



CORPORATE GOVERNANCE REPORT TITULARIZADORA COLOMBIANA S.A. 2020

INTRODUCTION

Titularizadora Colombiana S.A. is a *sociedad anónima* (a company limited by shares) —a technical and administrative service provider created in 2001 with the initial purpose of promoting the development of a secondary mortgage market in Colombia by issuing securities that would allow channeling a considerable percentage of the institutional savings toward financing home purchase. Afterwards, Titularizadora was enabled under Law 1753-2015 §169—National development plan, PND—for conducting the securitization of non-mortgage assets as a funding mechanism in the capital markets, which expanded its business and framework of action, and helped strengthen its role as an issuer in the exchange market.

Titularizadora has placed 65 issues since it was incorporated and holds the management of 54 *universalidades* as of December 31, 2020. During 2020, Titularizadora conducted two (2) issues summarized below:

Non-mortgage assets:

Issue	Originator	Issue Date	Underlying Asset	Issue Amount
TIL Pesos L-4	Caja de Compensación Familiar - Compensar	January 24, 2020	Payroll Deduction Loans	COP 88,116,100,000
Programa TIN Tramo 2	Real estate acquired from different entities was securitized	February 17, 2020	Real Estates	COP 105,000,000,000

The active role of Titularizadora in the exchange market gained it the *Superintendencia Financiera de Colombia's* recognition of its capacity as a renowned and recurrent issuer in September 2015, a condition that it retained during 2020 by fulfilling the applicable legal requirements as stated in letter dated March 4, 2020 from the *Superintendencia Financiera de Colombia*.

Titularizadora's shareholders are financial institutions, insurance companies, or parties related to them, for a total of eight shareholders of Colombian nationality of good standing and renowned in the local and regional markets, permanently and actively interacting with the Company's Board of Directors and Management.

Concerning the relationship with investors, Titularizadora has pursued a constant, agile, timely, and sufficient interaction since its incorporation. The Investor Care Office, under the responsibility of the Investment Director's office and the corporate website www.titularizadora.com provide a permanent communication channel for investors to receive proper guidance about financial information of the issues, the assets' performance and valuation, risk analysis, relevant information, and cash flow projections, amongst others,

which enable investors to manage their investment and make informed decisions. In like manner, article 33 in the Articles of Association provides for an Investors Committee that comprises representatives of the institutional investor's community, with an active role that includes the follow-up to the legal compliance with the Corporate Governance Code and the awareness of the outstanding issues and the underlying assets of the issues.

Regarding this effort about the investors, for the eighth consecutive year the Colombian stock exchange (*Bolsa de Valores de Colombia*) granted the IR certification to Titularizadora. This recognition is obtained among others for providing an easily reachable website with information in Spanish and English, that can be accessed for looking up relevant matters of the Company and business such as (i) shareholding structure, (ii) composition of the Board of Directors, (iii) financial information of the Company and the issues, (iv) corporate documents and (v) relevant information.

Finally, it is worth of noting that since its incorporation, Titularizadora has pursued implementing appropriate good governance standards as an issuer in such a way that shareholders and investors have tools, mechanisms, and information for knowing sufficiently about the performance of the Company and the universalidades managed by the Company. In this context this report reflects how the corporate governance activities were carried out during 2020 by outlining in detail the main aspects of (i) ownership structure of the Company; (ii) general shareholders' meeting; (iii) management structure; (iv) transactions with related parties and conflict of interest; (v) risk management systems; (vi) interaction with investors; (vii) relationship with the statutory audit (*revisoría fiscal*); (viii) reporting of best corporate practices implementation and (ix) amendments to corporate documents.

I. Company's Ownership Structure

Below are described Titularizadora's capital, structure, shareholding composition, and type of shares in 2020.

1. Capital

The subscribed and paid-in capital of the Company amounted to COP 59,855,375,000.00 represented in 59,855,375 ordinary shares, each entitled to equal rights. No operations were conducted in 2020 to change the authorized, subscribed and paid-in capital of Titularizadora.

