

**ANNUAL CORPORATE GOVERNANCE REPORT  
2019**

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

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## INTRODUCTION

Grupo SURA, aware of the important role played by the business sector in consolidating a competitive, productive and sustainable environment, has defined its overarching purpose as being "to create well-being and sustainable development for people, organizations and society at large". The aim of this dictum is to encourage a responsible level of corporate management, capable of having a beneficial impact on the overall development of all those countries where the Group is present; this while helping to improve the living conditions of the local population, and recognizing the importance of recruiting other civil society actors in achieving this objective.

This is why we have developed a living, breathing "*Ethics and Corporate Governance System*", which is evolving on a daily basis, as it crystallizes into a tool for the Organization not only to deploy its strategy but to go beyond its walls and invite other actors to join up in building a more sustainable environment.

Our employees, investors, clients, suppliers, service providers and other stakeholders form a critical part of the Organization's strategy in achieving its goals, which is why, in 2019, these served as a reference for guiding our efforts in furthering the Company's Ethics and Corporate Governance System.

Consequently, Grupo SURA hereby presents to its Shareholders and the public at large, its Annual Corporate Governance Report for 2019, which contains the main progress made and the challenges posed in this respect, as well as certain aspects relating to the structure and functioning of the Organization's Ethics and Corporate Governance System.

### I. HIGHLIGHTS AND CHALLENGES

- **External performance evaluations for the Board of Directors.** Grupo SURA carried out external, independent performance evaluations of its Board of Directors, with the support of PricewaterhouseCoopers. The main change last year was that it was carried out for the first time in conjunction with some of the main companies belonging to the Business Group. The findings obtained pointed to sound governing bodies from both a structural standpoint as well as the wealth of experience offered, all this combined with a disciplined and efficient performance, while highlighting their main strengths and opportunities for excellence.

An executive overview of these performance evaluations and their main findings and recommendations have been made available on-line at [www.gruposura.com](http://www.gruposura.com).

- **Implementing the rules and regulations issued with regard to the Colombian Financial Conglomerates Act:**

With the enacting of Law 1870 of 2017 and the subsequent rules and regulations issued by the Colombian Government governing financial conglomerates, Grupo SURA continued making headway in adapting its policies for the purpose of fulfilling its obligations as the holding company of the SURA - BANCOLOMBIA Financial Conglomerate.

These new rules and regulations, aimed at ensuring a comprehensive and consolidated oversight of the conglomerates belonging to the Colombian financial system, has allowed Grupo SURA to review certain aspects of its own corporate governance function so as to ensure an adequate risk management function as a conglomerate. The headway made in this regard includes the following issues:

- ✓ *Capital*: constructing a comprehensive methodology for calculating adequate levels of technical capital for the Conglomerate as a whole (in force since November 2019)
- ✓ *Exposure and concentration limits*: introducing guidelines for handling exposure and concentration limits between companies belonging to the Conglomerate as well as their related parties (in force since February 2020)
- ✓ *Conflicts of interest*: drawing up a policy for identifying, managing and disclosing conflicts of interest at a Conglomerate level (in force since February 2020)
- ✓ *Risks*: building up a Risk Management Framework -RMF- for handling strategic, concentration and contagion risks at a Conglomerate level (in force as of June 2021)
- ✓ *Interaction, internal structuring and technological agreements*: strengthening Grupo SURA's risk management structure, entering into service agreements between the Companies belonging to the Conglomerate, and developing new technological tools for managing information reported to the Colombian Superintendency of Finance (currently being developed).

The SURA - Bancolombia Financial Conglomerate is composed of nearly 80 financial entities including credit institutions, insurance companies, pension and severance fund management firms, asset management and trust fund companies as well as stockbrokerage firms located in the main markets of Latin America.

- **The first 5 years of Colombia's Country Code:** Grupo SURA completed the Best Corporate Practices Survey corresponding to 2018 this as part of Colombia's ongoing Country Code

initiative. Here, we were able to report having adopted 143 out of a total of 148 recommendations issued by the Colombian Superintendency of Finance. The aforementioned report has been made available on the Company's website [www.gruposura.com](http://www.gruposura.com).

Additionally, and in the light of the Country Code celebrating its first five years of application, Grupo SURA in its capacity as the holding company of the SURA - Bancolombia Financial Conglomerate attended the commemorative event held by the Colombian Superintendency of Finance, where our Chief Executive Officer, David Bojanini García was able to present the more important aspects of our Ethics and Corporate Governance System.

- **New Digital Portal for the Board of Directors.** A digital application was recently launched that shall facilitate the handling and traceability of information managed within the Board of Directors and its Board Committees, this under the highest quality and safety standards.
- **Ethics and Corporate Governance Awareness and Training Program:** training and other events were held these aimed at increasing awareness amongst the Organization's employees, suppliers, service providers, and senior management personnel. The events covered by this program include:
  - ✓ **Suppliers and Service Providers.** *The SURA Supplier/ Service Provider Forum:* this event was attended by more than 800 of the Organization's suppliers and service providers, and included reflections on ethical dilemmas that could involve this specific stakeholder group, and how to address these in the light of the SURA Business Group's corporate principles and its Code of Conduct for Suppliers and Service Providers.
  - ✓ **Employees.** A panel was held with the CEOs of Grupo SURA, Suramericana y SURA Asset Management that was streamed on-line to approximately 28,000 SURA employees throughout the region. The purpose of this event was to discuss the way in which ethics and corporate principles are experienced on a daily basis, this as a complementary activity to the on-line ethics training courses and programs organized by each Company.
  - ✓ **Senior Management Personnel.** Workshops were held by the Management Committees of some of the companies belonging to the Business Group, the purpose of which was to discuss and reflect on our corporate principles and the way the leaders of our Organization experience, and are called to permanently reflect on, an ethical culture based on such principles.

- **Board of Directors' Training Program.** In 2019, the members of our Board of Directors participated in different events as part of the Board of Directors annual training plan which included:

Training Topics   Consultancy Firm	Director participation in the following events
<ul style="list-style-type: none"> <li>• Macroeconomics, Latin America / <i>Fedesarrollo</i></li> <li>• Corporate Governance   <i>Deloitte</i></li> <li>• Reputation and Trust / <i>Llorente &amp; Cuenca (Spain)</i></li> <li>• Innovation and new business models   <i>Jon Medved, CEO OurCrowd (Israel)</i>.</li> <li>• Business environment of the Business Group   <i>CEOs of Suramericana and Sura AM.</i></li> <li>• Sustainability   <i>Carlos Castaño-Uribe, Anthropologist (Colombia)</i></li> </ul>	<ul style="list-style-type: none"> <li>• League of Directors - 2019</li> <li>• International Federation of Pension Fund Administrators (FIAP in Spanish) - XVII International Seminar</li> <li>• Seminar on Investment Stewardship and Sustainability, sponsored by BlackRock.</li> </ul>

- **Updating our Internal Corporate Governance Rules and Regulations.** As part of our constant efforts to adopt the latest Best Corporate Governance practices, in 2019 Grupo SURA updated its internal rules and regulations. More information regarding this topic can be found later on in this report.
- **Recognition in the field of Corporate Governance:**
  - ✓ **Dow Jones Sustainability Index.** For the ninth year running, Grupo SURA was included among the 318 companies that were admitted to the Dow Jones Global Sustainability Index, ranking amongst the top three from the Global Diversified Financial Services and Capital Markets sector, and the only Latin American company belonging to this sector. The main aspects of Grupo SURA's Corporate Governance function were evaluated prior to being readmitted.

