



# Findeter

Banca de Desarrollo Territorial

## **CORPORATE GOVERNANCE CODE**

**CODE: PES-DA-008  
VERSION: 5**

**Bogota, August 30, 2022**

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## **I - Presentation of the Corporate Governance Code**

### **A. Purpose**

FINDETER'S Corporate Governance Code provides the set of values, policies, mechanisms and instruments, processes and best practices within which the Entity's corporate governance actions are framed and regulated and based on which it manages risks under a control system that ensures transparency, efficiency and accountability and, in particular, that seek to build trust in FINDETER'S sustainable management among stakeholders, market and citizens.

### **B. Principles**

The principles of Corporate Governance are:

- Transparency
- Trust
- Accountability
- Sustainability

### **C. Recipients**

The recipients of Findeter's Corporate Governance Code are its stakeholders, namely: Management and Governing Bodies, the Government, Supervisory Agencies, Funding Partners, Customers, Community, Collaborators, Contractors, Suppliers of Goods and Services, Opinion Leaders/Media.

## **II - FINDETER Presentation**

### **A. Nature and Position**

Financiera de Desarrollo Territorial S.A. – FINDETER is a national public-private partnership different from an industrial and business State-owned enterprise, organized as a joint-stock credit institution under private law, attached to the Ministry of Finance and Public Credit and supervised by the Financial Superintendence of Colombia. FINDETER is not in a subordination position, has no parent or controlling companies, or subsidiaries or subordinate companies. It is governed by Act 57 of 1989, Decree 4167 of 2011, and articles 268 et seq. of the Organic Statute of the Financial System, as amended.



## **B. Corporate Purpose**

FINDETER'S corporate purpose is the promotion of regional and urban development, through financing and consulting on the design, execution and management of infrastructure and environment investment projects or programs.

In developing its corporate purpose, FINDETER has consolidated its position as the leading development bank that improves the quality of life of Colombians, in pursuit of the country's sustainable development.

## **C. Operations and Sectors**

### **Operations**

In developing its corporate purpose, FINDETER is authorized to carry out the following operations:

- a) On-loan credits to public entities, to private law entities and free-standing trusts, as well as to juridical persons of public international law.
- b) Rediscount lease agreements under the terms and conditions set out by the National Government.
- c) Raising internal savings by issuing securities and signing other documents, and enter into internal loan agreements.
- d) Receive term deposits or readily available deposits from public entities.
- e) Execute external loan operations.
- f) Manage securities issues
- g) Execute trust, guarantee, agency, or payment agreements, and enter into trust agreements to manage the resources transferred by other public entities.
- h) Provide technical assistance, project structuring, and technical and financial consulting services.
- i) Manage third party securities.
- j) Issue guarantees.

- k) Create lines of credit with compensated rate, including lines to promote microcredits, provided that the resources equivalent to the amount of the subsidy come from the Nation, public entities, territorial entities or private entities, upon authorization of the National Government and approval and regulation of the Board of Directors.
- l) Acquire, negotiate or sell movable or immovable property to ensure the execution of the corporate purpose.
- m) Transfer, accept to endorse or negotiate securities.
- n) Pay off employment liabilities and the costs of executing employee retirement plans when they are part of programs for the restructuring or transformation of public utilities, leading to improvements in the efficiency of their provision.
- o) Grant financing to its employees, derived from the ordinary execution of their employment relationship and the social welfare policy, subject to the general rules issued by the Board of Directors or as a result of collective agreements or conventions.
- p) Execute any and all kind of agreements whose object is to develop the corporate purpose.
- q) Authorize the decentralized entities of territorial entities to mediate on-loan operations.
- r) Invest in Private Equity Funds whose investment policies are related to FINDETER'S corporate purpose.

### **Conditions of Credit Operations**

FINDETER conducts all its credit operations using the on-loan system, through credit institutions or entities duly authorized by law.

### **Sectors**

FINDETER carries out its activities in different sectors of the national economy, such as drinking water and basic sanitation, housing, transportation, healthcare, education, energy, sports, recreation and culture, tourism, telecommunications and fiscal restructuring, among others.

## **D. Strategic Management**

The CEO and his Management Team keep the Entity's Strategic Management up to date, which supports the commitment to comply with the mission, vision, value proposition, ethical principles, values and the Corporate Strategic Plan.

### **Mission**

We are the strategic partner of the National Government and Territorial Entities for the planning, structuring, financing and execution of sustainable projects that transform territories.

### **Vision**

By 2022 we will be the leading Development Bank with integrated services, increasing our coverage nationwide, supported by an efficient and profitable structure that promotes the country's sustainable development.

### **Value Proposition**

Be recognized for our relevant planning, timely structuring, competitive financing, and effective execution.

### **Ethical principles**

Our Ethical Principles are:

- a) We act according to established institutional values.
- b) We make FINDETER a solid, profitable and sustainable institution for the country's development.
- c) We act with the philosophy of continuous improvement.
- d) We make the general interest prevail over personal interests.
- e) We work as a team promoting active participation.
- f) We promote and encourage the improvement of the quality of life of workers.
- g) We know and apply the legal provisions that govern the Company's activities.
- h) We manage resources effectively.

### **Values**

Our Values are:

- a) **Integrity.** We always act based on honesty, fairness, truth, fulfilling our duties with

transparency and righteousness, always favoring the general interest. We act impartially, guaranteeing people's rights, with equity, equality and without discrimination. We are consistent between what we think, feel and do.

- b) **Respect.** We recognize, value and treat all people with dignity, without distinction as to race, gender, sexual orientation or political affinity, with their strengths and weaknesses alike, regardless of their work, origin, titles or any other condition.
- c) **Commitment.** We are aware of the importance of our role as FINDETER workers and we are willing and diligent to understand and solve the needs of the people with whom we interact on a daily basis. We give our best and act responsibly in the use of FINDETER'S resources.
- d) **Teamwork.** We join forces to achieve common objectives, fulfilling the assigned duties, roles and responsibilities with care, promptness and efficiency, to optimize the use of resources.
- e) **Willingness to Serve.** We understand and meet the needs and expectations of our stakeholders.
- f) **Innovation.** We are open to change and always look for new and better ways of doing things.

## **E. Human Rights in the Organization**

As part of its Responsible Action/Sustainability policy, FINDETER is committed to guaranteeing, promoting and respecting Human Rights (HR) in all its activities and with all its stakeholders, contributing to the sustainable, fair and equitable development of Colombian society.

To achieve this, the following principles will be observed in their respective processes: 1. Guarantee, respect and promotion of human rights with all its stakeholders. 2. No discrimination based on race, sex, sexual orientation or political affinity. 3. Sustainable Environmental Management, not compromising the resources of future generations with our present activities. 4. Respect for communities, especially minority groups

## **F. Corporate Strategic Plan**

In FINDETER, the Corporate Strategic Plan is the tool for organizing, planning and executing strategic activities, programs and projects under best practices in internal management and, in turn, allows addressing the development of inherent policies of the

National Government, the behavior of eligible sectors, the market and the financial sector. Its annual execution is through projects of the Action Plan, which are monitored based on their initial planning. With the Strategic Plan, the Entity carries on with the established plans and creates alerts to address situations that may arise from the behavior of the environment, the competition, the market and regulations, among others.

The cornerstone of the Corporate Strategic Plan’s implementation is the application of the policy and objectives of the Integrated Management System - IMS (Quality Management System, Internal Control Standard Model - MECI / Internal Control System - ICS) and the different Risk Management Systems of (RMS). These aspects will be directly involved in the Company’s processes, integrated management and results.

**G. Stakeholders**

The Company’s stakeholders are the groups of people or organizations with which FINDETER interacts in developing its corporate purpose.

| <b>Stakeholders</b>             | <b>Description</b>   | <b>Findeter’s Commitment</b>   |
|---------------------------------|--|--|
| Supervisory Agencies            | Internal and external supervisory agencies that fulfill different functions of surveillance, monitoring and control over the operations, obligations and activities of Findeter. Focused on ensuring efficiency in the management of resources and statutory functions.<br><br>Financial Superintendence, Inspector General’s Office, Comptroller General’s Office, Accountant General’s Office. | Keep a fluid and cooperative relationship; follow recommendations and instructions diligently and appropriately.   |
| Government                      | Authority in charge of providing guidelines for Findeter’s management and performance.<br>Presidency of the Republic, Ministries.  | Support the National Government and the implementation of public policies derived from the Development Plan. Efficiently and timely follow the requirements and guidelines established. Collaborate with the good performance of the procedures entrusted by the sector. |
| Management and Governing Bodies | The internal governing bodies that dictate the ethical standards, principles and procedures under which Findeter must be governed and operated.<br>Board of Directors, Shareholders  | Respect the rights conferred upon them by law, bylaws and those derived from their shareholding interest.<br>Comply with shareholder   |

|                  |   |  |
|------------------|---|--|
|                  | (partners and owners of the company in proportion to their interest), Management, Directors. The Ministry of Finance is the majority shareholder. The Financial Holding is included among the Shareholders.   | guidelines.  |
| Funding Partners | Creditors, investors, multilateral and bilateral banks, cooperation agencies, and any entity that contributes funds to Findeter and are its strategic allies. Investors are those who acquire loans, term deposits, or other credit instruments, placed by Findeter and those who acquire Findeter shares as of the issuance of Decree 4167 of 2011. Multilateral banks are banks that support development in emerging countries by granting loans under favorable financial conditions and technical assistance in planning, structuring, and project execution.   | Ensure that investors have equal treatment in accordance with their nature and under the terms established by law.<br>Regarding Creditors, respect the negotiating terms, building trust in the management process.<br>Efficiently manage resources, generating economic and social value. |
| Customers        | Juridical, public persons (national and Quality and opportunity in the provision of services and territorial products), financial and non-financial intermediaries, private entities with which Findeter has a relationship through financial and non-financial operations with its business lines for the country's development. <u>Public Customers:</u> Governments, Mayors, Administrative Departments, Decentralized Entities, Ministries, DNP, CAR, ESE, ESP, EPS.<br><u>Private Customers:</u> Commercial banks, commercial finance companies, financial institutions, large, small, medium-sized companies. | Provide timely, efficient and quality products and services.   |
| Community        | Beneficiaries, Community groups and organizations, social leaders located in the areas of influence of the projects.  | Understand the needs of the territories through dialogue and collaboration, acting with integrity and building trust. Respect and ensure their rights and their socio-economic context.  |
| Contractors      | Natural or juridical persons that provide technical assistance services in  | Maintain relationships of trust with efficiency and opportunity.   |

|   |                                  |   |
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|  | <b>CORPORATE GOVERNANCE CODE</b> | <b>Code:</b> PES-DA-008<br><b>Version:</b> 5<br><b>Date of approval:</b><br>30-Aug-2022 |
|---|----------------------------------|---|

|                                 |   |   |
|---------------------------------|---|---|
|                                 | Planning, Structuring, Execution. Trust Companies, Consultants.   | Promote a transparent and timely dialogue.  |
| Suppliers of Goods and Services | Natural or juridical persons hired by Findeter for the provision of a service or the purchase of a product  | Maintain relationships of trust with efficiency and opportunity through transparent and timely dialogue.  |
| Collaborators                   | All those people linked to the entity and who constitute its main resource. They participate in the Findeter-Syndicate mission processes and activities.                                  | Promote an adequate organizational climate for the optimal development of institutional activities and the human development.                                     |
| Opinion Leaders/Media           | Media, columnists and people of influence in public opinion and union leaders for whom we are a source of information and who have an impact on the stakeholders' perception of Findeter. | Provide timely and relevant information on the entity's management, management capacity and the generation of positive impacts on the development of territories. |

### III - Corporate Governance Policies

#### A. Management Policies

The Company's management policies are born from the decisions of the General Shareholders' Meeting, Board of Directors and CEO. In turn, the CEO and his Management Team are responsible for the adherence to the management policies and carrying out the actions that lead FINDETER to fulfill its Mission and achieve its Vision in accordance with the Strategic Management adopted by the governing bodies.

Each of these bodies will carry out its duties in accordance with the provisions of the Colombian Code of Commerce and the Organic Statute of the Financial System, the Corporate Bylaws and the Corporate Governance Code.

#### 1. General Shareholders' Meeting

The General Shareholders' Meeting is the Company's top governing body and is the formal space where shareholders exercise their rights. It is governed by the provisions of the Law, the Corporate Bylaws and the Rules of the General Shareholders' Meeting contained in Annex 1 hereto.

## **1.1. Shareholders**

The Nation, national, department, district or municipal public entities, national or foreign natural and juridical persons, international organizations, legal persons of international public law and the Colombian Central Bank may be shareholders of FINDETER.

Shareholders other than the Nation may not have a shareholding interest greater than thirty percent (30%) of the capital stock.

## **1.2 Shareholder Rights**

Each share confers upon its owner the following rights:

- a) Participate in the discussions of the General Shareholders' with voting power.
- b) Trade shares, within the limits set out in the Law and the Corporate Bylaws.
- c) Freely, at their discretion and when they consider it pertinent, inspect the books and corporate papers fifteen (15) business days prior to the General Shareholders' Meetings in which the year-end balance sheets and financial statements are analyzed. The same procedure shall apply for the publishing of the annual report approved by the General Shareholders' Meeting, which will include at least the financial statements and notes thereto, the Independent Auditor's opinion and an analysis of the Company's progress.
- d) Request FINDETER, when required, copies of the annual report approved by the General Shareholders' Meeting.
- e) Hire specialized audits to be executed in FINDETER.
- f) Exercise any other duties conferred upon by law and the Corporate Bylaws.

Everything related to the operation of the General Shareholders' Meeting is contained in the Bylaws and in Annex 1 Rules of the General Shareholders' Meeting.

