



## **INTERNAL REGULATION BOARD DIRECTORS – BANCO DE OCCIDENTE**

### **TITLE I. PRELIMINARY CONSIDERATIONS**

#### **ARTICLE 1.01.- PURPOSE.**

The purpose of this Regulation is to include the principles, standards and procedures for the acts and functions of the Board of Directors and its committees of the BANCO DE OCCIDENTE, hereinafter the BANK, to regulate its organization and operation, and to establish the rules of conduct of its members, all in accordance with the provisions foreseen in the Law, the Corporate By-laws and the Good Governance Code, to facilitate the management of the Members of the Board of Directors within an environment of transparency, effectiveness and certainty regarding their acts.

#### **ARTICLE 1.02.- APPLICATION ENVIRONMENT**

The Regulations shall apply to Members of the Board of Directors, as well as to BANK officers participating in Board of Directors meetings, who are required to know, comply with, and enforce the herein Regulations.

In events where applicable and deemed necessary, the Board of Directors shall carry out its functions through general policies, guidelines or information requests by promoting a balance between the interests of the Corporation and those of its subordinate entities, as a whole. The aforementioned without prejudice of the autonomy of the governance bodies of the subordinate entities of the Corporation and the responsibility of the members of its senior management and administrators with regard to the ordinary course of its business.

### **TITLE II. OBJECTIVES, FUNCTIONS AND PRINCIPLES OF ACTION OF THE BOARD OF DIRECTORS**

#### **ARTICLE 2.01.- OBJECTIVES OF THE BOARD OF DIRECTORS**

The Board of Directors' purpose is the BANK's management, regarding those aspects which are not exclusively the responsibility of the GENERAL SHAREHOLDERS' MEETINGS, and especially:

- (1) Direct the BANK's policy, complying with the legal and regulatory provisions governing the matter.
- (2) Assure respect for the rights of its shareholders and other investors pursuant to the parameters set forth by the market regulatory bodies.
- (3) Assure respect for the rights of those who invest in its shares, or any other security issued, the proper handling of their affairs and public knowledge of their management.
- (4) Comply with and enforce legal, regulatory, statutory, and internal rules applicable to the BANK and to the businesses, operations and activities carried out by the BANK.
- (5) Seek the effectiveness and efficiency of the operations and fulfillment of the basic objectives of the entity, safeguarding the resources of the same, including its own assets, as well as the assets of third parties held by the Entity.

## **ARTICLE 2.02.- FUNCTIONS OF THE BOARD OF DIRECTORS**

According to the Law, the By-laws, and the Good Governance Code, among others, the functions of the Board of Directors are as follows:

- (1) Freely appoint and remove the President of the BANK, the Vice-Presidents, the General Secretary, the Branch Managers and establish their assignments.
- (2) Establish and suppress, upon compliance with legal requirements, the Branches and Agencies it deems appropriate. The Bank's management shall submit recommendations as the case may be to the Board of Directors.
- (3) Establish the administrative structure of the BANK, determining the personnel, functions, and tasks of the same. The Bank's management shall submit recommendations as the case may be to the Board of Directors.
- (4) Submit to the General Shareholders' Meeting, jointly with the President of the BANK, the reports and balance sheets for each financial year and the proposals for profits distribution, accompanied by a report about the progress of business and the general situation of the entity, including the description of the main risks of the BANK, internal control activities as well as relevant findings. Such report shall be available to investors and shareholders in accordance with the mechanisms established in the Good Governance Code.
- (5) Authorize subscribed capital increases, issue issuance and stock placement regulations, in accordance with the legal provisions.
- (6) Appoint, where deemed appropriate, advisory, or consulting boards for the Bank's Branches, establishing their capacities and remuneration.
- (7) Integrate Committees or Commissions consisting of two or more of its Members for the review and decisions of certain matters.
- (8) Create one or more committees, comprised by the number of members it may determine and appoint, which shall be renewed periodically and to which it may delegate one or more of the capacities that are not its exclusive responsibility or of another body of the Management, in accordance with the Law.
- (9) Clarify, the meaning of the Articles of the By-laws, the Good Governance Code, in case of any doubt.
- (10) Issue its own regulations.
- (11) Adopt specific measures with respect to the governance of the company, its conduct, and its information.
- (12) Assure respect for the rights of all its shareholders, investors, depositors, and suppliers.

