



# CODE OF ETHICS AND CONDUCT

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# CODE OF ETHICS AND CONDUCT

## 1 PRESENTATION

GRUPO AVAL ACCIONES Y VALORES S.A. (hereinafter “Grupo Aval”, the “Corporation” or “Company”) has focused in defining strategies and best practices for creating value in its subsidiaries and for its shareholders.

Aiming to reach such objective, Grupo Aval establishes this Code of Ethics and Conduct which also constitutes a fundamental element of the Internal Control System (ICS) of Grupo Aval, in response to adequate internal control standards through the guidelines therein incorporated, in connection with the commitment of the Corporation for conducting business under transparency and ethical behavior criteria and observance of applicable regulations as issuer of securities in the national and international markets.

This Code of Ethics and Conduct complements the Good Governance Code of the Corporation, including ethical and conduct standards which shall operate as a mandatory reference for all Co-workers, Board of Directors and Executives of Grupo Aval (hereinafter the “Officers”), such that their acts and fulfillment of their duties conform with the principles established for promoting transparency and confidence throughout the internal relations of the Company, with third parties/stakeholders and with society.

## 2 SCOPE OF APPLICATION

This Code of Ethics and Conduct applies to all Officers of the Corporation. In the event of any contradiction due to any circumstance between what is provided for hereunder and applicable regulations, the latter shall prevail.

## 3 GLOSSARY

**Conflict of Interest:** Corresponds to those situations wherein during decision making the Officers of the Corporation confront their personal interest with those of the Corporation, its suppliers, shareholders, investors or Stakeholders and/or Third Parties, which could interfere with their ability to decide objectively and in the best interest of the Corporation.

**Stakeholders and/or Third Parties:** Stakeholders and/or third parties are deemed as all groups, sectors, individuals, collective groups or organizations that may be affected or impacted directly or indirectly by activities, decisions and generally, by the performance of the corporate purpose of the Company.

**Confidential Information:** Confidential information is deemed all information or documents to which the Officers of Grupo Aval have access during the performance of their duties and/or rendering their services, and which has not been classified as public information by the Corporation. It refers, among others, to technical, financial, accounting, strategic, corporate or commercial information, including information of audit processes, entrepreneurial policies, Officers’ and former Officers’ information of any nature, commercial or marketing plans, methods, processes and any information relating to the Corporation and its Subordinates, present or future business operations or legal, administrative and/or financial situations of Grupo Aval or its Subordinates, regardless of the form in which such information is available.

**Privileged Information:** Privileged Information is deemed as the information subject to reserve, as well as the information that being subject to become

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public has not yet been disclosed or if disclosed, it would be accounted for by shareholders and investors of the Corporation in their decision making. A determined group of co-workers have access to such information.

### 4 APPLICABLE PRINCIPLES AND CORPORATE VALUES

In order to achieve organizational objectives, Grupo Aval and its Officers, shall perform their activities oriented towards the following guiding **PRINCIPLES AND VALUES** with respect to other co-workers, the State, the Corporation, its shareholders, investors and other stakeholders and/or third parties:

**Legality:** Grupo Aval and its Officers oversee proper compliance of the Constitution, the laws, standards, policies, regulations and controls adopted by competent authorities and the Company for regulating the activities it develops.

**Transparency:** The Company and its Officers acknowledge the significance and value of providing clear, integral, correct and timely information for an adequate awareness of its financial and non-financial situation, as a fundamental basis of the relationship with its shareholders, investors, stakeholders and/or third parties and the stock market.

**Loyalty and Integrity:** Officers of Grupo Aval shall act with ethics and loyalty towards the Corporation, its shareholders, investors, stakeholders and/or third parties, always observing applicable regulations, respecting and supporting the strengthening of the institutions and cooperating with the authorities regarding compliance and enforcement of the law.

### **Truthfulness and Honorableness:**

Grupo Aval values the manner in which results are obtained and it is committed not to tolerate any breach or wrongful act, thus prioritizing the general interest over particular interest. Consequently, the statements and information provided by Officers shall always conform to reality and the facts, protecting the good name and image of the Company, its Officers, shareholders control entities, customers, third parties or others.

**Confidentiality:** Grupo Aval protects all information (official or private regardless of the form in which it is found) of the Corporation, its Officers, shareholders and third parties. Officers of Grupo Aval shall provide an adequate, prudent and reserved treatment to confidential or privileged information, refraining from using such information in a manner different than what has been authorized or disclose it to third parties without the pertinent authorizations or for wrongful purposes. All information held by the Company's Officers shall be treated under parameters of integrity, availability, privacy and reserve.