- ✓ **IR Award.** Grupo SURA also received the Investor Relations Award from the Colombian Stock Exchange, for its reporting and investor relations practices, this for the seventh year running,
- ✓ **ALAS 20 Award.** Grupo SURA was chosen by the Chilean think tank, GovernArt, as the recipient for the latest ALAS20 Grand Prix Institution award. The ALAS 20 awards track companies from Colombia, Mexico, Peru, Chile and Brazil. Here, Grupo SURA received the award for *“Leading Institution in Corporate Governance and Research in Sustainability”*.

Grupo SURA shall continue to advance its Corporate Governance function through initiatives aimed at strengthening transparency and trust amongst its different stakeholder groups as well as encouraging consistency between official guidelines and the Companies' own business practices. Some of these initiatives include:

- ✓ A new version of our on-line Ethics and Corporate Governance training program for all SURA employees throughout the region.
- ✓ Participating in the *Colegio de Supervisión del Conglomerado Financiero SURA - Bancolombia* (SURA-Bancolombia Financial Conglomerate's Oversight Panel), organized by the Colombian Superintendency of Finance and attended by oversight officials from all those countries within the region where the Conglomerate is present, this for the purpose of better understanding the Companies' strategies, corporate governance and business plans.
- ✓ Reviewing and adopting Best Corporate Governance Practices and Board of Directors training programs on business issues as well as emerging risk such as cybersecurity
- ✓ The continued implementation of the rules and regulations governing Colombian Financial Conglomerates, so as to ensure full compliance with all those legal obligations that fall to Grupo SURA as the holding company of the SURA - BANCOLOMBIA Financial Conglomerate.
- ✓ Participating in government initiatives in all those countries where the Group is present, these aimed at promoting and strengthening the financial markets and the financial industry, as a whole, such as reviewing and adopting the recommendations of the Capital Market Mission in Colombia.

## II. THE COMPANY'S OWNERSHIP STRUCTURE

### 1. Share Capital and Ownership Structure

Authorized capital: COP 112,500,000,000 divided up into 600,000,000 shares

Subscribed capital: COP 109,120,790,250 divided up into 581,977,548 shares

# ANNUAL SHAREHOLDERS GENERAL MEETING



Paid-in capital: COP 109,120,790,250 divided up into 581,977,548 shares

Ordinary shares: 469,037,260

Preferred shares: 112,940,288

## 2. Holders of significant stakes in the Company's share capital at year-end 2019:

SHAREHOLDER	TOTAL	% STAKE
GRUPO ARGOS S.A.	129,721,643	22.29%
GRUPO NUTRESA S.A.	61,021,436	10.49%
FONDO DE PENSIONES OBLIGATORIAS PROTECCION MODERADO	49,608,442	8.52%
FONDO DE PENSIONES OBLIGATORIAS PORVENIR MODERADO	47,499,236	8.16%
CEMENTOS ARGOS S.A.	28,183,262	4.84%
FONDO BURSATIL ISHARES COLCAP	20,242,311	3.48%
FONDO DE PENSIONES OBLIGATORIAS COLFONDOS MODERADO	17,720,343	3.04%
FUNDACION GRUPO ARGOS	10,685,767	1.84%
OLD MUTUAL FONDO DE PENSIONES OBLIGATORIAS - MODERADO	10,170,058	1.75%
COLOMBIANA DE COMERCIO SA CORBETA Y/O ALKOSTO SA	10,000,000	1.72%
FONDO DE PENSIONES OBLIGATORIAS PORVENIR - MAYOR RIESGO	6,847,024	1.18%
ACCIONISTAS MINORITARIOS	190,278,026	32.70%
<b>TOTAL</b>	<b>581,977,548</b>	<b>100.00%</b>

## 3. Significant family, commercial, contractual or corporate relations amongst significant shareholders or between significant shareholders and the Company

Grupo SURA and its subsidiaries maintain business relations with certain significant shareholders, such as Grupo Nutresa, Grupo Argos and Cementos Argos. All transactions with the aforementioned Companies are carried out on an arm's length basis and according to objective criteria.

#### **4. Trades conducted by members of the Board of Directors, Senior Management and other executives with regard to stocks and other securities issued by the Company:**

No member of the Company's Board of Directors or Senior Management traded shares in the Company on or outside the stock market.

#### **5. Shareholder Agreements**

In 2019, the Board of Directors and Senior Management were not made aware of any agreements that had been made among Grupo SURA's shareholders.

#### **6. The Company's own shares held in its possession.**

At year-end 2019, Grupo SURA held no treasury stock in its equity accounts

### **III. GENERAL ASSEMBLY OF SHAREHOLDERS.**

#### **1. Differences between the minimum requirements defined by current legislation and the Company's own internal rules and regulations governing the Company's General Assembly of Shareholders:**

In 2019, Grupo SURA upheld the guarantees and rights of its shareholders as provided by law, its by-laws, its Code of Good Governance, the Rules and Regulations governing the General Assembly of Shareholders as well as other internal Corporate Governance regulations as approved by the Company. Such rights correspond to aspects such as:

- ✓ The exclusive and non-delegable powers granted to the General Assembly of Shareholders
- ✓ Shareholder rights to conduct specialized audits
- ✓ Notices of ordinary meetings of the General Assembly of Shareholders to be given within a minimum term of 30 calendar days
- ✓ Publishing the Agenda for the Meeting of the General Assembly of Shareholders in conjunction with the notices calling for said meetings
- ✓ Publishing information subject to shareholder rights to inspect, prior to holding the corresponding shareholder meetings, this on the Company's website.



The Company's internal rules and regulations governing shareholder rights can be found on Grupo SURA's website [www.gruposura.com](http://www.gruposura.com).