2. Shareholding Structure

a. Shareholders:

In 2020, no changes occurred in Titularizadora's shareholders or their equity share in the Company. Titularizadora's shareholders as of December 31, 2020 held the following number of shares and equity share in the Company:

Shareholder	Number of shares	Equity share
Bancolombia S.A.	16,151,497	26.98%
Banco Caja Social S.A.	16,072,773	26.85%
Banco Davivienda S.A.	16,072,773	26.85%

Banco Comercial AV Villas S.A.	7,570,225	12.65%
Scotiabank Colpatria S.A.	3,800,369	6.35%
Compañía de Seguros Bolívar S.A.	78,723	0.13%
Compañía Inversora Colmena S.A.	78,723	0.13%
Compañía de Seguros de Vida Alfa S.A.	30,292	0.05%
Total	59,855,375	100.00%

b. Management owned stock

Neither any member of the Board of Directors nor any member of Titularizadora's Management owns any Company's shares. The Corporate Governance Code subsection number 7.6 item b sets forth restrictions to the Directors or Managers' purchase of shares or securities issued by this Company.

The Company's current capital percentage breakdown, shareholding structure, and related matters and their periodic updates as applicable, are available to any interested party at the corporate website www.titularizadora.com

c. Shareholder's Agreement

Titularizadora has a Shareholders Agreement in effect since 2001, to which all the Company's shareholders are parties. This Agreement defines the shareholders' responsibilities and Titularizadora's corporate governance structure, operation, and general outlines. The Shareholder's Agreement is published and available to investors on the corporate website www.titularizadora.com

II. General Shareholders Meeting

In 2020, Titularizadora's General Shareholders Meeting took place in accordance with the Articles of Association, the Corporate Governance Code, and any other applicable rules that determine how this body's sessions operate and develop.

The main aspects of Titularizadora's Shareholders Meeting held in 2020 are:

1. Ordinary Shareholders' Meeting

a. Notice of the meeting

The Ordinary Shareholders Meeting took place on March 26, 2020 upon prior notice of the meeting sent in writing by the President of the Company to each shareholder on March 2, 2020 both in physical and by email, in compliance with all the requirements specified in the corporate documents and in accordance with the provisions of the Code of Commerce and the other applicable laws and regulations.

By the notice of the meeting the following was submitted to the shareholders for consideration, (i) proposed agenda stating point for point the subjects to be addressed at

the meeting; (ii) proposals of agreements for each item of the agenda associated with the matters relevant to the Shareholders Meeting; (iii) two exhibits of special powers of attorney, one of attorney whereby the shareholder grants wide powers to the power-holder for participating and voting in any proposals submitted to the Shareholders' Meeting for consideration and another exhibit of power of attorney designed for shareholders to indicate specifically their vote in for the Agreement Proposals received. The information necessary for the exercise of the right to inspection under the applicable laws and regulation is also available to the Shareholders.

The notice of the meeting also established that the shareholders may submit new Agreement Proposals to the President of the Company within five (5) calendar days following the date of receipt of the notice of the meeting, accompanied with the applicable justification. Let it be noted that no new agreement proposal was received within the term indicated in the notice of the meeting.

Finally, by the notice of the meeting, shareholders were informed that under article 21 of the Articles of Association and article 1.3.2 of the Corporate Governance Code of Titularizadora, shareholders might propose the introduction in the agenda of one or more subjects for discussion, by submitting their proposal to the President of the Company within five calendar days after the receipt date of the meeting notice, which must be accompanied by the corresponding justification. Let it be noted that no such proposal was received within the established period.

b. Attendance

The ordinary General Shareholders Meeting was held on March 26, 2020 within the term provided for in article 20 of the Articles of Association and in the Code of Commerce and was attended by all the shareholders of Titularizadora that represented 59,855,375 shares equivalent to 100% of the subscribed capital of the Company.

