

Strategic Achievement Incentive Manual

I. Introduction

In accordance with the provisions of the Compensation Policy, Grupo SURA may have a variable compensation model. This model is geared to enhance meeting strategic objectives within the framework of a flexible organization that favors collective achievements.

This Strategic Achievement Incentive Manual, hereinafter the “Manual”, explains how the model Works along with the guidelines and methodologies set forth to measure performance and the economic value thereof.

II. Terms

Year of Causation: The period from March 1 to the last day of February the following year.

Beneficiary: The employees of Grupo SURA that meet the conditions established in this Manual.

Bonus: An annually calculated economic value granted to beneficiaries.

Indicators Committee: An internal committee in charge of overseeing the process of formulating and approving indicators.

Projects Committee: An internal committee in charge of the follow-up of Company projects.

Related Companies: Suramericana S.A., Sura Asset Management, and their subsidiaries.

Project Sheet: A general description of the project including, among others, deliverables thereof.



Multiplier: Refers to a determined number of salaries of the employee used as the basis for the calculation of a Bonus, depending on its level and independent of the position.

Level: Every employee is classified at a level based on the valuation scale or methodology used by the Company.

Bonus Recognition and/or Causation: The recognition and payment of a bonus to beneficiaries, without prejudice to the other conditions of this Manual, requires the fulfillment of indicators and remaining in the Company as appropriate.

Agreed Leave: Leaving by mutual agreement between the employee and the Company, or an employee transferred to a Related Company of Grupo SURA.

III. Scope and Framework

The scope of this model applies to every employee of Grupo SURA. However, the application of the guidelines herein is subject to the position level.

Position Level
President
Vice President
Manager
Director
Coordinator
Specialist
Analyst
Assistant to President
Assistant

IV. Eligibility

To access the foregoing benefits, Grupo SURA must comply with the short-term ROE determined for the fiscal year immediately before the closing date of the causation period. Otherwise, these benefits shall not be recognized.

In any case, the total amount of the bonus shall never exceed 10% of the Net Income. If so, the amount shall be adjusted proportionally and pro-rata among the participants

V. Indicators Committee

This Committee is in charge of monitoring the formulation, follow-up, and approval of indicators.

This Committee comprises:

- Vice President of Legal Corporate Affairs
- Vice President of Business Development and Finance
- Human Talent Manager
- Strategic Development and Projects Manager

The Auditor will attend as a guest in the meetings that the Committee deems necessary, so as not to affect its Independence since it is responsible for auditing the results, calculations and criteria applied to the payment of the incentive at the end of the causation period.

This Committee should meet no less than twice a year, and record its conclusions in Minutes.

VI. General Conditions

- The Strategic Development and Projects Management will assist in the process of determining and monitoring the indicators, ensuring their alignment with the Company's strategy.

- The period used to measure the indicators will correspond to the causation year. Those indicators that correspond to financial or accounting metrics will begin their measurement period on January 1 and end on December 31.
- There are cross-sectional indicators for the entire organization related to the sustainable profitability strategic goal, that is, a financial indicator and harmonious development indicator representing 50% each. Each year, the determination or percentage of these indicators may be defined in line with the Company's strategy.

VII. Type of Indicators

To calculate the Bonus, and once the eligibility of item IV above has been met, the result of the sustainable profitability indicators is taken into account (financial and harmonious development).

a. Determination of indicators:

Indicators shall be proposed by the Indicators Committee, which in turn establishes the form of measurement and the target. These indicators will be approved first by the President, followed by the Board's Appointments and Retributions Committee.

Human Talent Management will be responsible for consolidating and reporting information related to the indicators of the entire organization.

The determination of these indicators should ensure that they are **challenging, clear, measurable, and achievable**. They should be aligned with the Company's strategic steering.

Indicators may relate to sustainability profitability targets (financial or harmonious development) and projects.

- **Targets:** Depending on what the Company wants to achieve specific targets will be set for indicators related to sustainable profitability (financial or harmonious development).
- **Projects:** A set of interrelated and coordinated actions to meet a high-impact target related to the harmonious development and/or financial targets. This requires coordination and use of resources (money, people, or time), and requires the intervention and decision of several areas for its execution. Its description should be included in the project sheet and approved by the Company's Projects Committee, which in turn is in charge of following up its compliance.

b. Measurement

- **Harmonious development targets:** These indicators are rated in the compliance table where a target and the compliance scale thereof should be determined, and specify the individual equivalent rating.
- **Financial targets of investment performance:** The form of measurement and targets of these indicators are determined by the adjusted equity profitability metrics, all consistent with the strategic targets. The results of the year corresponding to the financial statements of the beginning of the causation year will be taken into account. For the levels of President, Vice President, Auditor, and Manager, these indicators are divided into short-term and long-term components. The rest of the levels only take into account short-term results.

