

COMPOSITION OF THE AUDIT COMMITTEE

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FUNCTIONS OF THE AUDIT COMMITTEE

a) Functions in relation to the Board of Directors:

1. Request the reports it deems appropriate for the proper performance of its functions.
2. Prepare the report that the Board of Directors must present to the highest corporate body regarding the functioning of the internal control system.
3. Propose to the Board of Directors the structure, procedures and methodologies necessary for the operation of the Internal Control System.
4. Monitor the levels of risk exposure, its implications for the entity and the measures adopted to control or mitigate it, at least every three (3) months, or more frequently if appropriate, and submit a report to the Board of Directors on the most important aspects of the management carried out.
5. Monitor compliance with the instructions given by the Board of Directors or equivalent body in relation to the Internal Control System.
6. Prepare the report that the Board of Directors must present to the highest corporate body regarding the functioning of the Internal Control System, which must include among other aspects:
 - a. The general policies established for the implementation of the entity's Internal Control System.
 - b. The process used to review the effectiveness of the Internal Control System, with express mention of the aspects related to risk management.
 - c. The most relevant activities carried out by the Audit Committee.
 - d. 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.
 - e. Observations made by supervising bodies and sanctions imposed, where appropriate.

- f. Present the evaluation of the work carried out by the Internal Comptroller's Office, including, among other aspects, the scope of the work carried out, the independence of the function and the resources assigned to it.
 7. Receive the final financial audit report and study the financial statements for consideration by the Board of Directors, without prejudice to the functions attributed by law to the Statutory Auditor and Senior Management, and in the event that they contain reservations or unfavourable opinions, issue a statement on their content and scope, which will be made known to shareholders and the public securities market through the issuer's website; as well as verify that Senior Management takes into account the recommendations of the Statutory Auditor and, if necessary, lead the process of responding to the observations included in his report.
 8. Supervise and report periodically to the Board of Directors on the effective application of the Company's Risk Policy, so that the main risks, financial and non-financial risks, on-balance sheet and off-balance sheet, are identified, managed and properly disclosed.
 9. Supervise the internal audit services and report to the Board of Directors.
 10. Review and approve the Annual internal audit Work Plan and the annual activity report.
 11. Evaluate and inform the Board of Directors of any situations of temporary or permanent conflict of interest in which a significant shareholder, members of the Board of Directors and Senior Management may be involved, directly or indirectly, or through a related party, making the necessary proposals to manage the situation.
 12. Evaluate and inform the Board of Directors of the parent company on possible conflicts of interest that may arise between the parent company and the subordinate companies or between them or between them and their directors and related parties, making the necessary proposals to manage the situation.
 13. Prior to authorization by the Board of Directors, examine and report to the Board of Directors on the operations carried out by the Company, directly or indirectly, with members of the Board of Directors, controlling and significant shareholders, members of Senior Management, operations with subsidiaries or persons related to them, which due to their amount, nature or conditions pose a risk to the Company or its subsidiaries.
- b) Functions in relation to Administration
14. Assess the Bank's internal control structure so that it can establish whether the procedures designed reasonably protect the Bank's assets and whether there are controls in place to verify that transactions are being properly authorised and recorded.

15. Supervise the functions and activities of the Comptroller's Office, to determine its independence and objectivity in relation to the activities it audits, determine the existence of limitations that prevent its adequate performance and verify whether the scope of its work satisfies the control needs of the entity.
16. Ensure the transparency of the financial information prepared by the Bank and its appropriate disclosure. To this end, it must ensure that the necessary controls and appropriate instruments are in place to verify that the financial statements disclose the condition of the company and the value of its assets. In this regard, it must study the financial statements and prepare the corresponding report for the consideration of the board of directors, based on the evaluation not only of the corresponding projects, with their notes, but also of the opinions, observations of the control entities, results of the evaluations carried out by the competent committees and other related documents.
17. Ensure that the necessary controls are in place to prevent the Bank from being used as an instrument for criminal activities, especially money laundering, by reviewing the reports that the compliance officer must submit to the Board of Directors.
18. Indicate the responsibilities, attributions and limits assigned to the different positions and areas with respect to the administration of the Internal Control System, including risk management.
19. Ensure that the directors provide the information required by the control bodies for the performance of their duties.
20. Design, implement and evaluate programs and controls to prevent, detect and respond adequately to the risks of fraud and misconduct, fraud being understood as an intentional act committed to obtain an illicit profit, and misconduct as a violation of laws, regulations or internal policies.
21. Analyze the functioning of information systems, their reliability and integrity for decision making.
22. Know and evaluate the process of preparation, presentation and disclosure of financial information.
23. Supervise the efficiency of the function of regulatory compliance and the prevention of money laundering and financing of terrorism..
24. Verify that the periodic information offered to the market is prepared in accordance with the same professional principles and practices as the annual accounts, supervising the existence of the corresponding process and the necessary controls prior to its dissemination.
25. Know, evaluate and supervise the company's internal control system.

26. Ensure the independence and effectiveness of the internal audit function, receive periodic information on its activities and verify that senior management considers the conclusions and recommendations of its reports.
27. Review compliance with the actions and measures that are the result of the reports or inspections of the supervisory and control authorities.
28. Periodically monitor the degree of compliance with the Institutional Code of Conduct and the effectiveness of the system of anonymous complaints, evaluating the unethical actions that come up and the content of the complaints made, as well as making recommendations to the Board of Directors.

c) Functions in relation to the Statutory Auditor's Office

29. Confirm or disapprove the concept of the Statutory Auditor's Office against the report on the sufficiency and adequacy of the entity's internal control measures, which must be submitted to the General Shareholders' Assembly, in accordance with article 209 of the Commercial Code.
30. Propose to the Board of Directors, for consideration of the General Shareholders' Assembly, the candidates for the appointment of the Statutory Auditor and the conditions of his contract and, if applicable, the revocation or non-renewal thereof, using for this purpose the result of the evaluation referred to in the following numeral.
31. Supervise the Tax Audit Services, which includes evaluating their quality and effectiveness.
32. Interact and maintain periodic relations with the Statutory Auditor and, specifically, evaluate and inform the Board of Directors of all situations that may limit their access to the information or jeopardise their independence and any others related to the audit plan and the development of the financial audit, as well as any other communications provided for in financial audit legislation and technical auditing standards.

d) Functions in relation to the General Shareholders' Assembly

33. Report to the General Shareholders' Assembly on the questions raised by shareholders in relation to matters within its competence.
34. Ensure that the accounting criteria in force at all times are properly applied in the preparation of the financial statements that the Board of Directors presents to the General Assembly, and in the preparation of reliable internal information for decision-making.