



## **RISK COMMITTEE - RULES AND REGULATIONS**

### **GRUPO DE INVERSIONES SURAMERICANA S.A.**

#### **PREAMBLE**

The Risk Committee was set up to provide support to the Board of Directors and is responsible for managing the Company's risk exposure, in accordance with the commitments set out in its Code of Good Governance, the New Country Code and these rules and regulations.

The Risk Committee does not have the responsibility of drawing up policies and making decisions on the Company's risk management, since this belongs to the Board and Senior Management. As such, its responsibility shall be confined to providing support to the Company's governing body, ensuring a proper coordinated risk management function within the corporate control architecture, enabling an internal control system capable of providing the Company with reasonable security with regard to attaining its objectives; and aligning the overall risk management function with the overarching purpose of build trust through long-term relationships with stakeholders while creating added value for the Company's portfolio of investments.

The Risk Committee's rules and regulations, as herein set out, are designed to ensure that the Board's responsibilities are duly complied with regard to generally overseeing the handling of risk, so that the Company may continue to adequately carry out its business purpose and attain its objectives within the statutory and legal framework governing this matter.

#### **CHAPTER I**

##### **About the Risk Committee**

**Article 1 Structuring and Remuneration.** The Risk Committee shall consist of three (3) members of the Board of Directors. These shall appoint a chairman from



amongst its members. These meetings shall be attended by the Company's Chief Executive Officer and the Company Secretary shall act as Secretary to such.

Its members shall be appointed by the Board for periods of two years, and their remuneration shall be the equivalent of the same fees paid to the Board of Directors for each meeting attended.

**Article 2 Meetings.** The Committee shall meet at least twice (2 times) a year or when circumstances so require, at the Company's registered place of business or at the place stated in the notice given for such meetings. Meetings may be held remotely or decisions made via on-line channels, in accordance with current legislation.

The quorum for deliberating and discussing matters put before the Committee shall be complied with by the presence of two of its members. Decisions may be taken by a simple majority vote. In the case of a tie, the matter shall be submitted for the consideration of the Board.

**Article 3° Minutes.** The Committee's Decisions shall be recorded in the form of minutes that shall be consecutively numbered, and signed by the members attending the meeting along with the Company's Chief Executive Officer and the Secretary to such meeting.

The documents provided to the Committee in support of the decisions made shall form an integral part of these minutes, and shall be considered as attachments to these same.

## CHAPTER II

### Responsibilities of the Risk Committee

**Article 4°.** The Risk Committee shall have the following responsibilities:

1. Inform the General Assembly of Shareholders on the activities carried out and address the issues raised by shareholders regarding matters within its scope of responsibility.
2. When required, review the adequacy of the economic and regulatory capital of each company and how this is allocated to the various lines of business and / or products.
3. Review and assess the completeness and adequacy of the Company's risk management function and its various components.
4. Analyze and evaluate the Company's risk management system and tools.
5. Systematically assess Company's risk strategy and general policies, and the corresponding limits by type of risk and business, this divided up between the different businesses, business or economic groups, clients and areas of activity.
6. Analyze and assess the Company's current business risk, in terms of limits, risk profile (expected loss), profitability, and capital map (risk capital).
7. Review the risk limits and risk reports submitted for the consideration of the Committee and make appropriate recommendations to the Board and / or Audit Committee.
8. Propose the Company's risk policy to the Board of Directors.
9. Approve all those cases that should surpass or exceed the Company's risk exposure limits or any exception to the corresponding rules, providing the Board with a report on all those operations, which it must authorize, where these same exceed the powers conferred on other levels of the Company.
10. Place before the Board all proposals regarding delegation rules for the approval of the various types of risks for which the Board or other lower levels of the organization are responsible.

11. At the request of the Board, report on all those operations that the Board must authorize in accordance with the law, applicable regulations, or internal or external provisions.
12. Draw up the required improvement plans for the Company's infrastructure, internal controls and risk management system.
13. Assess and implement the recommendations issued by the oversight authorities as part of their functions.
14. Strengthen the Company's risk management function by implementing an advanced model that allows for risk profiles to be configured in keeping with the Company's strategic objectives while monitoring the risk exposures corresponding to such profiles.
15. Assess and monitor all those social, environmental and political trends that could potentially affect the Company, its subsidiaries, as well as performance.
16. Track the performance of both the Company and its subsidiaries from the environmental, economic, social and reputational standpoints.
17. Monitor the handling and mitigation of financial risks.
18. Review the non-financial information that the Company makes available to the market.
19. Request the reports considered appropriate for the proper performance of the Committee's duties.
20. Carry out all activities delegated or requested by the Board with regard to risk management.

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