**Prudence:** The actions of Company's Officers shall be characterized by an adequate understanding of the risk associated with value generation. Hence, Officers of Grupo Aval shall assess their decisions with good judgment and criteria, identifying, measuring and processing the risks and acknowledging the value of information and the significance of guaranteeing its confidentiality.

### **Self-control and Self-regulation:**

Officers of Grupo Aval shall apply self-control and self-regulation criteria as a fundamental tool for preventing, detecting and mitigating different risks to which the

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Corporation is exposed and which are informed with clarity for their own usefulness.

**Respect and Fair Treatment:** Officers of Grupo Aval provide credibility and confidence with regards to their acts, which shall be performed within an environment of respect and fairness, acknowledging the diversity of criteria and promoting an adequate environment so as to foster equal opportunities and treatment within the Corporation for expressing opinions, submitting queries or proposing suggestions regarding the Company's development.

**Excellence and Innovation:** The most valuable resource of Grupo Aval is its people. The Corporation and its Officers are committed to attracting, retaining and developing the most talented and qualified professionals and thus it has constituted a work team highly competitive and committed, as a fundamental component for generating value. Meritocracy is fostered, and work team is promoted as well as innovation, permanent improvement of our operations, transversal and horizontal implementation of best practices developed within the companies of Grupo Aval.

**Social Responsibility:** Grupo Aval and its Officers acknowledge and understand their role regarding development of society, as well as the significance and impact of the right way to proceed as a factor contributing for generating economic, social and environmental well-being for the community.

### 5 POLICIES

Some of the general and specific policies which are disclosed, understood and

observed by all Officers are listed as follows. Through them Grupo Aval defines general guidelines to be followed during the actions and decision making of its areas and Officers. Besides the policies herein listed, there are other policies, guidelines, procedures, regulations, manuals and documents known by the Officers for the performance of their responsibilities, thus they are obliged to consult and fulfill the same assuring compliance of the principles and values contained hereunder:

- Good Governance Code
- Anti-fraud and Anti-corruption Policy
- Information Safety Model
- Manual for preventing and controlling asset laundering
- Corporate manual for SOX law compliance

### 6 ETHICAL AND CONDUCT GUIDELINES

General ethics and behavior guidelines are described as follows, to which Officers are committed and apply (expected conducts). Also, those conducts acknowledged as unacceptable by the Officers are included (forbidden conducts) as of the framework of principles, values and policies of the Company:

#### Expected Conducts:

#### Within the Corporation.

- Officers of the Corporation shall know and observe the different Policies and Procedures established and disclosed by the Corporation as part of its governance and control architecture

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for preventing, identifying, solving and follow-up of risks affecting the activities developed by the Corporation.

- At all times acting with professionalism, good faith, loyalty and diligence in favor of the best interest of the Corporation, assuring that all actions and responsibilities assigned to the position performed are developed within the framework of the principles, values and policies contained in the herein Code and in other documents of Corporate Governance of the Corporation.
- Timely inform its immediate supervisor all facts or inconsistency of any other Officer, affecting or that may harm the interest of the Corporation or resulting in breach of this Code.
- To be prudent and respectful both in behavior and language within the premises of the Company, handling personal relationships with other Officers with seriousness, responsibility and discretion, observing that the same do not affect whatsoever the work performance, nor impairing the objectivity and independence required for adopting the corresponding decisions.
- With regards to any controversy, the dialogue, the interest of reaching a solution, the respect of the right of defense and preserving the rights and dignity of those involved shall prevail, within the framework of the objectives and guidelines inherent to Grupo Aval.
- Make good use of the facilities, information systems and other work elements assigned and as part thereof, solely install software and hardware devices authorized by the

Company, observing respect to the guidelines defined for such purpose.

- To respect intellectual property and copyrights.
- To respond for the users codes and passwords assigned for performing their responsibilities and maintain the same confidential.
- To handle affective relationships that could eventually arise between Officers of the Company with seriousness, responsibility and discretion, observing that the same do not affect whatsoever the work performance, or impair the objectivity and independence required for adopting decisions, as the case may be.
- To observe a respectful treatment with the Officers of the Corporation, respecting their criteria and privacy, refraining from carrying out discriminatory conducts against racial, sexual, religious and politic condition of the Officers.

