meetings of the Board and the Committees to which they belong, except for a justified cause, and to participate in the deliberations, discussions and debates that arise on matters subject to their consideration.
11. In their action to maintain respect for applicable rules, good Corporate Governance practices and the values of the Company.
12. Each member of the Board shall inform the corporate body of the direct or indirect relations they have among themselves, or with the Company, or with suppliers, or with clients or with any other stakeholder from which conflicts of interest could arise or influence the direction of their opinion or vote.
13. To inform and request authorization from the rest of the corporate body for the acquisition or disposal of Company shares by the Board member, either directly or indirectly, through family partnerships, spouses, relatives up to the second degree of consanguinity, first degree of affinity or first degree of adoption, or in general, through the natural or legal persons with which he figures a real beneficiary.
14. To attend the meetings of the General Assembly of Shareholders, especially the Chairmen of the Board Committees.
15. To not negotiate directly or indirectly, through an intermediary, Company shares when they are aware of the submission of a tender offer of an Initial Public Share Offer (I. P. O.) or other relevant operations, such as mergers or scissions. This restriction will be in effect for a period from the moment in which they are aware of the relevant operation and for two (2) months after the tender is perfected.

ARTICLE TWELVE – RIGHTS

1. **The Right to Information:** In exercising this right, Board members may:
 - a) obtain information on any aspect of the Company; examine its books, records, documents; contact those responsible for the various departments and visit the facilities if so required, to perform their duties, except in the case of especially confidential information and according to the availability of the President of the Company.
 - b) obtain and have information about the matters to be discussed in each Board meeting beforehand and in due form, to review it, except for matters that require special confidentiality, that will only be reported during the Board meeting.

2. **The Right to Have the Assistance of Experts:** In exercising their duties, Board members may obtain assistance from internal experts of the Company, as well as propose to the Board the hiring of outside consultants who will assist it in connection with any problems that may arise in the performance of their duties, if they were specific problems of certain importance and complexity.

Notwithstanding the foregoing, the hiring of external consultants may be denied by the Board when it has a disproportionate cost in relation to the importance of the problem or the assets and income of the Company, or when the consultancy may be adequately provided by Company experts and technicians.

3. **The Right to Remuneration:** Board members shall have the right to receive the remuneration established by the General Assembly of Shareholders.
4. **The Right to Induction and Ongoing Training:** Board members shall have the right to receive induction and training that is required to properly perform their duties.

ARTICLE THIRTEEN – THE CHAIRMAN OF THE BOARD

The Board shall have a Chairman elected from among its members, removable at any time. The functions of the Chairman of the Board shall be:

1. To summon the Board when deemed appropriate, or at the request of the Fiscal Auditor or two (2) Board members. In the latter two (2) cases, the Chairman shall make the summons within ten (10) days following such a request.
2. To define the agenda of the meetings, together with the President of the Company, or independently, if appropriate. The Order of the Day will be structured according to the parameters that follow a logical order for the presentation of issues and debates.
3. To chair meetings, direct discussions and submit matters to a vote when he deems that they have been debated sufficiently.
4. To ensure the effective implementation of Board decisions and monitor its orders and decisions.
5. To ensure that the Board establishes and efficiently implements the strategic direction of the company.
6. To promote the government action of the Company, acting as a liaison between shareholders and the Board.
7. To ensure the timely delivery of information to the Board members, directly or through the Board's Secretary.

8. To monitor the active participation of Board members.
9. To lead the annual evaluation of the Board and the Committees, except for his own evaluation.
10. With the assistance of the Secretariat and the President of the Company, to prepare a work plan for the Board for the period under review, a tool that facilitates determining the fair number of ordinary meetings per year and their estimated duration.

Together with the Board Secretary, the Chairman of the Board assumes the ultimate responsibility that members receive the information in time and that it is useful, so that quality should have priority over quantity in the set of documents.

Given that the Board Chairman has more obligations than the members, which implies greater responsibilities and time commitments, the remuneration of the Board Chairman may be greater than the remuneration of the other Board members, at the discretion of the General Assembly of Shareholders.

FOURTEENTH – THE SECRETARY OF THE BOARD

The Board Secretary shall be the Secretary General of the Company; in special cases, he may appoint an *ad hoc* secretary for meetings.

Notwithstanding the above, to safeguard the independence of the Board Secretary from the President of the Company, his appointment and removal shall correspond to the Board in a proposal to the President of the Company, with a prior report to the Appointment and Remuneration Committee.