## **1.3 Additional measures for the protection of shareholders**

To protect the rights and fair treatment of shareholders, the Company will implement the following measures in addition to those required by law:

- a) Explain in detail to shareholders the operations that may result in equity dilution of



minority shareholders, for example, capital increase waiving the right of first refusal in the subscription of shares, merger, spin-off or demerger, among others. The measure to be adopted will be initially reported to the Board of Directors, which may appoint an independent external advisor, with recognized relevant experience and good reputation, to issue a “fairness opinion” on the terms of the transaction.

- b) Ensure maximum dissemination and distribution of meeting calls and documents related to the issues to be discussed in the meeting’s agenda using the traditional means provided by law, as well as electronic means such as the corporate website, e-mails and even social networks. In developing this measure, FINDETER will make available to shareholders, prior to the General Shareholders’ Meetings (either ordinary or extraordinary), the following information on the website: i. Call notice (date, time and place), ii. Outlined agenda, iii. List of candidates nominated by shareholders to be part of the Board of Directors when the election is part of the agenda of the General Shareholders’ Meeting, once said list is known.
- c) Through these same electronic means, shareholders can request any relevant information or clarifications related to the Company regarding the issues included in the Agenda of a Shareholders’ Meeting, with the documentation received and, in general, on any subject of interest related to the Company.

This information will be made available simultaneously to the other shareholders, in order to ensure its dissemination and fairness. Nevertheless the Company, through its different bodies and with legitimate reason, shall be entailed to deny the delivery of the information when it has legal reserve, is confidential or is considered unreasonable and irrelevant.

#### **1.4 Selection policies for the Security Holders’ Legal Representative**

In the event that FINDETER has any debt securities issued in the public securities market that, in accordance with current regulations, require Security Holders to have a Legal Representative, the Company will select a juridical person with legal capacity and sufficient experience to protect the security holders’ interests. The security holders’ legal representative must certify that they are not involved in any of the inabilities and incompatibilities established by law.

The investors’ meetings, calls, quorum, agenda and proposals, duties or responsibilities, regulations, and all aspects related to the figure of the security holders’ legal representative will be established according to the provisions of Decree 2555 of 2010, as amended, complemented or replaced, and other current applicable standards.

## **2. Board of Directors**

As one of the highest governing bodies in FINDETER, the Board of Directors determines the Company's general management and development policies, ensures that the CEO and his Executive Group comply with and observe the policies in question and liaises with shareholders. The Board's actions seek the best results for the Company.

The FINDETER Board of Directors shall consist of five (5) principal members and five (5) personal alternates, each elected by the General Shareholders' Meeting for two (2) year periods. At least three (3) members must be independent members. The Majority Shareholder will submit a proposal with the resumes of the candidates in the respective session, where they will be elected by the General Shareholders' Meeting

The Board of Directors acts in accordance with the provisions of the Law, the Corporate Bylaws, and the Rules of the Board of Directors contained in Annex 2 of this Code.

### **2.1 Evaluation**

The activities of the Board of Directors as a collective body and its committees will be evaluated annually through a self-evaluation process, coordinated by the Chairman of the Board and the Corporate Governance Committee. The self-evaluation will consider at least the following: their monitoring of the main affairs of Findeter; the evaluation of their tasks and their contribution to define the strategies and projection of the Company; their adherence to corporate principles; compliance with the provisions of the Corporate Governance Code; their knowledge of the Company; attendance at meetings; and active participation in decision-making.

The self-evaluation may be complemented with the relevant guidelines issued by the General Directorate of State Participations of the Ministry of Finance and Public Credit or with a third-party evaluation, as determined.

The results of the evaluation will be incorporated into Findeter's Annual Corporate Governance Report.

### **2.2 Remuneration**

Both Principal and Alternate members of the Board of Directors will be paid equally for their attendance at ordinary and extraordinary meetings and at the supporting Board Committees, in accordance with the remuneration scheme of Resolution No. 1290 of June 23, 2020, issued by the Ministry of Finance and Public Credit, as amended or replaced.

The Chairman of the Board will be recognized additional 20% fees, by virtue of the duties and obligations of the position, which represent additional efforts.

### **2.3 Committees that support the management of the Board of Directors**

To fulfill its duties, the Board of Directors has the advice and support of the following committees: Audit Committee, Asset-Liability Committee (ALCO) Corporate Governance Committee and the Credit Committee, which act as filter and strengthen the objective analysis of the Board's decisions. They will report periodically to the Board on the development of their activities.

Each of the support committees of the Board of Directors will submit a semi-annual report on their activities throughout that period.

#### **2.3.1 Audit Committee**

The Audit Committee supports the Board of Directors in making decisions regarding the control and improvement of the Internal Control System (ICS). The Audit Committee is responsible for defining the structure and supervision of the operation of FINDETER'S Internal Control systems, to determine whether the designed procedures reasonably protect the Company's assets, ensuring the transparency and proper use of financial information, and acts in accordance with the provisions of External Circular 029 of 2014, issued by the Financial Superintendence of Colombia, as amended or replaced.

##### **2.3.1.1 Composition**

It consist of four (4) Board members, most of them independent.

##### **2.3.1.2. Duties**

The Audit Committee will have the following main duties:

- a) Propose for the Board's approval the structure, procedures and methodologies necessary for the operation of the Internal Control System.
- b) Submit to the Board of Directors the proposals related to the responsibilities, duties and limits assigned to the different positions and areas with respect to the management of the Internal Control System, including risk management.
- c) Evaluate the structure of the Company's internal control, to determine whether the

procedures designed reasonably protect the Company's assets, as well as third-party assets managed or safeguarded by the Company, and whether or not there are controls to check the proper authorization and registration of transactions.

- d) Inform the Board of Directors whenever the managers fail to comply with their obligation to supply the information required by the control bodies to carry out their duties.
- e) Ensure that the financial information is prepared, presented and disclosed in accordance with the provisions of the applicable regulations, verifying that the necessary controls are in place.
- f) Review the financial statements and prepare the corresponding report for the Board's consideration, based on the evaluation not only of the corresponding projects, with accompanying notes, but also of the opinions, observations of the supervisory agencies, results of the evaluations carried out by the competent committees and other related documents.
- g) Propose programs and controls to the Board of Directors to prevent, detect and respond appropriately to the risks of fraud and misconduct, understanding fraud as an intentional act committed to obtain an illegal profit, and misconduct as the violation of laws, regulations or internal policies, and evaluate the effectiveness of said programs and controls.
- h) Supervise the duties and activities of the internal audit, to determine its independence and objectivity in relation to the audited activities, discover any limitations that prevent its adequate performance and check whether the scope of its work satisfies the control needs of the Entity.
- i) Monitor the risk exposure levels, their implications for the Company and the measures adopted for their control or mitigation, at least every six (6) months, or more frequently if appropriate, and submit to the Board of Directors a report on the most important aspects of the procedures carried out.
- j) Evaluate the internal control reports prepared by the internal auditors, the Comptroller General of the Republic, the Financial Superintendence of Colombia, the regulatory comptroller or other bodies, verifying that management has addressed their suggestions, recommendations and implemented the action plans.
- k) Monitor compliance with the instructions given by the Board of Directors or equivalent body in relation to the Internal Control System.

- l) Request the reports it deems appropriate for the proper performance of its duties.
- m) Analyze the operation of information systems, their reliability and integrity for decision making.
- n) Present to the highest governing body, through the Board of Directors, the candidates for the position of Independent Auditor, notwithstanding the right of shareholders to present other candidates at the respective meeting. In this sense, the Committee shall be responsible for compiling and analyzing the information provided by each of the candidates and submit the results of the assessment for consideration of the highest governing body.
- o) Prepare the report that the Board of Directors must submit to the highest governing body regarding the operation of the Internal Control System, which must include at least the following:
- The general policies set out for the implementation of the Company's ICS.
  - The process used to review the effectiveness of the ICS, with special attention to aspects related to risk management.
  - The most relevant activities carried out by the Audit Committee.
  - The material deficiencies detected, the recommendations made and the measures adopted, including, among others, those that could affect the financial statements and the management report.
  - The observations made by the supervisory agencies and the sanctions imposed, where applicable.
  - Present the work evaluation conducted by the internal audit, including, among others, the scope of the work, the independence of duties and the resources assigned.
- p) Approve the Company's Annual Audit Plan presented by the Head of Internal Control or whoever acts as such, make suggestions and follow up on the recommendations on the plan's execution, in accordance with the provisions of the audit bylaws, based on prioritizing critical issues according to the risk management.
- q) Approve the Internal Audit Bylaws and the Auditor's Code of Ethics, and verify their compliance.

- r) Serve as an instance to settle any differences that arise during the internal audit exercise.
- s) Know and resolve conflicts of interest that affect the independence of the audit.
- t) Submit semi-annual reports on its management throughout that period.
- u) Any others set out by the Board of Directors in its internal rules.

The Committee shall meet every two (2) months, or more frequently, as required by the results of the ICS evaluations, or whenever certain deficiencies are detected in the Internal Control System that require an evaluation and urgent corrections or in case of significant changes in the Company's policies or the rules that regulate its operations.

The Committee will meet with half plus one of its members and will decide with half of the attendees.

The Committee, when deemed appropriate, may invite other FINDETER executives and employees to its meetings, to give explanations about Internal Control issues, who will have voice but no vote.

The decisions and actions of the Audit Committee must be recorded in the minutes. The documents known to the Committee that support its decisions must be an integral part of the minutes; therefore, if not transcribed, they must otherwise be submitted as an annex to the minutes.

The Head of the Internal Management Control Office will act as the technical secretary of the committee, who shall be in charge of the calls, preparing, collecting and filing the minutes, as well as monitoring the evolution of the tasks assigned therein.

When situations of significant importance are detected, a special report must be sent to the Board of Directors and the Legal Representative.

The Board of Directors must report the work carried out by this Committee to the General Shareholders' Meeting at the end of the fiscal year.

### **2.3.2 Corporate Governance Committee**

The Corporate Governance Committee supports the activities of the Board of Directors regarding FINDETER'S corporate governance. Its purpose is to recommend to the Board of Directors systems for the adoption, monitoring and improvement of best

practices in the organization and other duties assigned by the corresponding rules.

### **2.3.2.1 Composition**

FINDETER'S Corporate Governance Committee will consist of three (3) Board members appointed by the Board of Directors. At least one (1) of the members will be independent and will be chaired by one of them. The duties of the members of the Corporate Governance Committee will cease by their own will or by the non-renewal of their position as FINDETER Board members.

### **2.3.2.2 Duties**

- a) Propose to the Board of Directors adjustments and reforms for the correct execution of the Corporate Governance Code when deemed necessary.
- b) Study the reform proposals to the Corporate Governance Bylaws and Code related to the company's corporate governance and present any amendments, updates and repeals of Corporate Governance provisions.
- c) Organize the annual self-evaluation process of the Board members in accordance with commonly accepted self-evaluation methodologies.
- d) Review the results of the annual self-evaluation of the Board's management, and make suggestions for the better operation of the Board, taking advantage of the resources and technology available.
- e) Prepare for the Board's consideration a preliminary evaluation of the performance of the CEO of FINDETER.
- f) Review the Annual Corporate Governance report submitted by the CEO to the Board of Directors, ensuring that it reflects compliance with the Corporate Governance policies adopted by the Company, as well as the changes implemented at year end.
- g) Check the annual report prepared by the investor relations area of the Finance VP, on the activities carried out to comply with the best practices of disclosure of information to the Company's investors.
- h) Ensure that the induction process of the new Board members is followed and promote the training and updating of the members on issues related to the powers of the Board of Directors.
- i) Analyze the cases of conflict of interest related to the CEO and report to the Board

of Directors for a final decision.

- j) Monitor the progress of FINDETER'S Strategic Planning and make recommendations for setting goals and indicators prior to the presentation of the Board of Directors.
- k) Recommend for the Board's approval any modifications to the payroll, the organic structure and the remuneration scales of the positions in the different categories.
- l) Submit to the Board of Directors, through the Chairman of the Committee, an annual report of the Corporate Governance Committee, indicating the number of ordinary and extraordinary meetings held and the recommendations and decisions adopted therein.
- m) Submit a semi-annual report regarding its activities throughout that period.

The Committee shall meet three (3) times a year and extraordinarily when necessary.

The Committee shall meet and deliberate with two (2) of its members. Decisions will be made unanimously.

The General Secretary will act as the technical secretary of the committee, who shall be in charge of the calls, preparing, collecting and filing the minutes, as well as monitoring the evolution of the tasks assigned therein.

### **2.3.3. Asset-Liability Committee (ALCO)**

The objective of the Asset-Liability Committee (ALCO) is to approve and monitor the investment strategy of the investment portfolio, as well as reviewing the structure of assets and liabilities based on the policies set out by the Board of Directors.

#### **2.3.3.1 Composition**

The ALCO consists of three (3) Board members and, representing management with voice but no vote, the CEO or his delegate, the Planning VP, the Finance VP, the Risk VP and the Treasury Director.

Workers who, due to their knowledge of the issues discussed in the ALCO, may also attend as guests and may speak, but without vote.



### **2.3.3.2 Duties**

The Committee will have the following duties and responsibilities:

- a) Submit, together with the Risk Committee and ALCO (Asset-Liability Committee), for the Board's consideration, the risk-return ratio expected for investments in the Investment Portfolio to propose next year's goals.
- b) Propose to the Board of Directors next year's income budget of the Investment Portfolio, in accordance with the provisions of the Company's general budget.
- c) Approve a theoretical benchmark portfolio for the monitoring and evaluation of the Investment Portfolio.
- d) Approve the Strategic Asset Allocation of based on investment policies and portfolio objectives.
- e) Determine the maximum duration of the investment portfolio and define the maximum deviations allowed in the strategic asset allocation.
- f) Set out the policies associated with the maximum loss limits (stop loss) of the investment portfolio.
- g) Consider the investment recommendations made by the Treasury Department.
- h) Approve new classes of assets, operations, businesses and investment opportunities.
- i) Approve investment sale operations that exceed the established daily negotiation limit and that are expressed in current legal monthly minimum wages or in US dollars, as applicable.
- j) Monitor performance in investment management in terms of the risk-return ratio.
- k) Receive reports from the Risk Management Committee and ALCO and also review and recommend their approval to the Board of Directors, where applicable.
- l) Review on a quarterly basis the composition of the portfolio and funding by type of currency and rate, as well as the duration and term of the asset-liability management, providing further management recommendations.
- m) Submit a semi-annual report regarding its activities throughout the period

The Committee will meet at least once (1) a month and extraordinarily when necessary. The Committee will meet and deliberate with two (2) of its members. Decisions will be made unanimously.

