

# **Appointment, Remuneration and Succession of the Board of Directors Policy**

## **ODINSA S.A.**

### **1. General**

#### **1.1. Objective**

The purpose of this policy is to establish the general parameters to be met by the different governing bodies of the Company, in particular the Shareholders' Meeting, to ensure that the persons appointed to serve as members of the Board of Directors ("Director" or Directors") are the most suitable according to the needs of the Company and are adequately remunerated.

#### **1.2. Scope**

This policy is applicable to the Company's shareholders, Directors and employees.

It is the responsibility of the members of the Senior Management who participate in the Boards of Directors of the subsidiary companies to take the necessary steps to ensure that the same policy is adopted by the corporate bodies of such companies.

#### **1.3. Disclosure**

In consideration of the fact that this policy has a special impact on the Company's shareholders, once approved by the Shareholders' Meeting, it must be published on the Company's website ([www.odinsa.com](http://www.odinsa.com)). Any modifications made to it must have the same level of disclosure.

#### **1.4. Update**

This policy may be updated by the Shareholders' Meeting as recommended by the Board of Directors.

The Board of Directors will periodically review this policy and propose any modifications it deems appropriate.

## **1.5. Glossary**

The terms used in this text with initial capital letters shall have the meaning given to each of them in the Code of Good Governance.

## **2. Appointment**

### **2.1. Selection criteria**

In addition to the general criteria established in the Code of Good Governance, the Shareholders' Meeting will take into account the following aspects when electing the Directors:

- a. In consideration of the fact that the Directors must retire at the age of 72 and that the term of the Board of Directors is 1 year, the candidates who make up the respective lists may not be older than 71 years.
- b. All candidates must demonstrate experience in participation in boards of directors and in a professional specialty that is relevant to the activity carried out by the Company, defined from time to time by the Board of Directors.
- c. All candidates must prove that they have basic skills that allow them to adequately perform their duties, such as analytical and managerial skills, a strategic vision of the business, global perspective, objectivity and ability to present their point of view and ability to evaluate senior management graphics.
- d. It is desirable that at least some of the candidates have the necessary skills to promote innovation processes and a good level of relationship with some of the Company's stakeholders.
- e. Candidates for independent membership must demonstrate that they have experience in any of the following subjects: corporate finance, internal control or human resources.
- f. It is advisable that in each of the lists presented there are candidates who demonstrate experience in environmental, social and corporate governance issues.
- g. At least 2 of the candidates must meet the requirements established in the second paragraph of Article 44 of Law 964 of 2005, or the one that replaces, adds or modifies it, and in the Code of Good Governance to be considered as independent members.

### **2.2. Incompatibilities and Inabilities**

It will be understood that with respect to candidates who are in any of the following circumstances, there is an inability or incompatibility to be a Director:

- a. Candidates who, directly or through an intermediary, participate in activities that involve competition with the Company or any of its subsidiaries or in acts with respect to which there is a conflict of interest.
- b. Candidates who are employees, partners, spouses, or are related up to the third degree of consanguinity, second degree of affinity, or first degree of civil relationship with litigious counterparties of the Company or any of its affiliates, or employees or partners of litigious counterparties of the Company or any of its affiliates.
- c. Candidates who, at the time of election, are members of the Board of Directors of five (5) corporations, or of companies that carry out activities that involve competition for the Company or any of its subsidiaries or with respect to which there is some type of conflict of interest, unless they expressly express their intention to resign if elected.
- d. The candidates who, if elected, would form a majority within the Board of Directors with people with whom they are linked by marriage, or by kinship within the third degree of consanguinity or second degree of affinity or first civil.
- e. Candidates who have been reviewed are found to be linked to criminal proceedings or are registered on restrictive lists for acts related to money laundering, terrorist financing, fraud, bribery, corruption or any other illegal act.
- f. Candidates who have committed any improper act in accordance with the provisions of the Code of Conduct. In the event that such circumstances occur after the election has been verified, the respective Director must notify the Company and in the event that it is not possible to resolve it, he or she must resign from his or her position.

### **2.3. Profile definition and disclosure**

The Board of Directors, in each election year, shall define:

- Functional profiles associated with aspects such as knowledge and professional experience required for the respective period.
- Personal profiles related to trajectory, recognition, prestige, availability, leadership, group dynamics, or other similar aspects, which are considered more convenient in consideration of the circumstances that the Company expects to face in the respective period.
- The time and dedication necessary for them to be able to properly perform their duties.

