

Report on the Brazilian Corporate Governance Code

CVM Instruction 586, dated June 8, 2017

(Free translation from Portuguese)

Key

Yes – The Company fully complies with the recommended practice.

No – The Company does not comply with the recommended practice.

Partially - The Company partially complies with the recommended practice.

Not applicable – The recommended practice is not applicable to the Company.

Not required – CVM Instruction (ICVM) 480 does not require the Company to justify or explain compliance or non-compliance with the practice, as the case may be.

Principle 1.1. “Each share is entitled to one vote”

Recommended Practice	Option	Justification
1.1.1 - The Company's capital stock should include only common shares.	No	The Company's capital stock consists of units, each represented by 1 common share and 2 preferred shares. There are preferred shares because the shareholders decided on this capital structure when the Company was incorporated. The main factor mitigating asymmetry between the existing types of shares, in terms of policy and economic rights, is the statutory provision that all Company shares, whether common or preferred, shall have tag-along rights to sell at the same price per share as the selling shareholder if control of the Company is to be sold or transferred (article 33 of the Company's bylaws).

Principle 1.2. “Shareholder agreements must not transfer to the signatory shareholders decisions on subject matters that are the remit of the board of directors, the executive board or the fiscal council”

Recommended Practice	Option	Justification
1.2.1 Shareholders' agreements should not bind the exercise of voting rights of managers or members of inspection and control bodies.	Yes	Not required.

Principle 1.3 “Management must strive for shareholder engagement, prioritizing their presence at general meetings and the correct understanding of the subject matters to be discussed, in addition to facilitating the indication and election of candidates to the board of directors and the fiscal council”

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Recommended Practice	Option	Justification
1.3.1 Management should use the shareholders' meeting to communicate how business are being conducted, and publish a manual aiming at facilitating and encouraging the participation of shareholders in the general meetings.	Yes	Not required.
1.3.2 The minutes must provide for full understanding of the subjects discussed during the meeting, even if they are drawn up in summary form, and identify the votes given by the shareholders.	Yes	Not required.
<i>Principle 1.4. "Defense measures, if adopted by the company, must aim to prevent opportunistic acquisitions of significant holdings of the company's capital at times when the market is not a favorable one, preserving liquidity of maximizing share value for the benefit of all shareholders"</i>		
Recommended Practice	Option	Justification
1.4.1 - The board of directors should make a critical analysis of the advantages and disadvantages of defense measures and their characteristics, particularly regarding triggers and price parameters, if applicable, and explain them.	No	The Company's Bylaws stipulate a shareholder dispersion defense mechanism as per article 41 and as stated in item 18.2 of the Reference Form (version 3, September 14, 2018), both available on the Brazilian Securities and Exchange Commission (CVM) Empresas.Net system and on the Company's website (http://ri.sulamerica.com.br/), in order to avoid ownership of the Company's shares being concentrated in the hands of a small group of investors and consequently prompting dispersion of share ownership. In this context, the defense mechanism adopted requires a public offer to buy shares (local acronym OPA) when a shareholder or group of shareholders reaches 25% of more of the total number of common shares issued by the Company. To date, there has been no critical review by the Board of Directors of the advantages and disadvantages of this defense measure.
1.4.2 - Clauses that may prevent removing the measure from the by-laws, the so-called 'irrevocable clauses,' should not be used.	Yes	Not required.

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<p>1.4.3 - If, according to the by-laws, a public offer of shares must be carried out whenever a shareholder or group of shareholders directly or indirectly reach a significant share in voting capital, the rule for determining the offer price should not impose the addition of premiums that are substantially above the economic or market value of the shares.</p>	<p>Yes</p>	<p>A price setting mechanism is stipulated in Article 41, paragraph 2 of the Company's Bylaws, available on the Brazilian Securities Commission (CVM) Empresas.Net system and on the Company's website (http://ri.sulamerica.com.br/).</p> <p>If the criteria for making the public offer to buy shares (OPA) stipulated by the above defense mechanism, it would be held for the benefit of all Company shareholders.</p>
<p><i>Principle 1.5. "Regardless of the legal form and the terms and conditions negotiated for any transaction that gives rise to changes in control, all subject company shareholders of the transaction must be treated in a fair and equitable manner"</i></p>		
<p>Recommended Practice</p>	<p>Option</p>	<p>Justification</p>
<p>1.5.1 - Company by-laws must establish that: (i) the transactions for direct or indirect disposal of controlling interest must be carried out through a public offer of shares addressed to all shareholders, for the same price and conditions given to the selling shareholder; (ii) the managers must give their opinion about the terms and conditions of corporate restructurings, capital increases and other transactions that may give rise to a change in control, and confirm whether such transactions will ensure a fair and equal treatment to company shareholders.</p>	<p>Partially</p>	<p>(i) Under article 33 of the Company's Bylaws, available in the Empresas.Net system of the Brazilian Securities Commission (CVM) and on the Company's website (http://ri.sulamerica.com.br/), sale or transfer of control of the Company must be subject to the condition that the party acquiring control shall make a public offer for the acquisition of all shares of the company's other shareholders, including preferred shares, assuring other shareholders the same treatment as the selling shareholder.</p> <p>(ii) Although stating its views on the matters in this item is not expressly stipulated in the Company's Bylaws as a competence of the Board of Directors, the latter fulfills its fiduciary duty of stating its view on any transaction that leads to change of control, including in relation to fair and equitable treatment of Company shareholders.</p>
<p><i>Principle 1.6. "The board of directors must instruct the shareholders about OPAs directed at them"</i></p>		
<p>Recommended Practice</p>	<p>Option</p>	<p>Justification</p>

