

SIPLA PROCEDURE MANUAL

Comprehensive System for Prevention and Control of Money Laundering and Terrorism Financing

1. INTRODUCTION

Grupo de Inversiones* Suramericana S.A. (*Investment Group), aware of the public stock market's key role in identification, prevention, and repression of illegal financial flow, has designed this manual, which establishes procedures for prevention and control of money laundering and terrorism financing –LA/FT* (by its acronym in Spanish) preventing the Company to be used, without consent or awareness, for concealment, securing, handling, and investment of funds derivative from illegal activities.

It is a duty of the Company, its management and control bodies, Compliance Officers, and other administrators and officials, to abide and ensure compliance to internal regulations and other provisions in terms of prevention and control of money laundering and terrorism financing.

This manual is created in compliance to provisions of Decree 1872 of 1992 now incorporated to Organic Statutes of the Financial System; Law 190 of 1995, Decree 1552 of 1995 and External Notice 029 of 2014 of Colombia's Financial Superintendence – SFC* by its acronym in Spanish- (Basic Legal Notice, Part III, Title I, Chapter VII). These standards force entities monitored and controlled by the SFC to report back to it, as well as to Attorney General's Office and the Judicial Police Special Corps appointed by it, and mainly to the Special Administrative Unit of Financial Information and Analysis –UIAF* by its acronym in Spanish, about any relevant information regarding fund management which amount and features do not match the investor's economic activity

2. GLOSARY

- **Money Laundering**: A Conduct intended to give finances originated from illegal activities an appearance of legal, as well as to conceal the true illegal source or stock ownership to make it seem the result of a legal deal.

Money Laundering is a process that comprises several phases:

- Money attainment or collection: It consists in the physical reception of big amounts, resulting of criminal activity.
 - Mixing with legal origin funds: It consists in carrying out continuous financial operations, tending to eliminate any traces, or making them more complex to find, in such a way that it hampers to find the true illegal origin of such monies.
 - Investment: A process by which the money resulting from illegal activities, turns into property both movable assets and real state, or façade businesses that transfer funds to organizations or companies without apparent connection with the crime.
- **Terrorism Financing**: Any form of economic action, help or intermediation providing financial support activities of terrorist elements or groups.
 - **Illegal Assets**: Assets deriving from a felony commission, such as kidnapping, extortion, vehicle theft, land piracy, bank robbery, smuggling, drug dealing, terrorism, among others.
 - **Unusual Operations**: Operations which amount and characteristics are not related with the investor's economic activity, and that cannot be reasonably explained or justified.
 - **Suspicious Operations**: Operations regarded as unusual, non-customary, unconventional or excessive compared to investor's normal activity, or those operations which amounts or features do not keep a close link with the investor's economic activity, or which transaction quantities or particular characteristics, go beyond normativity's established parameters for a certain market range. It even includes attempted operations even if they were not concluded.

3. SCOPE AND APPLICATION FRAMEWORK

This document will apply for Grupo de Inversiones Suramericana S.A., hereinafter Grupo SURA or the Company; and it will involve all the Company's areas.

4. PLACEMENT OF SECURITIES

4.1 General Guidelines

4.1.1 Regular Verification of Investors in OFAC's SDN lists.

There will be a regular verification of all investors registered in domestic and international lists whether or not binding to Colombia. Should any exact match be found, an extended due diligence would proceed in order to find possible unusual operations; if that's the case a Suspicious Operations Report will be sent to UIAF with its given support.

4.1.2 Publicly Exposed Persons

Publicly Exposed Persons are all such investors whose profile, resources managed or activities and positions performed, may expose the company in a higher degree to money laundering or terrorism financing.

In order to identify or single out current Grupo SURA's investors as PEPs (the English acronym for Politically Exposed Person), a matching must be done with data bases from other entities (public and private) according to their availability, and timely notify the Compliance Officer - a high management member- who will make a decision, if needed, about the investor. Likewise, the regular report will mention investors of such typology.

4.1.3 Warning Signals

Special attention must be paid to some conducts or facts that show warning signals about transactions demanding a constant and suitable supervision, such as:

1. Cash operations outside standard established parameters.
2. Operations in amounts that don't match with the investor's economic activity.
3. Purchase of Multiple titles through different brokers, in unusual amounts.
4. Insufficient or false information submitted by investors.