- (13) Approve a Good Governance Code containing all the rules, policies and mechanisms required by law, by the regulations, by the General Shareholders' Meeting, the Bylaws, and generally, the best practices of good corporate governance.
- (14) Authorize the issuance of bonds.
- (15) Oversee proper compliance of internal control policies and procedures.
- (16) Resolve conflicts of interest between shareholders and directors, managers, or senior officers and between controlling and minority shareholders. Whenever the conflict of interest involves a member of the Board of Directors, the same shall be resolved without taking into account the vote of the person concerned. The Good Governance Code establishes the procedures for resolving conflicts of interest. As exception of the aforementioned, any conflicts arising as a result of any activity carried out by an administrator of the Bank, whose development implies competition with the corporation or any act for which there is a conflict of interest, which shall be authorized or resolved by the General Shareholders' Meeting. For such purpose, the administrator shall provide the Meeting with all the information relevant the decision\*making. If the administrator is a shareholder, its vote shall be excluded from the respective decision. In any event, the authorization of the General Shareholders' Meeting shall be granted solely when the act does not impair the interests of the company.
- (17) Authorize or not the development of specialized audits as per request of the shareholders representing at least ten per cent (10%) of the Bank's outstanding shares and/or investors who own at least twenty per cent (20%) of the total outstanding commercial securities issued by the Bank at the time of the request.
- (18) The Board of Directors and the Senior Management of the entity, regardless of its other responsibilities, shall carry out all acts within its reach in order to seek the proper organization, monitoring and follow-up of treasury activities. These responsibilities include establishing risk limit policies for such activities, as well as the approval of the policies, strategies, and rules of action of the Entity in this field, in the terms set forth under Code of Good Corporate Governance.
- (19) The Board of Directors shall analyze new products, their implications for risk management and the impact on equity. Participation in new markets and negotiation of new products shall be authorized by the competent bodies of the organization.
- (20) Exercise, according to Law, all the functions deemed necessary for the development of the Bank's corporate purpose, which are not covered by the By-laws or the Good Governance Code.
- (21) The Chairman of the Board of Directors may jointly prepare with the President of the Bank the Agenda of the General Shareholders' Meeting. Annex C
- (22) In the event that the Board of Directors receives a proposal from a shareholder or group of shareholders representing at least 5% of the share capital, in order to include one or more items in the Agenda of the General Shareholders' Meeting, the Board of Directors may assess the convenience of the request. If it is deemed convenient, it may be included in the Meeting's Agenda, reason for which the Agenda shall be updated on the Website. If the request is not approved, the Board of Directors shall inform in writing the decision which gave rise to the denial. In any case the shareholders' proposal shall be submitted to the Board of Directors within 5 calendar days following the publication of the summons.

- (23) In the event of a request filed by a Shareholder or by the Senior Management for a spin-off segregation process involving the Bank, the Chairman of the Board of Directors or in its absence, any of the Directors, together with the President of the corporation, may include such request as a separate item within the summoning of the General Shareholders' Meeting.

**FIRST SUBPARAGRAPH.** At the general level, the Board of Directors may focus its activity on the general functions regarding strategy, supervision, governance, and control, to confirm proper compliance with the policies established in each Committee and in the monitoring bodies. Thus, the Board of Directors may devote some of its meetings for defining and for the follow-up of the Bank's strategy.

**SECOND SUBPARAGRAPH.** In the event of exemptions and/or paragraphs emphasized by the Statutory Auditor, the Board of Directors may maintain its criteria, for which it shall submit an explanation and justification in a written report to the General Shareholders' Meeting.

**THIRD SUBPARAGRAPH.** In the event of transactions wherein a dilution of minority shareholders' capital dilution may arise, the Board of Directors shall assess the need to hire a fairness opinion for analyzing and assessing the terms of the transaction and may submit the respective report for consideration of the shareholders' meeting. Such opinion shall guarantee the right of inspection.

#### **ARTICLE 2.03.- FUNCTIONS OF THE BOARD OF DIRECTORS REGARDING OPERATIONS WITH SHAREHOLDERS OR MANAGERS**

With regard to operations between Board Members and shareholders or administrators, the Board of Directors shall have the following functions:

- (1) Members of the Board of Directors shall refrain from granting, in contravention of statutory or legal provisions, credits or discounts to shareholders, or persons related thereto, under conditions such that could jeopardize the solvency or liquidity of the institution.
- (2) The Board of Directors shall approve with the unanimous vote of the members of the Board of Directors, attending the respective meeting, the authorized operations determined by the National Government and entered into by the BANK with shareholders holding five per cent (5%) or more of the subscribed capital, with its managers, as well as those entered into with their spouses and shareholders' relatives and administrators within the second degree of kinship or affinity, or sole civil relationship, pursuant to Article 122 of the Structural Law of the Financial System, and the provisions that complement, modify or repeal the same. The minutes of the meeting at which the approval is adopted shall include such attestation, including the verification of compliance of the provisions regarding limits on the granting of credits or maximum indebtedness quotas or concentration of risks in force on the date of approval.

