

**POLICY ON THE COMPENSATION OF THE BOARD OF DIRECTORS
TITULARIZADORA COLOMBIANA S.A.**

1. General considerations

The General Shareholders' Meeting of Titularizadora Colombiana S.A. hereby establishes the general outline to determine the compensation for the Directors of the Board of Directors for the performance of their functions.

2. Criteria on compensation of the Board of Directors

The determination of the compensation of the Board of Directors will take into consideration the following criteria:

- i. The Directors' fees will be paid according to the attendance to meetings of the Board, whether they are held with or without personal attendance. Thereby, if a Director does not attend or participate in a meeting, he or she will not be entitled to receiving any compensation for that meeting.
- ii. The Directors who belong to Committees of the Board of Directors will be entitled to the payment of additional fees that will be determined by the Board of Directors without exceeding the amount determined by the General Shareholders' Meeting for meetings of the Board of Directors.
- iii. The compensation of the members of the Board of Directors will be a fixed amount per meeting, to be determined by the General Shareholders' Meeting. This way, the Directors' compensation will not include any variable portion.
- iv. Directors will not receive individual or collective compensation other than the fees for the attendance to the meetings of the Board of Directors or Board of Directors' Committees. Neither will they receive any shares or securities issued by Titularizadora Colombiana S.A.
- v. The Chairperson of the Board of Directors may receive a fixed compensation different of the other Directors' if his or her functions and dedication have a further scope and if the Shareholders' Meeting so decides.
- vi. The compensation to be received by the members of the Board will not constitute a salary and will not entail a job relationship with Titularizadora.

3. Expenses borne by Titularizadora Colombiana S.A.

Titularizadora Colombiana S.A. will directly bear the following expenses insofar as they are necessary for the performance of Board of Directors' and Board of Directors Committees' activities:

- i. Any expenses related to the performance of their functions, which may include amongst others travel expenses, lodging, transportation and submitting information.
- ii. Any expenses associated with training or refreshers, attended by the members of the Board of Directors in their capacity as Directors of the Company.

- iii. The expenses for engaging external advisors to support Board of Directors activities and provide services requested by that body in the course of their activities. Consistently, the Board of Directors may have external advisors attending the meetings of the Board of Directors as guests with the frequency, functions and compensation determined by the Board of Directors.
- iv. Costs associated with the insurance policy of Directors and Managers of the Company.