REFERENCE FRAMEWORK OF INSTITUTIONAL RELATIONS

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The purpose of this document is to establish the framework of reference applicable to the institutionalrelations between Grupo Aval Acciones y Valores S.A. ("Grupo Aval") and its subordinate entities ("Subordinates", and together with Grupo Aval, the "Organization") for the achievement of its organizational objectives.

1. ORGANIZATIONAL STRUCTURE

1.1 Parent Company

Grupo Aval is a commercial company with shares registered in the National Registry of Securities and Issuers of Colombia (RNVE) and the U.S. Securities and Exchange Commission, whose main purpose is the purchase and sale of shares, bonds and securities of entities belonging to the financial system and other commercial entities.

In the development of its corporate purpose, Grupo Aval maintains controlling investments in entities belonging to the financial sector in which, as parent company, it defines strategies and best practices to create value in its Subordinate entities and for its shareholders through the administration of a multi-brand model, the definition and execution of organic and inorganic growth strategies, financial control and budgeting, the management of the different risks that affect the activities carried out by Grupo Aval and its Subordinates and the establishment of synergies through the provision of shared services, among others.

Grupo Aval has a presence in the Colombian financial sector through its direct and indirect control over Banco de Bogotá, Banco de Occidente, Banco Popular, Banco Comercial AV Villas, Corporación Financiera Colombiana and Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir. Additionally, it is present in Central America through Multibank, a subsidiary of Banco de Bogotá.

1.2 Main subordinate entities

1.2.1 Banco de Bogotá S.A.: Banco de Bogotá provides universal banking services to all segments of personal banking and business banking. It is the oldest financial institution in Colombia, founded in 1870, with a tradition of more than 150 years. Multi Financial Holding, Inc., through which it controls the operation of Multibank, Inc., in Panama, Fiduciaria Bogotá S.A., Almacenes Generales de Depósito Almaviva S.A., Banco de Bogotá S.A. Panama and Banco de Bogotá Nassau Ltd.

1.2.2 Banco de Occidente S.A. : Bank with a focus on corporate and business banking, as well as on the affluent mass segment within personal banking. The bank, headquartered in Cali, has a strong presence in south-western Colombia and is the leader in the vehicle loan product through financial leasing. **Subsidiaries:** Fiduciaria de Occidente S.A., Banco de Occidente (Panama) S.A., Ventas y Servicios S.A. and Occidental Bank Barbados.

1.2.3 Banco Popular S.A. : A **leading consumer credit institution with a focus on credit and a provider of financial solutions to government entities throughout Colombia. Subsidiaries:** Fiduciaria Popular S.A. and Alpopular Almacén General de Depósitos S.A.

1.2.4 Banco Comercial AV Villas S.A. : Banking establishment with a focus on mass consumer loans and mortgage credit. The Bank focuses on the mass segment of personal banking. **Subsidiaries:** Aval Valor Compartida S.A. – AVC.

1.2.5 Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.: A leading company in the pension and severance administration market in Colombia. Subsidiaries: Aportes en Línea S.A.

1.2.6 Corporación Financiera Colombiana S.A.: Leading financial corporation in Colombia. It has an actively managed equity investment portfolio, with controlled and uncontrolled investments in key sectors of the Colombian economy including the financial sector, energy and gas, infrastructure, agribusiness and hospitality. **Main subsidiaries:** Fiduciaria Corficolombiana S.A., Hoteles Estelar S.A., Proindesa S.A., Organización Pajonales S.A., Mavalle S.A., among others.

2. ORGANIZATIONAL OBJECTIVES

In the coming years, Grupo Aval intends to continue executing its investment strategy in financial institutions with a presence mainly in Colombia. Through some of these investments, they will continue to explore options in sectors of significant growth or valuation such as energy, gas, infrastructure, agribusiness, among others. Within the framework of the Company's corporate purpose, Grupo Aval considers that it could acquire shares or securities of entities belonging to the sectors in which it currently operates directly or indirectly, and/or capitalize or purchase shares in the Public Securities Market in compliance with applicable regulations. At the level of Grupo Aval, the cash needs for ordinary use will continue to be funded with the income from dividends, collection of services provided and other sources of core income, and to the extent required, by financial leverage from loans or local or foreign capital market operations. For our subsidiaries, the main source of financing for expected growth will be deposits, financial obligations, bonds and retained capital. In general, Grupo Aval's strategies are aimed at capturing growth opportunities for Grupo Aval in the different businesses in which its subordinates participate. In particular, Grupo Aval could focus on:

i. To increase participation and penetration in the Colombian financial market by seeking:

- to promote and capture the growth potential of the Colombian financial system given the low penetration rates of different financial products (e.g. banking, investments, insurance, etc.) through innovation in products and services,
- strengthen and deepen loyalty plans, digitalization and the creation of ecosystems,
- increase the presence and market share in products and segments that are profitable for their Subordinate entities, and in which they have a market share below the target (e.g., credit cards, mortgage and banking loans, insurance, among others); increase the penetration and use of financial products by the entities' customers through cross-selling and deepening strategies,
- continuously innovate and offer customers more agile products and services that better respond to their needs through the use of advanced analytics and through digital transformation,
- reducing the use of cash and migrating transactions to non-traditional channels that increase banking penetration levels, among others.

ii. Develop and capture operational synergies between the entities through i) the provision of shared services through Aval Valor Compartida (formerly A Toda Hora S.A.) in the different entities that allow savings due to economies of scale; ii) the development of marketing and advertising strategies and campaigns that support the efforts of the entities (e.g. Experiencias Aval, tuplús, dale!); iii) the development of technological solutions; (iv) the development of a common strategy in web and mobile channels; v) the comprehensive management of the Aval

Network of ATMs, banking correspondents and branches, among others; and vi) the continuous growth of the digital transformation strategy, among other fronts.

iii. Analyze new acquisitions and investments: Analyze opportunities to acquire and integrate interests in companies and to make strategic investments where the Issuer identifies the generation of strategic value for Grupo Aval and its subordinates.

3. GUIDING PRINCIPLES OF THE ORGANIZATION

To achieve the organizational objectives, Grupo Aval and its Subordinate entities will develop their activities guided by the following guiding principles of their actions towards the state, society, its shareholders, investors and other *stakeholders*:

3.1. Transparency of information and integrity**:** The Organization recognizes the value of providing clear, complete, correct, and timely information for the adequate knowledge of its financial and non-financial situation, and as a fundamental basis for the relationship with its shareholders, investors, authorities, other stakeholders, and the capital market. In order to achieve its strategic objectives, the Organization will act with prudence and loyalty towards its shareholders and investors regardless of the size of their holdings, and with a commitment to the quality of service to its customers, always within the limits of the applicable regulation, respecting and supporting the strengthening of institutions and collaborating with the authorities in the application and compliance with the law.

3.2. Respect and equitable treatment of its shareholders and investors**:** The Organization shall promote the recognition of the rights of its shareholders and investors and the mechanisms for their legitimate exercise through equitable treatment, a balance between the interests of the different groups of shareholders, and efficient mechanisms for shareholders to express opinions or raise concerns or suggestions about the development of the Organization.

3.3. Excellence and innovation: The Organization's most valuable resource is its people. Grupo Aval and its Subordinate entities are committed to attracting, retaining and developing the most talented and suitable professionals. Appropriate promotion policies will be established, based on merit, and teamwork, innovation, the continuous improvement of our operations, as well as the transversal and horizontal implementation of the best practices that are developed within the different entities that make up our Organization will be encouraged. Grupo Aval and its Subordinate entities recognize that suitable, trained and motivated personnel is a fundamental component for the generation of value.

3.4. Social responsibility: The Organization recognizes and understands its role in the development of society, the importance of financial inclusion, the efficient and clean use of physical resources and support for social causes as part of its social, environmental and economic commitment to contribute to the generation of well-being for the community.

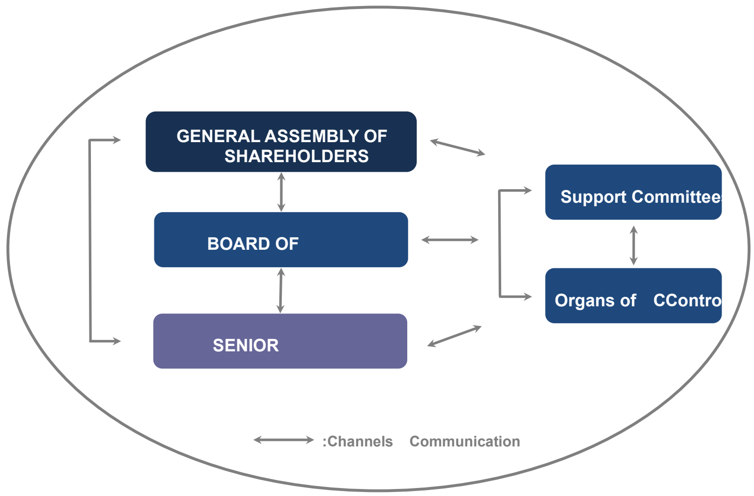
4. ORGANIZATIONAL GOVERNANCE AND CONTROL ARCHITECTURE