#### **ARTICLE 2.04.- ACTION PRINCIPLES**

The Board of Directors shall always act with an independent criterion with respect to the Management, and during the development of the general principles and instructions given to the Directors by the General Shareholders' Meeting. Without prejudice to other obligations set forth in the regulations in force, the members of the Board of Directors shall act in good faith, under criteria of diligence and care regarding their decisions and acts, with loyalty; keeping the respective prudence and confidentiality, and avoiding the use of corporate assets, unless it is during the development of its functions as a member(s) of the Board of Directors, as well as refraining

from exercising conducts implying competition or conflicts of interest with the Bank without having the proper authorizations.

On their part, the members of the Board of Directors shall be entitled to: be duly informed for their decision-making; propose expert collaboration and support if necessary; be remunerated in accordance with the decision of the Shareholders' Meeting; as well as receiving training when deemed relevant and according to the need, due to the complexity of issues.

The members of the Board of Directors shall respond to the Corporation, its shareholders, and third parties under the terms set forth in the Law.

**SUBPARAGRAPH:** The information provided by Bank officers to the Board of Directors and/or the Senior Management shall be truthful, understandable, and complete.

### TITLE III. STRUCTURE OF THE BOARD OF DIRECTORS

#### **ARTICLE 3.01.- STRUCTURE AND TERM**

In accordance, among others, with Law 964 of 2005, Decree 3923 of 2006, the By-laws and the Good Governance Code, and other rules that modify, complement, or repeal the same, the formation of the Board of Directors, and the determination of its term shall be in accordance with the following conditions:

- (1) The Board of Directors is comprised of nine (9) directors.
- (2) The General Shareholders' Meeting shall freely elect and remove the members of the Board of Directors for periods of one (1) year.
- (3) For purposes of electing members of the Board of Directors, the electoral quotient system shall apply.
- (4) The appointment as a member of the Board of Directors shall be in a personal capacity.
- (5) The Board of Directors shall have at least 25% of its members as independent.

According to their origin, Members of the Board of Directors may be classified as follows:

- a. **Independent Members:** Shall be those who meet the requirements of Law being considered as independent.
- b. **Non-Independent Members:** Are those who do not comply with the requirements established under the applicable Law to be deemed as Independent. In turn, these members of the Board of Directors may be classified as: (a) Equity Members: Non-Independent members who are shareholders of the Corporation or who have been expressly nominated by a legal or natural shareholder or by group of shareholders to integrate the Board of Directors. (b) Executive Members: Non-Independent members who are legal representatives of the Corporation or form part of the Corporation's senior management.

**SUBPARAGRAPH:** In the event of vacancies or appointment needs, the Board of Directors shall inform the Shareholders the profiles deemed necessary for integrating such Governing Body.

### **ARTICLE 3.02.- GENERAL CAPACITIES FOR BECOMING A MEMBER OF THE BOARD OF DIRECTORS**

The Board of Directors cannot be comprised of a majority consisting of persons bound by marriage, or persons with a third degree of kinship or second degree of affinity or first civil relationship.

The Board of Directors cannot be integrated either by:

- (1) Persons who hold any office or which are Legal Representatives of the BANK.
- (2) Persons who form part of boards of directors of other credit entities, except as provided for by law.
- (3) Persons who, in accordance with the regulations governing the banking activity, have some inability.

### **ARTICLE 3.03.- SPECIAL CONDITIONS TO BECOME AN INDEPENDENT MEMBER**

Independent Members shall be those persons deemed as such by Law, in particular those complying with the conditions set forth under Law 964 of 2005, Article 44, Paragraph 2, and other regulations that add, modify or repeal the same, and therefore a person shall be understood as independent who is not in any way:

- (1) An employee or manager of the BANK or any of its affiliates, subsidiaries or controlling persons, including those persons who have had such capacity during the year immediately preceding the appointment, unless in the case of a reelection of an Independent person.
- (2) A shareholder who directly or by virtue of an agreement, directs, orient or control a majority of the voting rights of the entity or who determine a majority structure of the administrative, management or control bodies of the same.
- (3) A partner or employee of associations or corporations providing advisory or consulting services to the BANK or to companies belonging to the same economic group of which it is a member, when the income from such item represents twenty per cent percent (20%) or more of their operational income.
- (4) An employee or manager of a foundation, association or corporation receiving significant donations from the BANK. Significant donations are deemed those representing more than twenty percent (20%) of the total donations received by the respective institution.
- (5) A manager of an entity wherein a legal representative of the BANK participates in its board of directors.
- (6) A person who receives from the BANK any remuneration other than the fees as a member of the board of directors, the audit committee or any other committee created by the board of directors.

