

**103-1 103-2****Environmental management**

Grupo SURA knows that the protection of natural resources must be addressed understanding the direct and indirect environmental impacts that the company generates throughout its value chain. Direct impacts are addressed through eco-efficiency management, and indirect impacts, through the development of solutions and products and the application of environmental criteria in investment decisions.

Furthermore, we are aware of the company's role in the transition to a low carbon economy, based on informed investment decision-making and on an allocation of capital in line with our corporate principles and with the purpose of creating well-being and sustainable development for people, organizations, and society.

**201-2** Thus, in 2018, we worked on the development of an action framework on climate change, which involves identifying, understanding, and assessing the main risks associated with this phenomenon, to develop mitigation and adaptation actions for the company, its stakeholders, and the environment.

**103-2 Eco-efficiency** . Our management is oriented to reduce the resources used to carry out the daily operations of the company. To achieve this, the first step is to measure energy and water consumption, waste generation, and carbon dioxide emissions (see table in page 90), which subsequently allows us to prioritize, implement initiatives, and set goals to optimize resources.

**Suramericana**. During 2018, this affiliated company advanced in the consolidation of information on energy consumption for the region and improved the quality of information reported by its nine operations. The consumption of electric power was reduced by 7% compared to 2017, and 82% came from renewable sources (101,999 GJ, energy unit), which is explained by the purchase of renewable energy certificates (REC).

**302-4** In the Colombian operation, energy consumption was reduced, by initiatives such as technological renovation, by replacing equipment with more efficient systems, using the criteria of obsolescence and availability. USD 923,000 was also invested, in the migration to LED lighting, in 16 locations. All the above, allowed for a reduction in consumption of 3.6%.

**305-5** On the other hand, water consumption increased by 22% in 2018, due to a larger number of employees and users in Colombia because of the growth of this operation. However, efficiency-oriented measures continue being implemented, such as installation of low-consumption sanitary devices and rainwater recollection in some locations.

**305-5** Regarding Suramericana's emissions, the carbon footprint of Scope 1 was reduced by 3%, to 2,220 TonCO<sub>2</sub>e. This includes emissions generated by own vehicles - including those used in Home Health and Assistance services in Colombia-, as well as fuels in fixed sources such as natural gas and diesel for emergency energy plants and the Firefighting Network.

It should be noted that 4 tons of CO<sub>2</sub> were reduced in Colombia through the acquisition of two electric vehicles for Home Health services and two more for Assistance services. The reporting process and some of the coverage recorded during 2017 have been adjusted for other operations in the region.

The Carbon Footprint of Scope 2 had an annual decrease of 50%, reducing 2,900 TonCO<sub>2</sub>e, explained by the decision of operations in Colombia to buy 26,380 MWh of energy (96% of total consumption) I-REC certified, an international standard validating that the electricity is 100% from renewable sources and efficient generation plants.

The implementation of the eco-efficiency project, which includes technological renovation and the installation of solar panels, in seven sites, with an investment of USD 2.4 million, is also included in Colombia. It projects an estimated annual savings of USD 319,642 and 3,484 tons of CO<sub>2</sub>, starting in 2019, equivalent to compensating by planting of 1,313 trees.

Regarding the carbon footprint of Scope 3, it is measured on emissions from business trips, paper waste generation, and Occupational Risk Administrator, Healthcare Provider, and insured patients trips. This indicator decreased 2% in 2018, mostly due to a lower number of trips compared to 2017 and to programs to digitize policies being used in the region, which reduce paper consumption. It should be noted that the Colombian operation has a significantly higher footprint, explained by trips

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**WATER, ENERGY AND EMISSIONS CONSUMPTION 2018**  
 (COMPANIES OF SURA BUSINESS GROUP)

	Grupo SURA			Suramericana			SURA AM		
	2017	2018	% Var	2017	2018	% Var	2017	2018	% Var
<b>Energy</b> consumption (MJ)	824,393	<b>855,374</b>	<b>4%</b>	133,379,398	<b>123,573,522</b>	<b>-7%</b>	47,490,563	<b>49,073,754</b>	<b>3%</b>
<b>Water</b> con- sumption (m3)	132	<b>259</b>	<b>96%</b>	233,509	<b>284,011</b>	<b>22%</b>	59,523	<b>68,762</b>	<b>16%</b>
Emissions <b>Scope 1</b> (tons CO2e)	185	<b>192</b>	<b>4%</b>	2,300	<b>2,220</b>	<b>-3%</b>	1,028	<b>1,616</b>	<b>57%</b>
Emissions <b>Scope 2</b> (tons CO2e)	19	<b>26</b>	<b>34%</b>	5,778	<b>2,900</b>	<b>-50%</b>	4,569	<b>4,819</b>	<b>5%</b>
Emissions <b>Scope 3</b> (tons CO2e)	89	<b>138</b>	<b>56%</b>	3,393	<b>3,333</b>	<b>-2%</b>	4,210	<b>4,841</b>	<b>15%</b>

**CARBON FOOTPRINT**

**Scope 1:**

Emissions produced by direct energy sources, owned or controlled by the Company.

**Scope 2:**

Indirect emissions resulting from electricity purchases.

**Scope 3:**

Indirect emissions that include those of suppliers, client and other actors present in the life cycle of the services provided.

for business, patients and insured patients, equivalent to 95% of the Scope 3 emissions.

**306-2** Regarding Suramericana's waste management, progress was made in the reporting processes and increasing data coverage. 1,076.7 tons of waste were generated in 2018, 60.9% of which were disposed. Colombia's operations generated 95.6% of the total waste, 65.2% of which is dangerous waste, in relation to health activities of the Healthcare Provider and the Healthcare Providing Institute.