The Treasury Director will act as the technical secretary of the committee, who shall be in charge of the calls, preparing, collecting and filing the minutes, as well as monitoring the evolution of the tasks assigned therein.

#### **2.3.4. Credit Committee**

The objective of the Credit Committee is to monitor and recommend to the Board of Directors the general guidelines and conditions of the lines of credit.

##### **2.3.4.1. Composition:**

The Credit Committee consists of three (3) Board members and, representing management with voice but no vote, the CEO or his delegate, the Planning VP, the Finance VP, the Commercial VP, the Risk VP and the Operations VP.

##### **2.3.4.2. Duties:**

- a) Recommend for the Board's approval the policies, guidelines and general conditions for on-loan and direct credit operations.
- b) Recommend for the Board's approval any amendments to the policies, guidelines and general conditions for on-loan and direct credit operations.
- c) Determine and recommend for the Board's approval any issues that, according to the policies, fall within the scope of responsibilities of this body.
- d) Receive reports associated with credit management and control.
- e) Be aware and validate the implementation of current regulations that apply to Findeter in accordance with the supervisory agencies.
- f) Be aware of the reports of the Supervisory Agencies regarding issues within its scope of responsibility.

The Committee will meet three (3) times a year and extraordinarily when necessary. The Committee will meet and deliberate with two (2) of its members. Decisions will be

made unanimously

The Operations VP will act as the technical secretary of the committee, who will be in charge of the calls, preparing, collecting and filing the minutes, as well as monitoring the evolution of the tasks assigned therein.

### **3. CEO**

#### **3.1 Election**

FINDETER'S CEO will be elected by the Board of Directors through a selection process led by this Governing Body, which will be carried out with the support of a company specialized in searching for high-profile managerial personnel. Candidates must meet the conditions of experience and professional training and have a good reputation to serve as CEO of Findeter and be in charge of the Company's Legal Representation and Management. Additionally, candidates must not be involved in situations that may lead to inabilities and incompatibilities of legal representatives and board members under the general and special applicable rules. To serve as legal representative, the CEO must take office before the Financial Superintendence of Colombia, where the objective and subjective requirements of the candidate will be evaluated

In the event of temporary absence, the General Secretary will act as Alternate CEO of the Company, and in the latter's absence, the Finance VP or the Commercial VP will act as Alternate CEO, in that order. If the CEO'S absence is absolute, the General Secretary will take the position while the Board of Directors properly appoints a new CEO.

#### **3.2 Duties**

The Company's CEO has at least the following duties:

- a) Acting in good faith, with loyalty, diligence in management and business, making FINDETER'S interest prevail. Under these principles, the CEO must act as the official spokesperson for the Company.
- b) Refraining from participating individually or through an intermediary for personal interest or of third parties, in activities that involve competition with the company or in acts with respect to which there is a conflict of interest, unless otherwise expressly authorized by the Board of Directors or General Shareholders' Meeting.
- c) Fulfill and promptly enforce the legal requirements relative to the Company's operation and activities, as well as the Bylaws and decisions of the Shareholders'

Meeting and the Board of Directors.

- d) Appoint, lead, and remove the Company's personnel, in accordance with current provisions and strive for a healthy work environment.
- e) Ensure the correct application of resources and the proper maintenance and use of the Company's assets.
- f) Implement the strategies and policies approved by the Board of Directors to achieve the goals set by the organization.

His decisions regarding the Company's management and in line with his duties will be autonomous and independent, they must adhere to current internal and external rules. He may not participate in activities that are detrimental to the Company.

### **3.3 Reporting and Accountability**

The effective accountability of the CEO'S management will be provided in the management report submitted by the CEO to the Board of Directors in ordinary or extraordinary sessions, as applicable, either on regular issues that are brought to the Board or special issues that are requested regarding the programs and the Company's ordinary course of business.

In addition, the CEO will address the accountability reports prepared through the Ministry of Finance and Public Credit, the Presidency of the Republic and other national entities or the community, as required.

The CEO and the Board of Directors will, in ordinary or extraordinary sessions, submit a joint report to the General Shareholders' Meeting on the activities carried out by the Company, after the Board's consideration. This report must contain the behavior observed by the Company in terms of credit, program development, financial, economic, administrative, legal situation, technological support, environmental management and level of compliance with the rules on intellectual property and copyright, among others, as well as the main results and their impact and the Company's medium and long-term projections. The consolidated financial statements and accompanying notes, the Independent Auditor's opinion and the Audit Committee's report will be evaluated.

### **3.4 Remuneration**

The CEO'S remuneration will be established by the Board of Directors, considering the

Company's nature, the responsibilities of the position and the market guidelines.

### **3.5 Evaluation**

The Board of Directors will evaluate the performance of FINDETER'S CEO.

## **4. Management Team**

FINDETER has an organizational structure that consistently supports the coordinated pursuit of its mission, which allows it to integrate internal and external customer services and the services it provides, optimizing human talent and available resources.

The Management Style of the CEO and the Management Team essentially focuses on being a guide or advisor, generating trust and respect, facilitating participation and communication, delegating with responsibility for timely decision-making, managing clear allocation policies, transparent and rational use of resources, and working with quality. They are also committed to the policies and practices of: human management, risk management and internal control system. Furthermore, motivating an ongoing and integrated improvement and timely addressing commitments with stakeholders, highlighting their responsibility with supervisory agencies, is always a priority.

### **4.1 Composition**

The Management Team consists of the CEO and the positions listed below: General Secretary, Finance VP, Commercial VP, Operations VP, Technical VP, Risk VP and Planning VP.

### **4.2 Appointment**

The Management Team will be appointed by the CEO of FINDETER from a short list sent by a company hired by FINDETER that specializes in searching for high-profile personnel, after completing a validation process. Said company must check that the people in the shortlist sent to the CEO meet the professional and ethical conditions necessary to fulfill the corresponding duties.

### **4.3 Evaluation**

The evaluation of the Management Team will be carried out as described in procedure GH-PR-027 of the Human Talent Management process.

#### **4.4 Remuneration**

In accordance with the provisions of section f) of article 41 of the current Corporate Bylaws, the Board of Directors will establish the remuneration of Findeter's Management Team. Additionally, it approved the Strategic Variable Premium Management Policy as of 2013, which is contained in the document Integrated Management System Code GH-DA-021.

#### **4.5 Responsibilities**

The responsibilities of the Management Team are the following:

##### **4.5.1 Secretary General**

The General Secretary leads, controls and ensures the development, application and management of legal and physical resources and human talent within the Company, in order to ensure compliance with its plans, programs and projects. It must also ensure that the Board and General Shareholders' Meetings properly adhere to the Corporate Bylaws and the Law and that the requirements of the control and supervisory agencies are timely met.

##### **4.5.2 Finance VP**

The Finance VP is responsible for guiding, leading and evaluating the activities aimed at advising the Board of Directors, CEO and other Governing Bodies on the design, development, implementation, control and adjustment, within the Law, of the policies, financial strategies and procedures that allow the Company to meet its objectives; proposing, developing and controlling FINDETER'S financial policies, in accordance with the corresponding regulations and considering the aspects that minimize financial risk; and also developing tools for an integrated urban management to support institutional strengthening locally and regionally.

##### **4.5.3 Commercial VP**

The Commercial VP is responsible for executing the commercial policies and strategies of the Company's financial and technical products, its relationship with financial intermediaries, establishing strategic alliances with the public and/or private sector, promoting and executing planning tools for cities and the competitiveness that support institutional strengthening locally and regionally and maintaining the good image of the Company, which is reflected in the achievement of businesses that make a positive impact due to the type of program or project, the beneficiary, the amount and number

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of disbursements.

#### **4.5.4 Risk VP**

The Risk VP is responsible for designing the methodologies to identify, measure, control, monitor and communicate the risks to which the company is exposed in accordance with the different standards applicable to each of the Company's Risk Management System. The Risk VP must also design the policies that make use of these methodologies for the Board's approval, advising both Senior Management and the Company in general on risk management.

#### **4.5.5 Operations VP**

The Operations VP is responsible for planning, organizing and controlling the programs, processes, tasks, operations and activities related to the provision of banking transactions, management of FINDETER'S portfolio and managed funds, and IT management, to make the Company's operations highly competitive in the financial sector, with an excellent service. The position is also responsible for leading and managing the areas of Technology, Operations, Portfolio Origination and Portfolio and Standardization, with the aim of achieving institutional objectives.

#### **4.5.6 Technical VP**

Responsible for managing, planning and executing the programs, plans and/or projects assigned to FINDETER by the Nation or derived from agreements signed by the Company with other institutions, considered of special nature, and assigned by the Company's CEO.

#### **4.5.7 Planning VP**

Responsible for leading the Company's strategic planning processes, in order to define objectives, performance goals, indicators and persons responsible; planning, organizing, managing and evaluating the budgeting of the areas to ensure they adhere to the Company's Strategic Plan; establishing the guidelines, methodologies, policies and practical improvements within the processes and ensure their application within the Company.

## **B. Internal Control Mechanisms**

### **1. Principles of the Internal Control System (ICS)**

An essential input that supports the Internal Control mechanisms in the Company is to promote the application of the ICS principles on the regular workday, namely: self-control, self-regulation and self-management. These contribute to the adequate fulfillment of the responsibilities and functions of the Company's managers and workers.

The workers' systematic application of self-control, self-regulation and self-management gives the Entity confidence and reasonable security for the achievement of its objectives, while adhering to the applicable law.

- a) Self-control. Self-control in FINDETER corresponds to the ability of all employees to evaluate and control their work, detect deviations and make corrections while exercising and fulfilling their duties and responsibilities, as well as to improve and innovate. It is worth mentioning the duty of all Company workers to fulfill the institutional objectives in the development of their tasks and with the application of appropriate operating processes.
- b) Self-regulation. It corresponds to the ability of Company workers to organize internally and apply methods, standards and procedures for the development, implementation and improvement of their activities with an adequate Internal Control System, while always adhering to the applicable law.
- c) Self-management. The ability of workers to effectively and efficiently interpret, coordinate, execute and evaluate the responsibilities and duties assigned to them to achieve an effective institutional operation.

### **2. Structure of Internal Control**

The internal control system is developed and organized so that its practice is intrinsic to the performance of the duties of all the existing positions in the Company, and particularly of the duties assigned to management positions. However, there are 3 bodies that help in the implementation, development and monitoring of internal control: (i) Office of Internal Control of Management, (ii) Internal Control System Coordination Committee and (iii) Independent Auditor.



## **2.1 Office of Internal Control of Management**

The Office of Internal Control of Management, as one of the components of the Internal Control System, is responsible for measuring and evaluating the efficiency, effectiveness and economy of the other controls, advising Management (CEO, General Secretary, VPs) on the continuity of the management process, the revaluation of the established plans and the introduction of the necessary corrective measures for the fulfillment of the planned goals or objectives, in accordance with the provisions of Article 9 of Act 87 of 1993, as amended, complemented or replaced.

To that end, it will be led by the Head of Internal Control of Management, a public employee appointed by and reporting directly to the President of the Republic of Colombia, as indicated in Article 8 of Act 1474 of 2011, as amended, complemented or replaced. To fulfill the duties of the position, the Head of Internal Control of Management will have a multidisciplinary group of professionals, with duly established procedures and methodologies.

The Head of Internal Control of Management will be responsible for carrying out the Company's systematic evaluation, identifying successes and deviations, as well as checking the existing controls, ensuring that they are sufficient and adequate. Based on the result of the evaluations and verifications, the Head of Internal Control of Management will issue recommendations to strengthen Findeter's Internal Control System.

### **2.1.1 Findings and Reports**

The findings and reports from the audits must be reported to the CEO and General Secretary; In turn, the Head of Internal Control of Management shall prepare the necessary reports of his activities requested by the Board of Directors and the control and supervisory agencies.

### **2.1.2 Outsourcing the internal control service to private companies**

The roles of risk assessment and evaluation and monitoring of the Internal Control System may be outsourced, according to authorization granted by the Board of Directors, in its session of October 31, 2011, and contained in minutes 254. As a best practice of corporate governance and pursuant to the provisions of Article 7 of Act 87 of 1993, as amended, complemented or replaced, the agreements signed for this purpose may not have terms greater than three (3) years, in which case, the outsourced entity may participate in open contracting processes that require giving continuity to

the services of risk assessment, risk management assessment and evaluation and monitoring of the Company's Internal Control System.

## **2.2 Internal Control System Coordination Committee**

The objective of the Internal Control System Coordination Committee is to order the necessary measures to ensure the articulated, efficient and effective operation of the Internal Control System, as established in Act 87 of 1993, Decree 648 of 2017, as amended, complemented or replaced.

### **2.2.1 Composition**

This Committee consists of the CEO, the General Secretary, the Finance VP, the Commercial VP, the Operations VP, the Technical VP, the Risk VP, the Planning VP and the Planning and Management Manager.

Any worker that the CEO or the Committee considers necessary may attend as guest. The Committee will be chaired by the CEO, and in his absence by one of the Company's legal representatives, in accordance with the corresponding provisions of the Corporate Bylaws. The Technical Secretary of the Committee will be the Head of Internal Control of Management.

The Committee will meet semi-annually.