## **2. Measures adopted to encourage greater participation at shareholder meetings**

In 2019, Grupo SURA ensured that its shareholders were able to access timely, accurate and sufficient information on its corporate website before, during and after the Annual Meeting of the General Assembly of Shareholders. Likewise, notice for the Annual Meeting of the General Assembly of Shareholders was given more than 30 calendar days in advance. Furthermore, a template of a power of attorney was provided to shareholders so as to facilitate their representation at said meeting. Conference calls were also streamed over the Internet for shareholders, market analysts and the general public, whereby the Company presented its quarterly earnings reports and addressed suggestions and concerns.

Likewise, the Company guaranteed equal treatment to all its shareholders, by allowing and encouraging them to exercise their rights, including among others: the possibility of consulting and freely contacting the Company Secretary Offices; participating in the quarterly conference calls and accessing the information published by the Company with this same frequency, as relates to the Organization's performance and the progress made by its different lines of business and; being clearly and opportunely informed of all material information concerning the Company through the Company's web page and the Relevant Information mechanism laid on by the Colombian Superintendency of Finance for such purposes.

## **3. Grupo Sura's formal communication channels for interacting with its shareholders**

Shareholders may lodge their concerns, make requests and receive information regarding their shares, dividend payment dates and share certificates, etc. by contacting the Company Secretary's Office as well as Fiduciaria Bancolombia's Shareholder Office. There is also an Investor Relations Office that attends shareholders and institutional investors alike, both at home and abroad, this located at the Company's headquarters at the following address: Carrera 43A # 5A - 113 Medellín, Colombia. Contact details: [gruposura@gruposura.com.co](mailto:gruposura@gruposura.com.co); [ir@gruposura.com.co](mailto:ir@gruposura.com.co), and the nationwide toll-free number 018000521555.

A calendar of events relating to the Annual Meeting of the General Assembly of Shareholders, the dividend payment period, the reporting of results to the regulatory authorities, documents used for meetings or activities for presenting the quarterly earnings reports to the market, among others, have been made available at [www.gruposura.com](http://www.gruposura.com)

#### 4. Number of shareholder requests for information and other inquiries

REQUEST / INQUIRY	QUANTITY
VISITS TO SHAREHOLDER OFFICE	19
TELEPHONE CALLS	155
<b>TOTAL SHAREHOLDERS ATTENDED</b>	<b>174</b>

TYPE OF REQUEST / INQUIRY	QUANTITY
CHANGING NAME OF DIRECT DEPOSITOR	26
TAX CERTIFICATES	694
GENERAL AND HISTORIC CERTIFICATES	16
DEPOSIT RECEIPTS	5
DRAWING UP / CANCELING SHARE PLEDGE ARRANGEMENTS	1
RIGHTS OF PETITION	1
NEW DATA UPDATES	3
DIVIDEND PAYMENT INFORMATION	10
WITHHOLDING PAYMENTS OR REFUNDS	0
TRANSFERS OF DEMATERIALIZED SHARES BOTH ON AND OUTSIDE THE STOCK MARKET	2
<b>TOTAL REQUESTS / INQUIRIES RECEIVED</b>	<b>758</b>

#### 5. Attendance data and main decisions made at the Annual Meeting of the General Assembly of Shareholders held in 2019

The Ordinary Annual Meeting of the General Assembly of Shareholders held on March 29, 2019, obtained a quorum of 90.63%, which means that, out of a total of 469,037,260 ordinary shares in circulation, 425,116,426 of these shares were represented.

The proposals voted on by the General Assembly of Shareholders along with the more important decisions made at their meetings are simultaneously published in the form of Relevant Information on the website of the Colombian Superintendency of Finance as well as on the Company's own web site. The decisions made and the approvals granted by the Shareholders at their Annual Meeting held in 2019 are as follows

- ✓ Approval for the Management Report from the Board of Directors and Chief Executive Officer;

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- ✓ Approval for both the Separate and Consolidated Financial Statements at year-end 2018;
- ✓ Approval for the Proposed Distribution of Dividends obtained on profits at year-end 2018 as well as the amount of funds to be allocated for social outreach initiatives.
- ✓ Approval for the proposed amendments to the Company's by-laws.
- ✓ Approval for the amount of fees to be paid to the members of the Board of Directors as well as the Statutory Auditing firm for the period beginning in April 2019 and ending in March 2020.

## IV. BOARD OF DIRECTORS - STRUCTURE AND PERFORMANCE

### 1. The Board of Directors, its Board Committees and corresponding members

The members of the Company's Board of Directors were appointed by the General Assembly of Shareholders at their Annual Meeting held on March 23, 2018, for a period of two (2) years (2018 to 2020). There are a total of seven (7) principal members, four (4) of whom enjoy an independent status, these representing 57% of the entire Board. Both the Chairman and the Vice Chairman of the Board of Directors enjoy an independent status, as do the Chairpersons of the Board's 4 Support Committees.

The following table shows the profiles of the members of the Board as well as other aspects relating to their performance in 2019:

<b>LUIS FERNANDO ALARCON MANTILLA</b>	
<b><i>Chairman of the Board of Directors - Independent Member</i></b>	
Holding a degree in Civil Engineering from the Universidad de los Andes, Mr. Alarcon completed post-graduate studies in Economics at this same University and obtained a Master of Science degree in Civil Engineering from the Massachusetts Institute of Technology, MIT. He also attended the Advanced Senior Management program at Oxford University and served as General Manager of ISA as well as Chief Executive Officer of Asofondos de Colombia. He also served as the Colombian Minister and Deputy Minister of Finance, among other important positions.	
<b>Date of first appointment:</b>	March 26, 2015
<b>Age:</b>	68
<b>Board Meeting Attendance:</b>	15 out of a total of 15 Board Meetings

# ANNUAL SHAREHOLDERS GENERAL MEETING



<b>Board Committee Meeting Attendance and Remuneration:</b>	
<b>i) Audit and Finance Committee:</b>	4 out of a total of 4 Committee Meetings
<b>ii) Appointments and Remuneration Committee</b>	4 out of a total of 4 Committee Meetings
<b>Total Annual Remuneration (Board of Directors and Support Committees) for 2019:</b>	COP 150,048,000
<b>Amount of Company Shares Held (at year-end 2019)</b>	
<b>Ordinary shares:</b> 1.061	<b>Preferred shares:</b> 1.617
<b>Total shares:</b> 2.678	<b>% Stake:</b> 0.0005%