### **ARTICLE 3.04.- CANDIDATES ASSESSMENT FOR MEMBERSHIP OF RGE BOARD OF DIRECTORS AND CERTIFICATION OF INDEPENDENCE.**

- (1) Appointments and Retribution Committee (ARC): With full respect for the legal and statutory autonomy of the Shareholders' Meeting for electing and appointment of Directors who shall comprise the Board of

Directors, with the support of the Shareholders, the Bank Management, through the Appointments and Retributions Committee (ARC) shall review the Resumes of potential candidates to be appointed as Directors nominated by shareholders.

In accordance with the provisions of items 3.02 and 3.03 above, the assessment process of these resumes shall take into account the fact that candidates are not liable of any cause of incompatibility and/or inability, and if applicable, the shareholder who nominated the same shall be informed.

- (2) Structure of the ARC: The ARC shall be comprised by 5 members, who shall be appointed by the Board of Directors as follows:
  - (a) Chairman of the ARC: The Chairman of the Board of Directors of the Bank shall act as Chairman of the ARC. In its absence it may be replaced by any of the other members of the ARC.
  - (b) Other members: President of the Bank, Vice President of Companies, Legal Vice President, and Vice President of Human Resources. The Legal Vice-President shall Act as Secretary of the ARC, and in its absence, any other member of the ARC.

In order to develop its tasks, the ARC committee shall support decisions regarding opinions requested with respect to personnel management and wages policy, Compliance Officer, Banking Security Manager, etc.

For purposes of their appointment, some members shall have the appropriate knowledge for performing their functions, such as: corporate strategy, human resources, wages policy and/or related matters.

- (3) Meetings: The ARC shall meet any time, in person or otherwise, through any electronic means (Teleconference, Videoconference, etc.) or those wherein they may express the meaning of their vote, by summoning of the President of the ACR or the Secretary. The meetings may be held with the presence of at least 3 members of the Committee. The ARC shall validly decide with the favorable vote of the majority of its members present.
- (4) Assessment of Resumes: Within the assessment process, the system of inabilities and incompatibilities set forth under Article 3.02 of the herein Regulation shall be complied with, as well as the provisions of Article 3.03 for those independent members who run for such office.
- (5) The ARC shall assess the resumes of candidates to be members of the Board of Directors as well as verify their technical, professional, and personal suitability.

During such task, the candidates may be requested for additional information, to confirm the information submitted and shall submit a report to the shareholders so that they may make the decision considered.

- (6) Elements to be accounted for: The ARC shall define the following elements that would allow choosing among the Resumes of those persons to be recommended as candidates before the General Shareholders' Meeting:
  - a) Identify the proposed structure of functional profiles (associated with aspects such as knowledge and professional experience) needed in each circumstance within the Board of Directors.
  - b) Assess the time and dedication necessary to enable them to properly perform their obligations.

- c) Identify the personal profiles (linked with trajectory, recognition, prestige, availability, leadership, group dynamics, etc.) most convenient for the Board of Directors.
- (7) Candidate Independence: In accordance with the legal provisions in force, the Board of Directors shall be comprised by some independent members under the terms set forth in the regulations. For Independent Members, the ARC shall request the Candidate for the certification referred to in Annex A.
- (8) Remuneration: The ARC, before the Shareholders' Meeting of the first semester, wherein the Directors of the Board of Directors are appointed, shall review the progress of the management, the intensity and dedication of the same, the market situation with regard to remuneration for the profiles of such Directors and shall submit a recommendation to the Shareholders, regarding the appropriate remuneration, so that they may take, with this support, the decision deemed as convenient.
- (9) Reserve: Considering the importance of the matter, the process shall take place within the largest reserve, and labor records shall be kept under the custody of the Legal Vice-Presidency along with the documentation and information delivered to the Directors and Legal Representatives of the Bank.
- (10) The Chairman of the ARC, or in its absence, any member of the ARC, may report to the General Shareholders' Meeting (where required by the Chairman of the General Shareholders' Meeting), aspects about the work carried out by the ARC.
- (11) General Functions of the ARC: the ARC may perform the following functions, depending on the circumstances of time and relevance, namely:
- a. Inform the General Shareholders' Meeting of its acts, and to address those issues raised by shareholders in matters within their competence.
  - b. Periodically assess the capacities, knowledge, and experience of the members of the Board of Directors of the corporation.
  - c. Propose and revise the criteria to be followed for the structure of the Board of Directors and the assessment of the suitability of candidates for board members proposed by shareholders.
  - d. To report, where appropriate, the candidates classification as independent for membership of the Board of Directors, in order to propose the same to the General Shareholders' Meeting by the Board of Directors or directly by the shareholders.
  - e. In cases of re-election or ratification of members of the Board of Directors, determine whether it is necessary to submit a proposal containing an assessment of the work developed by the member proposed, as well as the effective dedication to the office during the last period.
  - f. When deemed appropriate, inform the Board of Directors of cases of members that may adversely affect its operation or the reputation of the corporation and, in particular, when they are liable of any incompatibility, inability or legal prohibition.
  - g. It may submit to the Board of Directors, when deemed as convenient, the succession policy of the Board members and the Senior Management as well as other key executive positions.
  - h. Assess the candidates and when deemed appropriate, in the event that another body within the bank does not do so, propose the appointment and removal of the President of the corporation.
  - i. Propose, if appropriate, the objective criteria through which the corporation hires and remunerates its key executives.