The Board Secretary may be a member of the Board.

In accordance with the law, the Secretary shall be responsible for keeping the Book of Minutes of the Board and, with his signature, authorize the copies thereof that are issued. The Secretary shall assist the Board Chairman in his tasks and shall ensure the proper functioning of the Board, providing members with the advice and information necessary for the proper performance of their duties, maintaining corporate documentation, duly reflecting the development of the sessions in the Book of Minutes, and attesting to the decisions of the Board.

In addition to those already mentioned, other functions of the Secretary shall be the following:

1. To communicate the summons that are formulated for regular or special meetings, according to these regulations and the annual plan.

2. To send the documentation necessary for the proper development of the sessions to Board members, within the time and in the manner stipulated.
3. To verify the quorum at the beginning of each session and where required during its development.
4. To draw up the minutes of the sessions and submit them for the approval of the Board Chairman.
5. To endorse the minutes and agreements approved by the Board with his signature and issue the certificates on the approved matters.
6. To maintain the Board's Book of Minutes.
7. To communicate Board decisions to the competent authorities and monitor the actions leading to their full implementation.
8. To maintain the corporate documentation, duly reflect the development of the sessions in the Book of Minutes, and attest to the agreements of the corporate bodies.
9. To ensure the formal legality of the actions of the Board and ensure that its procedures and rules of governance are respected and reviewed regularly, according to the provisions of the Bylaws and other internal regulations of the Company.
10. To carry out other duties as assigned by the Board and the Chairman.

ARTICLE FIFTEEN – INFORMATION

Board members will contribute to their activity, based on information provided to them and request more information if they consider it appropriate or necessary.

The right to information shall be channeled through the President of the Company or the Board Secretary, who shall respond to requests by directly providing such information or establishing the appropriate channels within the Company to do so.

ARTICLE SIXTEEN – COMMITTEES AND ADVISORS

The Company has three (3) permanent committees that deal with specific issues, namely, (a) the Audit Committee, which is formed and governed as outlined in the Corporate Bylaws, in these regulations and in its own regulations; (b) the Corporate Governance Committee, which is formed and governed as outlined in these regulations and in its own regulations; and (c) the Appointment and Retribution Committee, which is formed and governed as outlined in the Corporate Bylaws, in these regulations and in its own regulations.

The Board may also establish other permanent or temporary committees to fulfill certain strategic functions.

Additionally, the Board and/or any of its members may request the opinion of independent specialists in specific cases where it is deemed appropriate; they will be hired on the basis of the Company's criteria and general hiring policies, and in accordance with that established in the Internal Regulations of the Board.

For the integration of its committees, the Board takes into consideration the profiles, knowledge and professional experience of members in relation to the subject matter of the Committee.

ARTICLE SEVENTEEN – CONFLICTS OF INTEREST

Board members are in a conflict of interest when they must make a decision, or perform or omit an action because of their duties and must choose between the interest of the Company, that of a client, user or supplier of the situation presented, and their own or third-party interest, so that by opting for either of the latter two (2), they would obtain undue pecuniary and/or extra-economical benefit that they would otherwise not receive, thus ignoring a legal, contractual, statutory or ethical duty.

Board members shall periodically inform the Board of the direct or indirect relations that they maintain with each other or with other entities or structures belonging to the Business Group, or with the Company, or with suppliers, or with clients or with any other stakeholders (the latter being understood as all those people whose relationship with the Company have an interest in it. Among these are the general public, shareholders, employees, clients, users, economic and tax authorities), from which conflicts of interest could derive or influence the direction of their opinion or vote.

In the event that Board members face a situation that generates a conflict of interest, the following procedures will be followed, depending on whether the conflict is sporadic or permanent:

If the conflict is sporadic, it is mandatory that the person directly concerned inform the Board of Directors, not participating in the decision, which will be made by the remaining Board members.

Conversely, if the conflict of interest is permanent and affects all operations of the Company, this situation constitutes grounds for mandatory resignation by the affected party, since he is unable to do the job.

When it comes to transactions with parties related to the administrators, the General Assembly of Shareholders periodically reviews the parameters and conditions under which these operations are possible, ensuring that they benefit the Company and are in market conditions.

Board members who have no impediment to know about the respective contracts must analyze the financial evaluation and the respective recommendation in which it is evidenced that the contracting shall be carried out under market conditions so that Constructora Concreto's interests are not prejudiced. The Board member(s) on whom the conflict rests should refrain from participating in any verification and/or decision.

