

**Proposal of the Board of Directors and the Management
Profit distribution project for fiscal year 2020**

It will be submitted to the consideration of the Shareholders' Meeting:

1. The following profit distribution:		
Profit before the income tax provision as at December 31, 2020		COP 298,784,918,020
Less income tax provision		COP 16,261,258,895
Net result		COP 282,523,659,125
Available amount		COP 282,523,659,125
Special reserve to maintain the equity	COP 282,523,659,125	
Equal amounts	COP 282,523,659,125	COP 282,523,659,125

2. The following proposal regarding the appropriation of reserves and the distribution of profits:		
Set aside COP 280,332,809,148 from the occasional reserve to maintain equity for distribution as dividends.	COP 280,332,809,148	8
Total dividends of COP 280,332,809,148		COP 280,332,809,148
Dividends will be paid in cash and the occasional reserve will be set aside to maintain untaxed equity.		
An ordinary dividend to be distributed in the amount of:		
COP 220,414,346,124, equivalent to two hundred six Colombian pesos (COP 206) per share per year, on 1,069,972,554 shares. The ordinary dividend will be paid in cash in four installments as follows: (i) one installment of COP 51.5 per share on April 22, 2021, (ii) one installment of COP 51.5 per share on July 22, 2021, (iii) one installment of COP 51.5 per share on October 21, 2021, and (iv) one installment of COP 51.5 per share on January 20, 2022.		
An extraordinary dividend to be distributed in the amount of:		
COP 59,918,463,024, equivalent to fifty-six Colombian pesos (COP 56) per share per year, on 1,069,972,554		

shares. The extraordinary dividend will be paid in cash in two extraordinary installments: (i) one installment of COP 28 per share on July 22, 2021 and (ii) one installment of COP 28 per share on October 21, 2021.

The total dividend to be distributed in the amount of COP 280,332,809,148 equivalent to two hundred and sixty-two Colombian pesos (COP 262) per share on 1,069,972,554 shares, shall be caused as soon as it is decreed by the General Meeting of Shareholders and shall be one hundred percent (100 %) untaxed for the shareholder in the income and complementary taxes as established in article 49 of the Tax Code.

The payment of the dividend is untaxed for the shareholder in income tax and complementary taxes but will be subject to the provisions of Articles 242-1 and 242 of the Tax Code on withholding of dividends for legal entities and individuals, respectively. Regulations that were incorporated and amended by Law 1943 / 2018 and by Law 2010 / 2019.

In the event any shareholder wishes to receive all or part of a taxed dividend, they must request it in writing on the first trading day of the ex-dividend period* of each payment period, indicating the number of shares in respect of which they wish to receive a taxed dividend. This notification must be made during the aforementioned dates to Fiduciaria Bancolombia, Centro de Atención a los Accionistas, Carrera 48 No. 26 - 85 Piso M, Torre Sur, Medellín, Colombia. Notifications not received by the indicated dates shall not be considered, and the dividend shall be paid one-hundred percent (100 %) un-taxed.

Equal amounts

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* Pursuant to Decree 4766 / 2011 and the General Regulations of the Colombian Securities Exchange, no share transactions carried out between the first business day that dividends are paid out and the four business days prior shall be without a dividend payout in favor of the buyer. This period shall be known as the ex-dividend period. Any share transactions carried out on the Colombian Securities Exchange during this period shall, for the selling shareholder, entail the right to receive any pending dividend payouts.

Medellín, March 24, 2021