5. Unverifiable Information.
6. Investors reluctant to supply information.
7. Investor's age, not matching to income or transactions.
8. Undetermined Economic Activity.

4.2 Placement of Securities in Primary Market

4.2.1 Direct Placement

As a general premise, Grupo SURA, does not carry out Direct Placement of Securities in the Primary Market. However, should that be the case, the guidelines defined in Annex 1 of this manual must be abide.

4.2.2 Placement of Securities through an agent

As long as Placement of Securities is done through entities monitored by Colombia's Financial Superintendence, it will be of such entities care to apply their Money Laundering and Terrorism Financing Risk Management System (SARLAFT* by its acronym in Spanish) to those operations, such system must comprise of internal procedures to identify, analyze, report, and record unusual or suspicious operations during its activity.

4.2.2.1 Criteria for agent choosing

At the time of choosing an agent, the company must gather sufficient information about it, in order to verify:

- That the agent has not been subject to a fine or a control authority intervention due to issues regarding Money Laundering, Terrorism Financing or related felonies.
- That the entity has sufficient systems, procedures, processes and guidelines to prevent and control Money Laundering and Terrorism Financing.
- That the entity has all protocols in place to the client's knowledge.

In the aforementioned terms, as long as Placement of Securities is done through entities monitored by the Financial Superintendence, it will be such entities care to apply their Money Laundering and Terrorism Financing Risk Management System (SARLAFT* by its acronym in Spanish). Entities partaking from the operation must document their LA/FT operations, considering every institution's responsibilities, and

highlighting that it is the agent the one obliged to apply its own SARLAFT to all investors.

4.2.2.2 Investors' Information Consolidation

As long as Placement of Securities is done through entities monitored by Colombia's Financial Superintendence, Grupo SURA must consolidate investors' information. In such case it may appoint one of the placement participating agents to carry out the investors' information consolidation.

Notwithstanding the above, each of the monitored entities partaking from the process must apply the measures adhered to their operation intended for LA/FT prevention

4.2.3 Overseas Placement

In such cases when Placement takes place overseas, the broker agency (ies) through which placement is carried out, must validate by issuing a certification signed by the legal representative or its equivalent, proving that demanded standards are being fulfilled in the given country in terms of prevention and control of money laundering and terrorism financing.

4.3 Placement of Securities in the Secondary Market

4.3.1 Stock trading through agencies monitored by the Financial Superintendence

As long as Stock trading is done through entities monitored by Colombia's Financial Superintendence, it will be of such entities care to apply their Money Laundering and Terrorism Financing Risk Management System (SARLAFT* by its acronym in Spanish) to those operations, such system must comprise of internal procedures to identify, analyze, report, and record unusual or suspicious operations during its activity.

4.3.2 Trading outside Stock Market

For operations performed outside stock trading systems or registration of stock operations, should those refer to intangible or immobilized securities, it is up to direct depositors "Stock owner" to certify the required investor's introductory information at the central securities depository.

5. LA/FT CONTROLS APPLICABLE TO OTHER GROUPS OF INTEREST

5.1 Employees

During the staff selection process the Human Talent area must confirm that none of them are registered in the domestic and international restrictive lists, whether or not binding to Colombia. Shall an applicant be found in such lists, the same must immediately be ruled out.

Likewise, the total of the company's employees must be regularly verified.

In both of the aforementioned scenarios the Compliance Officer must issue reports to the UIAF.

5.2 Providers

The Internal and Share Services area will care for the Providers' Registration Process to carry out the given validation on restrictive lists, prior suppliers' affiliation. In a case of any of them appearing in such lists, they must immediately be dismissed.

In addition, such validation must be carried out regularly over the total of registered providers. In the case of a coincidence, the provider's contractual agreement must be terminated as early as possible. The Corporate Legal Affairs Department will guarantee that agreements entered into with providers contain early termination clauses, in such situations where these latter may be registered in restrictive lists or involved in legal or administrative investigations, due to alleged crime commissions regarding money laundering or terrorism financing.

In both of the aforementioned scenarios the Compliance Officer must issue reports to the UIAF.

5.3 Community and Guilds

In accordance with Social Investment Framework Policy and its developing and complementing standards, a restrictive list validation must be carried out on selected people and entities to be potential beneficiaries of contributions made by Grupo SURA or Suramericana Foundation, even if such individual or entity was benefited in the past.