<b>JAIME BERMÚDEZ MERIZALDE</b>	
<b><i>Vice-Chairman of the Board of Directors - Independent Member</i></b>	
<p>Mr. Bermúdez holds a law degree from the Universidad de los Andes and a Ph.D. in Political Science majoring in Public Opinion from Oxford University (Great Britain). He served as a consultant to the President of Colombia (1991-1993) as well as to the Colombian Minister of Foreign Relations (1993-1994). He was also an observer for the United Nations at the presidential elections that took place in South Africa in 1994. In 1996, he served as Executive Director of the Consorcio Iberoamericano de Investigadores de Mercados y Asesoramiento (CIMA), and has worked as a private consultant in the field of communications, public affairs and crisis management strategizing for multinational companies and government institutions. He also served as a Communications Consultant to the President of Colombia between 2002 and 2006, whereupon he was appointed the Colombian Ambassador to Argentina between 2006 and 2008. He later served as Chancellor of Colombia between 2008 – 2010. He is currently the Chief Executive Officer of Banca de Inversión MBA - Lazard in Colombia.</p>	
<b>Date of first appointment:</b>	March 29, 2011
<b>Age:</b>	53
<b>Board Meeting Attendance:</b>	14 out of a total of 15 Board Meetings
<b>Board Committee Meeting Attendance and Remuneration:</b>	
<b>i) Audit and Finance Committee:</b>	3 out of a total of 4 Committee Meetings
<b>(ii) Risk Management Committee</b>	3 out of a total of 3 Committee Meetings
<b>Total Annual Remuneration (Board of Directors and Support Committees) for 2019:</b>	COP 135,648,000
	Mr. Bermudez does not possess any shares in the Company

# ANNUAL SHAREHOLDERS GENERAL MEETING



<b>SERGIO MICHELSEN JARAMILLO</b>	
<b><i>Independent member</i></b>	
<p>Holding a degree in Civil Engineering from the Universidad de los Andes, Mr. Michelsen obtained his Master's Degree in Commercial Law from the University of Paris and pursued studies in the American Legal System and Comparative Law at the University of Texas. He has also attended various complementary courses at the Universidad de Los Andes, the Euromoney Institute in New York and Harvard University. He is currently a partner of the law firm, Brigard &amp; Urrutia Abogados, in charge of Mergers and Acquisitions, Wealth Management and Telecommunications, Media and Technology. Prior to this, he was a member of Hughes Hubbard &amp; Reed LLP, serving as a Visiting Partner for the firm's Miami office, He also worked for different companies in Colombia belonging to the multinational company, Shell and served as Secretary to the Bogotá Stock Exchange, foreign associate of the firm, Baker &amp; Botts, an associate of Cavellier Abogados and an officer of the Colombian Superintendency for Foreign Exchange Controls.</p>	
<b>Date of first appointment</b> March 26, 2015	
<b>Age:</b>	60
<b>Board Meeting Attendance:</b>	15 out of a total of 15 Board Meetings
<b>Board Committee Meeting Attendance and Remuneration:</b>	
<b>i) Sustainability and Corporate Governance Committee</b>	3 out of a total of 3 Committee Meetings
<b>(ii) Risk Management Committee</b>	3 out of a total of Committee Meetings
<b>Total Annual Remuneration (Board of Directors and Support Committees) for 2019:</b>	COP 135,648,000
	Mr. Michelsen does not possess any shares in the Company

# ANNUAL SHAREHOLDERS GENERAL MEETING



<b>CARLOS ANTONIO ESPINOSA SOTO</b>	
<b>Independent member</b>	
<p>Mr. Espinosa holds a degree in Economics from the University of Louisiana and attended the Senior Management program at the Universidad de la Sabana's Business School (INALDE) along with other programs at the Wharton School and Harvard Business School. He was the Chief Executive Officer of Acegrasas S.A. and currently serves as Chief Executive Officer of both Grupo Espinosa and Racafe &amp; CIA S.C.A.</p>	
<b>Date of first appointment</b>	March 21, 2013
<b>Age:</b>	70
<b>Board Meeting Attendance:</b>	15 out of a total of 15 Board Meetings
<b>Board Committee Meeting Attendance and Remuneration:</b>	
<b>i) Audit and Finance Committee:</b>	4 out of a total of 4 Committee Meetings
<b>Total Annual Remuneration (Board of Directors and Support Committees) for 2019:</b>	COP 120,384,000
	Mr. Espinosa does not possess any shares in the Company

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<b>Jorge Mario Velásquez Jaramillo</b>	
<i>Equity member</i>	
<p>Holding a degree in Civil Engineering from the Escuela de Ingeniería de Antioquia, Mr. Velasquez received a specialization in Industrial Operations, majoring in the cement industry in Great Britain. He also attended the CEO's Management program at the Kellogg School of Management and obtained his Supply Chain Strategist qualifications from Stanford University. He has also attended various specialization programs at the Escuela de Alto Gobierno attached to the Universidad de los Andes. Mr. Velasquez currently serves as Chief Executive Officer of Grupo Argos, after serving as Chief Executive Officer of Cementos Argos S.A. Prior to that, he served as General Manager of Cementos del Nare, the Chief Executive Officer of Cementos Paz del Río and Chief Logistics Officer and Chief Operations Officer (Caribbean Region) for Cementos Argos.</p>	
<b>Date of first appointment</b>	March 26, 2015
<b>Age:</b>	59
<b>Board Meeting Attendance:</b>	15 out of a total of 15 Board Meetings
<b>Board Committee Meeting Attendance and Remuneration:</b>	
<b>i) Sustainability and Corporate Governance Committee</b>	3 out of a total of 3 Committee Meetings
<b>ii) Appointments and Remuneration Committee</b>	4 out of a total of 4 Committee Meetings
<b>Total Annual Remuneration (Board of Directors and Support Committees) for 2019:</b>	\$142,416,000 Mr. Velasquez does not possess any shares in the Company

# ANNUAL SHAREHOLDERS GENERAL MEETING



<b>CARLOS IGNACIO GALLEGO PALACIO</b>	
<b>Equity member</b>	
<p>Holding a degree in Civil Engineering as well as a Master's degree in Business Administration from the Universidad Eafit, Mr. Gallego studied Supply Chain Management and Strategy at the Massachusetts Institute of Technology, MIT, Marketing programs at Kellogg School of Management at North Western University, as well as the CEO program at this same university. He first joined Compañía Nacional de Chocolates S.A. in 1991, and scaled various positions, including Chief Industrial Officer until becoming Chief Executive Officer of Grupo Nutresa, a position he currently holds. He has also served as Chief Executive Officer of Servicios Nutresa S.A.S, General Manager of the Nutresa Foundation, Chief Executive Officer of Grupo Nutresa's Chocolate Division as well as its Chief Executive Officer for the Southern Strategic Region.</p>	
<b>Date of first appointment</b> March 27, 2014	
<b>Age:</b>	55
<b>Board Meeting Attendance:</b>	15 out of a total of 15 Board Meetings
<b>Board Committee Meeting Attendance and Remuneration:</b>	
<b>i) Sustainability and Corporate Governance Committee</b>	3 out of a total of 3 Committee Meetings
<b>ii) Appointments and Remuneration Committee</b>	4 out of a total of 4 Committee Meetings
<b>Total Annual Remuneration (Board of Directors and Support Committees) for 2019:</b>	COP 142,416,000 Mr. Gallego does not possess any shares in the Company