Similarly, the Board Chairman shall present Board members who are not affected by the conflict all the relevant information that is necessary or requested by them to complete their analysis ahead of the meeting.

The Board will verify compliance of the procedure, ensuring the selection of the best alternative.

ARTICLE EIGHTEEN – VALIDITY AND PUBLICATION

These regulations take effect upon approval and will be published on the Company's Webpage, so that they may be known by the stakeholders who interact with the Company.

ARTICLE NINETEEN – EVALUATION AND SELF-EVALUATION

Annually, the Board shall determine a system of self-evaluation of its management, as well as that of the President, Vice Presidents and Secretary General of the Company.

The self-evaluation system shall include a peer evaluation, as well as a study of the reasonableness of its regulations and the dedication and performance of its members, proposing in each case changes to the organization and operation that are considered relevant.

The Board may also request independent consultants to perform an external evaluation.

ARTICLE TWENTY – THE AUDIT COMMITTEE

The Company has an Audit Committee composed of three (3) independent members of the Board. This Committee shall also include the participation of the Legal Representative of the Company and its Fiscal Auditor, who will have a voice but no vote.

The Audit Committee shall meet at least every three (3) months and will have the following functions:

1. To supervise compliance of the internal audit program, taking into account, among other aspects, the review, prevention and possible correctives involving different areas of the Company and the risks proper to the business.

2. To ensure the preparation, presentation and disclosure of the Company's financial information, always seeking that it conforms to the provisions of the Law.
3. To consider beforehand the Financial Statements before they are presented to the Board and the General Assembly of Shareholders.
4. To evaluate and control the activities of managers, executives and directors and submit reports to the competent bodies according to the provisions of the Code of Good Corporate Governance.
5. To request reports that it considers necessary for the adequate development of its functions.
6. When situations that are of significant importance are identified, the Committee shall submit a special report to the Company's Board of Directors.
7. To define mechanisms to consolidate information from the supervisory bodies of the Company to present the information to the Board.
8. To ensure that administrators provide the information required by the supervisory bodies to perform their duties.
9. To design, implement and evaluate programs and controls to prevent, detect and respond appropriately to the risks of fraud and misconduct, understanding fraud as an intentional act committed for illicit profit; misconduct is understood as the violation of laws, regulations or internal policies.
10. To monitor the levels of risk exposure, its implications for the Company and the measures adopted for their control or mitigation.
11. To monitor compliance with the instructions given by the Board of Directors regarding the Internal Control System.
12. To prepare the report that the Board must present to the General Assembly of Shareholders regarding the operation of the Internal Control system, which shall include, among other aspects:
 - i. The general policies established to implement the Company's Internal Control System.
 - ii. The process used to review the effectiveness of the Internal Control System, specifically mentioning the aspects related to risk management.
 - iii. The most important activities developed by the Committee.
 - iv. The material weaknesses detected, the recommendations made and the measures adopted, including, among other aspects, those topics that could affect the Financial Statements and the Management Report.
 - v. The observations made by the supervisory bodies and the sanctions imposed, as appropriate.
 - vi. The evaluation of the work done by Internal Control including, among other aspects, the scope of the work performed, the independence of the function and the resources allocated.
13. To inform the General Assembly of Shareholders on questions raised by shareholders regarding its powers.
14. To propose to the Board, for submission to the General Assembly of Shareholders, the candidates for the appointment of Fiscal Auditor, the conditions of engagement,

and, where appropriate, the revocation or non-renewal, using for this purpose the result of the evaluation referred to in the following paragraph.