### **2.2.2 Duties**

The duties of the Committee are the following:

- a) Evaluate the status of the Internal Control System in accordance with the characteristics of each body or entity and approve any amendments, updates and actions to strengthen the system based on current regulations, the reports presented by the Head of Internal Control or whoever acts as such, the governing bodies and the recommendations of the MECI team.
- b) Review the information contained in the Company's financial statements and make the necessary recommendations.
- c) Identify issues subject to audits with the strengthening of the internal control system.
- d) Submit the risk management policy to the legal representative for approval and follow-up, especially to prevent and detect fraud and misconduct.

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e) Others that may be assigned by the Company's Legal Representative.

### **2.3 Independent Auditor**

As a private oversight body, the independent auditor is structured with the aim of providing security to shareholders and investors regarding the quality of financial information, security and conservation of corporate assets, and compliance with legal provisions and those from the Company's governing bodies, among others.

#### **2.3.1 Appointment**

In accordance with article 48 of the Corporate Bylaws, FINDETER will have an Independent Auditor appointed by the General Shareholders' Meeting for a period of two (2) years, and may be re-elected for a further period or removed at any time. It can be either an individual or a company and will be appointed through a transparent process based on an objective and public evaluation of different alternatives. The procurement process will take place before the respective session where the resumes of the individuals responsible within each participating company will be analyzed. FINDETER, in addition to having a Principal Independent Auditor elected by the General Shareholders' Meeting, will also have an Alternate Independent Auditor elected for the same period as the Principal, who will replace him in any absolute, accidental or temporary absences.

After the independent auditor completes two (2) consecutive periods providing the independent auditing service to FINDETER, it may not participate in the next call for independent auditor. However, the General Shareholders' Meeting may select the same independent auditor again, if deemed appropriate, upon declaring the respective call void.

When this occurs, the agreements signed between FINDETER and the independent auditor shall include clauses where the auditing firm undertakes to change the individuals who carry out the duties within at least every five years. In addition, the individual who has been replaced can only return to fulfill the same duties after a period of 2 years.

#### **2.3.2 Requirements**

The Company's Independent Auditor will be an individual or company with proven expertise and of recognized national and international experience.

The individuals appointed to exercise the independent auditing must take office before the Financial Superintendence of Colombia.

### **2.3.3 Compensation and Dependence**

The Independent Auditor will report only to the General Shareholders' Meeting and will receive the compensation that the latter sets out.

### **2.3.4 Duties**

The Independent Auditor must comply with the duties set out by the General Shareholders' Meeting or the Board of Directors, provided, however, that they are consistent with those set out by the Law and the Corporate Bylaws. FINDETER'S Independent Auditor has, at least, the following duties:

- a) Support, ensure and attest to all the Company's accounting and financial operations or acts and verify if they comply with the requirements of the Law and Corporate Bylaws and the decisions of the General Shareholders' Meeting and the Board of Directors.
- b) Have full knowledge of the Company's operations or acts without any reservation and ensure the confidentiality of the information provided, which can only be communicated or reported in the manner and in the cases provided by the Law.
- c) Submit the required reports to the General Shareholders' Meeting, the Board of Directors, the CEO and the control and supervisory agencies on the defined deadlines.
- d) Report or inform to the corresponding authority any acts of corruption that have been found in the exercise of their position, within six (6) months of becoming aware of the event or having the legal obligation to know about it. In relation to acts of corruption, professional secrecy will not apply.
- e) Other duties in accordance with the Law, the Bylaws, the FINDETER Corporate Governance Code and the auditing services provision agreement, which adhere to the applicable Law.

### **2.3.5 Inabilities and Incompatibilities**

The Independent Auditor will be free of any conflict of interest that may reduce his independence. FINDETER'S Independent Auditor shall not be involved in any of the causes of inabilities and incompatibilities indicated in article 205 of the Code of

Commerce, articles 50 and 51 of Act 43 of 1990 and/or other current legal regulations that imply inability or incompatibility to carry out the independent auditing exercise. Employees who act on behalf of the company that exercises the independent auditing shall be subject to the regime of inabilities, incompatibilities and responsibilities provided for the Independent Auditor, as applicable.

Independent auditing firms interested in providing their services and that participate the respective call, must attach the certification referred to in paragraph 3.2. "Guidelines related to the election of the independent auditor, exercise and delivery of the position", of Chapter III, Title I, Part I of the Basic External Legal Circular 029 of 2014, of the Financial Superintendence of Colombia.

### **2.3.6 Reporting**

The reports submitted by the Independent Auditor will be subject to the provisions of the Law, the Corporate Bylaws and this Corporate Governance Code. To inform about the material findings, the Independent Auditor must:

- a) Submit a timely, written report to the General Shareholders' Meeting, the Board of Directors or the CEO, as appropriate according to the scope of responsibilities of the governing body and the magnitude of the finding, of any irregularities that occur in FINDETER'S operation.
- b) Call extraordinary sessions of the General Shareholders' Meeting, when deemed necessary.
- c) In case of debt securities, inform the Security Holders' Legal Representative, when deemed necessary.

In addition, the Independent Auditor will cooperate with the official agencies that exercise inspection and supervision over FINDETER and submit the reports that may be required or requested.

The Board of Directors and the CEO of FINDETER will be made aware of the findings and reports with recommendations submitted by the Independent Auditor, and act accordingly to provide a timely response.

### **3. External Control Bodies**

#### **3.1 Financial Consumer Ombudsman**

The Ombudsman is the spokesperson for financial consumers before Findeter, with respect to recommendations, proposals and requests. His duties include knowing and objectively and freely resolving any complaints filed in relation to a possible breach of the law that regulates the provision of the services or products offered or their quality.

FINDETER uses the figure of the Financial Consumer Ombudsman to address customers' concerns on the direct loan product, based on the regulatory provisions established by the exceptional legislation.

The duties, rights and obligations of consumers, service channels, procedures and everything related to the financial consumer policy is regulated in the Financial Consumer Service Manual, available on the Company's website: [www.findeter.gov.co](http://www.findeter.gov.co).

#### **3.2 Appointment and Term**

The principal and alternate Financial Consumer Ombudsman will be appointed by the General Shareholders' Meeting, in accordance with the requirements established in article 18 of Act 1328 of 2009. Prior to exercising their position, they must take office before the Financial Superintendence of Colombia.

The Financial Consumer Ombudsman will be appointed for a period of two (2) years, extendable for equal periods.

#### **3.3 Independence and Autonomy of the Financial Consumer Ombudsman**

The Financial Consumer Ombudsman will be independent of Findeter and its governing bodies, and with autonomy in terms of the criteria to be applied in exercising the position, undertaking to inform the Financial Superintendence of Colombia of any situation that impairs or limits their scope of action. In any case, the Financial Consumer Ombudsman shall refrain from acting when conflicts of interest arise in relation to a dispute or financial consumer, in which case the Alternate Ombudsman will take his place. The Financial Consumer Ombudsman may not perform in the supervised entities duties other than those relative to the position.

### **C. Management Policies**

They include the policies that guide the coordination and implementation of

FINDETER'S operating activities. The degree of control depends on four (4) main elements: policymaking, assigning personnel for the policies' execution, monitoring and compliance, and adopting corrective mechanisms. The application of the plan-do-check-act cycle (PDCA) will be a guideline in all cases.

## **1. Human Management Policy**

FINDETER is committed to developing the skills, abilities, aptitudes and suitability of its workers and to strengthening the work-life balance. In this sense, it will determine guidelines and practices for the management of human talent where the principles of justice, fairness, impartiality, transparency and equal opportunities prevail.

When carrying out the development management selection, induction, training, promotion and evaluation processes, the rights of workers are guaranteed through practices aimed at preventing workplace harassment, discrimination on the basis of gender, race, social condition, religion, region or otherwise, as well as preventing practices considered non-transparent for the selection of personnel.

In addition, the Human Management policy ensures the ongoing improvement of the family-responsible company (efr) and occupational health and safety systems.

### **Organizational Climate**

The Work Environment Index (WEI) is measured annually, allowing the company's creation of value from the construction, recognition and interaction of the three basic relationships that occur in any workplace: trust, camaraderie and pride. These results lead to the development of gap closure improvement plans, with a view to making Findeter the best company to work for in Colombia.

### **Training**

For Findeter, training is a corporate strategy that encourages the creation of shared value: it enables the worker to develop professionally and personally and the company to more effectively achieve its objectives.

## **2. Ethical Management Policy**

The policies included in the Code of Ethics and Integrity, seek to promote and strengthen the organizational culture in FINDETER, through the permanent practice of ethical principles and values by its workers and governing bodies and thus achieve their effective contribution to the ongoing improvement of institutional management and

customer satisfaction. Convinced of the above, FINDETER developed a process based on the active and democratic participation of each and every one of the members of the organization, who freely and consciously chose the values that govern us today.

## **2.1 Ethical Guidelines**

The ethical guidelines determine how FINDETER should relate to its stakeholders, achieving consistency between ethical principles, corporate policies, established values and best institutional practices. These guidelines are included in FINDETER'S Code of Ethics and Integrity.

## **3. Internal Control**

FINDETER will ensure that its workers take into account the principles of self-regulation, self-management, self-control and ongoing improvement, by applying strategies that as a whole are aimed at achieving an efficient, effective, impartial, integrated and transparent management due to their knowledge of the business, planning, human talent management, verification and control of processes and the management of information and communications.

## **4. Inspection, Supervisory and Control Agencies Relations Policy**

The Financial Superintendence of Colombia, the Comptroller General of the Republic, the Attorney General and the Independent Auditor are responsible for the inspection, supervision and control of the Company, within the scope of their respective authority. Additionally the Company is subject to the applicable regulations of the Ministry of Finance and Public Credit, the General Accounting Office of the Nation, the Presidency of the Republic, the Congress of the Republic and the Colombian Central Bank, among others, within the scope of their respective authority.

The CEO and Management are committed to maintaining harmonious relations with the supervisory agencies and other state entities and to providing the information that they legally require, in a timely, complete and truthful manner, so that they can effectively carry out their work. In addition, they undertake to implement the institutional improvement actions that the supervisory agencies recommend in their respective reports.



## **5. Related Party Transaction (RPT) Policy**

### **5.1. Definition of Related Parties**

A person or entity that is related to Findeter and that can exercise control, significant influence or form part of the key employees of Findeter's management.

### **5.2. Identifying Related Parties**

FINDETER'S Related Parties consist of Shareholders who individually own more than 10% of the capital stock of Findeter, Board members, CEO, General Secretary, VPs and their family members to the 2nd (second) degree of kinship by affinity or consanguinity and by adoption.

The following are considered related parties in Findeter.

#### **✓ Shareholders**

For purposes of RPTs, shareholders are understood as those who individually own more than 10% of Findeter's capital stock.

The Accounting Department manages Findeter's stock control chart, which details the percentage of ownership, number of shares owned, intrinsic value of the shares and earnings per share, which is updated monthly.

In relation to loans with a compensated rate with lower interest rates, which are subsidized by the Ministry of Finance and Public Credit, the recognition of these interests is controlled through the Portfolio management application; as for accounting, control is exercised in the special account Fund called compensated rate. Performing monthly reconciliations of the cleared values and the refunds made to Findeter.

#### **✓ Board of Directors**

Board members appointed by the General Shareholders' Meeting.

Board members will receive as compensation for their participation in ordinary and extraordinary sessions and in support committees the fees established by the Ministry of Finance and Public Credit through an Administrative Act, as the only economic relationship with the entity.

Control in the settlement of the Board members' Fees is exercised through the attendance list included the respective Board meeting minutes. This information will

be the tool for verifying the invoices sent by each board member, which once settled will be incorporated into the financial statements.

Notwithstanding the provisions in the inabilities and incompatibilities regime set out by law, transactions with FINDETER involving Board members and their family members to the 2nd (second) degree of kinship by affinity or consanguinity and by adoption must be analyzed in the respective instance and disclosed in the Management Report and in the notes to the financial statements. Board members must report to Management when identified an RPT.

#### ✓ **Senior Management**

The Company's Senior Management consists of the CEO, the Secretary General and VPs.

The Senior Management appointed in Findeter are hired through a private employment contract under the integrated salary modality.

For payroll control purposes, Talent Management has mechanisms in place to ensure the correct settlement and payment of payroll. Furthermore, to incorporate the resulting figures in the financial statements, there are monthly and annual reconciliations between the accounting systems and Talent systems, which ensure the correct settlement of the resources paid to Senior Management.

In turn, with Findeter's welfare policy, all workers are loan beneficiaries, including Senior Management. These loans are governed by the General Loan Rules, which set out the policies to access each line: housing, vehicle, unrestricted investment, study and domestic accidents.

To access these loans, each senior executive must comply with the conditions set out in the Rules that govern all Company employees. The Loan Committee is responsible for evaluating and approving the applications submitted, leaving record of the decisions in the minutes. The Management and Portfolio area is responsible for the documentation of each loan application, with the corresponding guarantees.

To exercise control over the execution of loans to Senior Management, the credit balances granted to the Company's officers are monthly reconciled with the balances of the portfolio application and the accounting databases.

Notwithstanding the provisions in the inabilities and incompatibilities regime set out by law, transactions with FINDETER involving Senior Management and their family members to the 2nd (second) degree of kinship by affinity or consanguinity and by

adoption must be analyzed in the respective instance and disclosed in the Management Report and in the notes to the financial statements. Senior executives must report the information of their family members in the Asset Control tool.

### **5.3. RPT Reporting**

Operations with related parties will be reported in the quarterly and annual reports and in the notes to the financial statements.

The information to report must outline: the balance of the account receivable derived from the loans of Compensated Rate with the Ministry of Finance and Public Credit; the amount paid for Board Member Fees; and the remuneration, loans granted and their balances, which will be recorded in the financial statements in favor of Senior Management.

The company has tools that allow to periodically identify operations with related parties, by including basic identification data in the asset control tool and subsequent cross-checking with the accounting database.