In the same way, a regular validation will be performed regarding time extended contributions.

Should a beneficiary or applicant to it be found in the restrictive lists, the Corporate Responsibility area of Grupo SURA and the Suramericana Foundation will refrain from issuing such entities any sort of contribution in money or kind and will discontinue all others that may be in progress. In such a case where Grupo SURA or Suramericana Foundation may have entered into any agreements, the Corporate Legal Affairs Area will guarantee contain early termination clauses, based on the above mentioned grounds.

In both of the aforementioned scenarios the Compliance Officer must issue reports to the UIAF.

6. UNUSUAL AND SUSPICIOUS OPERATIONS CONTROL AND RECORD

In such a case of direct placement and in accordance with the already established definition of unusual and suspicious operation, a follow-up must be done to such unusual operations or those without a visible economic purpose, to establish frequency, volume, and characteristics, and to be able to determine whether or not monies or their movement are linked with the investor's economic activity.

Once an operation is determined unusual, it must be immediately reported to Compliance Officer, appointing the feature that makes it unusual, being at the Compliance Officer and his/her team's care the analysis, and further information to respective entities (UIAF).

All areas of the company must report any operations regarded as unusual or suspicious, in other words, those that may be using monies from illegal activities during the transaction.

Furthermore, in such cases where, in accordance to the legal system, the Company restrains from performing a transaction considered unusual or suspicious, the obligation to report the Compliance Officer prevails, and this latter must issue the needed report (Suspicious Operations External Report –ROS* by its acronym in Spanish) to the Special Administrative Unit of Financial Information and Analysis – UIAF* by its acronym in Spanish,

The fact of warning the investor about the suspicious operation report would be understood as though the official is a LA/FT felony accessory.

When placement is done through an SFC monitored entity, it will be to such entity's care, according to instructions regarding money laundering and terrorism financing risk management, and their internal procedures, to identify, analyze, report, and record unusual or suspicious operations if any, during the exercise of its activity.

7. INFORMATION HANDLING AND DOCUMENT PRESERVATION

Information furnished by the investor will be handled confidentially and exclusively by the Company, and useful solely for money laundering and terrorism financing control in compliance with duties appointed by control agencies to financial entities.

It is important to consider that the investor's inaccuracy, incomplete drafting or reluctance to submit requested information will be causative to regard the operation as unusual, making possible the generation of an UIAF report.

With the purpose to guarantee a further degree of cooperation with authorities, Grupo SURA will keep the documents regarding money laundering and terrorism financing control and prevention for a not less than 10-years period.

All documents received will be filed by the Compliance Officer, who may delegate such task to a team member.

Such information must be available to timely and efficiently respond authorities' requirements, regardless to the Company having to go through corporate restructuring (mergers, excision, and transformation, among others) or settlement, in which this latter case, will be the settlement agent the one implementing the needed measures to guarantee document preservation and protection.

Grupo SURA must keep shareholder's information updated, for all those holding one (1) % or more of their outstanding shares.

8. REPORT AND FOLLOW-UP

Grupo SURA must have reports allowing to guarantee the operation of its risk control procedures, and fulfilment of the legal duty of cooperating with authorities in charge of fighting against criminal activities. That is why every six months a report will be submitted to the Board of Directors detailing all activities carried out on each of the Company's SIPLA components.

Every employee in the Company will be responsible to identify unusual or suspicious operations, and must submit a report to the Compliance Officer when regarding a transaction as fulfilling such characteristic, and that may be using monies derivative from illegal activities.

Any such abnormality found with SIPLA's standards' compliance, must be immediately reported by the person who found it to the Compliance Officer, who will take the measures tending to its correction.

Grupo SURA counts with the "Line of Ethics" mechanism, through which possible irregularities may be reported, which for any circumstance are not scalable to a superior hierarchy, and could seriously infringe the Company; all those such as: Performing activities or deals outside procedures, manuals, and laws; Staff conduct that may seem suspicious of causing or being qualified as possible money laundering, inappropriate or faulty actions of supervisors or peers, or offences to corporate ethics, among others.