15. To supervise the services of the Fiscal Auditor, which includes evaluating the quality and effectiveness thereof.
16. To interact and have periodic relations with the Fiscal Auditor and, especially, to evaluate and report to the Board all those situations that could limit its access to information or jeopardize its independence and any others related to the auditing plan and the development of the financial auditing, as well as those other communications foreseen in the financial auditing legislation and technical auditing standards.
17. To receive the final financial audit report and study the Financial Statements for the consideration of the Board, without prejudice to the functions attributed by the regulations to the Fiscal Auditor and Top Management. If they contain qualifications or unfavorable opinions, it must issue a decision on its content and scope, which will be made known to shareholders and the public securities market through the Company's Webpage, as well as verifying that Top Management takes into account the recommendations of the Fiscal Auditor and, if appropriate, take the lead in responding to the observations contained in its report.
18. To ensure that the valid accounting principles are adequately applied at all times in preparing the Financial Statements that the Board presents to the General Assembly and in preparing reliable internal information for decision making.
19. To know and evaluate the process to prepare, present and disclose financial information.
20. To monitor the efficiency of the function of regulatory compliance and money laundering and financing of terrorism.
21. To verify that the periodic information that is presented to the market is prepared in accordance with the same principles and professional practices as the annual accounts, overseeing this information prior to its dissemination.
22. To propose to the Board the structure, procedures and methodologies necessary for the operation of the Internal Control System.
23. To know and evaluate the Company's Internal Control System.
24. To monitor and periodically report to the Board on the effective implementation of the Company's Risk Policy, so that the principal financial and non-financial risks in the Financial and Off-Balance Sheets are identified, managed and disclosed adequately.
25. To supervise the internal auditing services and report to the Board.
26. To propose to the Board the selection, appointment, remuneration, reelection and removal of the head of the Internal Audit service.
27. To analyze and approve the Annual Work Plan for internal auditing and the annual activity report.
28. To ensure the independence and effectiveness of the internal audit function, to receive periodic information on its activities and to verify that Top Management takes into account the conclusions and recommendations of its reports.

29. To review compliance of the actions and measures resulting from the reports or inspection activities of the supervisory and control authorities.
30. To evaluate and inform the Board of temporary or permanent conflicts of interest, in which it could be immersed directly or indirectly or through a related party, a Significant Shareholder, which one that, by itself or under agreement with other shareholders, holds rights to at least ten percent (10%) of the outstanding shares of the Company and whose participation has a stable purpose, with Board members and Top Management making the proposals needed to manage the situation.
31. To evaluate and report to the Board on possible conflicts of interest that could arise between the Company, as the Parent Company of the Business Group, and the subsidiaries, or between the subsidiaries, or with their Administrators and related parties, making proposals needed to manage the situation.
32. Prior to the approval thereof by the Board, to examine and report to the Board on the operations that the Company conducts, directly or indirectly, with Board members, Controlling and Significant Shareholders, members of Top Management, operations among the companies of the Conglomerate or people related thereto, which, due to their amount, nature or conditions, are a risk to the Company or the Conglomerate.
33. To periodically monitor the degree of compliance of the Code of Ethics and the effectiveness of the system of anonymous complaints (whistleblowers), evaluating the unethical actions that are submitted and the content of the allegations made, with the Board making the appropriate recommendations.
34. To have knowledge of and to conduct the valuation of the transactions that are made with Related Parties. The conclusions of the valuation shall be entered in a report by the Committee to the Board, which must contain at least the following information:
 - i. The qualitative or quantitative criteria used to determine the materiality of the operation.
 - ii. Respect of the operation for the equal treatment of shareholders.
 - iii. The price or value of the operation and respect for market conditions.
 - iv. The moment of disclosure.
35. In the event of any qualifications in the Fiscal Auditor's report, the Chairman of the Audit Committee shall submit the report, along with the actions that the Company proposes to resolve the situation, to the General Assembly of Shareholders.
36. When, in the face of the qualifications and/or paragraphs of emphasis from the Fiscal Auditor, the Board considers that its opinion must prevail, this position must be appropriately explained and justified through a written report to the General Assembly, specifying the content and scope of the discrepancy.
37. The other duties that may be delegated by the Board, provided that, by their nature, they may be delegated and this delegation is not prohibited.

In relation to risk management, the Audit Committee shall have the following functions:

1. To review and evaluate the integrity and adequacy of the Company's risk management function.

2. To review the risk limits and the reports on risks, making appropriate recommendations to the Board.
3. To propose the Company's Risk Policy to the Board.
4. To systematically assess the strategy and general risk policies in the Company, translated into the establishment of limits by types of risk and business, with the level of disaggregation set forth by business, business or economic groups, clients and areas of activity.
5. To analyze and assess the Company's current risk management, in terms of limits, risk profile (expected loss), profitability, and capital map (capital in risk).
6. To analyze and evaluate the Company's risk control systems and tools.
7. To formulate improvement initiatives that it deems necessary on the infrastructure, internal control systems, and risk management.
8. To submit to the Board the proposal of delegation rules to approve the different types of risk that it must assume or that must be assumed by lower levels of the organization.
9. To inform the Board on the operations that it must authorize, when these exceed the powers granted to other levels of the company.
10. At the request of the Board, to inform it of the operations that it must authorize by law or by internal or external regulations or provisions.
11. To assess and monitor the indications issued by the supervisory authorities in the exercise of their function.
12. To promote the adequacy of risk management in the Company to an advanced model that allows the configuration of a risk profile in line with the strategic objectives and to monitor the degree of adequacy of risk exposures to that profile.
13. The other duties that may be delegated by the Board, provided that, by their nature, they may be delegated and this delegation is not prohibited.