### Regarding Third Parties.

- To attend in a timely manner, providing clear and thorough answers to any request or claim submitted by the authorities, customers, suppliers, investments and other stakeholders and/or third parties of the Corporation.
- Timely inform its supervisors about any fact or inconsistency regarding any supplier, customer, government officer or any third party affecting or that could harm the interests of the Corporation.
- Observe criteria of impartiality and objectivity regarding the selection of suppliers, always overseeing the

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protection of the best interest of the Corporation.

- Inform the Company about offers of third parties that could be contrary to the guidelines set forth in the herein Code, the Anti-fraud and Anti-corruption Policy of the Corporation or any other Corporate Governance document of the Corporation.
- Refrain from participating in activities or as a business partner which could affect the performance of its duties and responsibilities, or contrary to the interest of the Corporation, or developing illicit activities or infringing ethical principles of the Corporation.
- Grupo Aval acknowledges and respects the right to privacy and freedom of expression of its Officers. Nevertheless, any participation in social media that could involve the Corporation shall be carried out protecting the good name and information of the Company. In all cases such participation shall be carried out strictly on a personal basis.

### **In connection with Information of the Corporation.**

- Knowing and applying the internal information safety model for the safe handling of information of the Corporation, including the need of classifying information according to its nature (restricted, internal or public).
- Officers of the Corporation shall refrain from informing other Officers without being authorized to do so, or from sharing confidential information of the Corporation with third parties, giving an adequate treatment to the same under criteria of integrity, confidentiality, availability and privacy.
- Completely refrain from using for its own benefit or for third parties benefit

or providing third parties with Privileged Information of the Corporation and informing about any possible breach the may become aware of in connection with such duty.

- In all cases, the information generated and handled during the performance of the roles of each Office is owned by the Corporation and the Officers shall observe the parameters established in this Code as well as the Policies of the Company for providing an adequate treatment.
- At the end of a relationship of an Officer and the Corporation, it shall deliver to its immediate supervisor or to whoever may correspond, the information handled or that to which it has access under the protocols defined by the Company.

**Forbidden Conducts.** The following are deemed contrary to the principles of ethics and conduct of the Company:

- Breach the reserve of Confidential Information under the responsibility of the Officer or known by the same by reason of its position.
- Utilize or share Privileged Information known during the performance or on occasion of its responsibilities, for obtaining its own advantage or advantage of third parties. (For instance, for financial transactions, selection of suppliers or other).
- Provide user codes and passwords assigned to co-workers or third parties.
- Utilizing, for purposes different than fulfillment of their duties or sharing with third parties manuals, policies, procedures, guidelines or any other document drafted by the Corporation

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as part of its internal governance and control architecture.

- Willfully omitting or stating data in an inaccurate manner in the reports, lists, projects, balance sheets, among other documents submitted for consideration of their supervisors, tending to obtain an approval or decision, which according to the judgment of the supervisor, would have been different if the data were adjusted to reality.
- Using the premises of the Corporation to carry out religious or political events, or disclosing matters jeopardizing religious and political freedom, among others.
- Delivering documents without fulfilling legal formalities and other requirements established by Grupo Aval and not informing such breach on a timely manner to its immediate supervisor.
- Unduly using through acts or omissions, error, oversight, negligence or carelessness the authorized signature, in such a manner that it may impact negatively the interests of the Company or jeopardize the same.
- Conceal the existence of a Conflict of Interest involving an Officer. Reporting such a situation is a duty, not an option.
- Carry out actions that may hinder or negatively affect the normal course of activities of the Corporation or being detrimental for third parties.
- Accepting or requesting for its own or for third parties gifts or benefits from customers and/or suppliers of the Company or third parties in exchange

of favors, choices or special services for their own benefit.

- Utilizing influences which unduly favor family members, friends or people in any way related to an Officer or detrimental for third parties.
- Authorizing or performing operations affecting the interests of Grupo Aval, negotiating goods and/or merchandise or negotiating in any manner any object owned by the Company without the corresponding authorization and not following the parameters established by Grupo Aval.
- Submitting fictitious expense accounts or reporting as accomplished tasks or activities not carried out.
- Sharing in the curriculum vitae submitted to the Company false information and concealing substantial information in such document.
- Requesting or obtaining from the Officers under their power, concessions or benefits taking advantage of their position.
- Delivering, receiving or providing information of the Corporation in writing, verbally, electronically or magnetic through any means to or from Officers or third parties without due authorization of whoever is responsible of the information or to extract information using USBs or any other electronic means for storage, for its personal utilization and/or benefit. All the information handled by the Company is exclusively owned by the same.
- Officers of Grupo Aval shall refrain from making, on behalf and representation of the Corporation, any statements, grant interviews for communication media, without



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authorization of the Presidency of Grupo Aval or breaching the policies established by the Company in such respect.