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1.6.1 The by-laws should establish that the board of directors must give their opinion regarding any public offer involving shares that may be convertible to, or exchanged for, shares issued by the company, and they must include, among other important information, the management's opinion about the acceptance of the offer and the economic value of the company.	Yes	Not required.
<i>Principle 1.7. "The company's policy for distributing results must respect the economic and financial characteristics of the business – cash generation and the need for investments – and all interested parties, shareholders and investors must be familiar with it"</i>		
Recommended Practice	Option	Justification
1.7.1 The company should prepare and disclose the income allocation policy defined by the board of directors. Among other aspects, the policy should establish the frequency of payment of dividends, and the reference parameters to be used for definition of the relevant amounts (percentages of the adjusted net income and free cash flow, among others).	Yes	Not required.
<i>Principle 1.8. "Guidance on the company's activities by the controlling shareholder, so that it meets the public interest that justified the creation of the government-controlled private company, must be reconciled with the interests of the other shareholders and investors in the company's securities"</i>		
Recommended Practice	Option	Justification
1.8.1 The by-laws should provide a clear and accurate identification of the public interest that justified the incorporation of a government-controlled company, in a specific chapter.	Not applicable	-
1.8.2 The board of directors must oversee the	Not	-

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<p>company's activities and establish the policies, mechanisms and internal controls to determine the costs required to fulfill public interests and any reimbursements to be made to the company or other shareholders and investors by the controlling shareholder.</p>	<p>applicable</p>	
<p><i>Principle 2.1. "The board of directors must go about its duties bearing in mind the company's long-term interests, the impacts arising from its activities society and the environment and the fiduciary duties of its members in their role as guardian of the company's principles, values, business purpose and system of governance"</i></p>		
<p>Recommended Practice</p>	<p>Option</p>	<p>Justification</p>
<p>2.1.1 Without prejudice to other legal and statutory duties and other practices established in the Code, the board of directors should: (i) define the business strategies, taking into account the impacts of the company's activities on society and the environment, aiming at company's continuity and the creation of value in the long run; (ii) regularly assess the company's exposure to risks and the effectiveness of risk management systems, internal controls and the integrity/compliance system, and approve a risk management policy that is compatible with business strategies; (iii) define the values and ethical principles of the company, and care for the maintenance of the issuer's transparency in its relationship with all stakeholders; (iv) review the corporate governance system on a yearly basis, so as to improve it.</p>	<p>Yes</p>	<p>The Company's Board of Directors, guided by its advisory committees, exercises its attributions as per the recommended practice, as follows:</p> <ul style="list-style-type: none"> (i) Sustainability Committee: advises the Board on deliberations involving the sustainability policies and practices of the Company and its subsidiaries to ensure that sustainability is part of SulAmérica's business strategy; (ii) Audit and Risk Management Committee: advises the Board of Directors to take the measures required to ensure that the Company's business is subject to sound financial controls and that its transaction follow the Company's the Codes of Ethics and Compliance as well as regulatory agency requirements, and shall also examine and evaluate situations involving conflicts of interest, related party transactions, internal controls and operational and corporate risks; and (iii) Governance and Disclosure Committee: advises the Board on matters related to corporate governance and disclosure, in particular monitoring and supervising those stipulated in its Policy for Disclosure of Material Facts and Trading in Company of Securities, the Committee's Internal Regulations and the obligations stated in the Corporate Governance Level 2 Listing Rules adopted by the Company. <p>The aforementioned Advisory Committees, that have in their composition members of the Board of Directors, report to the Board, for consideration and resolution, measures recommended to assist with the Board's mission of protecting the value of the Company's equity and that of its</p>