The members of the Audit Committee have expertise in accounting, finances and other related matters, which allows them to rule with rigor on issues of competence of the Committee at a level sufficient to understand its scope and complexity.

ARTICLE TWENTY-ONE – THE CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee is composed of three (3) Independent or Patrimonial Members of the Board, who shall be elected by the Board itself with the votes of the majority of its members, for periods equal to those of the Board. In the case of a vacancy, the Board shall elect the replacement, who will act until the end of the period.

This Committee shall also have a Secretary, who will be the Secretary General of the Company; it will be chaired by an Independent Member of the Board.

The Corporate Governance Committee shall meet twice (2) a year, in February and July, after the summons sent by the Secretary of the Committee, at least five (5) calendar days in advance.

The main task of the Corporate Governance Committee is to assist the Board in its function of proposing and supervising the Corporate Governance measures adopted by the Company, as well as to monitor compliance of the rules of Corporate Governance, periodically reviewing their compliance, recommendations and principles. Likewise, it shall have the following functions:

1. To oversee that shareholders and the market in general have access to complete, accurate and timely Company information to be disclosed.
2. To report on the activities developed by the Audit Committee.
3. To review and evaluate the manner in which the Board complies with its duties during the period.
4. To periodically monitor negotiations by Board members and administrators with shares issued by the Company or by other issuers when they are part of the Business Group and, in general, their action in the field of the public securities market.
5. To monitor compliance of the recommendations contained in the Code of Best Corporate Practices – Country Code – and monitor the processing of the Implementation Report on best corporate practices, before being sent to the Colombian Financial Superintendency.
6. To make recommendations to the Board to adopt the necessary measures or those that are conducive to compliance with the Code of Best Corporate Practices and for the adoption of the recommendations contained in the Code of Best Corporate Practices – Country Code – which it considers should be adopted.
7. To monitor compliance of the remuneration policy for administrators established by the Appointment and Retribution Committee.
8. To monitor that the requirements and procedures for the election of members of the Company's Board and other subordinate enterprises (skills, disqualifications, limitations, etc.) are met.
9. To coordinate the induction process for new Board members and promote training and update them on matters that are related to the competence of the Board.
10. To review that the Company's Corporate Governance practices, the business and administrative conduct and behavior conform to the provisions of the Code of Corporate Governance and other internal and regulatory standards.
11. To study the proposals to reform the Bylaws and the Code of Corporate Governance, which pertain to the good governance of the company and present the amendments, updates and derogations of the provisions related to Corporate Governance.
12. Within ten (10) calendar days following their presentation, to address the claims from shareholders and investors who believe that the Company has not applied the Corporate Governance policies adopted.

13. To know the actions related to the conduct of the members of the Company's Board that may be contrary to the provisions of the Bylaws, the Regulations of the Board and other internal regulations, which it will report it to the Board, when the Committee deems it necessary.
14. To supervise the operations of the Company's Webpage and other mechanisms to disseminate information.
15. To establish its own internal regulations.
16. The other functions consistent with the nature of the purpose of the Committee.

ARTICLE TWENTY-TWO – THE APPOINTMENT AND RETRIBUTION COMMITTEE

The Appointment and Retribution Committee is composed of three (3) Independent or Patrimonial Members of the Board, who shall be elected by the Board itself with the votes of the majority of its members, for periods equal to those of the Board. In the case of a vacancy, the Board shall elect the replacement, who will act until the end of the period. Independent members must always be the majority.

This Committee shall also have a Secretary, who will be the Vice President of Shared Services of the Company; it shall be chaired by an Independent Member of the Board.

The Appointment and Retribution Committee shall meet twice (2) a year, in July and December, after the summons sent by the Secretary of the Committee, at least five (5) calendar days in advance.

Some Committee members must have expertise in strategy, human resources (recruiting and selection, hiring, training, administration or personnel management), salary policy and related matters, with a sufficient level to understand the scope and complexity of these issues present in the Company.

The main task of the Appointment and Retribution Committee is to assist the Board in exercising its functions of a decisive or advisory nature associated with the appointment and remuneration of the members of the Board and Top Management.