Additionally, for such cases where in accordance to the legal system, the Company restrains from performing a transaction regarded as unusual or suspicious, the obligation to report a Compliance Officer prevails, and this latter must issue the needed report (Suspicious Operations External Report –ROS* by its acronym in Spanish) to the Special Administrative Unit of Financial Information and Analysis.

The Compliance Officer and the team designated by him/her, will respond to information requests demanded by the relevant authorities.

Grupo SURA must be willing to submit any other report required by the UIAF for the relevant need.

9. TASKS AND DUTIES

The high management and Grupo SURA's control agencies must fulfill all tasks described as follows, which will ensure a suitable performance of the Comprehensive System for Prevention and Control of Money Laundering and Terrorism Financing:

1. Board of Directors' Duties:

- a) Appoint money laundering and terrorism financing prevention and control policies, in accordance with the schedule of current standards.
- b) SIPLA manual approval, and its further updating.
- c) Approval of mechanisms and tools comprising the entity's SIPLA
- d) Appointing of a Compliance Officer.
- e) To rule upon each of the items in the Compliance Officer's report, leaving express certification in the given minutes.
- f) To rule upon reports submitted by the Statutory Auditor and give follow-up to remarks and recommendations adopted, leaving express certification in the given minutes.
- g) Put together technical and human resources to implement and keep SIPLA functioning.

2. Duties of the Legal Representative

- a) Make sure established procedures develop all policies defined by the Board of Directors.
- b) Provide all needed technical and human resources to implement and keep SIPLA functioning
- c) Submit, in coordination with Compliance officer, the SIPLA procedure manual and its updates to the Board of Directors approval.
- d) Deliver effective, efficient, and timely support to the Compliance Officer.

3. Duties of Compliance Officer

The Compliance Officer must at least fulfill the following requirements:

- a) Having been appointed by the Board of Directors.
- b) Have decision making power.
- c) Count with the necessary time to develop his/her duties and the support of a human and technical team to enable a suitable performance.

Compliance Direction will champion the tasks of the Compliance Officer, will hence provide support to the needed processes and guidelines to guarantee LA/FT control and prevention. Their e-mail contact is: laftgruposura@gruposura.com.co

The following are the Compliance Officer's duties:

- a) To ensure SIPLA's effective, efficient, and timely functioning.
- b) To submit written reports to the Board of Directors every six months, regarding at least the following items:
 - Performance results.
 - Compliance in report submission to relevant authorities.
 - Effectiveness of mechanisms and tools defined by the Company, as well as measures adopted to correct failures.
 - Results of correctives appointed by the Board of Directors.
 - Placement results once public bid term ends
 - A report regarding LA/FT control to secondary market transfers if applicable.
- c) To issue the needed requirements for computer information, technological, physical, and human talent resources to Legal Representative for the fulfillment of operations.
- d) To encourage the implementation of SIPLA's correctives.
- e) To evaluate the Statutory Auditor's reports implementing the needed measures to deal with reported deficiencies.
- f) To respond and coordinate any requirement, claim, or diligence from relevant legal or administrative authority in the matter.

At the appointing of Compliance Officer, this decision must be submitted to the UIAF within the following fifteen (15) calendar days containing the appointed Compliance Officer's full name, identification number, position, and level of hierarchy (in the given case).

4. Duties of Statutory Auditor

Statutory Auditing or its equivalent official must implement controls that allow non-compliance identification of obligations, processes, and procedures, covered on this manual. Such duty includes task assessment of the Company's administrators and the Compliance Officer, regarding SIPLA. This assessment is to be carried out at least every two (2) years.

The report of the Statutory Auditor or whomever fulfills such duties to the high social body and the Compliance Officer, must contain the obtained conclusions of the assessment process on the implementation of LA/FT prevention and control standards implementation

10. GOVERNANCE

1. Decision Authority

Approval of current policy and its update will be in charge of Grupo SURA's Board of Directors, which is the higher instance where strategic and general guidelines will be discussed and provided on a Comprehensive System for Prevention and Control of Money Laundering and Terrorism Financing.

2. Disclosure

This Manual must outreach all the Company's staff, particularly those fulfilling duties of money laundering and terrorism financing control and prevention, and specially by Grupo SURA's administrators, staff working with Direct Placement of Securities, and those responsible of transfer records in the secondary market or the return payment to investors.

Any breach to the standards herein contained will be regarded a serious misconduct.