In addition, the following Bondholders' Legal Representatives of Titularizadora's issues of mortgage- and non-mortgage-backed securities received the notice of and attended the meeting, Alianza Fiduciaria S.A., Itaú Fiduciaria S.A., Renta 4 Global Fiduciaria S.A. and Credicorp Capital Fiduciaria S.A. The firm Deloitte & Touche Ltda., Titularizadora's statutory auditor (*revisor fiscal*) was convened to and attended the meeting.

c. Principal Decisions of the Shareholders Meeting

The General Shareholders Meeting of Titularizadora considered and approved unanimously the following matters of their competence at their ordinary session in 2020:

- i) Management Report
- ii) Report on Audit Committee's activities and Internal Control System performance
- iii) Corporate Governance Report
- iv) Statutory Auditor's Report
- v) Main Financial Statements as of December 31, 2019
- vi) Profit Distribution Project
- vii) Designation of member of the Board of Directors

d. Relevant Information

The notice of the meeting and the decisions adopted by the General Shareholders' Meeting were duly published as relevant information in accordance with article 5.2.4.1.5. of the Decree 2555 of 2010.

2. Special Meetings

An extraordinary meeting of the Shareholders' Meeting was held in a non-presential manner through written consent of the shareholders, which was held in accordance with the provisions of the Company's Bylaws and Law 222 of 1995.

a. Attendance

On November 9, 2020, a communication was sent to the shareholders in which the Extraordinary Shareholders' Meeting was presented with (i) the proposal to consider the acceptance of the resignation of Dr. Jorge Alberto Linares as fourth line alternate of the Board of Directors and (ii) the proposal to designate Dr. Nicolás García Trujillo as a member of the Board of Directors of the Company to occupy the fourth line alternate.

All shareholders expressed their vote by written communication within the month following receipt of the first communication in which the Company shared the agenda of the extraordinary meeting, as follows:

Shareholder's name	Date Communication Received	Shares Represented	%
Bancolombia S.A.	10/11/2020	16,151,497	26.98%
Banco Davivienda S.A.	09/11/2020	16,072,773	26.85%
Banco Caja Social S.A.	11/11/2020	16,072,773	26.85%
Banco Comercial AV Villas S.A.	10/11/2020	7,570,225	12.65%
Banco Scotiabank Colpatría S.A.	07/12/2020	3,800,369	6.35%
Compañía de Seguros Bolívar S.A.	26/11/2020	78,723	0.13%
Compañía Inversora Colmena S.A.	18/11/2020	78,723	0.13%
Seguros de Vida Alfa S.A.	25/11/2020	30,292	0.05%
Total		59,855,375	100.00%

b. Principal Decisions of the Shareholders Meeting

Through the written votes, the proposals submitted for the consideration of the shareholders, consisting of (i) the acceptance of the resignation of Dr. Jorge Alberto Linares as fourth line alternate of the Board of Directors of the Company and (ii) the designation and appointment of Dr. Nicolás García Trujillo, as member of the Board of Directors of Titularizadora Colombiana S.A. to occupy the fourth line alternate, were unanimously approved by one hundred percent (100%) of the outstanding shares of the Company.

c. Relevant Information

The decisions adopted by the General Shareholders' Meeting were duly published as relevant information in accordance with article 5.2.4.1.5. of the Decree 2555 of 2010.

3. Mechanisms of Communication with Shareholders

Shareholders' requests are processed through the Shareholder Care Office of the General Secretariat of the Company, which is in charge of responding to the requests filed under Corporate Governance Code Chapter 8. During 2020, the Company's Shareholders filed no formal requests.

