

POLICY FRAMEWORK FOR APPOINTING THE STATUTORY AUDITOR

Based on that stipulated in the Code of Good Governance of Grupo de Inversiones Suramericana SA (Grupo SURA), the Company has an independent Statutory Auditor¹ whose functions, qualifications and other aspects are regulated in the Company's corporate bylaws as well as by current legislation.

This policy defines the general aspects to be taken into account for appointing a single Statutory Auditor for all the companies that form part of the SURA Business Group (hereinafter the "Companies" or the "Business Group"), as well as the basic aspects for managing the corresponding contract and evaluating the service provided by said firm during the designated period.

This without prejudice to the right of the shareholders of the Companies to present other candidates, in accordance with the law.

This appointment process shall be carried out by each of the governing bodies in each Company, while striving to ensure a single Statutory Auditor is appointed.

Objectives

The main objectives of this policy are:

- To establish the necessary parameters to be taken into account for the timely and adequate designation and appointment of the Statutory Auditor of the Companies.
- To continue with the process of adopting the best practices recommended by the Colombian Superintendency of Finance through its "Country Code" best practices survey, for strengthening the Corporate Governance of the Business Group.

¹A Statutory Auditor is understood to be the firm that provides its external auditing or statutory auditing services as well as the private individuals that it appoints to act as principal and alternate statutory auditors.

- To maintain a comprehensive view in which the Statutory Auditor is able to achieve a unified auditing approach that includes the entire Business Group.

Scope and framework of application

This policy applies to all Companies. However, should there exist any specific case in which, due to regulatory or business factors (e.g. mergers or recent acquisitions) in the countries where the Business Group is present, preventing this policy from being applied, notice must be given sufficiently in advance to the Audit and Finance Committee of each Company or to the corresponding governing body for their approval, as well as to Grupo SURA's Audit and Finance Committee, who must authorize a temporary or permanent exemption from the application of this policy.

Guidelines

- 1. A Single Statutory Auditor** Efforts shall be made to have a single Statutory Auditor for all the Companies.
- 2. Proposal.**
 - 2.1. Grupo SURA: Grupo SURA's Audit and Finance Committee shall propose to its Board of Directors, for subsequent submission to General Assembly of Shareholders, either the re-appointment of the current Statutory Auditing firm or the appointment of a new firm, as well as the conditions for contracting its services, using for this purpose the result of the evaluation referred to in section 10 of this policy.
 - 2.2. Grupo SURA's subsidiaries Grupo SURA's Board of Directors shall recommend to the Audit and Finance Committees of the subsidiaries the Statutory Auditor to be considered and appointed by General Assemblies of Shareholders of each of the Companies.
- 3. Appointment** The Statutory Auditor shall be appointed by the General Assembly of Shareholders of each Company and will report directly to the Board of Directors' Audit and Finance Committee of each of these. The Statutory Auditor

shall not be subject to any type of subordination with respect to the administrators of the Companies, this in order to maintain his or her independent status.

The Statutory Auditor shall be appointed in such a way that the professional independence criteria defined in this document are fully complied with.

The Statutory Auditor's fees will be established taking into account their technical capacities, the magnitude of each company, the complexity of its operations, market parameters, and the specific responsibilities of this position, which will be set by the General Assembly of Shareholders of each Company.

4. Independent Criteria The Statutory Auditor of the Companies shall maintain a clearly defined independent position with respect to each of these.

In order to ensure the separation between the Companies and the Statutory Auditing firm as well as those private individuals whom the latter delegates as principal and alternate statutory auditors; the latter should not be involved in any of the following situations:

- a. Being a shareholder of the Companies.
- b. Being related by marriage, a de facto marital union, or within the fourth degree of consanguinity, second degree of affinity or first civil relationship, or be partners of the members of senior management as well as directors, auditors or accountants up to the third hierarchical level in each of the Companies.
- c. Holding a position in the Companies.
- d. Having received income from the Companies that represents twenty-five percent (25%) or more of their latest annual income.

PARAGRAPH: Private individuals belonging to the auditing firm who have been designated as Statutory Auditor may acquire the services and products of the Companies at the same prices as offered on the market, the Statutory Auditor may also keep the products or services acquired prior to his or her appointment.

5. Inabilities and Incompatibilities. People who are involved any of the following situations may not be appointed as Statutory Auditor (principal or alternate):

- a. Having been subject to any disqualification, suspension or other type of final (absolute) sanction for exercising their auditing services, as imposed by a judge or a regulatory or supervisory authority of the countries in which the Business Group operates.
- b. Having been criminally convicted, except for negligent offenses.
- c. Any other grounds established by law.

6. Minimum requirements to be met as a proposed candidate for the role of Statutory Auditor. To be considered as a candidate for the role of Statutory Auditor, it is necessary that the following attributes and minimum requirements are met:

- a. Having adequate experience and technical preparation with multi-Latin business groups or multinationals of a similar size to the Business Group; also having an adequate professional support team sufficient for the optimal performance of their functions.
- b. The auditing firm must be registered with the Public Company Accounting Oversight Board (PCAOB).
- c. Having the amount of time and resources available that reasonably ensure that their work shall provide the scope and coverage required by the Companies.
- d. A service offer shall be submitted that includes, among other things, a description of the auditing firm, its auditing approach and methodology, the scope of the work to be carried out, work schedule, communication protocol, terms of professional independence and confidentiality together with the persons to form part of the corresponding work team, fees and billing aspects.

