

## **RESPONSIBLE INVESTMENT FRAMEWORK POLICY**

### **GRUPO EMPRESARIAL SURA**

Creating well-being and sustainable development for individuals, organizations and society is the purpose of the Grupo de Inversiones Suramericana S.A. ("Grupo SURA") and the Grupo Empresarial SURA, companies focused on financial services that understand the conditions of the environment and the impact that their investment decisions may have on fulfilling their purpose.

The objective of this policy is to provide general guidelines for the incorporation of environmental, social and corporate governance ("ESG") criteria in the processes of analysis and decision making regarding investments, which allow a better understanding of the risks, opportunities and management actions required for the generation of value within the framework of the sustainability of businesses and stakeholders.

The guidelines set out in this document guide the responsible management of the investments of the companies that comprise the Grupo Empresarial SURA (Grupo de Inversiones Suramericana S.A., Suramericana S.A, SURA Asset Management S.A. and its respective subsidiaries, hereinafter the "Companies"). The Companies shall develop work plans, manuals or procedures that facilitate the implementation of this Policy in accordance with their strategy, risk appetite, investment objectives, size, jurisdiction, business restrictions, or any other relevant condition.

#### **Scope and Application Framework**

This policy applies to Grupo de Inversiones Suramericana S.A., Suramericana S.A, SURA Asset Management S.A. and their respective subsidiaries, framed in the following investment roles:

##### **i) Mergers, Acquisitions and Divestments**

Refers to projects and processes of mergers, acquisitions and divestitures that advance the companies.

## ii) **Portfolio Investments**

This includes investments in the portfolios of insurance companies and their subsidiaries, as well as the portfolios of the fund managers' own position in the capital market, in the following lines of investment:

- Fixed Income
- Variable Income
- Investment Funds

## i) **Third Party Investments**

It will apply to the business of investment fund managers. Considering the fiduciary duty, the Companies will carry out the respective ESG analysis and will give their recommendation in those cases in which a specific mandate is received from the client.

**Paragraph 1** In participation in new lines of investment business, the Companies shall review the application of this policy and its respective annexes in the respective instance created by each Company.

**Paragraph 2** The incorporation and application of ESG criteria will be made, whenever possible, to those investments in which there exists the power to decide on participation (for example, excluding those cases in which an index is followed or there is a benchmark for regulatory compliance). In any case, Companies shall document and justify those cases in which the application of these criteria is not possible.

**Paragraph 3** As regards investments in funds, Companies shall maintain the same policies in the selection of the fund and the manager when legally and contractually admissible. In any event, the Companies shall document and justify those cases in which the application is not possible.

## **Guidelines**

### **1. Incorporation of ESG criteria**

The investment decisions will be framed in the laws of the countries where the Companies have a presence or make their investments. Moreover, efforts will be made to incorporate standards of good practice in environmental, social and governance issues in investment analysis.

Conceptually, it is understood that there are three types of approaches under which the implementation of ESG analysis can be carried out on investments: ESG Integration, Screening and Impact/Investment/Themes.

Based on this, the Companies shall endeavor to incorporate, whenever possible, the evaluation of ESG criteria for the investments defined in the "Scope and Application Framework" section of this Policy, considering:

### **1.1. ESG Integration**

This approach consists of the systematic and explicit inclusion of ESG factors in investment processes, portfolio construction and investment valuation.

In this regard, Companies shall endeavor, whenever possible:

- i) To identify the ESG issues that are relevant to the sector.
- ii) Assess how the investment is affected by taking into account identified ESG issues, financial variables and risk assessment.

### **1.2. Screening**

This approach consists of devising an initial mapping in which ESG criteria of great importance are identified, according to the trends and materiality of the sectors. This exercise allows it to analyze investments according to your business practices around specific topics.

In this way, Companies must analyze in detail those investment decisions that generate controversy due to their social, environmental or corporate governance impact. Within this review, the Companies will analyze the recurrence, severity,

treatment and management of each case to determine whether or not the investment is made.