### **6. Procurement Policy**

The Company will observe the legal provisions and will act diligently in the timely sufficient and fair delivery of the terms of the procurement processes to the interested parties. Additionally, the Company will evaluate the proposals objectively, under sustainability criteria and devoid of any personal interest.

On the other hand, Findeter's contractors and suppliers undertake to:

- a. **Comply with social provisions and employment practices.** Comply with the procedures and measures necessary to ensure compliance with national and local policies, standards and regulations related to human rights and fair employment practices, as well as international treaties signed by Colombia on social issues. To achieve this commitment, they will comply with the guidelines and policies established by FINDETER in its Responsible Action/Sustainability Policy. **Comply with environmental standards and policies**, both national and territorial, as well as international treaties signed by Colombia on environmental issues. To achieve this commitment, they will take into account the provisions of FINDETER'S Environmental Management Procedure, as well as the provisions of Act 99 of 1993 and its Regulatory Decrees, as amended, complemented or replaced. Additionally, they will comply with the special rules for the processing and granting of the specific

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authorizations and permits required for the use and exploitation of natural resources.

- b. **Act with integrity and transparency**, both in the presentation of the proposal and in the execution of the contract. If selected, they must expressly declare that they will support the action of the Colombian State and Findeter in strengthening transparency in the procurement processes and in the execution of contracts, and will formally undertake not to carry out or facilitate acts, agreements or conducts of corruption. If they become aware of cases of corruption in State entities and specifically in Findeter, they must report them to the Secretary of Transparency of the Presidency of the Republic or the agency that acts as such and on Findeter’s website [www.findeter.gov.co](http://www.findeter.gov.co), on the page enabled for complaints and grievances (PQRD).

Knowledge of the provisions of the Corporate Governance Code. The contracts signed by FINDETER will include clauses where contractors and suppliers agree to know the provisions set out by the Company’s Corporate Governance Code.

## 7. Anti-Fraud and Anti-Corruption Policy

Following the guidelines of Act 1474 of 2011, Decree 1081 of 2015 and External Circular 029 of 2014, issued by the Financial Superintendence of Colombia, Findeter is aware that unethical behavior or fraud negatively affects the Company’s image, and curtails the achievement of the corporate vision and goals. Therefore, the Board of Directors approved the Anti-Fraud Policy, which provides the actions that constitute fraud, the people responsible for prevention, detection and investigation, as well as the complaints procedure. The purpose of this Policy is to promote the highest ethical conduct among managers, workers, customers, suppliers, contractors and other stakeholders.

The document “Anti-Fraud and Anti-Corruption Program” defines the scope of the Policy and details the actions considered fraud and the mechanisms to avoid the improper use of privileged or reserved information.

FINDETER also has in place an anti-corruption risk map and a complaint procedure through which employees, customers, suppliers, contractors or third parties can inform the Company’s Management of any fraudulent behavior.

They are all documented in the Risk Management Process and included in the Integrated Management System.

## **7.1 Legal Framework**

The Anti-fraud and Anti-Corruption Program is in line with the following guidelines: Anticorruption Statute (Act 1474 of 2011), the “*Strategies for the Construction of the Anti-Corruption and Citizen Service Plan*” issued by the DAFP, External Circular 029 of 2014 of the Financial Superintendence of Colombia, the Law 2195 of January 18, 2022, which measures are adopted in terms of transparency, prevention and fight against corruption and the best practices and related international standards, in line with the Operational Risk Management System (SARO) and the Internal Control System (MECI).

## **7.2 Scope**

The Anti-Fraud and Anti-Corruption Policy and the program that allows its execution contemplate and commit to the implementation, maintenance, monitoring and ongoing improvement of the application of the defined policies, the implementation of the program components and the measures in case of detecting or learning about potential incidents of acts of fraud and/or corruption.

## **8. Risk Management Policy**

FINDETER has a risk management policy that includes an efficient Risk Management System, which facilitates decision-making according to the risk profile defined by senior management and that meets the needs of the organization and legal requirements.

Additionally, it must ensure that its employees have extensive and permanent knowledge about the risks to which they are exposed in developing their processes, thus enabling an active and responsible training in risk management.

FINDETER is committed to adopting mechanisms and actions to identify, measure, control, monitor and communicate the risks of its business. It will determine the level of exposure of each of the risks to prioritize actions and criteria in decision-making regarding their effects.

## **9. Information Security and Cybersecurity Policy**

The Information Security and Cybersecurity Policy was approved by the Board of Directors in the session of May 2019 and contained in Minutes No. 351, aiming to establish the policies, guidelines, limits, responsibilities and obligations to regulate the efficient management of Information Security and Cybersecurity in FINDETER, in accordance with business requirements and in compliance with current legal provisions.

This policy becomes the basis for the implementation of measures, controls, procedures and standards required to protect the information security and cybersecurity in FINDETER, which are essential to ensure the implementation, operation and sustainability of its Information Security and Cybersecurity Risk Management System.

It also sets out the guidelines to protect and preserve the security of the information assets and the information of FINDETER that are managed through the Information Security and Cybersecurity Risk Management System, in order to preserve the following fundamental principles of the information: Availability, Integrity and Confidentiality.

### **9.1 Information Disclosure Policy**

At Findeter we are convinced that transparency is an essential element to strengthen trust and credibility among our shareholders, investors and stakeholders.

Therefore, for FINDETER, the disclosure of updated, accurate and timely information, including corporate, financial, economic, administrative, legal, commercial and technical information or otherwise, in compliance with the information security and quality criteria, is a good corporate governance practice, so that shareholders, investors and other stakeholders can make informed and sound decisions.

The Company's relevant information will be published in Spanish and English through FINDETER'S corporate website, particularly the Corporate Governance Code with its Annexes, the Corporate Bylaws, the composition of shareholders, the composition of the Board of Directors, the profiles of the Board members, the CEO, Secretary General and VPs, the Company's corporate presentation, the Company's organizational chart, the periodic and annual management and sustainability reports, the responsible action/sustainability policies with its six chapters, the different risk ratings of the Company and its issuances, the relevant information reported to the Financial Superintendence of Colombia, the annual audited financial statements with notes thereto, unaudited quarterly financial statements and other data that must be published from in accordance with the Transparency and Access to Public Information Law (Act 1712 of 2014), as amended, complemented or replaced.

The General Secretary will be responsible for the communications and the services required by the shareholders, and the Finance VP will do the same with the investors, through the Professional in charge of Investor Relations; however, the CEO will participate directly when he deems it appropriate. Said services will be provided professionally and on time, through the communication of truthful, objective and relevant information.

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## 9.2 Privileged or Reserved Information

Reserved or classified information with restricted access is any information that workers receive in developing or on account of their relationship with the Company, either owned by the Entity or received from third parties, including, without limitation, any information of a legal, accounting, tax, technical, technological, financial or commercial nature of the Company or third parties, partners or shareholders, and customers of both.

The confidentiality obligation does not extend in any case to: (i) information that was in the public domain prior to the date on which it was delivered to the workers who receive the information; (ii) information that has been lawfully made public by the Company's decision; (iii) information that must be delivered by legal order to authorities of any kind; (iv) information that must be made public for the proper performance of the worker's activity.

### 9.2.1 Mechanisms to Avoid the Use of Privileged or Reserved Information

For the disclosure of financial and non-financial information, FINDETER will take into account the current general law and the specific regulations issued by the Financial Superintendence of Colombia and the provisions of the Personal Data Protection Regime.

The Board of Directors, the CEO and Management will ensure that the Company's privileged information remains confidential. The workers, in accordance with the management of institutional information under their responsibility, will ensure the reliability of the Information Systems as a whole, from the organizational and operational perspective and in accordance with the principles of Availability, Integrity and Confidentiality.

Individuals or companies hired by FINDETER, when they must know certain privileged information for the execution of the activity under contract, must sign a confidentiality agreement in which they undertake to keep the information in absolute confidentiality, except as otherwise provided in the law or in this Code. In addition, in accordance with the information security and privacy model of the Online Government strategy, Findeter workers and third parties will be informed of their responsibilities and duties regarding information security before, during and after termination of their contract, which implies that they must ensure the reservation and confidentiality of the Company's information to which they have access, even if they no longer have links with Findeter.

To prevent Company workers from using classified information or information with restricted access for their own or others' benefit, the following guidelines are set out:

- a) Company employees undertake to keep absolute confidentiality regarding all the information, policies, procedures or operations that are supplied or made known to them or that they have access to during their work.
- b) Workers must refrain from making arrangements, reproductions, adaptations or any other kind of deletion, deformation or modification of the information that comes to their knowledge in developing or on account of their work, for their own or others' benefit.

### **9.3 Personal Data Protection Policy**

This Policy is in accordance with applicable national law, i.e., the Personal Data Protection Regime, Act 1581 of 2012 and its regulatory decrees, as amended, complemented or replaced. In addition, the Personal Data Protection policy applies to processes and procedures company-wide, and is based on the "Guidelines for the Implementation of the Accountability Principle", issued by the Superintendence of Industry and Trade, which indicates that other policies of the Organization must include elements that allow compliance with the personal data protection regulations.

### **10. Integrated Management System Policy**

In order to improve its performance and its ability to provide products and/or services that address the needs and expectations of its customers and stakeholders, FINDETER has an Integrated Management System (IMS), which consists of the Quality Management System (QMS), the Environmental Management System (EMS), the Information Security Management System (ISMS), the Occupational Health and Safety Management System, the Internal Control Standard Model, the Risk Management System, the Model for managing the reconciliation of work-life balance, family-responsible company (efr), and all other complementary systems. Therefore:

At FINDETER we focus on promoting the sustainable progress of the regions, so, in line with our mission and to meet the needs of our customers, collaborators, community and other stakeholders, we develop our activities under the following commitments:

- a) We comply with the legal and regulatory requirements applicable to the company and its management system.
- b) With a sense of belonging, a proactive attitude and an ongoing and timely



communication, we deliver excellent results.

- c) We favor and encourage the development of employees and their environment, strengthening their work-life balance.
- d) We protect, improve and maintain the health conditions of our workers and other actors involved in the execution of processes.
- e) We have good environmental practices to raise awareness and promote the efficient use of resources in FINDETER'S activities, which ensure compliance with legal requirements, the preservation of the environment and sustainable development.
- f) We manage the Company's risks by applying standards and controls aimed at improving the quality of our services, reducing the environmental impact and preserving the security of our information.
- g) We maintain information security practices that ensure confidentiality, integrity and availability, thus building trust among users.

With this in place, FINDETER undertakes to continually maintain and improve the Integrated Management System.

FINDETER will establish for the Integrated Management System the indicators to measure the effectiveness, efficiency, results and impact of its activities and institutional performance, as a specific way to provide facts and data to its different stakeholders.

## **11. Responsible Action/Sustainability Policy**

Findeter seeks to contribute to the country's sustainable development by executing activities, projects and programs for the provision of a comprehensive offer of products characterized by their relevance and positive impacts and focused on economic growth, social welfare and respect for the environment, adopting measures of corporate social responsibility, environmental management, respect for human rights, gender equality, social inclusion and sustainable purchases, through a complete, transparent, timely, inclusive and respectful relationship with each stakeholder.

### **11.1 Social Responsibility Policy**

Findeter develops socially responsible strategies to manage, adopt and promote best practices, raising awareness, co-responsibility and positive impacts among stakeholders; acting with commitment and transparency in our areas of influence.

## **11.2 Environmental Management Policy**

Findeter has good environmental practices to raise awareness and promote the efficient use of resources in its activities, which ensures compliance with legal requirements, the preservation of the environment and sustainable development.

## **11.3 Stakeholder Engagement Policy**

In exercising its functions, Findeter interacts with an array of actors classified into the following ten groups: Management and Governing Bodies, Government, Supervisory Agencies, Funding Partners, Customers, Community, Collaborators, Contractors, Suppliers and Media/Opinion Leaders. Recognizing the legitimacy of stakeholders, each one will be treated with kindness, dignity, respect and in accordance with the corresponding specificity.

## **11.4 Human Rights Policy**

Findeter recognizes its responsibility to respect, protect and fulfill human rights. This means that it undertakes to respect them, to avoid violating them and to address any adverse impacts it may cause on them or contribute to with its activities to the detriment of its stakeholders or third parties.

We have a policy on Human Rights, which seeks to make the relationship between the operation of the business and respect for Human Rights a priority for the entity through the setting of parameters for their promotion and respect, through of the implementation of due diligence actions that allow, through risk management, to reduce the possible impacts resulting from the business operations that concern us, observing the national and international guidelines that govern us for this purpose.

The foregoing, within the framework of the guidelines established by the Presidency of the Republic through the National Action Plan for Companies and Human Rights "Together We Make It Possible", which states the importance of state companies being aware of the responsibility to act and be accountable for the impacts on Human Rights.

This policy is transversal to the entire Entity and to the other policies of the Company, it covers all FINDETER workers, regardless of where they carry out their work, as well as the interest groups that have any relationship or business with the company.

The present policy will be part of the efr management model, Family-Responsible Company, whose objective is the conciliation and balance between the work, personal and family life of the workers.

### **11.5 Gender Equality and Social Inclusion Policy**

Findeter believes that women play an essential role in achieving solid economic growth and sustainable development in our country, and is committed to fostering and developing a culture of gender equality and women empowerment among its stakeholders in order to positively impact the social and environmental fabric where we are present. It will consistently integrate gender equality, women empowerment and social inclusion in its organizational culture, its engagement with stakeholders, and its lines of business and projects.

### **11.6 Sustainable Purchasing Policy**

Findeter aims to transform the cause of pollution of current trends in production systems and consumer markets into more sustainable processes and influence decisions for the purchase of sustainable goods and services.