As part of its permanent Corporate Governance objectives, Grupo Aval and its Subordinate entities will strive for cohesion in the governance and control architecture of the Organization through a common and shared vision of the key positions within the organizational structure and the performance and coordination of its governing bodies.

Likewise, it will strive for the generation of a comprehensive control system that encompasses the control environment, risk management, internal control systems, information and communication, and monitoring, adequate for the generation of a transparent structure, and homogeneous policies and procedures, aligned for the achievement of the objectives of the Organization.

Without prejudice to the independence of its Subordinate entities and the responsibilities of its own governing bodies, the organizational structure of the entities that make up the Organization must be aligned to ensure the existence of the following levels of governance:

ORGANIZATIONAL GOVERNANCE AND CONTROL ARCHITECTURE



4.1 General Shareholders' Meetings

As the highest management bodies, the General Shareholders' Meetings are crucial for the effective exercise of the political and economic rights of shareholders. For the correct exercise of the rights and compliance with the legal and statutory duties of these bodies at the different levels of the Organization, Grupo Aval and its Subordinate entities will act guided by the corporate principles of respect, equitable treatment, transparency of information and integrity, through the adequate dissemination of the calls and agenda for the Meetings, the provision of clear, timely and complete information for the deliberations to which it may take place, the making of informed decisions regarding the matters within the competence of the meeting and through the establishment of efficient mechanisms for relations with its shareholders, which allow them to be heard and propose matters for consideration to the Assembly, the Boards of Directors and/or Senior Management, as appropriate.

4.2 Boards of Directors

The Boards of Directors of Grupo Aval and its Subordinate Entities, as the highest administrative bodies, are responsible for guiding the strategic policy of the Organization, monitoring and evaluating the management carried out by Senior Management and establishing the governance and control architecture, establishing, directly or through their Support Committees, management and organizational development policies, ensuring compliance with such policies by Senior Management and acting as a means of liaison between Senior Management and the General Shareholders' Meetings when required.

In furtherance of the corporate principle of excellence and innovation, the Boards of Directors of Grupo Aval and its Subordinate Entities shall be made up of members who have the personal suitability, knowledge and professional competence necessary to exercise the responsibilities required by their position for the fulfillment of the strategic objectives of the Organization. Likewise, the Boards of Directors of the Organization shall have the role of generating an adequate balance of power between the Shareholders' Assembly and Senior Management for the strengthening of its corporate governance. In addition, the Board of Directors of Grupo Aval shall urge the establishment of guidelines for the evaluation of the Boards of Directors of its Subordinates, promoting internal and external evaluation to identify continuous improvements in the management of the collegiate bodies, their members individually considered, as well as their Support Committees.

In development of the above, the composition of the Boards of Directors must have an adequate number of members, set in accordance with the characteristics and size of the entity, and that ensures efficiency, impartiality and objectivity of criteria in the exercise of their functions. It is considered that the participation of directors in more than one Board of Directors of the Organization can facilitate strategic orientation, supervision, control and effective administration and contributes to the generation of a homogeneous corporate culture, as well as the development of appropriate communication channels.

The members of the Organization's Boards of Directors must have the necessary time available for the fulfillment of their assignment and meet regularly with sufficient regularity to adequately follow up on the development of the strategic objectives of Grupo Aval and its Subordinate entities, as appropriate.

4.3 Board Support Committees

In order to fulfill their responsibilities, the Boards of Directors of Grupo Aval and its Subordinate entities must have Support Committees, which will be established in accordance with the size, nature and activities of the companies that make up the Organization. Without prejudice to the possibility of direct communication between the Board of Directors and Senior Management, the Support Committees will have among their purposes to act as channels of communication between these governing bodies.