III. Management Structure of the Company

1. Board of Directors

Titularizadora's Board of Directors consists of five (5) principal directors and five (5) alternate directors, who were designated by the General Shareholders' Meeting held on March 21, 2019. For the most part, The Directors were appointed for a two (2) year period at the shareholders' meeting held on March 21, 2019. Dr. Beatriz Elena Arbeláez Martínez was appointed at the ordinary meeting of the General Shareholders' Meeting held on March 26, 2020. In turn, Dr. Nicolás García Trujillo was appointed on December 9, 2020 at the extraordinary meeting of the General Shareholders' Meeting, which was of a non-presential manner through the written consent of the shareholders.¹

As of December 31, 2020, the Board of Directors was composed as follows:

Line	Principal Director	First designation date	Alternate Director	First designation date	Line attendance 2020* %
1	José Humberto Acosta Martín	2014	Hernán Álzate Arias	2016	100%
2	Efraín Forero Fonseca	2001	Álvaro Carrillo Buitrago	2001	92%
3	Beatriz Elena Arbeláez Martínez	2020	Oscar Eduardo Gómez C.	2014	92%
4	Diego Fernando Prieto Rivera	2013	Nicolás García Trujillo**	2020	83%
5	Juan Camilo Ángel	2008	Jaime Alberto Upegui	2018	83%

* The recording of this data started at the first meeting of the Board of Directors in January 2020 and considers all the meetings held in 2020 taking the attendance by line.

** Until August 20, 2020, Dr. Jorge Alberto Linares served as a member of the Board of Directors in the fourth alternate line. In December 2020, Dr. Nicolás García Trujillo was appointed to the fourth alternate line of the Company's Board of Directors. His possession was pending approval by the Financial Superintendence of Colombia as of December 31, 2020.

In 2020, the Chair of the Board of Directors was Efraín Forero Fonseca and the Secretary was performed by Bibiana Marcela Novoa Medina and David Briceño Cárdenas, members of the General Secretariat, until August 2020. As of September, Dr. Ricardo Molano León, Secretary General of the Titularizadora, was appointed as the Secretary of the Board of Directors.

¹ The Board of Directors is appointed for a period of two (2) years; however, in the events in which a member is appointed at a subsequent time to the appointment of the Board, the term will begin with the respective appointment and will be extended for the remaining time of the two (2) years corresponding to said Board.

As to the functions performed by Dr. Efrain Forero Fonseca during 2020 as the Chair of the Board of Directors, the 2020 work plan prepared jointly with the President of the Company stands out, which includes a timetable and topics that were validated by the Board of Directors. The Chair of the Board of Directors performed the functions and activities provided in article 34 of the Articles of Association.

Regarding the functions performed by the Secretary of the Board of Directors in 2020, we must remark that the General Secretariat members who took on that role duly sent the notices of the meetings of the Board of Directors, as well as prepared the minutes of the meetings, attested their counterparts and decisions of the body, as required.

In this context, the meeting timeline of the Board of Directors was fulfilled, providing the corresponding process of notice of the meetings including prior sending of the available information related to the agenda together with minutes of the meetings for previous sessions. Accordingly, the methodology defined for the meetings and the criteria for the determination of the topics agreed to in the annual work plan were developed.

a. Meetings of the Board of Directors

During 2020, Titularizadora's Board of Directors held 12 meetings, as follows:

Date	Type of Meeting	Minutes of the meeting No.
January 23, 2020	Personal Attendance	212
February 20, 2020	Personal Attendance	213
March 19, 2020	Not Physical Attendance	214
April 16, 2020	Not Physical Attendance	215
May 21, 2020	Not Physical Attendance	216
June 18, 2020	Not Physical Attendance	217
July 16, 2020	Not Physical Attendance	218
August 20, 2020	Not Physical Attendance	219
September 17, 2020	Not Physical Attendance	220
October 22, 2020	Not Physical Attendance	221
November 19, 2020	Not Physical Attendance	222
December 10, 2020	Not Physical Attendance	223

The meetings of the Board of Directors examined topics such as (i) financial information of the Company; (ii) performance of issues; (iii) risk management reports and reporting; (iv) local and international market performance; (v) mortgage and real estate sector performance; (vi) open-market operations; and (vii) the impacts generated by the spread of Covid-19 in the national and international territory and the measures to be adopted to mitigate its effects, among other matters related to the Company. In like manner, they analyzed strategic topics such as (i) financing of urban infrastructure; (ii) investors market development; (iii) Basel III; (iv) long-term trends of the real estate sector; and (v) internationalization, among others.

b. Professional Profile

The Directors have wide experience in management positions, knowledge and leadership relevant to their activities and to economic sectors aligned with the Company's corporate purpose.