<b>ALEJANDRO PIEDRAHITA BORRERO</b>	
<b>Equity member</b>	
<p>Holding a degree in Business Administration from the Universidad Eafit, Mr. Piedrahita went on to obtain a Master of Science degree in Development Policy from the London School of Economics. He has studied Senior Business Management at the Universidad de la Sabana and also attended a business management program at Harvard. He has served as Head of Economic Research, Manager of Derivative Structuring and Chief Executive Officer for Capital Market Structuring in Bancolombia. He is currently Chief Corporate Finance Officer for Grupo Argos.</p>	



<b>Date of first appointment:</b>	March 31, 2016
<b>Age</b>	47 years
<b>Board Meeting Attendance:</b>	15 out of a total of 15 Board Meetings
<b>Board Committee Meeting Attendance and Remuneration:</b>	
<b>i) Risk Management Committee</b>	3 out of a total of 3 Committee Meetings
<b>Total Annual Remuneration</b>	COP 113,184,000
<b>(Board of Directors and Support Committees) for 2019:</b>	Mr. Piedrahita does not possess any shares in the Company

## 2. Members of Grupo SURA's Board of Directors who are also members of the Boards of Directors or the Senior Management teams of other companies belonging to the SURA Business Group.

None of the members of Grupo SURA's Board of Directors is a member of the Boards of Directors or the Senior Management team of its subsidiaries or associates.

## 3. Rules and regulations approved by the Board of Directors

In 2019, Grupo SURA's Board of Directors approved and updated the following rules and regulations governing its Ethics and Corporate Governance System:

New rules and regulations	Updated rules and regulations
<ul style="list-style-type: none"> <li>• Procedural manual for the Group's Comprehensive System for Preventing and Controlling Asset Laundering and the Financing of Terrorism (SIPLA in Spanish)</li> <li>• Ethics and Compliance Framework Policy.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company's by-laws.</li> <li>• Code of Conduct for employees and suppliers</li> <li>• Internal Auditing Activity Charter.</li> <li>• Risk Management Policy Framework</li> <li>• Policy Framework for Appointing the Statutory Auditing Firm</li> <li>• Reputation Management Policy</li> <li>• Stakeholder Engagement and Brand Management Policy</li> <li>• Anti-Fraud and Anti-Corruption Policy Framework.</li> <li>• Rules and regulations governing the Audit and Finance Committee:</li> <li>• Rules and regulations governing the Board of Directors.</li> </ul>

	<ul style="list-style-type: none"> <li>• Annual Performance Evaluations for the Board of Directors and its Support Committees</li> <li>• Board of Director protocols</li> <li>• Risk Management Department</li> <li>• Manual for Identifying and Publishing Relevant Information</li> <li>• Exceptional Performance Recognition Manual</li> </ul>
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#### 4. Appointments to the Board of Directors

Members of the Board of Directors were appointed by the General Assembly of Shareholders in 2018 for a period of two years (2018-2020). The following table summarizes this appointment process that took place in 2018, based on legal provisions and Grupo SURA's own corporate governance guidelines:

Members of the Board of Directors were appointed by the General Assembly of Shareholders in 2018 for a period of two years (2018-2020). The following diagram summarizes the appointment procedure followed, this based on legal provisions and Grupo SURA's own corporate governance guidelines:

1. **Notice of Meeting:** a Notice was published calling for a meeting of the General Assembly of Shareholders, this including the corresponding agenda.
2. **Proposed Candidates:** the Shareholders presented the Company with their proposed candidates.
3. **Profile Evaluations:** the Board of Directors' Appointments and Remuneration Committee evaluated the profiles of these candidates, as part of an analysis that included any possible disqualifications and incompatibilities
4. **Analysis:** the selected candidates were then presented to the Board of Directors.
5. **Publishing the names of the proposed candidates:** by means of information made available on both the Company's website ([gruposura.com](http://gruposura.com)) and at the Company Secretary's Office, the selected candidates were presented to the Shareholders, within the legal term established for exercising their rights of inspection. This information included the individual profiles of the proposed candidates, letters of acceptance stating their eligibility, as well as statements regarding the independent status of all those candidates being considered for the positions of independent members.
6. **Single list:** the single list of the candidates, already made known to the shareholders, was submitted for the consideration of the General Assembly of Shareholders at their Ordinary Annual Meeting held on March 23, 2018 in Medellín.
7. **Voting:** the shareholders proceeded to elect members to the Board by means of a majority vote, pursuant to that stipulated in the Company's by-laws, which was duly stated in the minutes corresponding to said meeting.
8. **Acceptance letters:** once appointed, the new members of the Board of Directors provided the Company with letters accepting their new posts.

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|--|
| <p>9. <b>Registering new members of the Board of Directors with the local Chamber of Commerce:</b> These appointments were duly recorded before the Chamber of Commerce in Medellín.</p> |
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## **5. Remuneration policy governing the Board of Directors and other aspects regarding the remuneration paid to said governing body, the Statutory Auditing firm and members of Senior Management**

The General Appointment, Remuneration and Succession Policy for the Board of Directors, as approved by Grupo SURA's General Assembly of Shareholders, establishes guidelines to ensure that the persons appointed as members of the Board of Directors are well-suited to managing the Company in accordance with the functions assigned to this Governing Body. It also ensures that they receive an appropriate level of remuneration in keeping with the level of responsibility inherent to their positions, their personal and professional qualities, their experience and the time they must devote to the Board's activities.

This policy has been made available on the Grupo SURA's website, [www.gruposura.com](http://www.gruposura.com)

Similarly, and in accordance with the Company's by-laws, the General Assembly of Shareholders is responsible for assigning the remuneration to be paid to the Company's Statutory Auditing firm.

At their Annual Meeting held in 2019, Shareholders approved monthly fees for each member of the Board in the amount of COP 7,632,000. Likewise, an overall budget was drawn up for the Board's proper working order, this amounting to COP 1,580 million, which included the fees to be paid for attending both Board meetings and those held by its different Support Committees as well as travel and accommodation expense, training programs for Board Members and the expense incurred with the Board's Performance Evaluations. Only COP 1,341 million of this budget was disbursed, representing 85% of the total figure,

With regard to the remuneration paid to members of its Senior Management, Grupo SURA applies its Remuneration Policy as approved by the Board of Directors, which stipulates the minimum criteria for maintaining a fair and equitable remuneration system, along with other objective principles that ensure that employees are more aligned with the Company's strategy. Similarly, under these same parameters, the Appointments and Remunerations Committee defined and verified the performance compliance indicators on the part of Senior Management.