Grupo SURA Vice-presidency of Corporate Legal Affairs will have the responsibility to manage this Manual and in that sense will manage its enforcement, disclosure, and update.

3. Legal Provisions

Not abiding instructions and guidelines consigned in this Manual will be regarded as an unsafe and non-authorized practice by Colombia's Financial Superintendence with serious economic and administrative fines for the Company, its legal representatives and the personnel that does not know the standards.

Additionally, and as merely informative, it is important to remember that Colombia's criminal justice has created the so called "Control Omission Crime" which penalizes with up to six (6) years of prison and pecuniary fines from one hundred (100) to ten thousand (10.000) current minimum legal wages for those who infringe the standard.

Likewise, the non-compliance with provisions in terms of money laundering prevention and control will bring forth administrative fines, in accordance with Section 107 from Financial System's Organic Statute, notwithstanding further legal consequences

ANNEX 1

DIRECT PLACEMENT OF SECURITIES

Shall Grupo SURA regard necessary to carry out a placement of securities without brokerage of an entity monitored by the SFC (“Direct” placement), these guidelines must be followed.

1. DIRECT PLACEMENT OF SECURITIES IN THE PRIMARY MARKET

1.1 Investor’s Knowledge

Grupo SURA will have procedures in place that allow the identification of its investors, as well as the validation of information supplied by them, all of which must be applied with diligence and responsibility.

The investor’s knowledge must be exercised from the very beginning of a legal or contractual relationship for the subscription of any security issued by the Company.

Investors’ broad knowledge becomes an important and effective tool to mitigate the risk of organized crime using the Company for money laundering and terrorism financing.

Fulfilment of the following requirements must be accredited for the affiliation of an investor:

1.1.1 Filling out o Affiliation Form.

The affiliation form must have at least the following information:

PN*: Natural Person Affiliation (**by its acronym in Spanish*)

PJ*: Legal Person Affiliation. (**by its acronym in Spanish*)

Description	PN	PJ
Investors’ Full Name or Company name	X	X
Identification of security title to be purchased.	X	X
National Persons: Identification – TAX ID (NIT), Citizen’s Identification (Cedula, Investors License).	X	X

Foreign Investors: ID (Foreign Identification, Current Passports for visa holders –tourism, visit, or any other kind- with a less than three (3) months' validity, or an ID Card issued by the Protocol Department of the Foreign Affairs Ministry intended for Preferential Visa holders (diplomatic, consular, service, international or administrative bodies, as the case may be, and in accordance to current migration standards)	X	X
National tourists from member countries of the Andean Community of Nations. ID number: Current identification document used to enter Colombia, which must be valid from issuing country.	X	
Full name and ID Number of Representative, and Proxy, and ID No. of investor.	X	X
Legal Representative's phone and address		X
Investor's place and date of birth	X	
Investor's home address and phone number.	X	
Investors occupation, activity, or profession.	X	
Description of investor's activity: - Independent, employed, position, - Main economic activity: Commercial, industrial, transportation, construction, agroindustry, financial services, etc., in accordance with international CIU code.	X	X
Office, company or location name, address, facsimile, and phone number of investor's working place if applicable. Investor's Broker Agency or Headquarters and Office city, address, phone and facsimile number.	X	X
Identification of shareholders or partners having more than 5% direct or indirect share capital, capital or holdings.		X
Type of investment company: Private, public, mixed.		X
Assets and /or funds' Certificate of Origin of the investor's, as the case may be (it may be an attachment).	X	X
Should investor rely on a third party, detailed information of such party must be furnished.	X	X
The type of normal operation carried out by the investor in foreign currency.	X	X
Financial products the investor has in foreign currency, indicating at least: Type of product, Product identification, entity, amount, city, country and currency.	X	X

In those cases, when investors have an economic third party dependence, full documentation of person (s) providing resources used for such investment must be requested.

It is important to clarify that non-profit entities and joint ownerships are regarded as legal persons, so the standard will apply to those as such.

1.1.2 Attached Documents

Potential investors, must attach the following information:

Attachments to natural persons' Affiliation Form:

- A copy of Identification Document.
- Income and withholdings Certificate.
- Work Certificate.
- Income Statement for the two last available tax periods or a non-stating certificate.
- A certificate of origin for funds being used in security acquisition.
- Certified or approved financial statements up to the date of last accounting term, available at investors linking –when applicable-.