- j. Propose the remuneration policy of the members of the Board of Directors (to be approved by the General Meeting) to the Board of Directors and, where required, the remuneration policy of the Senior Management.
  - k. Propose to the Board of Directors, within the framework of the remuneration policy approved by the General Shareholders' Meeting, the individual amount of remuneration of the members of the Board of Directors including its Chairman, and the Executive Members, if any, for carrying out functions different than those of the members of the Board of Directors and other conditions of their employment contracts.
  - l. Supervise the observance of the remuneration policy of the members of the Board of Directors and other Managers, as well as the transparency of their retributions when deemed appropriate, and whenever another body within the entity does not do so.
  - m. Review, when deemed necessary, the remuneration programs of the members of the Board of Directors and of the Senior Management and submit the relevant recommendations to the Board of Directors.
  - n. Prepare the Annual Report regarding the remuneration of the members of the Board of Directors and, as the case may be, the remuneration of the Senior Management.
  - o. Support the Chairman of the Board of Directors while carrying out the annual assessment of such body, reviewing the results of the process, and making suggestions for an improved functioning of the same, whenever another body of the entity has not carried out such task.
  - p. Whenever another body has not done so in advance, the ARC may propose the company's Human Resources Policy.
  - q. As per request of the Board of Directors and/or the President of the Bank, the ARC may know, assess, and give its opinion regarding candidates for key positions within the Senior Management.
  - r. As per request of the Board of Directors, the ARC may carry out an annual performance assessment based on the annual objectives established for the President of the Bank.
- (12) Members of the Board of Directors shall sign a letter of acceptance to the position, attached hereto as Annex B, as well as the Letter of Commitment provided for under Annex D.

### **ARTICLE 3.05.- OBJECTIVES**

In view of the provisions set forth under the herein Title, the ARC shall seek to make recommendations on:

- (1) The structure of the profiles most convenient for the Board of Directors.
- (2) The most convenient personal profiles for the Board of Directors.
- (3) The time and dedication required so that the Board of Directors may carry out its functions properly.

For the above, the ARC may request information regarding candidates, attendance, annual scheduling of board meetings, and others that it deems necessary; as well as requesting the opinion of the advisers relevant to the matters.

In addition, it may make recommendations regarding the treatment of the Chairman of the Board of Directors, as a consequence of the specific functions developed in its position.

## **TITLE IV** **RELATIONSHIPS BETWEEN BOARD MEMBERS**

### **ARTICLE 4.01.- SOLUTION OF CONFLICTS OF INTEREST OF MEMBERS OF THE BOARD OF DIRECTORS.**

According to the Good Governance Code:

- (1) All directors facing a conflict of interest or considering that they may be facing one, shall timely inform the Entity of any situation that may involve any conflict of interest, including family or personal relationships.
- (2) Directors cannot be unaware, limit or restrict in any way any shareholder's rights, which shall have all the powers conferred thereon by law for exercising the same.
- (3) Where a conflict of interest arises between a Director and a Shareholder, the Board of Directors shall be summoned for reviewing the case. Compliance with the regulations in force and the interests of the corporation shall prevail regarding any decision.

## **TITLE V.** **OFFICERS OF THE BOARD OF DIRECTORS**

### **ARTICLE 5.01.- CHAIRMAN OF THE BOARD OF DIRECTORS**

The Chairman of the Board of Directors shall be elected among the members of the Board of Directors. It shall be a permanent spokesman of the Board of Directors and of the Committees.

The Chairman and/or any member of the Board may attend to the Shareholders' Meeting as a guest, with the purpose of responding to Shareholders' concerns.

The Chairman of the Board of Directors shall, as far as possible, prepare the Agenda of each meeting of the Board of Directors. Such agenda shall be agreed regarding the issues and the work recommended by the President of the Bank.