## **12. Public Communication Policy**

As information is an essential collective good for the knowledge of internal processes and the performance of work, its production and fluid circulation will be promoted at all levels, through the implementation of procedures that ensure its adequate flow in top-down, bottom-up, vertically and horizontally.

There will be clear rules and an adequate structure for the timely and truthful disclosure of information to stakeholders. None of them may directly or indirectly use for their own interests the Company's reserved or classified information with restricted access. Directives on information security and habeas data will also be in place related cases of personal data protection, as per the legal guidelines provided by Act 1581 of 2012 and Act 1712 of 2014, as amended, complemented or replaced.

FINDETER will establish the necessary mechanisms to comply with the following guidelines:

- a) Workers who handle reserved or classified information with restricted access will sign confidentiality agreements to ensure that the Company's reserved information is not published or known by third parties; any non-compliance will be punished in accordance with the Internal Work Rules.
- b) Information and Communication with the Community: The economic, financial,

accounting and management statements and reports presented by FINDETER to the respective regulatory and supervisory agencies, as well as any other substantial information, must be disclosed and will be available for the community. The means of information that may be used include direct customer service through coordination with the Marketing Department, online newsletters, brochures or circulars, free telephone line, email and website.

- c) **Accountability Commitment:** FINDETER will enforce an effective accountability, in order to inform citizens about institutional management.
- d) **Complaints and Grievances:** The Company will address complaints and grievances through the corresponding procedure in place, so that citizens are able to file complaints, requests, concerns and information inquiries regarding management. They will be addressed under the terms provided by law, and may be formulated through the corporate website. Additionally, the Company will have an internal line for whistleblowers, so that workers can anonymously report any illegal or unethical behavior or any activities that may undermine the risk management culture and controls in FINDETER. These complaints will be reported annually to the Board of Directors. And in no case will FINDETER and its management retaliate against the complainant or whistleblower.
- e) **Social Control:** The Company will be prepared to readily provide any information required by citizens for the exercise of social control.

Findeter's public communication will aim to strengthen its corporate identity. Its purpose is to create brand recognition of the Company's products and services and is supported by internal procedures established for external communication, which must be transparent, comprehensive, timely, up to date, clear, true, reliable and adjusted to the conditions of the knowledge of the recipient stakeholder.

Annually, Findeter will produce a management report in accordance with the information priorities requested by stakeholders, and will create and maintain a methodology for keeping stakeholders up to date through dialogue.

Regarding rights to request information, FINDETER will maintain a clear procedure that allows a timely and adequate response to requests from citizens and stakeholders.

Through internal communication mechanisms, workers will be informed on relevant issues of the Company, fostering a sense of belonging, dialogue and collaboration at all levels of the Organization. For this purpose, communication processes and mechanisms will be implemented for the effective interaction, sharing of common objectives, and

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having timely, clear, true and confidential information, as appropriate.

#### **D. Approval**

The changes to this Corporate Governance Code were approved by the FINDETER Board of Directors meeting of September 29, 2020.

All FINDETER agencies actively participated in preparing this Code and adopted the provisions of the Financial Superintendence of Colombia regarding best corporate practices. Additionally, the recommendations and practices of the Colombian Stock Exchange BVC, the IFC, and UNEP-FI, among others, have been followed, seeking greater inclusion and disclosure of corporate governance practices and investor relations.

#### **E. Validity, Monitoring and Control**

This Corporate Governance Code is valid upon approval.

#### **F. Disclosure**

FINDETER'S Corporate Governance Code, as amended, will be readily communicated to stakeholders online, through the FINDETER'S website and/or other electronic means.

#### **G. Compliance**

The corporate governance practices incorporated herein are mandatory for all governing bodies, management team and workers. Anything not contemplated in this Code will be governed by the Corporate Bylaws and other current legal regulations on corporate management.

Additionally, issues related to corporate governance will be included as a mandatory module in the induction and reinduction processes of the Company's employees.

#### **H. Monitoring**

The General Secretary is responsible for periodically evaluating the observance and validity of corporate governance practices and reporting to the Corporate Governance Committee. The Office of Internal Control of Management will ensure the effective application of the contents of this Code.

## **I. Amendments**

To keep this Code up-to-date in the face of new standards or Company requirements or by any legal provisions that may arise, the Corporate Governance Code may be amended by suggestion of the Board of Directors, the CEO or the General Secretary. Any amendments must be submitted for the Board's approval.

## **ANNEX 1**

### **RULES OF THE GENERAL SHAREHOLDERS' MEETING**

#### **A. Composition**

The General Shareholders' Meeting is comprised of the Shareholders when they meet with the required quorum and under the terms provided in the Corporate Bylaws and this Code.

#### **Chairman of the General Shareholders' Meeting**

The General Shareholders' Meeting will be chaired by an official linked to the Ministry of Finance and Public Credit, who will be appointed by the Board of Directors in the respective session.

#### **Secretary of the General Shareholders' Meeting**

The General Secretary of FINDETER will act as Secretary of the General Shareholders' Meeting.

#### **B. Duties**

The duties of the General Shareholders' Meeting are the following:

- a) Electing Board members, for periods of two (2) years.
- b) Approving and amending the Corporate Bylaws.
- c) Examining and approving the year-end balance sheets.
- d) Ordering the formation of special, eventual or occasional reserves, specifying their use and justification.
- e) Electing the principal and alternate Independent Auditor and determining their remuneration; or otherwise providing that the duties of the Independent Auditor be carried out by an individual or specialized company and determine their fees, in accordance with the provisions of article 49 of the Corporate Bylaws.
- f) Ensuring proper compliance with the law and the bylaws that regulate the Company's activity.
- g) Seeking that all decisions adopted are for the Company's best interests and are in

line with any corporate changes.

- h) Supervising compliance with the decisions made by management.
- i) Analyzing reports submitted for the Board, the CEO and the Independent Auditor's consideration, and adopt any decisions they deem relevant.
- j) Adopting measures for pursuing the company's best interest and the shareholders' common interest.
- k) Ordering the corresponding actions against managers, workers, senior executives or the Independent Auditor.
- l) Making their own rules of procedure.
- m) Others as assigned by law and Corporate Bylaws.

### **C. Meetings and Calls**

The General Shareholders' Meeting can have ordinary or extraordinary sessions.

The call to meetings will be made in writing addressed to each shareholder, through physical and electronic communications. For meetings where year-end balance sheets have to be approved, the call will be made at least fifteen (15) business days in advance. In all other cases, a five (5) calendar days' notice will suffice.

The call will include the Meeting's agenda. Any shareholder, regardless of their shareholding percentage, may propose to the Board of Directors one or more items to be discussed on the agenda of the General Shareholders' Meeting, provided that the request for the new items is justified. The shareholders' request must be made within five (5) calendar days of publishing the call.

If the Board of Directors rejects any requests supported by at least five percent (5%) of the capital stock, it must provide a written response explaining the reasons behind its decision and inform the shareholders of their right to make their proposals during the Meeting in accordance with the provisions of article 182 of the Code of Commerce.

If the Board of Directors accepts the request, once the shareholders' deadline to propose issues in accordance with the previous recommendations has expired, a supplement to the call of the General Shareholders' Meeting will be published, at least fifteen (15) calendar days before the meeting.



#### **D. Delegation and Voting Power**

Shareholders may be represented in sessions of the General Shareholders' Meeting, being capable of delegating their vote to any person, whether or not a shareholder. In any case, the delegation of blank vote must be made with voting instructions, according to the standard model for letters of representation that FINDETER provides for these purposes on its website.

#### **E. Ordinary Sessions**

Ordinary sessions of the General Shareholders' Meeting will be held within the first (3) three months of the year. The call, for which the CEO or General Secretary is responsible, will indicate the day, time and place of the meeting.

If not called, the General Shareholders' Meeting will hold session in its own right on the first business day of April, at 10 a.m., in the Company's offices at the registered address.

#### **F. Extraordinary Sessions**

Extraordinary sessions of the General Shareholders' Meeting will be held as required due to any unexpected or urgent need of FINDETER, called by the Board of Directors, the Legal Representative, the Independent Auditor, or by at least thirty (30%) percent of the shareholders.

The call to extraordinary sessions must specify the issues over which the Shareholders will deliberate and decide. The General Shareholders' Meeting will not be able to decide on issues not included in the call. However, with the favorable vote of at least seventy percent (70%) of the shares represented, it may address other issues after the entire agenda has been discussed.

#### **G. Quorum and Majorities**

The General Shareholders' Meeting will hold session and deliberate with a plural number of shareholders representing, at least, half plus one of the subscribed and paid-in shares.

Decisions will be made by a majority of the shares represented, with the exceptions provided in the Corporate Bylaws.

#### **H. Special Quorum**

If the Meeting is called but is not held due to lack of quorum, a new meeting will be

called, which will be validly held and decide with a plural number of shareholders, whatever the number of shares represented. The new meeting must be held neither ten (10) business days before nor thirty (30) business days after the date set for the original meeting.

When the Meeting is held in ordinary session by its own right on the first business day of April, it may also validly deliberate and decide under the terms of the paragraph above.

### **I. Development of the Meeting**

The Meeting table will consist of the Chairman of the General Shareholders' Meeting, the Secretary of the General Shareholders' Meeting and the CEO of FINDETER. The Secretary of the General Shareholders' Meeting will be in charge of admitting the shareholders to the meeting, examining the powers or legitimacy of the representatives, taking attendance, answering any questions regarding attendance; and, after starting the session, leading the discussions, giving the floor and keeping order.

### **J. Holding and Participation in the Meeting**

Shareholders who wish to participate must first identify themselves by giving their full name and number of shares they own or represent.

Shareholders will have the opportunity to ask questions about any item on the agenda, provided that such items are of interest and pertaining to the legal or statutory scope of the Meeting.

### **K. Elections and Vote Count Commission**

This commission will be made up of the Chairman and Secretary of the Meeting, and will be in charge of supervising the vote count to ensure transparency and legality.

### **L. Votes**

Each shareholder will have as many votes as the number of Company shares they have subscribed and paid in.

### **M. Meeting Minutes**

The decisions of the General Shareholders' Meeting will be recorded in minutes, approved by the Minutes Study and Approval Committee, which will consist of two (2)

shareholders appointed by the Meeting in the same session.

The minutes, which will be signed by the Chairman, the Secretary and the Minutes Study and Approval Committee, must state, at least, its number, the place, date and time of the meeting, the form and anticipation of the call, the list of attendees indicating the number of shares they represent, the issues discussed, the votes cast in favor, against, or blank, the written records submitted by the attendees during the meeting, the elections held and the date and time of closure.

#### **N. Temporary Suspension**

The General Shareholders' Meeting may be suspended under the terms of the Code of Commerce.

#### **O. Decisions**

The decisions of the General Shareholders' Meeting made in accordance with the Bylaws and the Law are binding on all shareholders, even those who are absent or dissenting.

#### **P. Specialized Audits**

In accordance with the provisions of article 54 of the Corporate Bylaws, shareholders and other investors representing at least ten percent (10%) of the Company's shareholding, individually or jointly, may hire specialized audits on FINDETER, for which the following must be observed:

- a) The reasons for conducting it must be detailed, as well as the events and operations to be audited, the duration and other aspects that are necessary to specify the scope and purpose of the audit. These specialized audits may be carried out within fifteen (15) business days prior to the Ordinary General Shareholders' Meeting, as part of the right to inspect the books and papers of FINDETER, in accordance with the provisions of article 11 of the Corporate Bylaws "Shareholder and Investor Rights" and in the Code of Commerce.
- b) The documents indicated in article 447 of the Code of Commerce may be inspected. In no event will documents considered privileged or reserved or of third parties be violated, in accordance with the provisions of the Political Constitution and article 61 of the Code of Commerce.
- c) The firms hired to conduct said audits must have, at least, the qualities of the Independent Auditor appointed by the General Shareholders' Meeting for the

corresponding period.

- d) The results of the specialized audit must be disclosed in the first instance to the Company's CEO, who will have fifteen (15) business days to make a statement. These results and the CEO'S statement will be made known to the Board of Directors and the Internal Auditor. The latter must evaluate the report of the specialized audit and make the relevant recommendations.
- e) The working papers of the special auditor will be subject to reserve and must remain so for a period of no less than five (5) years from the date of their preparation.
- f) After receiving all the reports, the Board of Directors will respond in writing as soon as reasonably possible, regarding any concerns raised by the requesting shareholders or investors.

#### **Q. Characteristics of FINDETER Shares**

Findeter shares are nominative, ordinary, indivisible and capital. They therefore confer on their holder the rights provided in the law for this class of shares, with the exceptions provided in the Law and the Bylaws.

The General Shareholders' Meeting, however, may at any time, after meeting the legal requirements, create privileged shares and establish special series for them.

#### **R. Rights Conferred by Shares**

The shares confer on their holders all of the rights inherent to the status of shareholder in accordance with the Law and the Bylaws.

#### **Register**

The Company will keep a Shareholder Register, listing each shareholder and the number of shares they own.

Given the nominative nature of the shares, the company will recognize the quality of shareholders or holder of real rights over shares only to individuals or companies registered in the Shareholder Register.

The disposition or transfer of shares, encumbrance or limitation, seizure or award will be effective with respect to the company and third parties only after its registration in the Shareholder Register, which the Company may not refuse except by order of a

competent authority, or in the case of shares that must be negotiated under certain requirements or formalities that have not been met.

### **Share Certificates**

The Financier will issue to all subscriber of shares, the share certificates that prove their status of shareholder.

Share certificates, whether provisional or final, will be issued in a continuous series, with the signatures of the CEO and General Secretary of the Company, and will contain the indications provided by law, in accordance with the text and under the external form determined by the Board of Directors, which may also authorize the process to dematerialize the shares.

### **Provisional Certificates**

While the value of the shares is not fully covered, provisional certificates will be issued to subscribers. The transfer of the certificates is subject to the same conditions as the transfer of the final certificates, but the transferor and the assignees will be jointly liable for the unpaid amount.