Attachments to legal persons' Affiliation Form:

- Certificate of Existence and Legal Representation with a currency of more than three months, issued by the Chamber of Commerce.
- Copy of NIT (*TAX ID in Spanish-for most corporations*).
- Copy of RUT (*TAX ID in Spanish-for companies in general*)
- A copy of Legal Representative's ID.
- Certified or Approved Financial Statements.
- List of main partners, holders of 5% or more of the share capital, when such information is not featured on the certificate of existence and legal representation. For non-societal nature entities, a list of Board of Directors members or their equivalent will be attached, in such cases when they are not registered in the certificate of existence and representation.
- Income Statement for the two last available tax periods.

1.1.3 Information Validation

Validate the suitable and comprehensive filling out of Affiliation Form, as well as the submitting of all requested information attachments.

Once the filled out Affiliation Form has been submitted with its relevant support documents, prior to investor's actual affiliation, the information will be validated.

When the information cannot be confirmed or when found inaccurate, such situation should be regarded as unusual operation. A scenario of false information should be regarded as suspicious operation. In either case it will be necessary to make a

record of the analysis and results of the assessment carried out by Grupo SURA, and proceed to submit a report to UIAF and other relevant authorities.

Information supplied by securities acquirers must be confirmed within the terms indicated next, and be counted from the time when relevant documents were received:

NUMBER OF ACQUIRERS	TERM
Up to 100 acquirers	5 days
From 101 to 200 acquirers	10 days
From 201 to 300 acquirers	20 days
From 301 to 500 acquirers	30 days
From 501 to 1000 acquirers	40 days
From 1001 to 2000 acquirers	50 days
From 2001 to 5000 acquirers	60 days
More than 5000 acquirers	120 days

Grupo SURA may develop simplified forms for the knowledge of investors, when the transaction's amount may be less or equivalent to 66.000 *UVR's. (*Real Value Unit *by its acronym in Spanish*)

In terms of securities for stock exchange, the regarded amount of transaction will be the one resulting from multiplying the number of trade titles by the stock market base price. For non-stock exchange securities, the transaction amount will be calculated based on the intrinsic value –regarding stocks-, or nominal value –regarding other securities-

For placements through tender mechanisms, the aforementioned documentation must've been submitted no later than before the scheduled tender time.

The applicant that has not promptly submitted the suitably filled out Affiliation Form and all required attachments will not be able to attend the bidding process.

1.1.4 Waivers for the obligation to fill out an Investors Affiliation Form.

Information requirements referred to on the present manual will not apply to the following investors:

- a) Issuers of securities or entities registered in the National Securities and Issuers Registry (RNVE* by its acronym in Spanish)
- b) Entities subject to SFC inspection and surveillance
- c) Multilateral Agencies.
- d) Public entities either domestic, by department, or municipal, except for industrial or commercial companies owned by the State, public capital corporations or mixed economy companies, not subject to SFC inspection or surveillance.

In a given case when the assessment to Investor's knowledge or his/her transactions within the Company show the need for further information or any additional document to those stated in this manual, such request will be issued through the Compliance Officer and his/her support team.

1.1.5 Transactions in Cash

Cash transactions will be understood as such cash operations which amount may be more or equal to US\$5,000 (Five thousand US dollars) or its equivalent in other currencies, according to current's market exchange rate on the date of operation.

There should be evidence recorded for such operations issued on a Cash Transaction Report.

With Direct Placement, and once the placement period for issued securities has ended, a Cash Transaction Report will be submitted to the UIAF.

2. PLACEMENT OF SECURITIES IN THE SECONDARY MARKET

Regarding nominal securities' divestment, and provided no brokerage by an SFC supervised entity is given, before subscribing such divestment in the relevant log, the filling out of investors affiliation form must be requested, and the necessary arrangements to confirm supplied information be followed, in accordance to minimum parameters previously established.

The same procedure will apply regarding order instruments when the issuer is to pay returns to the investor.

In the given cases when it is found that the affiliation form was not suitably filled out and /or not all required attachments were submitted, immediate action should be taken intended to obtain the missing information, and when not obtained, it should be understood as a warning signal of a possible unusual operation, and if the situation calls for it, the need to report it as suspicious operation to the UIAF.