### **ARTICLE 5.02.- VICE-CHAIRMAN OF THE BOARD OF DIRECTORS**

The Vice-Chairman of the Board of Directors shall be elected among the Directors.

The Vice-Chairman shall replace the Chairman during its final or temporary absence and shall have the same functions as those assigned to the Chairman of the Board of Directors.

In the absence of the Chairman, the Vice-Chairman shall chair and direct the meetings and deliberations of the Board of Directors. In its absence, the corresponding member of the Board of Directors in accordance with the By-laws, the Good Governance Code and the Law replace the same.

### **ARTICLE 5.03.- GENERAL SECRETARY**

The functions of the General Secretary shall be the following, but shall not be limited to:

- i. Seek compliance with the provisions regarding the delivery deadlines the issues to be dealt within the Board of Directors.
- ii. Keep and custody the historical files of the minutes in accordance with applicable provisions and in the place established by the Bank.
- iii. Seek formal legal compliance with the Board's acts, in accordance with the regulations, By-laws and other internal regulations.

**TITLE VI.**  
**OPERATION OF THE BOARD OF DIRECTORS**

**ARTICLE 6.01.- TYPES, FREQUENCY AND PLACE OF MEETINGS**

The meetings of the Board of Directors shall be of the following types:

- (1) **Ordinary Meetings:** The Board of Directors shall meet in an ordinary manner, at least every fifteen (15) days summoned by the President of the BANK.
- (2) **Extraordinary Meetings:** The Board of Directors shall meet in an extraordinary manner, when summoned by the Chairman of the Board of Directors, by the President of the BANK, by the Statutory Auditor or by two of its members acting as principals.
- (3) **Virtual Meetings:** Virtual meetings may be held, complying with all legal requirements.

**ARTICLE 6.02.- SUMMONING AND WORK PLAN**

Meetings of the Board of Directors shall be summoned by any appropriate means indicating the place of the meeting, date, and time.

The Chairman of the Board of Directors may prepare, jointly with the General Secretary and the President of the Bank, a Board of Directors work plan, which shall include, but not limited to, the following activities:

1. Establish, pursuant to Article 32 of the Bank's By-laws, the timeline for holding periodic Board meetings (every 15 days) with dates and time. As well as overseeing compliance of the aforementioned Board meetings.
2. The meetings of the Board of Directors referred to above shall have the duration deemed necessary.

**WORK PLAN:** In accordance with the provisions foreseen under the Bank's By-laws and item 6.01 above, the Board of Directors shall meet on the regular basis therein set forth. In any event of deeming necessary to hold additional meetings, the Work Plan may be reviewed by the Chairman of the Board of Directors, with the assistance of Secretary and President of the Corporation.

Likewise, a plan of topics to be discussed at meetings may be established, including dates of meetings as well as dates of meetings of the Board of Directors and may request the Senior Management to review the strategy being developed as the case may be. The model is included as Annex E.

**ARTICLE 6.03.- QUORUM FOR DELIBERATING**

The Board of Directors shall validly deliberate with the presence of the majority of its Members.

**ARTICLE 6.04.- ATTENDANCE OF BOARD MEMBERS**

The absence of a principal member of the Board of Directors for a period of more than three consecutive months shall result in the vacancy of the position as Director.

**ARTICLE 6.05.- PARTICIPATION OF OTHER PERSONS IN THE MEETINGS**

The President of the BANK shall attend the meetings of the Board of Directors and have a say, but not a vote.

Any other official of the institution may also attend with the invitation of the Board of Directors or the President of the BANK.

#### **ARTICLE 6.06.- DECIDING QUORUM**

The Board of Directors shall decide validly with the favorable vote of the majority of its members present.

#### **ARTICLE 6.07.- VOTING**

Whenever a tie arises in a vote of the Board of Directors, the proposal shall be deemed denied, but may be discussed again at another meeting of the Board.

If a tie arises again in the vote, the matter shall be deemed denied, and may only be discussed as per request of the majority of the Board of Directors.

### **TITLE VII.** **MINUTES**

#### **ARTICLE 7.01.- MINUTES**

The deliberations and decisions of each meeting shall be attested to in the minutes which shall comply with all the legal requirements, with the By-laws and the regulations. The Book of Minutes shall be kept in accordance with the legal provisions.

Each of the Minutes shall be submitted to the Board of Directors for consideration at the same or next meeting and once approved, shall be signed by the Chairman of the relevant meeting and by whom has acted as Secretary.