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		<p>subsidiaries as well as shareholders' return on their investment.</p> <p>In addition, directors, consultants, internal or external auditors and employees may be invited to attend Board meetings to provide information needed to understand the matters to be considered.</p>
<p><i>Principle 2.2. "The members of board of directors must have diversified profiles, a sufficient number of independent members and a size that enables the creation of committees, the effective debate of ideas and the taking technical, impartial and well-founded decisions"</i></p>		
Recommended Practice	Option	Justification
<p>2.2.1 The by-laws must establish that: (i) the board of directors is made up of a majority of external members, and has at least one third of independent members; (ii) the board of directors must analyze and disclose information about the independent members on a yearly basis, as well as indicate and justify any circumstances that may compromise its independence.</p>	Partially	<p>Article 12, paragraph 2 of the Company's bylaws stipulate that at least 20% of the members of the Board of Directors must be independent directors as per B3's Level 2 rules. However, at present 60% of the Company's Board of Directors are independent members, i.e. a higher percentage than required by the bylaws and the Brazilian Corporate Governance Code. The independent directors' views are stated and assessed annually at Ordinary General Meetings. In addition, the bylaws list situations that may compromise a board member's independence.</p>
<p>2.2.2 - The board of directors must approve a nomination policy to establish: (i) the process for appointment of the members of the board of directors, and the participation of other company bodies in this process; (ii) that the composition of the board of directors must consider the availability of members for the exercise of their functions, and the diversity of knowledge, experiences, behaviors, cultural aspects, age grade and gender.</p>	No	<p>The Company is examining the possibility of adopting a policy for appointments in accordance with practices recommended by the Brazilian Corporate Governance Code, to be submitted to the Company's Board of Directors in due course.</p>
<p><i>Principle 2.3. "The chairman of the board must coordinate the activities of the board of directors, striving for efficacy and good performance from the entity and each of its members, serving as the link between the board of directors and the chief executive officer"</i></p>		

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Recommended Practice	Option	Justification
2.3.1 The CEO should not accumulate the position of chairman of the board of directors.	Yes	Not required.
<i>Principle 2.4. "The board of directors must set up mechanisms for periodic performance appraisals that contribute to their effectiveness and to enhancing the company's governance"</i>		
Recommended Practice	Option	Justification
2.4.1 The company must implement a process to assess, on a yearly basis, the performance of the board of directors and its committees, as joint bodies, and the performance of the chairman and the members of the board of directors, considered individually, and the governance department, if any.	Yes	<p>Members of the Board of Directors and its Advisory Committees take part in an annual assessment process conducted by the Company's Corporate Governance area, for both board members individually and as a collegiate body, covering aspects related to their contributions to the Company's decision making process. In this context, the following aspects are also assessed:</p> <ul style="list-style-type: none"> (i) the Board's structure, including its composition, priorities and quality and context of information received and discussed; (ii) transparency in the Board's relations, including its independence in relation to both shareholders and management, dialogue with advisory committees and conflicts of interest; (iii) the corporate secretariat's support; (iv) self-assessment of individual competences and participation and (v) evaluation of the Board chairperson's performance of their duties. <p>The main opportunities to improve the practices and dynamics of these bodies, as identified during this evaluation process, are consolidated and discussed with board members to strengthen their commitment to, and engagement with, the continuous improvement of the Company's governance.</p>
<i>Principle 2.5. "The board of directors must ensure the continuity of the company's management, preventing the succession of its key leader for affecting the company's performance and destroying its value"</i>		
Recommended Practice	Option	Justification
2.5.1 The board of directors should approve and update the succession plan of the CEO. The	Yes	The Succession Plan was approved at meetings of the Human Capital Committee and the Company's Board of Directors held on February 26, 2018 and February 27, 2018, respectively .