The Succession Policy and the profile of the Directors are published on Titularizadora's website www.titularizadora.com

c. Compensation

The remuneration of the Board of Directors consists in a fixed component paid as fees for the Directors' attendance to the meetings, which is submitted for consideration to and fixed by the Shareholders Meeting. The remuneration of the Board of Directors meets the criteria established in the Remuneration Policy and the Corporate Governance Code and does not include any recognition in the form of variable components related to the good performance of the Company. In 2020, the total sum paid to the Directors for participation in the Board was COP 145,000,000 and for attendance to the Board committees it was COP 27,000,000.

The Remuneration Policy of the Board of Directors is published on Titularizadora's website www.titularizadora.com

d. Evaluation

The Board of Directors conducted an evaluation of their activities in 2020, using the self-evaluation mechanism, to the effect that each Director could vouch their own opinion and considerations about the activities of this body.

e. Attributes of the members of the Board of Directors

Titularizadora deems important that a person designated as a member of the Board of Directors has the professional competencies, good standing, and experience required for the proper performance of its corporate purpose and adequate operation of the corporate governance. The functions of the Board of Directors are clearly determined in article 30 of the articles of association, which are available on the Titularizadora's website www.titularizadora.com

f. External Consultancy to the Board of Directors

The Articles of Association in article 28 provides the possibility for the Board of Directors to have and advisor to provide support the development of the strategic and technical plan of the Company; during 2020, the Board of Directors of the Company did not have any external advisory.

g. Información Relevante

The decisions adopted by the Board of Directors about corporate governance were duly published as provided in Article 5.2.4.1.5 of Decree 2555 of 2010.

h. Policy approved by the Board of Directors

During 2020, the Board of Directors considered and approved the following Policy:

- (i) Liquidity Risk Management Policy (Minute of the meeting No. 223 of December 10, 2020). The Board of Directors approved the Liquidity Risk Management System and the three stages of the system consisting of: (i) identification; (ii) measurement; and (iii) control and monitoring.

2. Board of Directors' Support Committees

Titularizadora's Board of Directors has five committees composed of members of the Board to support the Board's activities, namely:

Composition	Audit Committee	Investment Committee	Appointment, Compensation and Ethics Committee	Corporate Governance Committee	Real Estate Board Committee
Directors	- Hernán Álzate Arias - Beatriz Elena Arbeláez - Álvaro Carrillo Buitrago	- Álvaro Carrillo Buitrago - Beatriz Elena Arbeláez - Hernán Álzate Arias	- Efraín Forero Fonseca - José Humberto Acosta	- Diego Fernando Prieto - José Humberto Acosta	- Álvaro Carrillo Buitrago - Juan Camilo Ángel - Diego Fernando Prieto
Management	Alberto Gutiérrez Bernal	- Alberto Gutiérrez Bernal - Ana María Salcedo Ospina	Alberto Gutiérrez Bernal	Alberto Gutiérrez Bernal	Alberto Gutiérrez Bernal

The purpose of the committees is to deepen the analysis, the supervision, and the development of the policies outlined by the Board of Directors for the critical operational areas assigned to each committee; functions and duties are set forth in the Corporate Governance Code and respective committee rules of operation.