Short-term targets are determined every year based on the projection made by the Vice President of Business Development and Finance and approved by the corresponding body.

The long-term target is determined every three (3) years.

Definition of ROE and Path of ROE:

ROE Grupo SURA: Refers to the average proforma Profit/Equity formula, whereas:

1. The adjusted profit is derived from the consolidated result of the parent Company excluding intangible amortizations associated with acquisitions (this expense is returned or not taken into account in proportion to the percentage of ownership in every investment), and taken as an after-tax return the estimated budget of SURA AM each year. This last adjustment is made to normalize profits and to avoid affecting the metrics due to the usual volatility observed in capital market valuations.
2. The proforma equity is equivalent to the share of Grupo SURA in the operating equity of its investments, minus the net liability present in the Holding Company. The operating equity is understood as that which does not include the assets related to cross-shareholdings between Grupo Argos, Grupo Nutresa, and Grupo SURA.

Long-term Path of Adjusted ROE: The path determined by consolidated projects prepared and discussed with the Board of Directors. This path is based on the SURA AM MTP, Suramericana's preliminary 5-year plans, and projects for related investments (Bancolombia, Argos and Nutresa), which in turn capture the recent trajectory of the companies and Grupo SURA's profitability growth and recovery expectations.

c. Weight parameters

50% of financial indicators and 50% of harmonious development indicators.

d. Follow-up, review and adjustment:

- Progress of the scenarios is monitored no less than twice a year, in accordance with the schedule of meetings of the Indicators Committee.
- In the exceptional case that a change of any indicators is needed, this must be submitted to the Indicators Committee for consideration.
- The maximum deadline to change indicators will be October 31 of the causation year. In any case, if for reasons of strategy, force majeure, or exceptional cases that are unforeseeable take place that affects compliance with any indicators, the change may be assessed by the Indicators Committee or the Appointments and Remuneration Committee.

e. Final assessment and consolidation:

- The maximum deadline to meet every indicator will be the last business day of February.
- In March, the Human Talent Management will gather and consolidate the information of indicators with their final ratings.
- Final compliance with the indicators must be presented to and approved by the Indicators Committee.
- Internal Audit will review compliance with indicators at the end of the causation year.
- Audited compliance shall be submitted for final approval by the Appointments and Retributions Committee.

VIII. Conditions to calculate and pay the Bonus

- The Bonus is an annual compensation and **NOT** part of the salary per se.
- The Bonus is paid with the **salary earned by the beneficiary as of December 31** of the year prior to its payment.
- The period in which the indicators are evaluated will be the causation year.
- To become a beneficiary, every employee must comply with the guidelines listed in this Manual.

- Every year, the Appointments and Retributions Committee of the Board is responsible for approving the calculation and payment of the bonus.
- The conditions for determining the amount of the bonus and the form in which it will be paid annually to every employee based on the position level.
- The bonus will be calculated using the following formula:

$$\text{Amount of the Bonus} = (\text{Salary as of Dec. 31}) \times (\text{Multiplier}) \times (\text{Compliance with total indicators})$$

- **Multiplier:** The amounts of the bonus multiplier along with their payment schedule will depend on the position level as described below:
 - a. Payment in cash:** Applies to sixty percent (60%) of the amount of the bonus for the President, Vice President, and Manager, and to one hundred percent (100%) for the rest of the levels. This payment shall be made no later than in the month of April following the causation year of the bonus.
 - b. Participation units of an institutional plan that invests in Grupo SURA stocks:** This applies to forty percent (40%) of the bonus for the President, Vice President, and Manager. This amount is allocated to an institutional plan that invests in stocks of Grupo de Inversiones Suramericana S.A. (hereinafter, the “Stocks”), and is managed by Protección S.A. The plan Administrator will purchase the stocks within the month following the bonus payment which is made in cash.