- Breach any guideline set forth under the herein Code, under the remaining policies, procedures, regulations, manuals and/or other documents forming part of the governance and control architecture of the Corporation.

### 7 CONFLICTS OF INTEREST

Before the presence or potential existence of a Conflict of Interest, the Officers involved shall refrain from making any decision, shall inform whoever may correspond and shall proceed in accordance with the following indications:

**Officers in General:** In case any Officer of the Corporation (different than the President, Vice President, Senior Vice Presidents and members of the Boards of Directors) finds itself in the presence or potential existence of a Conflict of Interest, it shall forthwith submit the case to its immediate supervisor who shall validate the potential existence of such conflict. If the immediate supervisor evidences the existence of said conflict of interest, it shall report so to the corresponding Senior Vice President, who shall make the decisions for solving the conflict and otherwise it shall report the situation to the Committee of Ethics and Conduct for the respective analysis and decisions.

**Senior Vice Presidencies:** In those cases where the Officer in the presence or potential existence of a Conflict of Interest corresponds to a Senior Vice President of the Company, it shall forthwith report the case to the President of the Corporation who shall validate the existence of the conflict and shall indicate

the handling and methodology for reaching a solution.

**Presidency of the Corporation and Board of Directors:** In those cases where the Officer in the presence or potential existence of a Conflict of Interest corresponds to the President of the Corporation or members of the Board of Directors, the same shall report the case to the Chairman of the Board of Directors who shall validate the existence of the conflict and shall indicate the handling and methodology for reaching a solution.

**Gifts and Benefits:** In Grupo Aval the decisions and results are supported by the ethical criteria of whoever forms part of the Company, consequently, such decisions and results cannot be influenced whatsoever by gifts or benefits granted by customers and/or suppliers of the Company or by third parties.

The Officers of the Corporation shall refrain from accepting or offering benefits, gifts, preferential treatment, invitations or the like, which could compromise their impartiality for decision making and for achieving results.

Grupo Aval allows its Officers to receive gifts, invitations, courtesies or gratuities always provided that the parameters established under the policies defined by the Corporation are complied with, regarding anti-fraud and anti-corruption matters.

Officers incurring in practices constituting conflicts of interest shall be subject to civil, criminal and/or labor actions and sanctions contemplated under the law, internal regulations of the Company and under the Anti-fraud and Anti-corruption Policy for such purpose.

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## 8 COMPLIANCE WITH THIS CODE

**By the Officers:** Each Officer shall be responsible of strictly complying with the provisions contained under the herein Code, pursuant to the principle of self-control and self-regulation of the Internal Control System (ICS) of Grupo Aval.

**By the Audit Management:** Without prejudice of the duty of self-control and self-regulation of each Officer and of the duties assigned to the Committee of Ethics and Conduct, the Management of Internal Audit, during the assessment process of the ICS, shall verify the application and compliance of the herein Code and shall issue comments for its updating and improvement.

**By the Committee of Ethics and Conduct:** The Committee of Ethics and Conducts shall be in charge of assessing and solving those situations reported, considering the guidelines of the herein Code and other regulations governing the Company.

## 9 COMMITTEE OF ETHICS AND CONDUCT

For purposes of verifying matters regarding compliance of this Code, the Corporation shall have a Committee of Ethics and Conduct. The Committee of Ethics and Conduct shall be comprised by six (6) members: the five Senior Vice Presidents of the Corporation and the Administrative and Human Talent Manager in the capacity as secretary of the committee. In those cases where the members may deem so, the Committee may have the support and advice of other Officers or areas of the Company.

The Committee may meet validly with the presence of at least three (3) members in person or through non physical meetings,

always provided that the same is necessary for complying with the duties assigned.

As part of its responsibilities, the Committee of Ethics and Conduct of the Corporation shall be in charge of the following duties:

- To know the matters relating to the implementation and compliance of the Code of Ethics and Conduct of the Corporation.
- To analyze the events of possible breach of this Code and to determine if infringing conducts of the same have taken place.
- Issue necessary measures for correcting the infringing conducts of this Code and making decisions regarding the sanctions applicable to those Officers that would have performed conducts infringing the same.
- In case of deeming so appropriate, to inform the Presidency of the Corporation about events or potential events of infringement of the herein Code, as well as the corrective actions and sanctions proposed.
- To assess the adequate disclosure and knowledge regarding the Code of Ethics and Conduct among the Officers of the Corporation.