The following diagrams illustrate the remuneration structure applicable to Grupo SURA's Senior Management, this in accordance with that stipulated in the respective Remuneration Policy and other internal Corporate Governance rules and regulations:

### Fixed remuneration

Basic salary: number of fixed legal salaries per year

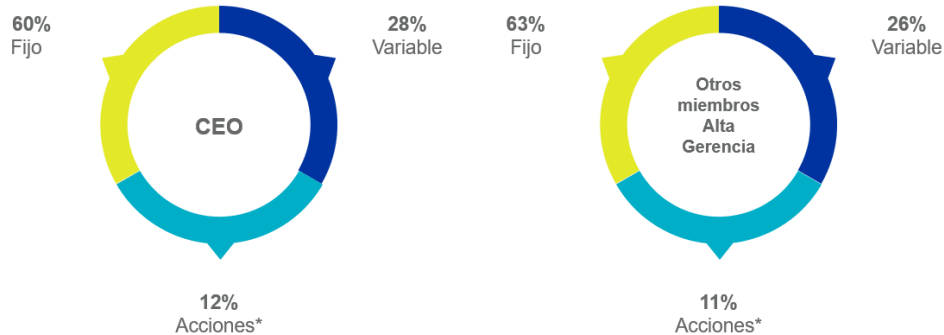
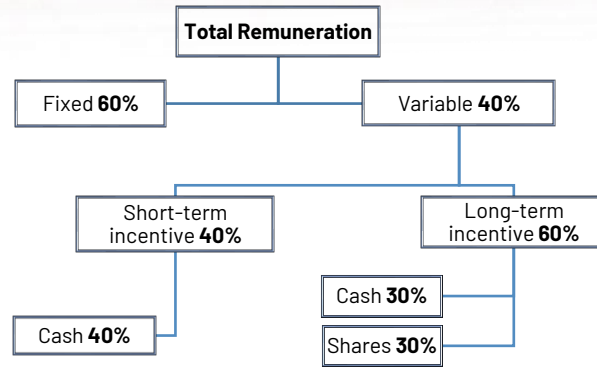
### Variable remuneration

Salaries paid based on compliance with exceptional achievement performance indicators

**40%** cash

**30%** Shares\*

**30%** Bond bank



CEO	Other Members of Senior Management
60% Fixed   28% Variable   12% Shares*	63% Fixed   26% Variable   11% Shares*

\* **Shares** The 'shares' component appearing in the diagrams refers to a portion of the variable remuneration paid to members of Senior Management in the form of units of an investment fund, this set up for the purpose of exclusively investing in the Company's shares.

The Company has reported the amounts paid to Senior Management officers in the form of an attachment to the financial statements, this pursuant to that provided in Article 446 of the Colombian Code of Commerce.

### 6. Board of Director Meetings and Quorum

As stipulated in the Company's by-laws and the Board's own Rules and Regulations, the Board may discuss and validly decide on matters brought before it with the presence and votes of the

# ANNUAL SHAREHOLDERS GENERAL MEETING



majority of its members, except in the event of Grupo SURA choosing to guarantee or endorse the obligations of its related companies, in which case the unanimous vote of all its members is required.

Highlights - 2019:

Number of Board Meetings held during the year	<b>15</b>
Meetings attended in person	<b>12</b>
Meetings attended remotely with written votes cast:	<b>3</b>
Percentage of meetings at which the quorum required to deliberate and decide on matters was met:	<b>100%</b>
Average board member attendance	<b>99.6%</b>

## **7. Functions and key matters within the purview of the Board's Chairman and Secretary, including the handling of information**

The Chairman of the Board, Mr. Luis Fernando Alarcón Mantilla (Independent Member) with the support of the Company Secretary, ensured the Board's normal working order and that its members received accurate, complete and timely information. He also oversaw the effective implementation of the Board's annual work plan and chaired the Board Meeting that was held in December without the presence of the members of Grupo SURA's Senior Management for the purpose of analyzing in detail the performance self-assessments of this governing body and its Committees, this time based on the external performance evaluation carried out by the firm Price Waterhouse Cooper -PwC- in 2019..

On the other hand, the Secretary to the Board of Directors, a position currently held by the Company's Chief Corporate Legal Affairs Officer, Mr. Juan Luis Múnera Gómez, is the person mainly responsible for calling for board meetings in accordance with the established schedule for such, providing timely information to the Board, maintaining corporate documents in safe-keeping, drawing up accurate minutes of each Board Meeting and attesting to the agreements made by the Company's governing bodies. He also must ensure the material legality of the measures taken by the Board of Directors and guarantee that its own governance and procedural rules and regulations are duly complied with.

The Chairman and Secretary of the Board are responsible for the Board of Directors receiving timely, adequate, accurate and reliable information, so that everything they need for making the corresponding decisions is placed at their disposal. This information is handled under strict privacy rules in order to protect the Group's business secrets and the proper implementation of Grupo SURA's business plans and investments.

All information that must be disclosed to the market, based on current legal requirements, is provided on a timely basis in the form of Relevant Information, which is a mechanism laid on and published by the Colombian Superintendency of Finance for said purpose, and simultaneously made available on the Company's website: [www.gruposura.com](http://www.gruposura.com).

## **8. Relationships between the Board and the Statutory Auditing firm, financial analysts, investment banks and rating agencies**

In 2019, a representative from the Statutory Auditing firm attended all meetings of the Company's Finance and Audit Committee, at the latter's invitation, and the Statutory Auditing reports were submitted to the Board after being considered by this Committee. The Board was also informed, at its respective meetings, of the coverage provided by international analysts of the Group's shares.

## **9. External consultancy services contracted by the Board**

The Board of Directors, as part of its annual training plan for 2019, received external advisory services from Mauricio Reina, Deloitte, Llorente & Cuenca and OurCrowd, this for the purpose of acquiring detailed knowledge and being able to discuss in depth issues relating to the Latin American economic environment, the Sarbanes-Oxley (SOX) Act, reputational risk and financial innovation.

The Board also hired the firm Price Waterhouse Cooper -PwC- to carry out external performance evaluations of both the Board and its Support Committees, in accordance with the rules and regulations governing the Board of Directors as well as the procedure formally established for its existing performance evaluations as set out in Grupo SURA's own Internal Corporate Governance.

## **10. Board Committee Performance**

The Board's support committees are governed by formally established rules and regulations, which define their respective functions and proper working order. Grupo SURA's Board of Directors has four (4) support committees namely i) the Audit and Finance Committee; ii) the Risk Management Committee; iii) the Sustainability and Corporate Governance Committee; and iv) the Appointments and Remuneration Committee. Their management reports are

signed by their respective chairpersons and these can be found at the end of this document in the form of an attachment.