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preparation of this plan should be coordinated by the chairman of the board of directors.		
<i>Principle 2.6. "To perform their duties well, directors must understand the company's business"</i>		
Recommended Practice	Option	Justification
2.6.1 The company must have a program for onboarding new members of the board of directors, previously structured to present the new members to the company's key personnel and its facilities. The program must address issues that are crucial for the understanding of the company's business.	Yes	The Company has an onboarding program for new members of the Board of Directors in order to accelerate their learning about the Company and understanding of its business and challenges, including meetings with key people and visiting facilities. In addition, new members are given a "welcome kit" containing details of the Company and its corporate structure and governance, including principles and practices adopted for the decision-making process. The Company's Corporate Governance Portal provides a secure and restricted environment enabling directors and Advisory Committee members to remotely access corporate information that will be useful to them in the course of their duties.
<i>Principle 2.7. "The compensation of the members of the board of directors must be in line with the company's strategic objectives, focusing on its perpetuity and on the creation of value in the long term"</i>		
Recommended Practice	Option	Justification
2.7.1 The compensation of the board of directors' members must be proportional to their duties, responsibilities and time requirements. Compensation should not rely on their attendance to meetings, and the directors' variable compensation, if any, should not be based on short-term results.	Yes	Not required.
<i>Principle 2.8. "The actions of the board of directors must be rooted in document containing rules that provide guidance on its structure and how it operates"</i>		

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Recommended Practice	Option	Justification
2.8.1 The board of directors must have internal regulations establishing its responsibilities, duties and operating rules. These should include: (i) the duties of the chairman of the board of directors; (ii) the rules to replace the chairman of the board of directors in his/her absence or vacancy of the position; (iii) the measures to be taken in situations of conflict of interests; and (iv) the deadlines for submission of the materials that will be discussed during the meetings with the depth required.	Yes	Not required.
<i>Principle 2.9. "The board of directors must take a set of actions that render its meetings effective, facilitate the role of outside board members and render its actions transparent"</i>		
Recommended Practice	Option	Justification
2.9.1 The board of directors must define a yearly schedule with the dates of ordinary meetings, which should not be less than six, or more than twelve. Special meetings should be called on whenever required. Said schedule should include an annual agenda with important topics and discussion dates.	Yes	Not required.
2.9.2 The meetings of the board of directors must include regular exclusive sessions for external directors, without the presence of executives and other invitees, for the alignment of external directors and discussion of topics that may arise	Yes	Not required.

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2.9.3 The minutes of the board's meetings must be clearly written, and report all decisions made, the attendees, dissenting votes, and abstentions.	Yes	Items 17 (d) and 23 of the Board of Directors' internal rules cover procedures for drafting minutes of its meetings and for signing, registering and publishing them (http://ri.sulamerica.com.br/static/ptb/politicas.asp?idioma=ptb).
<i>Principle 3.1. "The board of executive officers must manage the company's business, with due regard for risk limits and the directives approved by the board of directors"</i>		
Recommended Practice	Option	Justification
3.1.1 The executive board must, without prejudice to other legal and statutory duties and other practices provided for in the Code: (i) carry out the risk management policy and, if required, propose a review of the policy to the board of directors due to changes in risks to which the company is exposed; (ii) implement and maintain efficient mechanisms, processes and programs to monitor and disclose the financial and operational performance, and the impacts of company activities on society and the environment.	Yes	Not required.
3.1.2 The Executive Board should have its own internal regulations establishing its structure, operation, roles and responsibilities.	Yes	Not required.
<i>Principle 3.2. "The process for indicating and appointment to position on the board of executive officers and managerial positions must aim to create a group that identifies with the company's principles and ethical values, in view of the diversity, including gender, so that they are occupied by persons with complementary competencies and qualified to take on the company's challenges"</i>		
Recommended Practice	Option	Justification
3.2.1 No executive or management positions should be reserved for the direct appointment by	Yes	Not required.