### **TITLE VIII.** **COMMITTEES OF THE BOARD OF DIRECTORS**

#### **ARTICLE 8.01.- SUPPORT COMMITTEES**

The Board of Directors may form the Committees it deems appropriate to support the functions on its charge. The Board of Directors Committees may have the support of members of the senior management and/or external advisers when deemed appropriate or necessary for carrying out the tasks assigned thereto.

For integrating Committees, the Board of Directors shall take into account, among other factors, the profiles, knowledge and professional experience of the members appointed for participating in the committee, in connection with the subject matter of the Committee.

The following Committees are bodies which form part of the Board of Directors, in order to facilitate the development of functions and the compliance of the objectives of the Board of Directors:

**1. Audit Committee (AC):** For proper fulfillment of the work of the Board of Directors, regarding the definition of policies and the design of internal control procedures, as well as the supervision of the operation of such systems, the Board of Directors shall form an Audit Committee dependent on such body, whose structure and functions are set forth chapter thirteen of the Code of Good Corporate Governance, and in the Law.

**2. Appointment and Retribution Committee (ARC):** To support the Board of Directors in the exercise of its decision-making or advisory functions associated with the appointment and retribution matters of the members of the Board of Directors and, where appropriate, of the Senior Management and to cooperate with the surveillance, as the case may be, of observance of Corporate Governance rules.

**3. Good Corporate Governance Committee (GCGC):** For providing assistance in its functions of proposals and supervision of compliance with the Corporate Governance measures adopted by the BANK. The GCGC shall consist of a Board Director with its respective alternate, the Legal Vice President, the Legal Manager of Personal Banking, TC – Payroll Loans, Service and Staff, and the Bank's Legal Chief Corporate and Staff Leasing Officer. The recommendations or reports of the GCGC shall be submitted to the Board of Directors (through its Chairman) and to the President of the Bank. The GCGC shall issue its own regulations.

## **TITLE IX** **INTERPRETATION AND MODIFICATION**

### **ARTICLE 9.01.- INTERPRETATION**

The interpretation of the herein Regulation shall be carried out pursuant to legal provisions, the By-laws and the Good Governance Code.

### **ARTICLE 9.02.- MODIFICATION**

Modifications to the herein Regulation shall be made under the terms deemed relevant by the Board of Directors, complying with the same requirements for its approval.

## **TITLE X.** **FUNCTIONS OF THE BOARD OF DIRECTORS IN THE GENERAL SHAREHOLDERS' MEETING**

### **ARTICLE 10.01 AGENDA OF THE GENERAL SHAREHOLDERS' MEETING**

As far as possible, the Board of Directors shall submit proposals agreed with the shareholders for each item, simultaneously with the summoning or at least fifteen (15) calendar days in advance of the meeting.

### **ARTICLE 10.02 AGENDA PROPOSALS**

In case the Board of Director proposes the agenda, efforts shall be made to reveal the important issues in a clear and transparent manner.

Without prejudice to the foregoing, in such cases where such agenda proposals are submitted, the support of the President of the Bank and of the Legal Vice-President shall be for structuring the relevance of the decisions to be adopted during Board's meeting for the benefit of the entity.

## **TITLE XI MISCELANEOUS**

#### **ARTICLE 11.01. INFORMATION OF NEW DIRECTORS**

Sufficient information shall be available to the new members of the Board of Directors for their knowledge about the Bank, the sector in which it develops its activity, and its responsibilities, obligations, and capacities.

For purposes of the above, the new directors shall receive induction training. Likewise, Directors shall also be able to consult basic information on the Bank's website (e.g., By-laws, Good Governance Code, Regulations of the Board of Directors, Financial Statements, among others.)

#### **ARTICLE 11.02. MEETINGS' INFORMATION**

As far as possible, the information to be discussed at the respective meetings shall be available to the Directors, at least five (5) calendar days in advance. Likewise, the Directors may request through the President of the Bank or the Secretary of the Board of Directors, any information they deem necessary for appropriate decision-making.

The Chairman of the Board and/or the Secretary may verify the relevance and/or timeliness in which directors receive such information.

#### **ARTICLE 11.03. ASSESSMENT OF THE BOARD OF DIRECTORS**

The Board of Directors shall carry out an assessment of its work and may include its committees and/or its directors. For such purpose, it may deem peer's assessment. The result of the assessment may be used to submit proposals to help improving the performance of its functions. In any case deemed as necessary, it may propose to carry out an assessment by independent advisors.

#### **ARTICLE 11.04 RELATIONSHIPS WITH SHAREHOLDERS**

Requests relating to shareholder's access to information, resolution of information requests, clarity in the communication channels, among others, shall be answered by the Service Directorate (Securities and Collection). The procedure for responding to such requests, as well as access to information, shall be attended under the terms determined by Law. Efforts shall be made to inform the communication channels for shareholders, such as the Website.