### **Negotiable Shares**

Shares are negotiable securities, with the limitations derived from the assignments or dispositions made by the Nation to the departments as a result of the provisions of section b), article 8 of Act 57 of 1989.

Dispositions will be registered in the Shareholder Register by written order of the transferor, either through a “Letter of Transfer” or in the form of an endorsement in the respective certificate.

To make the new registration and issue the certificate to the acquirer, the company will cancel the certificates issued to the transferor or previous owner.

### **Liens over Shares**

Taxes and charges arising from the issuance, negotiation and capitalization of shares will be assumed and paid by the respective shareholders.

### **Rules of Shares**

Matters not regulated in the Bylaws regarding the issuance, subscription, payment,

negotiation, right of first refusal of shareholders to acquire new shares in proportion to the number of shares they own at the time of issue or respective disposition, as well as other aspects inherent to the shares of the Company will be regulated by the Board of Directors.

### **S. Differences and Conflicts of Interest**

Any transaction controversies that occur among shareholders or between shareholders and the Company, due to the corporate contract, will be submitted to arbitration, if the parties fail to reach a direct settlement within fifteen (15) calendar days of declaring the controversy.

The parties may designate, by mutual agreement, one (1) arbitrator from List A of the Arbitration and Conciliation Center of the Bogota Chamber of Commerce. If after fifteen (15) calendar days no agreement is reached on this appointment, the arbitrator will be appointed by the Arbitration and Conciliation Center of the Bogota Chamber of Commerce from the same list by draw.

Conflicts of interest will be subject to the provisions of current regulations.

The arbitrator will decide according to law and will be authorized to reconcile the opposing claims. A party is understood as the shareholder or shareholders who support the same claim.

In matters not provided for in this section, the provisions of the Code of Commerce and the current Corporate Bylaws will be applied.

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## ANNEX 2

### RULES OF THE BOARD OF DIRECTORS

#### **A. Purpose**

These Rules regulate the internal activity of the Board of Directors of FINDETER in accordance with the provisions established by law, the Corporate Bylaws and other applicable regulations.

#### **B. Composition**

The Board of Directors shall consist of five (5) principal members and five (5) personal alternates, each elected by the General Shareholders' Meeting for two (2) year periods. At least three (3) members must be independent members. Either an individual or a specific position may be appointed as Board member. Board members must not find themselves in any of the situations established as inabilities and incompatibilities for this collective body as per the applicable general and special rules.

The FINDETER CEO will attend the meetings with voice but without vote. Either an individual or a specific position may be appointed as Board member

#### **C. Chairman of the Board of Directors**

The Board of Directors will be chaired by an official linked to the Ministry of Finance and Public Credit, who will be appointed by the Board of Directors in the respective session.

The duties of the Chairman of the Board of Directors are the following:

- a) Leading the operation of the Board and ensuring the proper and effective performance of its functions.
- b) Participating in the preparation of the meetings' Agenda and in the calls to the meetings, directly or through the Secretary of the Board of Directors, in coordination with the CEO and the other Board members.
- c) Opening and adjourning the Board meetings.
- d) Chairing the meetings and moderating the debates, ensuring that all Board members focus their attention on the development of the meeting and actively participate.

- e) Monitoring, with the support of the Secretary, the attendance, punctuality and permanence of the members of the board in the meetings.
- f) Ensuring the adequate and timely delivery of the information to the board members, directly or through the Secretary.
- g) Submitting the decisions to be adopted to a vote.
- h) Authorizing with his signature the minutes approved by the Board of Directors.
- i) Ensuring the execution of the Board's resolutions and monitoring its assignments and decisions.
- j) Forming the subcommittees that are required for the full performance of the Board's duties.
- k) Acting as spokesperson for the Board of Directors.
- l) Ensuring compliance with this Code and answer any questions that may arise regarding its application.
- m) Coordinating and planning the operation of the Board of Directors, in coordination with Management, by establishing an annual work plan based on the assigned duties that is reflected in a reasonable number and duration of board sessions
- n) Encouraging the Board of Directors to set and efficiently implement the company's strategic management.
- o) Striving to keep the company's internal policies, regulations, and strategic plan up to date.
- p) Coordinating, together with Management, and supported by the Corporate Governance Committee, the annual evaluation process of the Board of Directors and the Committees.
- q) Evaluating, together with Management, any cases that require an extraordinary Board meeting, as well as any sessions that may be carried out virtually.
- r) Staying informed of relevant changes in the company's regulatory and competitive market environment.
- s) Performing other duties established by law and the corporate bylaws.



#### **D. Secretary of the Board of Directors**

The General Secretary of FINDETER will act as Secretary of the Board of Directors and will exercise the following functions:

- a) Communicating the calls to ordinary or extraordinary meetings.
- b) Sending the necessary documentation for the correct development of the sessions to all Board members.
- c) Verifying the quorum at the beginning and during each session, as required.
- d) Drawing the minutes of the sessions and submit them to the Board's approval.
- e) Endorsing with his signature the minutes approved by the Board of Directors.
- f) Keep the minutes books of the Board of Directors.
- g) Communicating to the competent authorities the decisions of the Board of Directors and monitoring the actions that lead to their full execution.
- h) Being the document custodian for the Board of Directors.
- i) Issuing the required evidence regarding the actions in the sessions Board of Directors.
- j) Fulfill other duties assigned by the Board of Directors.

In case of absence, an ad hoc Secretary of the Board of Directors will be appointed.

#### **E. Alternate Members**

In the event of an absolute or temporary absence of any of the principal Board members and after receiving a communication from a principal member explaining the cause of the absence, the General Secretary will inform the situation to the alternate member in writing and forward the relevant information for decision-making, with the aim of keeping the alternate Board members adequately informed of the issues submitted for consideration.

#### **F. Special Guests**

The Board of Directors may occasionally or permanently invite, when deemed convenient for the full performance of its duties, the Independent Auditor, any

Company employee and other authorities and even individuals, in order to address specific issues. They will have voice in the Board's deliberations, but no voting right.

### **G. Profiles of Board Members**

Board members must undertake to fulfill the vision of FINDETER and must meet at least the following requirements:

- a) Have knowledge and experience in the activities of the corporate purpose and/or have knowledge and experience in any of the following fields: finance, technology, management, or law.
- b) Have good name and recognition in their professional field and integrity.
- c) Not belong simultaneously to more than five (5) boards of directors including FINDETER.

Additionally, Board members must comply with the objective and subjective requirements for these types of positions, required for taking office before the Financial Superintendence of Colombia.

### **H. Principles and Duties that Govern the Actions of Board Members**

Board members must act in observance of government policies and the interest of FINDETER. They must also commit to the Corporate Governance Code. The duties of the Board members are:

- a) Diligence and care
- b) Loyalty
- c) Non-competition
- d) Secrecy
- e) Non-use of corporate assets

### **I. Rights of Board Members**

The rights of Board members include:

- a) Information

- b) Have the support of experts
- c) Induction and permanent training
- d) Remuneration for attending their meetings

#### **J. Independence of Board Members**

At the time of joining the FINDETER Board of Directors and before attending the first meeting, a double declaration of independence must be issued: (i) by the new member before the Company, its shareholders and senior management, instrumented through the acceptance letter and, (ii) by the Board of Directors, regarding its independence from the new member.

#### **K. Taking Office**

FINDETER Board members will take office before the Financial Superintendence of Colombia.

Once the Board members takes office, upon approval, for the first time before the Financial Superintendence of Colombia, the following information will be sent to them: Act 57 of 1989 (creation law), Decree 4167 of 2011 (amendment to the legal nature), Organic Statute of the EOSF Financial System (articles 268 et seq.), as amended or complemented, the Corporate Bylaws and the FINDETER Corporate Governance Code.

#### **L. Duties of the Board of Directors**

In addition to the provisions of article 41 of the Corporate Bylaws, the following are duties of the Board of Directors:

- a) Carrying out efforts leading to the proper development of the corporate purpose.
- b) Ensuring strict compliance with the Law and the Corporate Bylaws.
- c) Formulating the Company's general policy, the administrative development plan and the plans and programs that, in accordance with the Organic Law of the National Development Plan, and if applicable, the Organic Budget Law, must be proposed for its incorporation into the sectoral plans and, through these, into the National Development Plan.
- d) Ensuring that the Independent Auditor can properly performance his duties.

- e) Storing and protecting the Company's commercial and industrial reserve.
- f) Refraining from improperly using privileged information.
- g) Giving fair treatment to all partners and respecting the exercise of their right of inspection.
- h) Refraining from participating individually or through an intermediary for personal interest or of third parties, in activities that involve competition with the company or in acts with respect to which there is a conflict of interest
- i) Strictly complying with the formal requirements and the regulations related to the development of the sessions of the General Shareholders' Meeting and the participation of shareholders, in order to have the best relationship with them.
- j) Approving the annual budget submitted for its consideration by the CEO of Findeter.
- k) Complying with and enforcing the decisions of the General Shareholders' Meeting.
- l) Establishing the budget caps for when the CEO is authorized to enter into contracts.
- m) Calling ordinary sessions of the General Shareholders' Meeting when the legal representative fails to do so on time and extraordinary sessions when deemed necessary.
- n) Analyzing the results of its self-evaluation and the CEO'S evaluation.
- o) Conducting specialized audits on specific topics, when deemed necessary.
- p) Submitting to the General Shareholders' Meeting or associates at year-end, a report on the work carried out by the Audit Committee.
- q) Reviewing the Annual Corporate Governance Report of the Corporate Governance Committee.
- r) Approving and defining the Related Party Transaction Policy.
- s) Approving and defining the Information Disclosure Policy.
- t) Review the reports periodically submitted by Board members, Legal Representatives, members of Senior Management and other Company Managers about their relationships, either direct or indirect, among themselves, or with other entities, or with suppliers, or with customers or with any other Stakeholders, from

which situations of conflict of interest or influence could arise with respect to their opinion or vote, thus building a "Map of Related Parties" of Managers.

- u) Annually evaluate the effectiveness of its job as a collective body and its Committees, as well as the reasonableness of its internal rules, proposing, where appropriate, changes to its organization and operation.
- v) Others that are specific to it and that are not attributed to any other governing body and those that correspond to it by law, given the legal nature of FINDETER.

The duties in relation to the Internal Control System (ICS) are the following:

- a) Actively participating in the Company's strategic planning and monitoring, determining the needs for strategic redirection when required.
- b) Defining and approving the general strategies and policies related to the ICS, based on the recommendations of the Audit Committee.
- c) Establishing formal evaluation mechanisms for management and, if deemed necessary, establishing compensation and remuneration systems tied to the fulfillment of long-term objectives and risk levels.
- d) Defining clear lines of responsibility and accountability throughout the organization.
- e) Analyzing the existing risk management process and adopt the necessary measures to strengthen, as required, which includes, among others, establishing crisis protocols that include contingency plans.
- f) Adopting the necessary measures to ensure the independence of the internal auditor and monitor his compliance.
- g) Reviewing the relevant reports regarding the ICS that are presented by the different control or supervisory agencies and issue the necessary orders so that the appropriate recommendations and corrections are adopted.
- h) Requesting and studying in due time all the relevant information required to have sufficient illustration to responsibly adopt the corresponding decisions and request expert advice, when necessary.
- i) Requesting any clarifications and formulating the objections that it considers pertinent with respect to issues that are submitted for its consideration.

- j) Approving sufficient resources for the ICS to meet its objectives.
- k) Monitoring in its ordinary sessions, through periodic reports submitted by the Audit Committee, on the Company's risk management and the measures adopted to control or mitigate the most relevant risks, at least every six (6) months, or more frequently if appropriate.
- l) Evaluating the relevant recommendations on the ICS made by the Audit Committee and other internal and external governing bodies, adopting the pertinent measures and monitoring their compliance.
- m) Evaluating the financial statements and accompanying notes, before being submitted to the Shareholders' Meeting, taking into account the reports and recommendations presented by the Audit Committee.
- n) Submitting to the General Shareholders' Meeting a report on the result of the evaluation of the SCI and the measures taken, at the end of each fiscal year.

Regarding the Market Risk Management System (SARM), which allows FINDETER to effectively identify, measure, manage and control such risks, it is up to the Board of Directors to determine the set of policies, procedures, methodologies of measurement and special internal monitoring and control mechanisms, which should allow the adoption of timely decisions for the adequate mitigation of market risks. Additionally, when applicable, the SARM should allow the determination of the appropriate amount of capital that corresponds to the levels of risk assumed.

The procedures adopted must consider that the Board of Directors is responsible for adopting the following decisions regarding the adequate management of market risks:

- o) Approving the Company's policies on market risk management, which must reflect the general level of tolerance or exposure to such risks. These policies must be consistent with the corporate strategy and strategic objectives, as well as the financial and operating structure, and be made in writing.
- p) Approving the procedures designed by the Company's management to manage market risks.
- q) Designating, within the Company's organizational structure, the position and area responsible for market risk management, indicating the corresponding duties and responsibilities.

- r) Ensure the allocation of physical, human and technological resources for the adequate development of the SARM.
- s) Requesting management to submit periodic reports on the levels of exposure to market risks, their implications and the relevant mitigation and/or management activities.
- t) Adopt special procedures for the control of SARM.

Regarding the Credit Risk Management System (SARC), which allows FINDETER to effectively identify, measure, manage and control such risks, it is up to the Board of Directors to determine the set of policies, procedures, methodologies of measurement and special internal monitoring and control mechanisms, which should allow the adoption of timely decisions for the adequate mitigation of credit risks. In this sense, the Board of Directors will be in charge of dictating policies and setting financial limits for authorized direct credit transactions, based on the provisions of the SARC.

#### **M. Inabilities and Incompatibilities**

Board members will be subject to the inabilities and incompatibilities indicated in the Political Constitution, the legal and regulatory provisions such as those contained in the Code of Administrative and Contentious Administrative Procedures, in Decree 128 of 1976 and in the rules on conflicts of interest of FINDETER.