Likewise, the Support Committees, through their chairmen, when required by the General Shareholders' Meetings or when at the discretion of the respective Support Committee it is deemed necessary, must be able to present to the General Shareholders' Meetings, specific reports on the work carried out by the respective Committees and the matters dealt with during a certain period.

In addition, in the case of Grupo Aval, as the parent entity, the Support Committees will serve to facilitate the corporate strategic orientation, and the supervision, control and effective administration of the governance and control architecture of the Organization, acting as a channel of dialogue with the Support Committees of the Subordinate entities or with the Boards of Directors of such entities in cases where there is no Support Committee with functions similar to those of the parent entity.

The Support Committees, in accordance with the dimension of the responsibilities entrusted by the Boards of Directors, must meet with sufficient frequency to adequately monitor the development of the strategic objectives of Grupo Aval and its Subordinate entities, as appropriate.

4.4 Senior Management

The key management positions of Grupo Aval and its Subordinate entities are made up of the presidents of the entities, main executives, personnel in charge of the control, risk and audit areas, responsible for the ordinary course of business and in charge of conceiving, executing and monitoring the objectives and strategies of the Organization.

Senior Management must have sufficient authority, experience, knowledge, competence and resources necessary to carry out their assignments in a loyal and responsible manner to the Organization, its shareholders, investors and other stakeholders.

The work of Senior Management is structured under two approaches within the Organization. On the one hand, Grupo Aval's Senior Management, as the parent entity, is dedicated to supporting the generation of value for the company and its subordinate entities through the management, guidance, support and supervision in the development of its business models.

On the other hand, the management of Grupo Aval's Senior Management is supported by the work of the Senior Management teams of the Subordinate entities as specifically responsible for the execution of the strategy and business plans of such entities, which must be aligned with the execution of the Organization's strategy and business plans.

Under this structure, the management teams of the Subordinate entities are directly responsible for the concrete results of these entities, counting for this purpose with autonomy in decision-making that allows them to meet their own objectives as components of the objectives of the Organization.

Grupo Aval's Senior Management will play a fundamental role within the governance and control architecture of the Organization, concentrated, from a corporate point of view, on:

- Define the strategic approach of the Subordinate entities for the fulfillment of organizational objectives.
- Define the organizational structure of governance and control.
- Identify, measure, monitor and control in a homogeneous and effective manner the risks that affect the Organization at the consolidated level and by entity.
- Define corporate policies and guidelines for the comprehensive management of risks that affect the Organization's activities.
- Identify, analyze and achieve synergies between Subordinate entities seeking to capture the benefits of economies of scale and the transmission of best practices.

For its part, the work of Senior Management within the Subordinate Entities will be aimed at complying with the strategic plans defined by its own governing bodies within the framework of corporate policies and guidelines and reporting sufficient and adequate information to the Senior Management of Grupo Aval for the monitoring and assessment of compliance with the objectives and risk management at the corporate level.

For the implementation of an adequate governance and control architecture, the Senior Management of Grupo Aval and its Subordinate entities will maintain clear reporting lines with visible managers in each entity to identify, measure, monitor and control the risks inherent to their areas.

It will be part of the permanent purposes of the governance and control architecture of the Organization to verify that the Subordinate entities operate under a homogeneous and aligned corporate framework. As part of this work, the Support Committees of the Board of Directors constitute an efficient body to monitor and give guidelines related to the work carried out by Senior Management for this objective.

4.5 Control Bodies

The Control Bodies, made up of the internal audit and comptroller areas and the external audit and fiscal audit firms, play a fundamental role in the governance and control architecture of the Organization.

The internal audit and control areas of Grupo Aval and its Subordinate entities, as they are part of the Organization's personnel structure, benefit from continuous and timely knowledge of the way in which the respective managers generate and apply the policies and procedures established for risk management and internal control. For their part, the fiscal auditors and external auditors are a valuable support for Grupo Aval and its Subordinate entities by having an exogenous and impartial opinion about the control environment and the risks that affect the activities carried out by the Organization, allowing the detection of weaknesses in the entity's internal processes and the identification of corrective action plans, as well as opportunities for improvement thereof.

Grupo Aval and its Subordinate entities must strive for the creation of a structure of Control Bodies with personal and professional suitability, with adequate conditions to carry out their work within a framework of independence and autonomy aimed at verifying the correct application of policies, procedures and regulations for the comprehensive management of the risks that affect the Organization.