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the shareholders.		
<i>Principle 3.3: “The chief executive officer and the board of executive officers must be assessed based on financial and non-financial performance targets (including environmental, social and governance aspects), in line with the company’s ethical values and principles”</i>		
Recommended Practice	Option	Justification
3.3.1 The CEO must be assessed on a yearly basis in a formal process performed by the board of directors, based on the achievement of financial and non-financial performance targets established by the board of directors for the company.	Yes	The Board of Directors relies on advice and assistance from the Human Capital Committee to set guidelines for the assessment, compensation and succession of the Company Management’s Key Persons (statutory and non-statutory members of the Board of Directors, Executive Board, Fiscal Council and Advisory Committees). The CEO’s performance is assessed annually by the abovementioned Human Capital Committee, based on reaching financial and non-financial targets set by the Committee or Board of Directors. Assessments were made in the period January 2 - 31, 2018. The Board of Directors reviewed the assessments at a meeting held on February 27, 2018.
3.3.2 The results of the assessment of other officers, including the proposals made by the CEO for the targets to be agreed upon, and the continuity in, promotion or dismissal of executives from their relevant positions, must be presented, analyzed, discussed and approved in the meeting of the board of directors.	Yes	The Company’s Executive Board officers have annual assessments made by the Human Capital Committee based on targets set in management contracts in line with Company strategies, to be reviewed by the Board of Directors. The assessments were made in the period January 1 -31, 2018 and discussed by the Human Capital Committee at its meeting held on February 26, 2018 and reviewed by the Board of Directors meeting held on February 27, 2018.
<i>Principle 3.4. “The compensation of the members of the executive board must be in line with the company’s strategic objectives, focusing on its perpetuity and on the creation of value in the long term”</i>		
Recommended Practice	Option	Justification
3.4.1 The compensation of the executive officers should be based on a compensation policy approved by the board of directors through a formal and transparent procedure that takes into account the costs and risks involved.	Yes	The Company’s Compensation Policy was approved by the Human Capital Committee and Board of Directors on February 23, 2010. This policy is available on the Company’s Investor Relations website (http://ri.sulamerica.com.br/static/ptb/politicas.asp?idioma=ptb).

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<p>3.4.2 The compensation of the executive officers should be linked to the results, and the medium- and long-term targets should clearly and objectively relate to the generation of economic value for the company in the long term.</p>	<p>Yes</p>	<p>Our Compensation Policy's main objective is to align the interests of Management's Key Persons (statutory and non-statutory members of the Board of Directors, Executive Board, Fiscal Council, and Advisory Committees) based on best practices adopted by the market.</p> <p>The objective of compensation for Management's Key Persons is to recognize the responsibilities that go with each position. The Executive Board's compensation includes fixed, variable short and medium term components as well as long-term incentives reflecting in each case their part in the Company's overall performance and their individual performance, and benefits designed to align their interests with those of SulAmérica in the medium and long term, thus contributing to value generated for shareholders (Item 13.1 of Reference Form 2018 V3 sent on September 14, 2018 at 6:04 p.m.)</p>
<p>3.4.3 The incentives structure should be in line with the risk limits defined by the board of directors, avoiding that one single person controls the decision-making process and the inspection thereof. No one should decide on one's own compensation.</p>	<p>Yes</p>	<p>The Company's incentive programs are aligned with risk limits set by the Board of Directors, avoiding that one single person controls the decision-making process and the inspection thereof.</p>
<p><i>Principle 4.1. "The company must have an independent, qualified statutory audit committee"</i></p>		
<p>Recommended Practice</p>	<p>Option</p>	<p>Justification</p>
<p>4.1.1 The statutory audit committee must: (i) provide advice to the board of directors regarding the monitoring and control of the quality of the financial statements, internal controls, and risk and compliance management; (ii) be made up of a majority of independent members and coordinated by an independent director; (iii) have at least one independent member with proven expertise in the accounting, corporate, internal controls, financial and audit areas,</p>	<p>Yes</p>	<p>All recommended practices are expressly stipulated in the Audit and Risk Management Committee's Internal Regulations and the Company's Bylaws, both available on the Company's investor relations website (http://ri.sulamerica.com.br/static/ptb/politicas.asp?idioma=ptb)</p>

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cumulatively; and (iv) have its own budget for engagement of consultants regarding accounting, legal and other subjects, when the opinion of an external specialist is required.		
<i>Principle 4.2. “The fiscal council, if installed, must be equipped with the resources and the support of the management that its members require to effectively perform their individual duties of independent oversight”</i>		
Recommended Practice	Option	Justification
4.2.1 The fiscal council must have its own internal regulations describing its structure, operation, work program, roles and responsibilities, without hindering the individual actions of its members.	Not applicable	-
4.2.2 The minutes of the meetings of the fiscal council should follow the same rules of disclosure as those valid for the minutes of the board of directors.	Not applicable	-
<i>Principle 4.3. “The independent auditors must report to the board of directors. The latter must ensure the independence of the independent auditors in their work”</i>		
Recommended Practice	Option	Justification
4.3.1 The company must establish a policy regarding the engagement of services other than audit services from the independent auditors. This policy must be approved by the board of directors, and prohibit the contracting of non-audit services that may affect the independence of the auditors. The company should not engage an independent auditor who has provided internal audit services to the company less than three	No	The Company does not currently have a formal policy for engaging non-audit services. However, as per Article 14.f of the Company's Bylaws and as stated in item 12.1 of the Reference Form (version 3, September 14, 2018), both available in the Empresas.Net system of the Brazilian Securities and Exchange Commission and on the Company's website (http://ri.sulamerica.com.br/), the Board of Directors shall select or dismiss independent auditors, as well as approve any other services engaged that are provided by the Company's independent auditors or companies belonging to the same group, other than auditing its financial statements. The Company is examining the possibility of adopting a policy regarding the engagement of

