



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

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

#### **PREAMBLE**

The Risk Committee was set up to provide support to the Board of Directors and is responsible for managing the Company's risk exposure, in accordance with the commitments set out in its Code of Good Governance and these rules and regulations, so that the Company may continue to adequately carry out its corporate purpose and fully achieve its objectives within the statutory and legal framework governing the Company's business activities.

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

#### **CHAPTER I**

##### **The Risk Committee**

**Article 1 - Structuring and Remuneration.** The Risk Committee shall consist of three (3) members of the Board of Directors. These shall appoint a Chairman from amongst its members, who shall enjoy an independent status. The Company's Chief Executive Officer and Chief Corporate Affairs Officer shall attend meetings of the Risk Committee in their capacity as permanent guests. The Company Secretary shall act as Secretary to the Risk Committee.



Its members shall be appointed by the Board for periods of two (2) years, and their remuneration shall be the equivalent of the same fees paid to the Board of Directors for each meeting attended.

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

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

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

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

## CHAPTER II

### Responsibilities of the Risk Committee

**Article 4°.** The responsibilities of the Risk Committee are divided into the following two main fronts, namely:

#### **a) Managing risk exposure on a Business Group level:**

1. Directing and evaluating the Business Group's own risk management strategies and general policies, with the aim of providing a joint, shared view of the key aspects involved.

2. Establishing the means of liaisons and coordinating with the Risk Committees of the individual Subsidiaries.
3. Articulating the risk management function within the framework of the Business Group's control architecture.

**b) Managing risk exposure on a Company level**

1. Informing the General Assembly of Shareholders, through the Board of Directors, on the activities carried out as well as addressing the issues raised by shareholders regarding matters that fall within its scope of responsibility.
2. Reviewing the economic and regulatory capital adequacy requirements, where applicable.
3. Reviewing and evaluating the integrity and suitability of the Company's risk management function, including its various components; formulating the required improvement initiatives for the Company's infrastructure, internal controls and risk management system.
4. Analyzing and evaluating the Company's day-to-day risk management function, in terms of:
  - Establishing limits by type of risk
  - Risk profile (expected losses)
  - Profitability
  - Capital at risk
  - Control systems and tools
5. Reviewing risk limits and approving all those measures to be taken in the event that such limits are surpassed or exceeded or whenever there is any exception to the corresponding rules, while duly informing the Board of all those operations which the latter must authorize, in the event that said operations exceed the powers conferred to other levels of the Company.

6. Submit to the Board of Directors all those proposed levels of delegated authority (attributions) for the purpose of approving different types of risk that come under the responsibility of the Board or other lower levels of the Organization.
7. Presenting the Company's risk policy to the Board of Directors for their due approval.
8. Requesting all those reports considered appropriate for the proper performance of the Committee's functions, as well as reviewing these and submitting the relevant recommendations to the Board of Directors and/or the Audit Committee.
9. Evaluating and following the indications issued by the oversight authorities in exercising their functions.
10. At the request of the Board, report on all those operations that the Board must authorize in accordance with the law, applicable rules and regulations, or internal or external provisions.
11. Carry out all activities delegated or requested by the Board with regard to the risk management function.