The holder of the Stocks is the Voluntary Pensions Fund (hereinafter, the “Fund”), but the participation of every beneficiary in participation units of the Fund is identified in the institutional plan, which will be subject to the following conditions and terms:



- Participation Units will be consolidated in favor of the beneficiary in year 5, provided the employee remains employed by the Company or one of the Related Companies. The employee will only be able to dispose of them once the investment period has been fulfilled. This period shall be five (5) years. The rights over the Participation Units shall be at the disposal of the beneficiary before the abovementioned term in the event of dismissal without just cause, retirement due to pension, disability pension, death, or the employer so establishes in a retirement agreement with the beneficiary. In any case, when employee dismissal is due to issues of fraud or fraudulent actions, the Participation Units are not consolidated in favor of the beneficiary. As far as employees transferred between Related Companies, the consolidation period will continue.
 - The Company is not responsible for the loss of value of the Stocks which are part of the institutional plan.
 - Dividends generated by the Stocks will be used to purchase stocks and will be distributed proportionally among the beneficiaries of the institutional plan.
- The bonus is granted provided the employee has remained in the Company during the causation year for at least four (4) continuous or discontinuous months under the same employment agreement, and this agreement is not terminated at the time of payment (unless otherwise indicated at the time of termination, with the prior authorization of the Indicators Committee). The bonus will be proportional to the time worked during the causation year.

In any case, the foregoing shall not apply to the scheme of Participation Units of an institutional plan that invests in stocks of Grupo SURA, considering that for the recognition of this bonus its consolidation is required along with the fulfillment of indicators, the time of permanence in the Company for the following 5 years, as of the last day of February of the causation year.

Bonus Scheme	Requirements of the Moment of Recognition
40% stocks of Grupo SURA	Fulfillment of indicators and 5-year stay in the Company
60% in cash	Fulfillment of indicators

Retirements: If the employee resigns prior to the last day of February of the causation year, the right to the bonus will be lost, except in cases of termination upon recognition of old age or disability pension or death. In case of dismissal without just cause or the employer so establishes in an agreed leave, the bonus will be paid proportionally, provided that the employee, during the causation year, has been under the same employment agreement with the Company for more than four (4) continuous or discontinuous months. The calculation of the bonus shall be made taking into account the multiplier of the position level held by the employee in the Company at the time of retirement.

- **Transfers:** In the employee is transferred between Related Companies, the Human Talent Management of Grupo SURA will be responsible for managing and agreeing on the proportions to be assumed by each company.
- **Replacements:** When an employee is in charge of replacing another employee in a higher position level for no less than four (4) continuous or discontinuous months during the causation year, his/her bonus will be calculated based on the two (2) multipliers that apply proportionally. The salary to calculate and the payment scheme are those of the employee's position level. If the replacement is for less than four (4) months, the bonus will not be affected and will be paid with what corresponds to its own position level for the time worked during the causation year.
- **Paid or unpaid leaves:** When the time an employee is on leave surpasses thirty (30) days in the causation year, the bonus will be paid proportional to the time actually worked, provided the employee has remained in the Company during the causation year for at least four (4) continuous or discontinuous months under the same employment agreement. If such time is less than thirty (30) days, the calculation of the bonus shall not be affected.
- **Maternity leaves:** When the employee is on maternity leave, the period of disability during the causation year to calculate the bonus will not be discounted.
- **Absenteeism due to a disability:** The periods of disability during the causation year will not be deducted to calculate the bonus.

- **Change of position:** The bonus is calculated based on the multiplier that corresponds to the position level held by the employee as of December 31, provided that the employee has worked no less than four (4) months in that position during the causation year. Otherwise, the calculation is made with the two (2) multipliers that apply proportionally.

If the change of position implies a change in the bonus payment scheme, the system applied for the payment corresponds to the position level held by the employee as of December 31 of the causation year, provided the employee has worked at least four (4) months in the new position. Otherwise, the full amount of the bonus shall be paid in cash.

IX. Exceptions

Any particular condition that differs from the general conditions provided for the calculation and payment of the bonus and to measure the indicators established in this Manual, should be approved by the Indicators Committee and notified to Human Talent Management for its management.

X. Update and Disclosure

Applicable aspects to every employee depending to their level found in this Manual should be reported and made available to every employee. Updated conditions shall be notified to every employee every year.

XI. Governance and Decision-Making

This Manual must be approved by the Appointments and Retributions Committee of the Board of Directors.

The Human Talent Management will be responsible for updating and managing this Manual.