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years ago.		independent audit services in accordance with practices recommended by the Brazilian Code of Corporate Governance which shall be submitted to the Board of Directors in due course.
4.3.2 The independent audit team should report to the board of directors through the audit committee, if any. The audit committee should monitor the efficiency of the work of the independent auditors, as well as its independence. It should also assess and discuss the annual plan of activities of the independent auditors, and submit it for analysis by the board of directors.	Yes	Not required.
<i>Principle 4.4 "The company must structure its internal audit unit in a manner that is compatible with the extent, complexity and its business risks, and it is incumbent on the board of directors to ensure the qualifications and independence of the members of the internal audit team in relation to the executive board"</i>		
Recommended Practice	Option	Justification
4.4.1 The company should have an internal audit area reporting directly to the board of directors.	Yes	The Company's internal audit area, as per its Internal Regulations, reports to the Audit and Risk Management Committee and is attached to the Chair of the Board of Directors. The structure of the Company's internal audit area is part of the Audit and Anti-Fraud area, which includes the preventive audit department, system audit management and fraud management. Its members possess specialized technical knowledge needed to examine and evaluate SulAmérica's business, independence to report results, and resources scaled to cope with the complexity of their activities.
4.4.2 In case of outsourcing of this activity, internal audit services should not be performed by the same company that performs the audit of the financial statements. The company should not engage an internal auditor who has provided independent audit services to the company less than three years ago.	Not applicable	-

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Principle 4.5. "The company must have an adequate risk management process and maintain internal controls and integrity/compliance programs appropriate for the size, risk and complexity of its activities"		
Recommended Practice	Option	Justification
4.5.1 The company must adopt a risk management policy, as approved by the board of directors, that includes the definition of risks for which protection is required; the instruments used in doing so; the risk management organizational structure; the verification of adequacy of the operational and internal control structure in analyzing its efficacy; and define the guidelines to set up acceptable limits for the company's exposure to such risks.	Yes	The Company's Risk Management Policy was approved by the Board of Directors on December 4, 2017 and it adopts all recommended practices.
4.5.2 The Board of Directors is responsible for ensuring that the executive board has the mechanisms and internal controls required to know, assess and control risks, so as to keep them in levels compatible to the limits agreed, including the integrity/compliance program, aiming at fulfilling the laws, regulations, and external and internal norms.	Yes	The Company's management is responsible for developing, implementing and maintaining an effective internal controls and risk management system. In addition, the Company has a structured Compliance Program to ensure compliance with laws, regulations and rules or standards (Items 5.3 and 5.4 of Reference Form 2018 V3 sent on September 14, 2018 at 6:04 p.m.).
4.5.3 The executive board must assess, at least on a yearly basis, the effectiveness of policies and systems used in the management of risks and internal controls, as well as the integrity/compliance program, and provide information to the board of directors regarding this assessment.	Yes	The Company's Board of Executive Officers monitors compliance with legislation, internal policies and the Compliance Program, periodically evaluating the risk management structure, strengthening the internal controls system, mitigating risks and disseminating control culture through guidance and heightening awareness and communicates the results to the Board of Directors, which reviewed these assessments on December 4, 2017 and August 8, 2017. The Company also relies on its Corporate Risk Committee to periodically review global business strategies to apprehend and manage material risks within the preferences, tolerances and limits

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		set by the Company.
<i>Principle 5.1. "The company must have a code of conduct that fosters its ethical values and principles and which reflects the organization's identity and culture, and a complaints channel for receiving criticisms, doubts, complaints and charges"</i>		
Recommended Practice	Option	Justification
5.1.1 The company must have an independent conduct committee reporting directly to the board of directors. This committee is responsible for implementing, promoting, training, reviewing and updating the code of conduct and the whistleblowing channel, as well as conducting investigations and proposing corrective measures regarding any violations to the code of conduct.	Partially	The Company has an executive-level Ethics Committee consisting of up to 6 members appointed for indefinite mandates and it is not attached to the Board of Directors. The Committee's standing members are: the Company's CEO, the vice president for control and investor relations and the statutory directors for Compliance and Human Capital areas, and ad-hoc members may be admitted to investigate certain allegations and / or suspicions. This Committee is responsible for monitoring, compliance and continuous improvement of the Code of Ethical Conduct, and for resolving cases not covered by the Code. It reports its main activities as required but not less than annually to the Company's Risk Committee and Audit and Risk Management Committee, the latter being an advisory body for the Board of Directors.
5.1.2 The code of conduct prepared by the executive board with the support of the conduct committee, and approved by the board of directors must: (i) discipline the company's internal and external relations, expressing the commitment expected from the company, its directors, officers, shareholders, employees, suppliers and interested parties, through the adoption of appropriate standards of conduct; (ii) manage conflicts of interest, and provide for the abstention of any member of the board of directors, the audit committee or the conduct committee, if any, who, as the case may be, may be involved in a conflict of interest; (iii) clearly define the scope and reach of the actions to	Yes	Not required.