### **ANNEX A**

### **CERTIFICATE OF INDEPENDENCE**

Messrs.  
**BANCO DE OCCIDENTE**

Dear Sirs:

In order to hold the position as a Board Member of Banco de Occidente, I hereby certify that as of the present date I am not:

- An employee or manager of the Bank or any of its affiliates, subsidiaries or controlling parties, and that I have not had such capacity during the year immediately prior to such appointment.
- A shareholder who directly or by virtue of an agreement directs, orients, or controls the majority of the Bank's voting rights or who determines a majority structure of the administrative, management, or control bodies of the same.
- A partner or employee of associations or companies that provide advisory or consulting services to the Bank or of companies belonging to the same economic group of which the Bank is a member, where the income for such item represents twenty per cent percent (20%) or more of its operational income.
- An employee or manager of a foundation, association or corporation receiving significant donations from the Bank<sup>1</sup>.
- A manager of an entity in which board of directors a legal representative of the Bank participates.
- A person who receives from the Bank any remuneration other than the fees as a member of the board of directors, the audit committee or any other committee created by the board of directors.

Likewise, I shall inform the Bank, forthwith and in writing when any of the abovementioned conditions change, in order to keep updated information regarding my independence.

Sincerely,

Name:

I.D.

Date:

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<sup>1</sup> Significant donations shall be deemed as those representing more than twenty per cent (20%) of the total donations received by the entity.

## ANNEX B

[City], [date]

President  
BANCO DE OCCIDENTE  
Cali

Reference: Appointment acceptance as a member of the Board of Directors.

Dear Mr. Otero:

I have received your communication dated [ ], informing me that the Ordinary General of Shareholders' Meeting of Banco de Occidente S.A. at its session of [date], [Reelects; Appoints] me as Member of the Board of Directors for the period [20( ) - 20( )], reason for which I state my acceptance of such appointment.

Sincerely

[Candidate's Name]  
I.D.



## ANNEX C

Santiago de Cali, [DATE]

Mr.(Messrs.):

«Name(s)»

«Address(es)»

Banco de Occidente summons its shareholders to the [Extraordinary] General Shareholders' Meeting, which shall take place on [date] [at 9:00 o'clock a.m.], at the offices of Carrera 4a No. 7-61 Floor 15, in the city of Cali.

Agenda:

1. Quorum verification
  2. Reading and approval of the agenda
  3. Appointment of the commission to draft and approve the minutes.
- (...)

The Bank offers the exclusive channel for Shareholders and Investors, available at the Bank's Website, Institutional Link, Securities Issuances – Shareholders' Information.

Shareholders who are unable to attend are requested to be represented through a written communication addressed to the Bank's Presidency.

Sincerely

## Annex D

[City], [date]

Shareholders  
BANCO DE OCCIDENTE  
Cali

Reference: Letter of Commitment.

To the Shareholders' Meeting:

In view of the confidential or relevant information that I may become aware of regarding relevant transactions such as Public Offers for Acquisitions, Mergers or Spin-offs, in my capacity as [Member of Board of Directors/Senior Management Position] of Banco de Occidente, I bind myself not to negotiate, directly or indirectly, or through a third party, shares of the corporation, for as long as the Shareholders' Meeting deems it as appropriate.

I also declare to know and understand that pursuant to the regulations governing the stock market, there are restrictions for the utilization of confidential and privileged information, including the following rules:

- **Law 964 of 2005, Article 50 (e):** *Through which non-compliance of the regulations regarding privileged information or undue utilization or disclosure of information subject to reserve is deemed as an infringement to the stock market.*
- **Code of Commerce, Article 404:** *Through which it establishes that the managers of the corporation cannot alienate or acquire shares of the corporation while being in office, except in the case of transactions alien to speculation reasons and always provided that the authorization of the Board of Directors and / or Shareholders' Meeting has been issued, as the case may be.*
- **Criminal Code, Article 258:** *Through which it provides that whoever misuses privileged information for its own benefit or for the benefit of third parties, through the trading of shares, securities or instruments registered in the National Register of Securities and Issuers, shall incur in imprisonment of one to three years and fine of five to fifty Minimum Monthly Wages In Force.*

Sincerely

[Candidate's Name]  
I.D.

ANNEX E

WORK PLAN

**Board Of Directors' Meetings  
Banco de Occidente**

▶ **Year 2024**  
**8:00am to noon**

January	12		26
February	9	*16	23
March	8		22
April	12		26
May	10	*17	24
June	14		28
July	12		26
August	9	*16	23
September	13		27
October	11		25
November	8	*15	22
December	13		20

\* Quartley meeting of the Risk Comitee