## **11. Board of Director and Senior Management Performance Evaluations**

Every year, the Board of Directors evaluates both its own performance and that of its Committees, alternating between those carried out by outside experts and their own self-assessments. In 2019, evaluations of the Board of Directors' performance were carried out by the firm Price Waterhouse Cooper -PwC. These covered eight relevant components of the role played by this governing body, such as, composition and structure, working order, strategy, risks, ethics and good governance, company performance, remuneration and succession as well as communication. This evaluation also covered the performance of the four Board Support Committees.

The findings obtained were presented by the main partners of PwC in Colombia, and were amply discussed by the members of the Board at a meeting held without any members of Senior Management being present.

The Board also evaluated the performance of Senior Management, the Chairman of the Board and the Company Secretary, by means of a survey questionnaire geared towards identifying both strengths as well as opportunities for improvement. These findings were duly analyzed at the first Board Meeting held this year in January 2020.

## **V. TRANSACTIONS WITH RELATED PARTIES AND CONFLICTS OF INTEREST**

### **1. Board of Director attributions and formally established mechanisms for managing transactions with related parties. The more significant transactions.**

The Board of Directors has drawn up general guidelines with regard to handling transactions between related parties, ensuring that these are always carried out with the utmost transparency, fairness and impartiality while correctly handling any possible conflicts of interest that could arise

Consequently, all transactions between the companies belonging to the SURA Business Group are carried out pursuant to the guidelines contained in the Related-Party Transaction Policy Framework as well as other applicable rules and regulations. Should any conflict of interest arise between our companies during the normal course of business, these must be handled according to the guidelines stipulated in the SURA Business Group's Code of Good

Government, its Code of Conduct, as well as any other applicable Good Governance rule or regulation the Companies may have put into place for this same purpose. The main rules and regulations can be found on the Grupo SURA website [www.gruposura.com](http://www.gruposura.com).

The Companies belonging to the SURA Business group disclose their more significant contractual arrangements and related-party transactions carried out with other Companies belonging to the Group as well as with other related parties, this in both the Business Group's Special Report, as well as in the corresponding note to the year-end financial statements,

## **2. Conflicts of interest and how they were dealt with by the members of the Board of Directors**

Pursuant to the guidelines contained in the Company's Code of Good Governance, the members of the Board of Directors must avoid any situation and refrain from making any decision that could involve any personal interest on their part, or could be incompatible with their fiduciary duties and the legal or contractual obligations that they are required to uphold in exercising their roles as members of the Company's Board of Directors.

For this purpose, Grupo SURA's By-laws, Code of Conduct and Code of Good Governance as well as other applicable internal rules and regulations, contain guidelines and rules of conduct that must be observed by the members of the Board of Directors, Senior Management and other employees in exercising their functions with the aim of preventing and managing any possible conflict of interest. The aforementioned rules and regulation have been made available on the Company's website: [www.gruposura.com](http://www.gruposura.com).

*Permanent conflicts of interest on the part of the members of the Board of Directors.* In 2019, the members of the Board of Directors were not involved in any permanent conflicts of interest that could have otherwise prevented them from continuing to carry out their duties.

*Abstentions and sporadic conflicts of interest on the part of the Board of Directors.* In 2019, certain members of the Board abstained from taking part in discussions or deciding on matters that could have entailed a possible conflict between their own particular interests and those of the Company. The following is a summary of the situations that led to such abstentions, which were duly recorded in the minutes of the Board of Directors:



## Member of the Board

## Issue

**Jaime Bermúdez**

- Mr. Bermudez abstained from expressing an opinion on a subject relating to a project being studied by the Company, since, as an officer of the Investment Bank that provided its advisory services for said project, he had to provide the Bank's own considerations on said matter.

## VI. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

Our Internal Control System is made up of a series of activities that ensure that the Company obtains a reasonable degree of operating security, thus allowing it to attain its objectives in a lawful and transparent manner. For this purpose, Grupo SURA has placed a set of regulations and policies firmly in place aimed at managing and mitigating risk, preventing fraud and adequately handling information, among other factors.

Grupo SURA's Internal Control System has been structured in keeping with that stipulated in the COSO 2013 reference framework, which is in turn a reference for local and international regulatory bodies such as the Securities and Exchange Commission (SEC) and is monitored through the evaluations carried out by the different assurance areas such as Risk, IT Security, Compliance and Audit, which are subsequently analyzed by the Audit and Finance Committee and subsequently reported to the Board of Directors. Based on the findings thus identified and presented to the corresponding governing bodies, improvement plans are defined for the purpose of reinforcing the Company's processes. Furthermore, each subsidiary monitors its own Internal Control System, through its own Audit Committee, which in turn reports the more relevant findings to the Audit and Finance Board Committee of its parent, Grupo SURA.

A more detailed report on the Group's Internal Control System can be found on the Control Architecture Management Report that is included in the corresponding Chapter on the Company's Internal Control System as part of the Company's Annual Report, which has been made available on the Company's website.

## VII. ETHICS HOT LINE

The Ethics Help Lines run by Grupo SURA and its subsidiaries are a safe and confidential means that the public can use to report any situation that goes against our corporate ethics and principles, which must be upheld by all the Organization's employees.

Each case reported via the Ethics Help Line is analyzed by the individual Ethics Committees of each Company with the strictest confidentiality. These are responsible for monitoring how our Code of Conduct is being implemented and for encouraging an ethical culture throughout the Organization.

Similarly, the Boards of Directors of each Company, through their Audit and Finance as well as Sustainability and Corporate Governance Board Committees, carry out regular follow-ups on how the Ethics and Corporate Governance System is functioning throughout the SURA Business Group and Ethics Committees have been set up on an individual company level for reviewing all those cases in which top level executives might be involved.

In 2019, Grupo SURA's Ethics Help Line received an anonymous complaint, which was opportunely handled and later dismissed by the Ethics Committee, following the formal procedures established in the Code of Conduct and the working rules and regulations of said Committee.

No cases of corruption were reported, neither were any complaints relating to non-compliance with any law rule or regulation applicable on a social or economic level, nor any grievance regarding possible improper conduct reported via the Company's Ethics Help Line or received by its Ethics Committee.

GRUPO SURA's ETHICS HELP LINE: [lineaetica@gruposura.com.co](mailto:lineaetica@gruposura.com.co)

## ANNEX BOARD COMMITTEE PERFORMANCE REPORTS - 2019

### FINANCE AND AUDIT COMMITTEE PERFORMANCE REPORT

The Board of Directors of Grupo SURA hereby presents the shareholders with the following report from the Audit and Finance Committee which contains basic information regarding this Committee and the main activities carried out in 2019:

MEMBERS	PERSONS ATTENDING BY INVITATION	No. MEETINGS HELD	ATTENDANCE
Jaime Bermúdez Merizalde Luis Fernando Alarcón Mantilla Carlos Antonio Espinosa Soto	David Bojanini García - Chief Executive Officer of Grupo SURA John Jairo Vásquez - Internal Auditor Tatiana Orozco - Chief Corporate Affairs Officer Ricardo Jaramillo - Chief Corporate Finance Officer Juan Luis Múnera - Chief Corporate Legal Affairs Officer Representatives from the Statutory Auditing Firm	4	94%

Overview of the activities carried out during the reporting period, classified in order of importance of the matters analyzed by the Committee, for which recommendations were duly submitted to the Board of Directors.