The Control Bodies established in Grupo Aval and its Subordinate Entities must have the possibility and duty to interact with the different corporate governance bodies when required to report on the development of their activities and findings. Within this communication framework, permanent interaction between the Control Bodies and the Support Committees must be ensured as a reinforcement mechanism for the fulfillment of the functions entrusted by the Boards of Directors to said Committees.

5. INTRA-GROUP TRANSACTIONS

Preliminary Clarification:

As a result of the implementation of the rules on Financial Conglomerates in Colombia, Grupo Aval issued the Policy for the Identification, Communication, Administration and Control of Financial Conglomerates.
Conflicts of Interest of the Aval Financial Conglomerate, which applies to: i. operations between the entities that make up the Aval Financial Conglomerate, ii. operations between entities that make up the Aval Financial Conglomerate and their related parties and iii. operations between entities that make up the Aval Financial Conglomerate and their administrators.

In accordance with the foregoing clarification, it is clarified that the provisions of Section 5.4 of this chapter "*5.4 Mechanisms for resolving possible conflicts of interest in intra-group transactions*", applies only to transactions carried out between subordinate entities of Grupo Aval that are not covered by the aforementioned Policy for the Identification, Communication, Administration and Control of Conflicts of Interest of Conglomerate Financiero Aval.

5.1 Main areas of activity and possible common businesses and services

Part of the Organization's strategic objectives focuses on developing and capturing synergies between Grupo Aval and its Subordinate entities through the provision of shared services in the different entities. The foregoing, in order to achieve savings and greater competitiveness in products, services, processes and costs, through the following activities:

- Unification of corporate processes and applications, ensuring that the entities that make up the Organization have the best technological resources to design modern, cost-effective products and services that can be offered in a timely manner (*time-to-market).*
- Centralized corporate negotiations of hardware, software, and other goods and services seeking to obtain volume cost savings.
- Design and implementation of processes, through third parties or entities of the Organization, that allow generating competitiveness in the market through economies of scale among the Subordinate entities.
- Centralization in the design of products and services that generate a positive impact, modernity and innovation in the image of Subordinate entities.

In addition to the provision of shared services, the Subordinate entities of the Organization may eventually enter into transactions among themselves that are part of their financial activity, including credit operations, foreign exchange intermediation operations and intermediation in the securities market.

5.2 Criteria for determining the price and conditions of common businesses and services

In the provision of shared services for the benefit of the entities that make up the Organization, the determination of prices and conditions of intra-group businesses and services must be carried out under schemes and philosophies of equity, proportionality and respect for the minority shareholders of the entities that make up the Organization. To determine the prices applicable to this type of operation, criteria will be taken into account regarding the volume of transactions, number of customers and processing capacity used in the product, service or process, among others.

For their part, in the execution of intra-group transactions related to the financial services and products offered by the Subordinate entities, the entities that make up the Organization must at all times strictly comply with the applicable regulations, as well as with the policies and procedures of the Organization that regulate this type of operations. In particular, with regard to the establishment of counterparty quotas, exposure limits applicable by type of operation, and the obligation to carry out such operations in economic terms and prevailing market conditions, as well as the need to make disclosures to the market through the mechanisms provided for this purpose, such as their inclusion in the financial statements and the publication of relevant information when appropriate.

5.3 Guidelines for carrying out intra-group transactions

In order to take advantage of synergies and carry out operations between the companies of the Organization, Grupo Aval and its Subordinate entities will act under the premise of respect for their minority shareholders and other stakeholders. In this regard, intra-group operations will include the following guidelines, aimed at regulating this type of transaction and generating an adequate balance between the best interest of the Organization and that of the minority shareholders of the entities that make up the Organization:

- Grupo Aval and its Subordinate Entities shall keep a permanent record of the transactions carried out with entities of the Organization, identifying the type of operation, its purpose, economic conditions and authorizations received when applicable.
- Grupo Aval and each Subordinated Entity shall establish debt or exposure limits and carry out constant monitoring of intra-group operations, observing for this purpose the restrictions set forth in the applicable regulations.
- Any intra-group transaction must be fully identified in the accounts of the respective entities. In this regard, the accounting and, where required in compliance with the applicable regulations, the respective disclosure in the financial statements must be verified.
- Significant transactions must be identified and supported based on their materiality.
- Levels of authorization must be defined within the governance and control structure, assigned as appropriate according to the magnitude and type of transaction, preserving the evidence of such authorizations.
- It must be verified that intra-group transactions are carried out for consideration, at prices and under market conditions, maintaining a financial balance in the relations between the entities participating in the operation and preventing them from affecting the ability of any of the entities to meet their obligations in a timely manner.