For the purposes of this definition, the Board of Directors may request the support of employees of the Company or hire external advisors, if it deems it appropriate.

The profiles defined by the Board of Directors will be published on the Company's website on the same date as the call for the ordinary meeting of the Shareholders' Meeting at which the Board of Directors is to be elected.

## **2.4. Presentation and evaluation of proposals for the formation of the Board of Directors.**

In accordance with the provisions of the Articles of Association, proposals for the election of members of the Board of Directors must be submitted no less than 5 calendar days before the date set for the Shareholders' Meeting at which the respective election will be held.

The proposals submitted by the shareholders must be accompanied by the following documents signed by each of the candidates:

- Curriculum vitae indicating, at least, studies completed and positions held.
- Letter by which you agree to be included in the respective list, according to the format provided by the Company.
- Declaration of Potential Conflicts of Interest, according to the format provided by the Company.
- List of boards of directors to which he belongs, indicating date of appointment.

In addition, candidates who intend to be considered as independent members must attach:

- Declaration of Compliance with Independence Requirements vis-à-vis the Company, according to the format provided by the Company.
- Declaration of Compliance with Independence Requirements vis-à-vis Pension Fund Management Companies if the Company is listed on the stock exchange, according to the format provided by the Company.

Once the proposals have been received, the Board of Directors will proceed to carry out the corresponding evaluation to determine whether the candidates fit the proposed profiles, meet the selection and independence criteria established in the Code of Good Governance and whether or not they are involved in any of the grounds of inability or incompatibility provided for in this policy.

## **2.5. Disclosure of the evaluation of proposals**

The results of the evaluation carried out by the Board of Directors will be published on the Company's website no less than 2 calendar days before the date set for the Shareholders' Meeting at which the respective election will be held.

In the event that any shareholder expressly requests it, the conclusions of the aforementioned evaluation may be presented during the course of the Shareholders' Assembly meeting.

### **3. Fixing remuneration**

#### **3.1. Components**

Directors shall receive remuneration for their services consisting of the following elements:

- A monthly fee whose value will be determined each year by the Shareholders' Meeting.
- An amount and periodicity determined by the Shareholders' Meeting for participation in the committees supporting the Shareholders' Meeting.
- In addition, when it deems it appropriate, the Board of Directors shall submit to the consideration of the Shareholders' Meeting a remuneration scheme whereby the Directors receive shares of the Company or its subordinates as part of the compensation for their services.
- In any case, the Directors must hold the shares for a minimum period of three years.
- When opting for the adoption of a remuneration scheme such as the one described, the applicable methodology for its determination must be objectively measurable and therefore subject to audit, and must be disclosed on the Company's website.

In the event that an Executive Member participates in the Board of Directors, he/she will not receive additional remuneration due to his/her status as Director.

The Chairman of the Board of Directors, at the decision of the Shareholders' Meeting, may be remunerated higher than that of the other Directors in consideration of the fact that he or she performs additional functions.

#### **3.2. Costs**

The Company will assume all costs that are necessary for the Directors to properly perform their duties, including those related to travel expenses, accommodation, ground transportation, provision of technology, sending of information or similar.

In addition, the Company will assume all expenses related to training, updates and hiring of external advisors that the Board of Directors requires as a collegiate body.

Likewise, the Company will assume the payment of the Directors and Administrators policy in which all Directors must be expressly included.

In no event shall the Company make contributions or recognize emoluments to Directors for old-age pensions or cover expenses related to life insurance premiums.

The Chairman of the Company shall annually submit to the Shareholders' Meeting the total cost proposal of the Board of Directors, as well as a report on the execution of the cost approved in the immediately preceding year.

#### **4. Succession**

The Board of Directors, based on the profiles it determines to be suitable, will draw up a matrix of desirable profiles to make up the Board of Directors, which will be published on the Company's website prior to the Shareholders' Meeting at which a new Board of Directors must be elected.

When, for any reason, a position of Director becomes definitively vacant, the Board of Directors shall convene the Shareholders' Meeting to fill the vacancy.

The vacancy may be filled by partial election if the unanimity of the votes present is obtained, otherwise a new election of the entire Board of Directors must be carried out, by the electoral quotient system as provided for in the Bylaws.

**Amended version as approved by the Shareholders' Meeting at its ordinary meeting on March 19, 2024.**