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<p>investigate any situations that may involve the use of insider information (for example, use of insider information for commercial purposes, or to obtain advantages in securities trading); (iv) determine that the ethical principles must serve as basis for the trading of contracts, agreements, proposals to change the by-laws, and the policies that guide the company, and establish a maximum value for the goods or services possibly accepted by managers and employees in a free or preferred manner.</p>		
<p>5.1.3 The whistleblowing channel must be independent and impartial, and operate based on guidelines that are defined by the executive board and approved by the board of directors. It must operate with independence and impartiality, assuring the anonymity of users and fostering the investigations and arrangements required in a timely manner. This service may operate under the responsibility of third parties with recognized capacity.</p>	<p>Yes</p>	<p>SulAmérica has a channel of communication - Talk to Compliance - to inform the Company of any suspicions of irregularities or infractions. All employees are fully informed of its existence and encouraged to use it. Confidentiality is assured for all communications and reports made through all channels, thus ensuring non-retaliation against persons who make use of the channel in good faith, as well as their remaining anonymous if they so wish.</p> <p>The Talk to Compliance channel of communication is internal and all cases are investigated and submitted to the Ethics Committee as per the Company's governance (Item 5.4 of Reference Form 2018 V3 sent on September 14, 2018 at 6:04 p.m.).</p>
<p><i>Principle 5.2. "The company must set up mechanisms for dealing with situations of conflict of interests within its management or ant the general meetings"</i></p>		
<p>Recommended Practice</p>	<p>Option</p>	<p>Justification</p>
<p>5.2.1 The company's governance rules must ensure a clear separation and definition of functions, roles, responsibilities linked to the duties of all governance agents. Decision-making</p>	<p>Yes</p>	<p>Management bodies' competences are duly stated in the Company's Bylaws and the Internal Regulations of each body. These documents are available on the Company's investor relations website (http://ri.sulamerica.com.br/static/ptb/politicas.asp?idioma=ptb).</p> <p>Governance rules are brought together in the Company's Corporate Governance Policy. In</p>

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authorities in each level should also be defined in order to reduce possible conflicts of interest.		addition, the Company also has financial approval/authorization policies for trading areas and internal regulations establishing procedures in each area.
5.2.2 The company's governance rules must be published, and establish that the persons who are not independent regarding the matter that is being discussed or decided by the company's management and inspection bodies must express any conflict of interest or particular interest in a timely manner. These rules must also establish that a conflict may be reported by another person that becomes aware of it, and that, as soon as the conflict of interest is identified regarding a specific issue, the person involved must be excluded, also physically, from any discussions and decisions on the case, and this temporary leave must be recorded in the minutes.	Yes	In addition to the governance rules set forth in its Bylaws, the Company has a Policy for Related Party Transactions and Other Situations Involving Conflicts of Interest which states that if a shareholder or member of management has interests conflicting with the Company's in relation to a certain matter to be decided by a collective meeting or general meeting, this shareholder or member of management must disclose their conflict of interest or particular interest in good time and must abstain from participating in discussions and deliberations on the matter. Should they fail to do so, another party present at the meeting may raise the matter of conflict of interest, which shall be declared by a majority vote of those present. A reference to the conflict of interest situation and subsequent abstention shall be included in the minutes of the respective meeting. (Item 16.1 of Reference Form 2018 V3 sent on September 14, 2018 at 6:04 p.m.). The abovementioned policy is available on the company's investor relations site. http://ri.sulamerica.com.br/static/ptb/politicas.asp?idioma=ptb
5.2.3 The company must have mechanisms to manage conflicts of interest in votings during the general shareholders' meeting; receive and process alleged conflicts of interest; and cancel, even after the meeting, any votes given by persons involved in conflicts.	Yes	In addition to the rules set forth in its Bylaws, the Company has a Policy for Related Party Transactions and Other Situations involving Conflicts of Interest that covers procedures for managing conflicts of interest. Any allegations in this respect made at a General Meeting will be processed by the meeting's chair and/or presiding officers and any votes cast in such situations will be immediately annulled.
<i>Principle 5.3. "The company must have governance policies and practices that aim to ensure that all and every transaction with related parties is always entered into in the company's best interests, with total independence and absolute transparency"</i>		
Recommended Practice	Option	Justification
5.3.1 The by-laws must establish the transactions with related parties that may be approved by the board of directors, excluding any members with	No	The Company's Bylaws do not expressly state which related party transactions must be approved by the Board of Directors, however, its article 24 refers analysis of the matter to the Policy for Transactions with Related Parties and Other Situations that Involve Conflicts of Interest.