#### **N. Meetings and Calls**

The Board of Directors will ordinarily meet at least once a month, on the day and time it determines, and may meet extraordinarily when requested by one of its members, the CEO or the General Secretary of FINDETER or the Independent Auditor. In any case, a specific calendar of ordinary meeting must be approved in the first Board meeting each year, provided, however, that it may extraordinarily meet as many times as necessary.

Ordinary meetings of the Board of Directors will be called through any suitable means by the CEO or the General Secretary of Company with a minimum notice of five (5) calendar days. For extraordinary meetings, a one (1) business day notice will suffice.

#### **O. Agenda and Information**

The meeting's agenda will be organized by the Secretary of the Board of Directors, defined together with its Chairman. They will ensure that the meeting's agenda is

structured following parameters established by law and internal regulations, including among the items verifying the required quorum and the approval of the agenda, giving a logical order of presentation of topics and debates.

However, the Board of Directors has the power to address additional issues, when so decided by the majority of its members, after the agenda for the respective meeting has been entirely discussed. Board members may request that other issues be included in the agenda, presenting the respective request to the Chairman of the Board of Directors for inclusion in the next meeting or its scheduling for a subsequent meeting.

Board members will have access in advance to the information that is relevant for decision-making, in accordance with the previously submitted agenda. For this purpose, the information will be sent or made available to the members five (5) calendar days in advance through any suitable means such as e-mail, magnetic storage or printed. However, and prior to the meeting, Board members may request additional information through the General Secretary.

The information sent to the Board of Directors will include at least the following documents that will be part of the agendas:

**Monthly:** Detailed presentation of financial, risk, commercial and technical results.

**Quarterly:** Presentation by the Compliance Officer of the SARLAFT report; Presentation by the Independent Auditor of the SARLAFT report;

**Semiannually:** Review of FINDETER'S Strategic Plan. SARO report.

**Annually:** Approval of the Budget; Result of the evaluation of the CEO and its Management Team.

Each Board meeting's agenda will mandatorily include an item where its members will be required to declare the existence or not of any type of conflict of interest on the issues to be discussed.

#### **P. Distance Meetings**

The Board of Directors may hold distance meetings when by any means and with a required quorum its members can deliberate and decide by simultaneous or successive communication, and with full compliance with other legal requirements.

Additionally, the decisions of the Board of Directors will be valid when all partners or members cast their vote in writing, provided that it is carried out in accordance with



the applicable legal provisions.

#### **Q. Quorum and Majorities**

The Board of Directors will validly deliberate and decide with the presence and votes of the majority of its members, with the exceptions provided by law.

If the Board of Directors cannot meet due to lack of quorum, the Secretary must record the situation and the meeting will be automatically moved to the next business day, at the same time and place.

#### **R. Voting Method**

The votes will be public.

#### **S. Initiatives**

Board members and the CEO of FINDETER may submit proposals to the Board of Directors.

#### **T. Minutes**

The decisions of the Board of Directors will be recorded in minutes that, once approved, will be authorized with the signatures of its Chairman and the Secretary. They will record the place, date and time of the meeting, the name of the attendees, all the issues discussed and the decisions adopted, denied or postponed. Additionally, they must identify the studies, reasons and other sources of information that served as basis for decision-making, as well as the reasons for and against that were discussed.

The minutes book of the Board of Directors will be kept by the General Secretary of the Company.

#### **U. External Advisors**

Board members may hire, at the Company's expense, external advisers of recognized experience and professional solvency for the service of the Board of Directors, independent of those hired by management, when considered necessary for the better performance of their duties. In any case, their hiring shall be subject to the internal procedures established.

#### **V. Conflict of Interest**

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The conflicts of interest involving members of the Board of Directors will be managed in accordance with the provisions of the Findeter Code of Ethics and Integrity.

### **W. Remuneration**

Both Principal and Alternate members of the Board of Directors will be paid equally for their attendance at ordinary and extraordinary meetings and at the supporting Board Committees, in accordance with the remuneration scheme of Resolution No. 1290 of June 23, 2020, issued by the Ministry of Finance and Public Credit, as amended or replaced.

### **X. Evaluation**

Board members will be evaluated individually in accordance with the process determined by the Corporate Governance Committee and their results will be presented as a collective body in the Company's Annual Management Report.

The annual evaluation of the Board of Directors will be carried out with a view to improving the performance of the Board as a whole, of its members individually and of its supporting committees. The evaluation methodology is based on the following models: i) self-evaluation, ii) peer assessment, or iii) evaluation with external facilitators, in order to establish the levels of efficiency and effectiveness in the fulfillment of duties and functions, the achievement of the group's objectives, its members observance of the principles and responsibilities indicated for them in this Code and to identify improvement measures.

### **ANNEX 3**

#### **GLOSSARY**

To facilitate the understanding of the Corporate Governance Code and its Annexes, the meaning of words and expressions used in its content is set out below.

**Responsible Action:** It is our way of acting, it is to understand the needs of the territories through dialogue and collaboration to offer relevant, differentiated and high-impact projects, acting with integrity, building trust and complying with the commitments to our stakeholders, meeting their needs and expectations.

**Manage:** To govern, exercise authority or command over the Company and the people who work here. Lead the institution to obtain, order, arrange and organize the adequate use of human talent and the physical, financial, technological and legal resources required and available.

**Self-control:** The ability of all workers in the organization, regardless of their hierarchical level, to evaluate and control their work, detect deviations and carry out corrections in the exercise and fulfillment of their duties, as well as to improve their tasks and responsibilities.

**Self-management:** It points to the organization's ability to interpret, coordinate, execute and evaluate its operation effectively and efficiently.

**Self-regulation:** The Company's ability to apply through participation the methods and procedures established in accordance with the regulations, allowing for the adequate development, maintenance and projection in compliance with the Company's Mission in an environment of integrity, efficiency and transparency when engaging its customers and stakeholders.

**Climate Change:** A climate change attributed directly or indirectly to human activity that alters the composition of the global atmosphere and that adds to the natural variability of the climate observed during comparable periods of time.

**Corporate Governance Code:** It comprises the voluntary self-regulation provisions of FINDETER'S management and governing bodies, by means of which they undertake to ensure effective, integrated and transparent management. The Code includes the rules of conduct and the mechanisms and instruments that must be adopted and with which it seeks to build trust among internal and external customers. Its content addresses the analysis and consensus of Senior Management.

**Sustainable Purchases:** Purchases for which environmental and social criteria, in addition to economic considerations, are adopted as a condition for the purchases and procurement of goods and services.

**Market Conditions:** Current variables determined by supply and demand for the goods and services subject to the transaction, taking into account symmetry in the information and fairness of opportunity.

**Conflict of Interest:** Any situation or event in which the direct or indirect personal interests of employees contradict those of the Company, interfere with the Company's duties or lead them to perform based on motivations other than to proceed correctly or to fulfill their responsibilities.

**Human Rights:** Rights inherent to all human beings regardless of race, sex, nationality, ethnic origin, language, religion, or any other status.

**Administrative Development:** Set of policies, strategies, methodologies, techniques and mechanisms of an administrative and organizational nature for the management and handling of the Company's human, technical, material, physical and financial resources, aimed at strengthening the administrative capacity and institutional performance, in accordance with the applicable regulations issued by the National Government.

**Sustainable Development:** The type of development that occurs in a country that can maintain or sustain the balance between social, environmental and economic aspects.

**Strategic Management:** Set of actions that guide the Entity towards the future, through which efforts are focused on common purposes to satisfy the needs and expectations of customers and the national government.

**Differential Approach:** Identifies the characteristics that people share in order to enhance differential actions that materialize the effective use of their rights.

**Gender equality:** Impartial treatment of men and women according to their respective needs, either with equal treatment or different treatment considered equivalent in terms of rights, benefits, obligations and possibilities.

**FINDETER:** Financiera de Desarrollo Territorial S.A. Also referred to herein as "the Entity" or "the Company".

**Manage:** Carry out planned, consistent and coherent diligences, leading to the effective achievement of objectives, through the systematic application of planning, executing,

verifying and acting with opportunity, as support for decision-making based on specific events.

**Governance:** A set of conditions that make it possible for the Company's management and governing bodies to exercise the real power that has been formally given to them for the fulfillment of the objectives and duties as part of the responsibility of their positions. It includes the recognition of: a) Their competence and suitability to manage the Company in achieving the Mission and strategic objectives (efficiency); b) Compliance with ethical principles and values and prioritization of the general interest over personal benefits (integrity); and c) Communication to make clear how the results obtained are managed and reported (transparency).

**Corporate Governance:** How the Entity is managed, seeking to improve its internal and external operation, with efficiency, transparency and integrity, to be adequately accountable to its stakeholders, ensuring ethical organizational behavior.

**Stakeholders:** People or organizations that can affect, be affected or perceive themselves as affected by a decision, objective or activity of the company.

**Social Inclusion:** Provide a dignified, respectful, safe and healthy work environment. Recognizing the diversity and difference between human beings and providing equal opportunities.

**Investors:** In addition to the people who acquire the securities issued by FINDETER expecting a return in exchange, any individuals or companies that acquire FINDETER shares, as of the issuance of Decree 4167 of November 3, 2011.

**Mission:** Definition of the tasks or rationale behind FINDETER. It is determined in its governing rules and is in accordance with its characteristics.

**Internal Control Standard Model (MECI):** Model established by the State for its Entities through Decree No. 1599 of 2005. It provides a structure for strategy, management and evaluation control, for the purpose of improving institutional performance by strengthening the control and evaluation processes that the Office of Internal Control of Management must carry out in FINDETER.

**Compliance Officer:** Pursuant to the regulations issued by the Financial Superintendence of Colombia, FINDETER has a Compliance Officer, who is in charge of verifying compliance with regulations related to the Money Laundering and Terrorism Financing Risk Management System (SARLAFT) issued by the supervisory agencies, and that the procedures established by the Company are followed as a preventive

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measure.

**Strategic Objectives:** The framework objectives projected by the Company’s Senior Management for the medium and long term, allowing it to fulfill its Mission and achieve its Vision. These must be measurable and have a time horizon. The development of strategic objectives will have a direct impact on adding value to mission processes.

**Policies:** The guidelines with which Management defines the Company’s scope of action, for the fulfillment of the constitutional and mission purposes, to ensure consistency between its practices and its purposes.

**Ethical Principles:** Standards of conduct and basic beliefs that guide the actions of FINDETER employees in their internal relationships and with the Company’s management. They are not negotiable.

**Accountability:** FINDETER’S legal and ethical duty to be accountable for the administration, management and performance of funds, goods and/or public resources allocated, and the respective results, in compliance with the order that has been conferred upon it. It constitutes a means of transparency and responsibility that allows building trust and fighting corruption.

**Social Responsibility:** A company is socially responsible when it integrates social and environmental issues in its business operations and in its interactions with its stakeholders voluntarily.

**Disclosure of Information:** The Company’s duty to have clear rules and an adequate structure for the provision of accurate and timely information to its stakeholders. Disclosure increases transparency regarding the Company’s operation, promotes informed decision-making and allows the appropriate exercise of the respective stakeholders.

**Risks:** Likelihood of both internal and external events, which may affect or hinder the achievement of the Company’s institutional objectives, thus obstructing the normal development of the business.

**SAR:** Refers to the Risk Management Systems that are managed within the Company as SARO, SARLAFT, Information Security and Cybersecurity, Business Continuity, SARAS, SARM, SARL, SARC, Anti-Fraud and Anti-Corruption and Suppliers.

**Internal Control System (ICS):** ICS is understood as the set of policies, principles, standards, procedures and mechanisms for verification and evaluation, established by the Board of Directors, senior management and other workers of an organization to

provide a reasonable degree of security regarding the achievement of the following objectives:

- a) Improve the efficiency and effectiveness of the Company's operations. Effectiveness here is understood as the ability to achieve the proposed goals and/or results; and efficiency as the capacity to produce the maximum results with the minimum of resources, energy and time.
- b) Prevent and mitigate the occurrence of fraud originating both inside and outside the Company.
- c) Carry out adequate risk management.
- d) Increase the reliability and timeliness of the Information generated by the Company.
- e) Enforce adequate compliance with the standards and regulations applicable to the Company.

The ICS is of vital importance to the extent that efficiency is promoted, effectiveness is ensured, and the generally accepted standards and principles are prevented from being violated.

**SARO:** The Operational Risk Management System, which consists of policies, procedures, documentation, organizational structure, registry of operational risk events, supervisory agencies, technological platform, information disclosure and training, through which the Company seeks to obtain an effective management of this type of risk.

**SARLAFT:** The Money Laundering and Terrorism Financing Risk Management System, (SARLAFT, formerly SIPLA), which consists of policies, methodologies, procedures, documentation, organizational structure, supervisory agencies, technological platform, information disclosure and training, that prevent the use of the Company as an instrument for money laundering and/or channeling resources for terrorist activities.

**SARAS:** The Social and Environmental Risk Analysis System applied to investment projects for on-loans. It includes the policies, procedures, documentation, organizational structure and other supports that prevent the Company from financing activities that are harmful to the environment or society.

**Worker:** Includes the personnel directly hired by the Company, temporary workers and all those who carry out activities within the Company, regardless of their employment relationship with the Company.

**Transparency:** It is considered as a clear and transparent way of acting, transmitting assurance and credibility to others, and subordinates the Company's management to the rules that have been agreed upon, exposing it to the direct observation of stakeholders. It also involves an accountability duty.

**Values:** The attributes or qualities that regulate the way of thinking, being and acting of workers in developing their tasks in the Company. They allow the ethical principles to be put into practice and make possible the construction of a rewarding work coexistence.

**Vision:** It establishes the Company's "ought to be" in a time horizon, develops its mission and includes the governance plan of its manager, which is then translated into the Company's development plan