

BOARD OF DIRECTORS APPOINTMENT AND REMUNERATION POLICYⁱ

The purpose of this Policy is to establish the general guidelines and procedures governing the composition, succession and remuneration of the Board of Directors of Banco AV Villas (hereinafter, “AV Villas” or the “Bank”), in order to ensure effective decision-making through the appropriate selection of candidates and the orderly succession of members in the event of permanent, planned or unforeseen vacancies on the Board of Directors.

Criteria Applicable to the Composition of the Bank's Board of Directors:

In addition to the requirements of the law, and in order to promote a balanced composition of the Bank's Board of Directors, the following criteria will be taken into consideration by shareholders for the nomination, election, re-election or replacement of its members, seeking to ensure an appropriate balance in terms of: (i) knowledge, (ii) experience, (iii) skills, (iv) gender, (v) ethnic groups, and (vi) background and cultural roots, among others:

- Have professional training, skills, knowledge and experience related to the financial or stock market sector and the activities and businesses developed by the Bank and its subordinate entities. In particular, they must be able to guide relevant decision-making regarding the Bank's strategies, businesses and products, as well as its relations with investors, shareholders, customers, regulatory and supervisory bodies, evaluating the financial and risk information presented to them.
- Possess a strong reputation for integrity, honesty, leadership, sound judgment, managerial capability and ability to work effectively as part of a team.
- Have the time and dedication necessary to fulfill the responsibilities required by their position and the Bank's strategic objectives.
- In the case of candidates for independent members of the Board of Directors, the criteria set forth in the second paragraph of Article 44 of Law 964 of 2005ⁱⁱ will be taken into account, as well as the absence of situations that generate actual or potential conflicts of interest, such as; (i) who maintain material financial interests in, or significant transactions with, parties related to Banco AV Villas, (ii) who have personal or professional relationships with the majority shareholders of Banco AV Villas or with that of the parent company or its affiliates or subsidiaries, including family relationships by consanguinity, affinity or civil relationship; (iii) who hold current and/or previous jobs that are related to Banco AV Villas; (iv) who maintain personal or professional relationships with suppliers, consultants or other third parties providing

services to Banco AV Villas; and (v) who have the status of shareholder, partner or administrator of a legal entity in conflict with Banco AV Villas; among others.

- Provide the Board of Directors with an adequate balance and diversity in terms of knowledge, experiences, skills, gender, ethnic groups, baggage and cultural roots, among others.

Procedure for the Presentation and Evaluation of Proposals and Candidates:

Shareholders who, based on their shareholding and in application of the electoral quotient system, aspire to be part of or propose lists for the election of the Board of Directors, may, prior to the respective Shareholders' Meeting, nominate the name of one or more candidates by means of a written proposal that will be filed with the General Secretariat of the Bank together with the resume of the respective candidate(s) and the additional documentation necessary to support compliance with the criteria required for their nomination.

The aforementioned proposal must be accompanied by the written communication of each candidate, in which he or she expresses his or her acceptance to be included in the corresponding list. In the case of lists of independent members, it must also be accompanied by the written communication of each candidate in which he or she states that he or she complies with the independence requirements provided for in the applicable regulations.

The Chairman of the Board of Directors, with the assistance of the President of the Bank and the Secretary of the Board of Directors, shall evaluate the proposals received within five calendar days following the respective call to the Shareholders' Meeting. In such evaluation, they shall verify the absence of incompatibilities and legal incapacities and the suitability of the candidates to the needs of the Board of Directors through the validation of the applicable professional and personal criteria.

The resumes of the proposed candidates who meet the applicable election criteria will be informed in advance of the respective Assembly through the Bank's website, provided that they have been received within the period established for the receipt of such proposals.

In the event that any of the candidates proposed to form the Board of Directors does not meet the requirements established in the law or in this policy, such situation will be brought to the attention of the respective shareholder.

The procedure established in this policy is intended to centralize and coordinate the process of forming the Board of Directors prior to the meetings of the General Shareholders' Meeting. Notwithstanding the foregoing, it does not constitute an

impediment to the nomination and election of members of the Board of Directors at the respective meeting of the Shareholders' Meeting that deals with such election, in accordance with the rights conferred by the ordinary shares of the Bank.

Board of Directors' Compensation:

It will be the responsibility of the General Shareholders' Meeting to indicate the amount of the fixed fees that will be recognized to the directors as remuneration for their attendance at the meetings of the Board of Directors or those of their Support Committees.

The value of the fixed fees approved by the Assembly, applied to the total number of meetings of the Board of Directors or Support Committees attended by each member, shall constitute the maximum cost of the Board of Directors and the only approved remuneration component for said body.

ⁱ *Please note that this is a convenience translation. Only the Spanish version of this document is decisive. This translation is provided for convenience purposes only. No representation is made as to the accuracy of this document and the company does not assume any liability based upon it.*

ⁱⁱ **Article 44 of Law 964 of 2005. Paragraph 2.** For the purposes of this law, an independent person shall be understood to be a person who in no case is:

1. Employee or officer of the issuer or of any of its affiliates, subsidiaries or controlling entities, including those persons who have held such capacity during the year immediately prior to the appointment, except in the case of the re-election of an independent person.
2. Shareholders who directly or by virtue of an agreement direct, guide or control the majority of the voting rights of the entity or who determine the majority composition of the entity's administrative, management or control bodies.
3. Partner or employee of associations or companies that provide advisory or consulting services to the issuer or to companies that belong to the same economic group of which the issuer is a part, when the income from such concept represents twenty percent (20%) or more of their operating income.
4. Employee or director of a foundation, association or society that receives significant donations from the issuer.

Important donations are considered those that represent more than twenty percent (20%) of the total donations received by the respective institution.

5. Administrator of an entity on whose board of directors a legal representative of the issuer participates.
6. A person who receives from the issuer any remuneration other than fees as a member of the board of directors, the audit committee or any other committee created by the board of directors.