Subject	Subtopics
<b>Financial reports</b>	Consolidated and separate financial results and indicators
	Tax management
<b>Government and Compliance</b>	Auditing and Internal Control Report for 2018
	Results of this Committee's evaluation and improvement plan
	Updated: Internal Auditing Activity Charter and Rules and Regulations governing the Audit Committee
<b>Internal Auditing:</b>	Follow-ups on the internal audits carried out
	Matters discussed at the Audit Committee meetings
	Proposed Audit Work Plan 2019 - 2023
<b>Strategic issues</b>	Proposed improvements to the Company's internal control standards
	Implementing the new Financial Conglomerates Act
	Comprehensive risk management
<b>Statutory Auditing Firm</b>	Opinion on the Company's Financial Statements, Internal Control and Legal Compliance for 2018
	Progress made with the External Auditing Plan
	Report on the follow-ups carried out: evaluations of the impact of the new IFRS introduced.
	Other value-added activities such as talks and training sessions.

JAIME BERMÚDEZ MERIZALDE  
Committee Chairman

JUAN LUIS MÚNERA GÓMEZ  
Company Secretary

## INFORMATION REGARDING THE SUSTAINABILITY AND CORPORATE GOVERNANCE COMMITTEE

Grupo SURA's Board of Directors hereby presents the shareholders with the following report from the Sustainability and Corporate Governance Committee which contains basic information regarding this Committee and the main activities carried out in 2019:

MEMBERS	PERSONS ATTENDING BY INVITATION	No. MEETINGS HELD	ATTENDANCE
Sergio Michelsen Jaramillo Jorge Mario Velásquez Jaramillo Carlos Ignacio Gallego Palacio	David Bojanini García - Grupo SURA's Chief Executive Officer Tatiana Orozco - Chief Corporate Affairs Officer Juan Luis Múnera - Chief Corporate Legal Affairs Officer	3	100%

Overview of the activities carried out during the reporting period, classified in order of importance of the matters analyzed by the Committee, for which recommendations were duly submitted to the Board of Directors.

Subject	Subtopics
<b>Periodic reports</b>	Annual Corporate Governance Report
	Reports: Relevant information, voting abstentions, Board and Board Committee Meeting Attendance, External Requirements, and an integrated report on the information collected by the Ethical Help Lines of the entire SURA Business Group.
	Progress made with the Ethics, Corporate Governance and Compliance Work Plan
<b>Corporate Governance Issues</b>	Gap analysis and Corporate Governance work plan
	Ethics and Compliance work plan
	Information on how the Board of Director and Senior Management Performance Evaluations were being carried out
	Review of Grupo SURA's Internal Rules and Regulations
	Progress made with the training program corresponding to the Ethics and Corporate Governance System.
	Studying the proposed amendments to the Company's by-laws
<b>Sustainability Issues</b>	Progress made with Sustainability Projects
	Analysis of the findings of the Dow Jones Survey

SERGIO MICHELSEN JARAMILLO  
Committee Chairman

JUAN LUIS MÚNERA GÓMEZ  
Company Secretary

## INFORMATION REGARDING THE RISK COMMITTEE

Grupo SURA's Board of Directors hereby presents the shareholders with the following report from the Risk Committee which contains basic information regarding this Committee and the main activities carried out in 2019:

MEMBERS	PERSONS ATTENDING BY INVITATION	No. MEETINGS HELD	ATTEN DANCE
Sergio Michelsen Jaramillo Jaime Bermúdez Merizalde Alejandro Piedrahita Borrero	David Bojanini García - Grupo SURA's Chief Executive Officer Tatiana Orozco - Chief Corporate Affairs Officer Juan Luis Múnera - Chief Corporate Legal Affairs Officer	3	100%

In addition to the 3 meetings held, this Committee met again in September, in the form of a workshop, where the more relevant strategic risks for the Organization were duly reviewed.

Overview of the activities carried out during the reporting period, classified in order of importance of the matters analyzed by the Committee, for which recommendations were duly submitted to the Board of Directors.

Subject	Subtopics
<b>Periodic reports</b>	Presentation of the new structure and work plan
	Review of the issues analyzed by Risk Committees at subsidiary level.
	Updating the internal rules and regulations relating to the Company's risk function.
<b>Special topics</b>	Updated: <ul style="list-style-type: none"> <li>• Internal risk management system</li> <li>• Strategic Risk from the Financial Conglomerate's standpoint.</li> <li>• The new Financial Conglomerates Law</li> <li>• Reputational risk and crisis system</li> </ul>
	Business continuity risk
	Fraud, corruption and LAFT risk analysis

SERGIO MICHELSEN JARAMILLO  
Committee Chairman

JUAN LUIS MÚNERA GÓMEZ  
Company Secretary

## INFORMATION REGARDING THE APPOINTMENTS AND REMUNERATION COMMITTEE

The Board of Directors of Grupo SURA hereby presents the shareholders with the following report from the Appointments and Remunerations Committee which contains basic information regarding this Committee and the main activities carried out in 2019:

MEMBERS	PERSONS ATTENDING BY INVITATION	No. MEETINGS HELD	ATTEN DANCE
Luis Fernando Alarcón Mantilla Jorge Mario Velásquez Jaramillo Carlos Ignacio Gallego Palacio	David Bojanini García - Grupo SURA's Chief Executive Officer Tatiana Orozco - Chief Corporate Affairs Officer Juan Luis Múnera - Chief Corporate Legal Affairs Officer	4	100%

Overview of the activities carried out during the reporting period, classified in order of importance of the matters analyzed by the Committee, for which recommendations were duly submitted to the Board of Directors.

Subject	Subtopics
<b>Periodic reports</b>	Scorecard Results for 2018
	Performance indicators 2019
	Performance remuneration
	Human Talent Results - Dow Jones
<b>Special topics</b>	Adjustments to the performance management model
	Baseline change to the brand management performance indicator
	Long-term incentive projections
	Change to the institutional plan
	Culture study results
	Senior Management Succession Policy

LUIS FERNANDO ALARCÓN MANTILLA  
Committee Chairman

JUAN LUIS MÚNERA GÓMEZ  
Company Secretary