The committees performed the corresponding management and activities according to their respective rules of operation and Chapter 2 of the Corporate Governance Code.

a. Attendance

The attendance of Directors to the committee meetings in 2020 was:

Committees	Meeting dates	Committee members who attended the meetings
Audit Committee	February 20, 2020	- Hernán Álzate Arias - Álvaro Carrillo Buitrago - Jorge Alberto Linares* - Beatriz Elena Arbeláez**
	May 21, 2020	
	August 20, 2020	
	November 19, 2020	

Investment Committee	March 24, 2020	-Hernán Álzate Arias -Álvaro Carrillo Buitrago -Alberto Gutiérrez Bernal -Ana María Salcedo Ospina -Jorge Alberto Linares* -Beatriz Elena Arbeláez**
	May 12, 2020	
	October 22, 2020	
	November 26, 2020	
Appointment, Compensation and Ethics Committee	February 28, 2020	- Efraín Forero Fonseca - José Humberto Acosta - Alberto Gutiérrez Bernal
Corporate Governance Committee	February 17, 2020	- José Humberto Acosta - Diego Fernando Prieto - Alberto Gutiérrez Bernal
Real Estate Board Committee	February 19, 2020	- Juan Camilo Ángel - Álvaro Carrillo Buitrago - Alberto Gutiérrez Bernal - Jorge Alberto Linares* - Diego Fernando Prieto***
	August 19, 2020	
	November 17, 2020	

* Dr. Jorge Alberto Linares was a member of the Board of Directors and the respective Committees until August 2020.

** Dr. Beatriz Elena Arbeláez has been a member of the Committee since September 2020.

*** Dr. Diego Fernando Prieto has been a member of the Committee since September 2020.

(i) **Audit Committee**

The Audit Committee held four (4) meetings in 2020. The main subjects addressed were (i) analysis of the financial statements as of the closing of the fiscal year 2019; (ii) analysis of risk profiles for the market, operating, and asset laundering prevention risks; (iii) review and approval of audit plans for 2020; (iv) review of the results of the audits conducted by Internal Control; (v) analysis of reports and comments submitted by the statutory audit of the Company and by the external audit of the *universalidades*; (vi) follow-up to the progress in the implementation of improvement plans defined by the process owners and (vii) knowledge of the requirements of the control bodies and the due addressing thereof by the Company.

(ii) **Investment Committee**

The Investment Committee held four (4) meetings in 2020. The main topics addressed by this Committee in that session were (i) the current composition and evolution of the company's portfolio and valuation at market prices amid the situation generated by the pandemic; (ii) request to Banco de la República so that the securitization companies could participate as Placement Agent of Open Market Operations (OMAs) and allow the mortgage securities to be eligible in the definitive expansion operations; (iii) Temporary liquidity hedging mechanism for issues and operating conditions; (iv) benchmark analysis for own resources portfolio; (v) migration equity securities to the equity module and (vi) Liquidity Risk Management System (SARL) for own portfolio and *universalidades*.

(iii) Appointment, Compensation and Ethics Committee

The Appointments, Compensation, and Ethics Committee met once during 2020. The main topics addressed by this Committee were: (i) assessment of the 2019 goals; (ii) review of the variable compensation model; (iii) proposal to appoint the third main line of the Board of Directors and (iv) determination of the 2020 goals.

(iv) Corporate Governance Committee

The Corporate Governance Committee held a meeting on February 17, 2020. The main topics addressed by this Committee were: (i) review and approval of the Corporate Governance 2019 Report; (ii) review of the “*Código País*” 2019 Report; (iii) review of the 2019 annual report of the Board of Directors' Committees; follow-up on internal audit recommendations; (v) requirements of the *Superintendencia Financiera* and (vi) adjustments to the Corporate Governance Code.

(v) Real Estate Board Committee

The Real Estate Board Committee held three (3) meetings in 2020. The main activity developed by the Committee consisted in supporting the review of the businesses that were previously recommended by the Real Estate Advisory Committee to be presented for evaluation and decision by the Board of Directors. Additionally, the proposed Regulation of the Real Estate Board Committee was presented to the members, which includes the general framework for its operation and conformation.