- e. Demonstrating the capacity and legal authorization to operate in each of the countries where the Companies do business

7. Contracting aspects:

- a. **Framework Agreement.** A Group Framework Agreement will be signed with the entity chosen as Statutory Auditor, by virtue of this process, which shall regulate in general terms the various aspects that govern and apply to the relationship between the Statutory Auditor and the Companies. Additionally, Letters of Intent will be signed, which shall form an integral part of the Group Framework Agreement thereby regulating the different particularities that are applicable, this in keeping with the current legislation of the country where each company is located. This Framework Agreement shall be governed by Colombian regulations and will be signed between Grupo SURA and the company of the auditing firm acting as leader of the Statutory Auditor nomination process in Colombia.
- b. **Contractual Period.** In regulating the relationship between the Company and the Statutory Auditor, Grupo SURA will establish an initial contractual period of two (2) years, which may be extended for a maximum term of ten (10) years, as long as the Statutory Auditor is re-appointed by the corresponding General Assembly of Shareholders, respecting the mandatory rotation every five years of the firm's partner and those delegated as principal and alternate Statutory Auditors.
- c. **Contract Management** Grupo SURA's Internal Auditor will be responsible for managing the Framework Agreement and the auditing areas of each of the Companies will manage the corresponding Letters of Intent, taking into account the relevant approvals on the part of their respective governing bodies. This is without prejudice to the individual responsibilities of the Senior Management of each company, within the framework of the law as well as the Framework Agreement.
- d. **Termination:** The Framework Agreement must expressly stipulate that it may be terminated at any time, providing that regulatory aspects should give rise

to such termination or that situations should arise that, in the opinion of Grupo SURA's Audit and Finance Committee require this to be terminated.

In such cases, the agreement will be terminated before the corresponding corporate body in order to make such termination effective and appoint a replacement statutory auditor.

Likewise, the Framework Agreement shall include exit clauses that allow the Companies to terminate the relationship with the Statutory Auditor when the Statutory Auditor, its partners or administrators become: (i) convicted of the crime of asset laundering or acting as a source of such, crimes including those against public administration or the crime of financing terrorism or managing resources relating to terrorist activities; (ii) administratively sanctioned for violations of any anti-corruption regulations; (iii) included in lists compiled by any national or foreign authority for the control of money laundering and/or financing of terrorism and/or corruption in any of its forms; iv) linked to any type of investigation or judicial or administrative process carried out by competent authorities, either at home or abroad, for the alleged commission of crimes or violations relating to money laundering, crimes of acting as a source for asset laundering, crimes against public administration and/or the financing of terrorism or the handling of resources relating to terrorist activities.

- 8. Prohibited Services.** The Companies will not retain any other professional service with the Statutory Auditor other than those relating to financial auditing itself as well as other functions acknowledged in the current regulations of each country. This limitation extends to persons or entities relating to the Statutory Auditor, including the companies of the group to which it belongs, as well as the companies in which there is an ample overlapping of its partners and/or administrators with those of the Statutory Auditor. It shall be understood that there is an ample overlapping of partners and/or administrators, when the majority of these are linked to the Statutory Auditor.

The Statutory Auditor may not hold any other position in the Companies during the respective period and is also prohibited from entering into contracts or

agreements with the Companies in his, her or its own right or acquiring shares in these.

On an exceptional basis and with the prior approval of the internal auditors of the Company concerned, as well as Grupo SURA, other auditing services may be contracted in addition to those stipulated in the Framework Agreement. In any case, additional services may be only contracted if these are connected to the Statutory Auditor's own activities, do not generate conflicts of interest and do not affect their independent status.

The additional related services that are contracted must be reported to the Audit and Finance Committee of the corresponding Company.

- 9. Public Information.** Grupo SURA shall publish on its website the annual value of the fees paid to the Statutory Auditor, as well as the proportion that these fees represent with regard to the firm's total income from its Statutory Auditing activity.

10. Evaluations:

- 10.1. Evaluation of the quality of the services provided: the Audit and Finance Committees and the administrators of the Companies shall evaluate each year the quality of the services provided by the Statutory Auditor, in aspects such as knowledge, timeliness, quality of the work performed, among others. A consolidated report of said evaluations will be presented by the Corporate Internal Auditor to Grupo SURA's Audit and Finance Committee, so that it may determine the convenience of proposing the firm's re-appointment to the General Assembly of Shareholders.
- 10.2. Evaluation of service offers: should it be necessary to elect a new Statutory Auditor, a committee shall be set by the Corporate Auditors of Grupo SURA, SURA AM and Suramericana or whoever they should determine, and these may depend on the involvement of personnel from other areas. This committee shall analyze the service offers received and will prepare a report on their evaluation, this to be delivered to Grupo SURA's Audit and Finance Committee.

Governance

This policy has been approved by Grupo SURA's Board of Directors as well as the Boards of Directors of Sura Asset Management S.A. and Suramericana.