In the development of this Institutional Relations Reference Framework, Grupo Aval and its Subordinate entities must have policies and procedures applicable to the performance of operations between the entities that make up the Organization.

5.4 Mechanisms for resolving possible conflicts of interest in intra-group transactions

When it is considered that the performance of a certain intra-group transaction could represent possibl situations of conflicts of interest between the participating entities, they must:

- Inform its competent bodies of the interest of the entities in carrying out the respective operation, informing its elements, the reasons that justify and make it necessary to carry out the operation and the considerations to be taken into account for the purposes of analyzing the viability of the operation.

- The competent bodies of each entity participating in the transaction shall assess the transaction and the elements that represent possible situations of conflicts of interest and shall indicate their agreement with the transaction, or whether the entities should refrain from carrying it out, or whether it can be carried out subject to the modification of certain conditions, or whether the execution of the transaction must be submitted to the consideration of their respective General Shareholders' Meetings.

If there is no different body designated to hear about them, the Board of Directors of each entity will approve or not the operation. For those operations that, in the opinion of the Boards of Directors of the participating entities, are relevant or material, the approval of three quarters of the members present will be required, including within said majority the affirmative vote of the independent members.

For decision-making by the competent bodies in the participating entities, the valuation of the operation must consider at least the following aspects:

a) The qualitative or quantitative criteria used to determine the materiality of the transaction.
b) The respect of the operation for the equal treatment of shareholders.
c) The price or value of the transaction and respect for market conditions.
d) The moment of revelation.

In the event that the decision of the competent bodies of the participating entities coincides in the need to submit the transaction to their General Shareholders' Meetings, the General Shareholders' Meetings of the participating entities will be convened, clearly and sufficiently informing them of the matter to be called. The participating companies must provide their General Shareholders' Meetings with sufficient and clear information that allows them to generate an informed opinion and will proceed in accordance with the decision taken by said bodies.

Each entity of the Organization, in accordance with its activities and business, must identify the situations that represent or may represent possible conflicts of interest. Notwithstanding the foregoing, some possible situations of conflicts of interest among the participating entities that generate the need to apply the mechanisms mentioned above are described below:

- Operations outside the ordinary course of business of the participating entities.
- Operations that may involve the assumption of risks outside the risk policies of the respective entity.
- Operations at prices other than market prices.

- Transactions whose terms include terms that do not conform to market practices.
- Transactions that may represent a detriment to any of the participating entities or that can be understood as favouring a certain entity to the detriment of another.

Once the execution of the intra-group operations has been approved by the corresponding governing bodies, they must be carried out in full compliance with the policies and procedures established by each Subordinate entity in development of the corporate guidelines of Grupo Aval as the parent company. In addition to the intra-group transactions mentioned herein, there are duties related to the execution of transactions with related parties whose scope is broader, since it includes transactions entered into with shareholders, directors, officers and their related parties. Such operations must have their own policies and procedures in accordance with the applicable regulations and the corporate guidelines of the Organization.

6. ADOPTION AND IMPLEMENTATION OF THE FRAMEWORK

This Institutional Relations Framework was considered within Grupo Aval and its Subordinate entities and approved by its Boards of Directors for mandatory compliance, as follows:

Entity	Initial Approval Date	Date of Approval Amendment No. 2
Aval Group	October 28, 2015	November 27, 2024
Banco de Bogotá	November 17, 2015	
Banco de Occidente	December 11, 2015	
Banco Popular	November 23, 2015	
Banco AV Villas	November 23, 2015	
Future	November 11, 2015	
Corficolombiana	November 25, 2015	

The Institutional Relations Framework must be developed within Grupo Aval and its Subordinate entities through the different governance and control documents, in coordination with the respective areas of the parent company. Likewise, it will be the duty of the Subordinate entities to ensure the adoption and implementation of this Reference Framework within the entities that make up their own organization.