Finally, at the beginning of each year, the Committees submit a report of the activities conducted in the previous year to the Board of Directors, in the terms outlined in the Corporate Governance Code.

(vi) Risk Management System

The functions and activities related to the Company's risk management remain in charge of the Board of Directors supported by the committees described above and additional committees created by the Company (Operational committee–SARO and Assets and liabilities management committee–ALCO) to carry out the activities and provide an appropriate coverage of risks associated with the Company and its businesses.

Titularizadora has in place the policies, procedures and organization structure required for the management, measurement and control of the risks of market, credit, liquidity, operational, and asset laundering and terrorism financing. Risk management includes the necessary mechanisms to guarantee an adequate management of the risks inherent in the securitization and deems as an essential tool the existence of the various specialized committees to support the Board of Directors in the assessment and monitoring of those risks.

The risk of asset laundering and terrorism financing is managed by the Compliance Officer supported by the departments and areas of the Company, reporting directly and permanently to the Board of Directors, and this officer is responsible for evaluating and studying the actions taken by the Company to maintain the AL/TF risk levels within the limits set by the Board of Directors.

(vii) Transactions with Related Parties and Conflict of Interest

During 2020, no situation of conflict of interest arose or was managed in the Company.

It is important to mention that Titularizadora does not belong to a conglomerate or interest group subject to the control of any of its shareholders. It is established that any operations with related parties may be conducted only under transparent financial conditions that correspond with or are determined according to the market prices and conditions. The notes to the financial statements ending the fiscal year of the Company include the details of the transactions with related parties and the payments made to members of the Board of Directors.

IV. Internal Control System

During 2020, the Company continued the stringent application of the policies and elements comprising the Internal Control System and the risk management applicable to the Company, such as market risk, operating risk, and asset laundering risk. In particular, the Company formalized and published its liquidity risk management system, which covers the stages and elements for both the company and the managed universalities.

On the other hand, to address the effects derived from Covid-19 and which required carrying out operations under the remote work modality, the main mitigation measures carried out in the processes and the review of the activities of greater criticality and relevance for the Titularizadora were evaluated. The above made it possible to ensure that the elements that make up the ICS and the execution of the processes remained within the regulatory and internal policy frameworks.

Management Report 2020 contains the main activities conducted within the Internal Control System of the Company and mentions the actions and tasks performed within each of the risk management systems. Likewise, annual reports were issued on the activities carry out by the Audit Committee and by the Internal Control Director's Office, in which the adequate performance of the ICS is reported. These reports will be submitted to the consideration of the Board of Directors in order to be presented to the Ordinary General Shareholders' Meeting in 2021.

The notes to the financial statements include the disclosure of the policies applied and the risk levels determined by the Board of Directors of Titularizadora Colombiana.

V. Interaction with Investors

Since its incorporation, Titularizadora has kept constant communication with its investors by training underwriters (brokers and financial analysts) and investors (Front and Middle Office areas) permanently through the Investor Relations Office that reports to the Investments and Market Development Director's office. Likewise, additional steps are being taken in the Roadshow held for each issue allowing a greater and more specialized contact with investors.

Titularizadora timely and accurately published on its website the financial information related to the outstanding issues of the Company and the corporate and issue documents. It is relevant to note that on the occasion of the effects derived from the pandemic caused by

COVID-19, the management with investors was focused on maintaining direct and timely communication with investors (both their risk and portfolio management areas), underwriters and research areas, to transmit the impact and the risks that the pandemic situation generated in the issues, as well as the mitigation mechanisms of the financial structure. Likewise, throughout the year, the favorable evolution of relief, collection, and indicators of current issues was shared through a detailed monthly report, one-on-one meetings with the different entities on several occasions, and a virtual event that allowed comparing the current crisis with the UPAC crisis experienced at the end of the 1990s. In addition, in-depth workshops were held on financial structuring (portfolio valuation, selection criteria, hedging mechanisms, etc.) and on the certification of originators, which explain the favorable performance of issuances, despite the stress generated by the economic situation during most of last year.