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<p>potentially conflicting interests.</p>		<p>Although the matters covered by the Code are not expressly stipulated in the policy, the Board of Directors will state its view on them, when applicable, in compliance with its fiduciary duty.</p>
<p>5.3.2 The board of directors must approve and implement a policy on transactions with related parties that includes, among other rules: (i) previously to approving specific transactions or guidelines for contracting any transactions, the board of directors should request from the executive board other alternatives to the transaction that may be available on the market, adjusted in accordance with the risk factors involved; (ii) prohibition of any form of payment made to advisors, consultants or intermediaries which may generate a conflict of interest with the company, its managers, shareholders or classes of shareholders; (iii) prohibition of loans in favor of the controlling shareholders and the managers; (iv) definition of potential transactions with related parties that must be grounded on independent assessment reports prepared without the participation of the parties involved in the transaction in question, should it be a bank, lawyer, specialized consulting firm, and others, based on realistic assumptions and information confirmed by third parties; (v) the corporate reorganizations involving related parties that must ensure equal treatment to all shareholders.</p>	<p>Partially</p>	<p>The Company's Policy for Related Party Transactions and Other Situations Involving Conflicts of Interest was approved by the Company's Board of Directors on February 23, 2011 and posted on the Empresas???. Net system of the Brazilian Securities Commission (CVM) and on the Company's IR website (http://ri.sulamerica.com.br/), which sets forth conditions applicable to related party transactions.</p>

Principle 5.4: "Trading of shares or other securities issued by the company by shareholders, managers, members of the fiscal council and of other statutory bodies and anyone with access to information must abide by the principles of transparency, equity and ethics"

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Recommended Practice	Option	Justification
5.4.1 The company must adopt, upon resolution by the board of directors, a securities trading policy that, without prejudice of the provisions set forth in CVM regulations, establishes the controls required to monitor the trades conducted, as well as the investigation and punishment of the persons responsible in case of non-compliance with this policy.	Yes	<p>The Company's policies for Disclosure of Material Facts and Trading Shares have been duly approved by the Board of Directors and posted on the Company's Investor Relations website (http://ri.sulamerica.com.br/static/ptb/politicas.asp?idioma=ptb).</p> <p>The Company provides full disclosure of close or blackout periods and constantly monitors any trades in shares held by SulAmérica's management; its Policy for Disclosure of Material Facts and Trading Shares stipulates procedure for investigating and treating any failure to comply with its provisions (Item 20.1 of Reference Form 2018 V3 sent on September 14, 2018 at 6:04 p.m.).</p>
<i>Principle 5.5 "Management must ensure that the managers and other employees understand, clearly and objectively, the principles and rules about contributing and donations of amounts or goods to philanthropic, cultural, social or environmental projects or political activities"</i>		
Recommended Practice	Option	Justification
5.5.1 With the purpose of providing more transparency to the use of its resources, the company must have a policy on voluntary contributions that includes those relating to political activities. The policy must be approved by the board of directors and enforced by the executive board, and it should contain clear principles, rules, and objectives.	Yes	The Company's Policy on Investments and Donations of Social Interest was approved by the Sustainability Committee on December 19, 2014 and posted on the Company's investor relations website (http://ri.sulamerica.com.br/static/ptb/politicas.asp?idioma=ptb)
5.5.2 The policy must establish that the board of directors is the body responsible for approving any disbursements relating to political activities.	Yes	Not required.
5.5.3 The policy on voluntary contributions of government-controlled companies, or companies that have proven and important trade relations with a government, must prohibit any	Yes	Not required.



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contributions or donations to political parties or persons connected to political parties, even if allowed under the law.		
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