**Controversial issues.** The following practices will be considered controversial topics, not excluding any other practices that the Companies consider could have an impact under ESG criteria:

- Environmental:
  - Pollution
  - Water pollution
  - Threat to protected ecosystems.
  - Deforestation.
  - Impact on animal welfare.
  - Impact on public health.
  - Negative impacts derived from bioscience.
- Social:
  - Discrimination (racial, sexual, religious, among others)
  - Threats to vulnerable communities or minorities.
  - Impact on Human Rights.
  - Impact on Labor Rights.
  - Pornography.
  - Weapons production and distribution.
- Governance:
  - Corruption and bribery.
  - Impact on shareholders' rights.
  - Lack of transparency in Corporate Governance.
  - False public information.

In addition to the above, those ESG events that deteriorate the performance of the investments and jeopardize legal compliance, will be reported as controversial cases and discussed with the respective instance.

**Analysis and Decision** All dilemmas and controversies will be documented, exposed and discussed in the decision-making instance defined by each Company.

**Paragraph** Companies may deepen and detail the above practices in their respective work plans, manuals or procedures, thus facilitating the implementation of this Policy.

### **1.3. Impact/thematic investment**

It consists of the active allocation of capital in investments that promote the solution of Environmental, Social and Government problems, such as green technology, mitigation and adaptation to climate change, food security, basic sanitation, education, and social innovation, among others.

In this sense, as long as market conditions, regulation and risk-return profile allow investments to be made or products to be launched with this approach, these alternatives will be chosen with respect to their traditional peers.

## **2. Disclosure and reporting**

Companies shall document the cases analyzed, considering:

- i) For all cases, Companies must have documentation processes of their ESG analysis, defined in the manuals or work plans of each Company.
- ii) For controversial cases, the Companies shall have mechanisms and procedures of documentation defined by each Company, and shall be reported in the respective instances defined by each Company.

The Companies shall retain all information relating to this policy in such a way as to enable the state of implementation of responsible investment strategies to be identified.

The Corporate Responsibility Management of Grupo SURA will be responsible for administrating this policy, and to that extent will manage with the areas involved its disclosure and updating.

### **3. Capacity Development**

The Companies shall carry out training plans for the teams involved in the investment analysis process, with the purpose of providing them with the necessary tools for an optimal analysis and interpretation of ESG issues.

### **4. Governance**

- 4.1.** The Sustainability and Corporate Governance Committee of the Board of Directors of Grupo SURA will be the highest instance in which strategic and general guidelines will be discussed and given regarding the responsible management of Investments. In turn, the Boards of Directors of the Companies, or the bodies delegated by them to deal with matters of sustainability and corporate governance on their behalf, shall ensure compliance with this Policy and their respective manuals and procedures.
- 4.2.** The Companies will make their investment decisions independently and will have their own decision-making instances on ESG issues and dispute resolution, in accordance with the investment and risk analysis process established by each Company.
- 4.3.** In case of controversial situations that are of strategic interest for any of the Companies, these should be studied by the instances defined by each Company. In turn, the cases of greatest impact for the Corporate Group will be reported to the Sustainability and Corporate Governance Committee of the Board of Directors of Grupo SURA through an extended session with representatives from each Company.
- 4.4.** The approval of the present policy is assigned to the Board of Directors of Grupo SURA, and once approved by it, it must be approved by the Boards of Directors of the Corporations and finally by the Boards of Directors or equivalent bodies of each one of the Companies. Any modification must be approved in the same order and by the same corporate bodies.

- 4.5.** The risk and investment divisions of the Companies will ensure compliance with this policy, for which they will have the support of the corporate responsibility and legal issues divisions for its proper implementation.
- 4.6.** Grupo SURA Corporate Responsibility Management will be responsible for the monitoring of this policy and to that extent will co-manage with the divisions involved in the Companies their disclosure, updating and monitoring of the defined work plans. At the same time, each Company will define the divisions in charge of the implementation of this Policy.
- 4.7.** This policy shall become effective upon its adoption by the Boards of Directors or equivalent bodies of each of the Companies, at which time a maximum period of eighteen (18) months shall be established for Companies to formulate work plans, manuals or procedures for their due implementation, which must be provided for information and follow-up Grupo Sura Corporate Responsibility Management.

Implementation times will be defined in accordance with the proposed work plans.