Overall, Titularizadora is provided with an Investors Committee whose members are designated by the Company's Board of Directors upon criteria that ensure an appropriate representation of the different communities of institutional investors. In 2020, the composition of the Investors Committee was:

INVESTORS COMMITTEE COMPOSITION (Investors representatives)		
Representatives of Institutional Investors		Titularizadora's Representatives
Juan Pablo Córdoba Committee Chair Bolsa de Valores de Colombia		Alberto Gutiérrez Bernal Chair
Miguel Gómez Martínez Fasecolda		
Santiago Montenegro Trujillo Asofondos		
Santiago Castro Gómez Asobancaria		
German Arce Zapata Asofiduciarias		

Titularizadora's Investors Committee held the following meetings in 2020:

Date	Type of meeting	Minutes of the meeting No.
February 7, 2020	Personal Attendance	108
April 23, 2020	Not Physical Attendance	109
June 3, 2020	Not Physical Attendance	110
July 15, 2020	Not Physical Attendance	111
August 5, 2020	Not Physical Attendance	112
September 9, 2020	Not Physical Attendance	113
October 14, 2020	Not Physical Attendance	114
December 2, 2020	Not Physical Attendance	115

The mission of this committee is to follow up the compliance with the standards contained in the Corporate Governance Code by obtaining information about the position of the Company, the issues, and their underlying assets, maintaining permanent communication with Titularizadora.

VI. Revisoría Fiscal (Statutory Audit)

By means of the Minutes of the Meeting No. 034 of March 21, 2019 corresponding to the Ordinary General Shareholders Meeting of Titularizadora Colombiana S.A., the firm Deloitte Auditores y Consultores Ltda. was designated as the statutory auditor (*revisor fiscal*) for 2019-2021. Thus, the firm Deloitte Auditores y Consultores Ltda. performed the function of statutory auditor (*revisor fiscal*) of the Company and external auditor of the *Universalidades* in 2020.

In consideration for their services, the statutory auditor firm received in 2020 one hundred and forty-seven million four hundred and ninety-four thousand five hundred and eighty-six pesos (COP 147,494,586) for the audit of the Company, and eight hundred and forty-five million five hundred and ninety-eight thousand five hundred and sixty-three pesos (COP 845,598,563) in fees for the audit conducted on the *Universalidades*².

Revisoría Fiscal (Statutory Audit) (Company)	External Audit (Universalidades)	Firm Participation Percentage** (Titularizadora Statutory Audit)	Firm Participation Percentage** (Titularizadora External Audit)
COP 147,494,586*	COP 845,598,563*	0,13724%	0,78685%

*IVA (sales tax) included.

** This corresponds to the percentage that the payments made by Titularizadora represent in the Statutory Auditor's income calculated on the total income reported by the Firm in FY 2019.

VII. Report of Best Corporate Practices Implementation

Further to External Circular 028 of 2014, Titularizadora submitted to the *Superintendencia Financiera de Colombia* the "Report of Best Corporate Practices Implementation—Nuevo Código Pais" within the term provided by the Circular for such purpose. The survey was completed taking into account the Company's corporate governance documents and practices.

The report has been published on the Company's website www.titularizadora.com

VIII. Amendments to Corporate Documents

During 2020, the Corporate Governance Code was amended as in terms of (i) the modification of the number of Board support committees; (ii) the addition of a new Board committee called "Real Estate Board Committee"; and (iii) the inclusion of the Director of Investments and Market Development as a member of the Investment Committee. The aforementioned amendments were approved on January 23, 2020 by the Board of Directors. The Company's other corporate documents were not subject to amendments.

The documents have been published on Titularizadora's website www.titularizadora.com

² During 2020, the external audit of 52 Universalities was carried out, considering the provisions of the Prospectuses and Regulations of the issues.