In the event that potential cases of infringement of this Code could involve one or more of its members, the Committee shall be comprised by those members not forming part of the circumstance subject matter of review. If it is not possible to constitute the Committee due to lack of quorum, the Presidency of the Corporation shall appoint the alternate member(s) or an

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Ad-hoc Committee for analyzing and determining the existence of possible cases of infringement of this Code.

In the event that possible infringements of this Code may involve the President of the Company, the analysis of the situation and its conclusions shall be informed to the Board of Directors of the Corporation.

### 10 SANCTIONS

Without prejudice of the civil and criminal remedies that could take place pursuant to applicable regulations, total or partial breach of this Code shall give place to applying labor sanctions, which could include unilateral termination of the contract with just cause.

Labor sanctions shall be determined by the Committee of Ethics and Conduct as a function of the seriousness of such breach after completion of the due process.

Likewise, the Anti-fraud and Anti-corruption Policy contemplates sanctions that shall be taken into account by the Officers.

There will not be a standardization of sanctions; each case shall be analyzed separately.

### 11 DISCLOSURE AND MEDIA COMMUNICATIONS

**Disclosure:** The Administrative and Human Talent Management shall be in charge of establishing the procedures and measures necessary for verifying the disclosure of this Code among the Officers of the Corporation and periodically assessing its knowledge.

**Media Communications:** In addition to the Committee of Ethics and Conduct the Corporation shall have available for its

Officers, suppliers, contractors, stakeholders and/or third parties the following communication alternatives:

a) **The *Ethics Line of Aval***, with the purpose of encouraging compliance of ethical standards, as well as for preventing potential fraud events, bad practices and inconsistent situations within Grupo Aval and its related entities.

The *Ethics Line of Aval* has been established under safety parameters guaranteeing confidentiality of the information provided and protecting the identity of whoever provides such information. The reports received through this line are automatically forwarded to those in charge of carrying out the pertinent validations and/or investigations.

Suppliers, shareholders, investors and third parties may access the web page of the Corporation at [www.grupoaval.com](http://www.grupoaval.com). On their part, Officers may access the Ethics Line through the Intranet of the Corporation.

The Corporation seeks to achieve protection against any retaliation against a Co-worker, director or third party who reports an event of fraud or corruption, or facilitates information in good faith about a non-ethical conduct or cooperates with an investigation duly authorized.

In order to receive protection, the reporting parties shall act in good faith and under the principles and values described in this Code.

b) **Social Media.** Grupo Aval respects privacy and freedom rights of its Officers. Without prejudice of the foregoing, whenever their personal profiles may indicate a labor relationship or other type

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of relationship with Grupo Aval, the participation of Officers in different social media, including their participation in official accounts of Grupo Aval, shall respect and preserve the good name of the Corporation, its shareholders and Officers, in accordance with the values and principles defined under the herein Code.

In all cases, such participation shall solely be carried out on a personal basis, consequently, any statement or opinion on behalf or representation of Grupo Aval is strictly prohibited. The Vice Presidency of Corporate Marketing under the guidelines defined by the Presidency of Grupo Aval is the only body authorized to disclose statements or opinions on behalf or representation of the Corporation in Social Media, as well as answering any question, comment, appreciation, claim or any other novelty evidenced through official channels.

**c) External Communications.** All publications, announcements or any type of written information or in electronic format, speeches, interviews or public appearances wherein Grupo Aval is mentioned shall have prior authorization of the Presidency, as regulated under the Corporate Policies.

In the event that a co-worker is contacted by the communication media, it shall refer such contact to the Vice Presidency of Corporate Marketing or to the Vice Presidency of Financial Planning and Relationship with Investors, as the case may be.

Any modification of this Code shall be subject to consideration and approval of the Presidency and the Board of Directors of the Corporation.

### 13 ANNEXES

- Individual Commitment with Grupo Aval Acciones y Valores S.A (Admission of Officers)
- Individual Commitment with Grupo Aval Acciones y Valores S.A (Knowledge and periodical assessment)

### 12 MODIFICATIONS AND APPROVAL

The Committee of Ethics and Conduct shall be in charge of modifying this Code.