The functions of the Appointment and Retribution Committee are:

1. To review the performance of the Company's Top Management, understood as the President and officers immediately below him.
2. To propose a remuneration and salary policy for Company employees, including Top Management.
3. To propose the appointment and removal of the Company's President or the person acting in this capacity, as well as their remuneration.
4. To propose objective criteria by which the Company hires its top executives.
5. To present a report before the appointment or removal of the Secretary of the Board.
6. To lead the annual evaluation of the performance of the Company's President and know the evaluations of other members of Top Management.

7. To identify and evaluate the candidates to occupy executive positions in the Company, issuing its opinion.
8. To periodically review the remuneration programs of the Board members and Top Management and make pertinent recommendations to the Board.
9. To establish procedures that are required for the Board to achieve the following objectives:
 - a) To identify the tentative composition of functional profiles (associated with aspects such as knowledge and professional experience) that are needed in every circumstance in the Board.
 - b) To identify the personal profiles (related to career, recognition, prestige, availability, leadership and group dynamics) that are most convenient for the Board.
 - c) To evaluate the time and dedication necessary for Board members to adequately perform their duties.
10. To inform the General Assembly of Shareholders on its activities and address the issues raised to them by shareholders in matters within its competence.
11. To periodically evaluate the skills, knowledge and experience of the members of the Company's Board, the Company President and the members of Top Management.
12. To propose and revise the criteria to be followed for the composition of the Board and to evaluate the suitability of the candidates for Board members proposed by the shareholders.
13. To report, where appropriate, on the qualification of independence of the candidates for Board members, for their proposal to the General Assembly of Shareholders by the Board or directly by the shareholders.
14. In cases of re-election or ratification of Board members, to formulate a proposal that will contain an evaluation of the work that the proposed member has been performing, and the actual dedication to the position during the last period.
15. To inform the Board of those cases of members that could negatively affect the operation of the Board or the Company's reputation, and, in particular, when they are involved in any of the cases of incompatibility, disqualification or legal prohibition.
16. To propose the succession policy for Board members, Top Management and other key executives to the Board of Directors.
17. To evaluate candidates and propose the appointment and removal of the Company President.
18. To propose objective criteria by which the Company hires and remunerates its key executives.
19. To propose the remuneration policy for Board members to the Board of Directors – which must be approved by the General Assembly of Shareholders – and the remuneration policy for Top Management.
20. Within the framework of the remuneration policy approved by the General Assembly of Shareholders, to propose to the Board the individual amount of remuneration of the Board members, including the Chairman of the Board and the Executive

Members, if any, for the performance of functions different from those of Board members and other terms of their employment contracts.

21. To ensure compliance of the remuneration policy of the Board members and other Administrators, and the transparency and disclosure of their salaries.
22. To support the Board Chairman in conducting the annual evaluation of this body, reviewing the results of the process, and making suggestions for the Board's best performance.
23. To propose the Company's Human Resources Policy.
24. To establish an internal procedure and/or questionnaire to be submitted for consideration of the candidates to evaluate the incompatibilities and disqualifications of a legal nature and the suitability of candidates to the Board, through the evaluation of a set of criteria that meet the functional and personal profiles of the candidates, and the verification of compliance of some objective requisites to be a member of the Board and other requisites to be an Independent Member.
25. Before the General Assembly of Shareholders, to support the Board Chairman to centralize and coordinate the process of shaping the administrative body, so that, based on their shareholding, shareholders who aspire to be part of the Board of Directors may know the needs of the Board and propose their aspirations, negotiating equity balances and the distribution among the different categories of members, present their candidates and accept that the suitability of their candidates be evaluated by the Appointment and Retribution Committee before voting in the General Assembly of Shareholders.
26. To develop the Annual Report on the remuneration policy of the Board members and the remuneration policy of Top Management.
27. At the request of the Chairman of the Assembly, the Chairman of the Appointment and Retribution Committee will inform the General Assembly of Shareholders on specific aspects of the work done by the Committee, such as monitoring Board and Top Management remuneration policies.
28. To establish its own rules of procedure.
29. The other functions consistent with the nature of the purpose of the Committee.

ARTICLE TWENTY-THREE – ATTENDANCE AT MEETINGS

In the Annual Corporate Governance Report and on the corporate Website, the Company will publish the attendance of members at meetings of the Board and its Committees.

These regulations were discussed and approved in the Board meeting held on December 18, 2015.