Management focuses on separation at source, by standardizing the color

code and the availability of disposal containers, according to required type and capacity. Recyclable waste is commercialized and there is benefiting of computer equipment in good condition, through donations and sales. Special handling is also given to waste classified as hazardous, electronic (WEEE) and biohazard, through certified companies for its collection and final disposal.

91% of the non-hazardous waste generated was used through reuse, recycling or recovery, while 7.8% of the hazardous waste was reused, recycled or recovered, including waste valuation.

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Not dangerous

Total: **404.9**

- Reuse, recycling, recovery: **368.7**
- Sanitation landfill: **36.3**

Dangerous (Colombia)

Total: **671.8**

- Incineration: **614.7**
- Reuse, recycling, recovery: **52.7**
- Security landfill: **4,4**

**WASTE MANAGEMENT OF SURAMERICANA**  
(IN TONS)

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**VARIATION OF ENERGY CONSUMPTION:  
SURAMERICANA (IN MJ, ENERGY UNIT)**

	2017	2018	% Var
ARGENTINA	4,466,822	4,148,897	-7%
BRAZIL	2,806,197	2,511,543	-11%
CHILE*	12,217,091	5,314,087	-57%
COLOMBIA	101,454,023	97,820,000	-3.58%
EL SALVADOR	2,426,903	2,449,723	1%
MEXICO	3,108,049	3,962,750	27%
PANAMA	3,120,768	3,525,131	13%
DOMINICAN REPUBLIC	2,954,064	2,938,995	-1%
URUGUAY	825,480	902,396	9%

\*The data for 2017 for Chile has a high degree of uncertainty. For 2018 the data is reliable.

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**VARIATION OF WATER CONSUMPTION: SURAMERICANA  
(IN CUBIC METERS - M3)**

	2017	2018	% Var
ARGENTINA*	1,400	28,829	1955%
BRAZIL	0	1,950	NA
CHILE*	35,219	13,259	-62%
COLOMBIA	181,214	224,961	24.14%
EL SALVADOR	5,436	4,991	-8%
MEXICO	4,058	4,026	-1%
PANAMA*	0	0	0%
DOMINICAN REPUBLIC	5,084	4,933	-3%
URUGUAY	1,098	1,062	-3%

\*Panama still does not have information on water consumption. Chile and Argentina present high annual differences, mainly because the reporting process was not consolidated in 2017, and the information has a considerable degree of uncertainty. There are changes in coverage in Argentina.

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**SURAMERICANA CARBON FOOTPRINT  
(IN EQUIVALENT TONS OF CARBON DIOXIDE - TONS CO<sub>2</sub>E)**

Operaciones	2017	2018	% Var	2017	2018	% Var	2017	2018	% Var
	ALCANCE 1			ALCANCE 2			ALCANCE 3		
ARGENTINA	6	28	330%	603	560	-7%	8	7	-12%
BRAZIL	65	61	-6%	75	67	-11%	3	2	-36%
CHILE	50	53	5%	1,348	586	-57%	76	55	-27%
COLOMBIA	1,576	1,488	-5.57%	2,341	85	-96%	3,260	3,220	-1.2%
EL SALVADOR	41	31	-24%	161	163	1%	8	8	6%
MEXICO	160	188	18%	502	641	27%	28	23	-19%
PANAMA	92	187	0%	219	247	0%	0.3	11	3,564%
DOMINICAN REPUBLIC	179	127	-29%	522	519	-1%	7	5	-23%
URUGUAY	131	58	-56%	6	7	9%	4	2	-42%

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**VARIATION OF ENERGY CONSUMPTION: SURA AM**  
 (IN MJ, ENERGY UNIT)

	2017	2018	% Var
CHILE	15,833,459	21,153,672	33.6%
COLOMBIA	10,052,878	7,356,913	-26.8%
CORPORATIVO	786,031	782,381	-0.5%
EL SALVADOR	3,573,000	3,426,062	-4.1%
MEXICO	12,596,648	11,995,578	-4.8%
PERU	4,098,211	3,775,813	-7.9%
URUGUAY	550,336	583,334	6.0%

## 303-1

**VARIATION OF WATER CONSUMPTION: SURA AM**  
 (IN CUBIC METERS - M3)

	2017	2018	% Var
CHILE	22,294	27,417	23.0%
COLOMBIA	19,852	22,535	13.5%
CORPORATIVO	1,281	1,159	-9.5%
EL SALVADOR	3,859	3,796	-1.6%
MEXICO	2,006	2,217	10.5%
PERU	9,087	9,378	3.2%
URUGUAY	1,143	2,262	97.9%

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**SURA AM CARBON FOOTPRINT**
(IN EQUIVALENT TONS OF CARBON DIOXIDE - TONS CO<sub>2</sub>E)

	2017	2018	% Var	2017	2018	% Var	2017	2018	% Var
	ALCANCE 1			ALCANCE 2			ALCANCE 3		
CHILE	5	1	-88.1%	1,746	2,333	33.6%	2,116	2,656	25.5%
COLOMBIA	142	222	57.0%	232	407	75.5%	176	169	-4.0%
CORPORATIVO	27	24	-8.9%	17	43	159.5%	416	474	13.9%
EL SALVADOR	178	105	-40.8%	237	228	-3.7%	12	64	416.3%
MEXICO	642	386	-39.8%	2,036	1,526	-25.1%	429	554	29.1%
PERU	33	385	1069.1%	296	273	-7.9%	1,022	877	-14.2%
URUGUAY	N.D.	492		4	9	118.4%	38	47	22.8%

## 306-2

**TYPE OF RESIDUES GENERATED FROM SURA AM**  
 (IN TONS)

Residue	2017	2018	Var (%)
Paper	131.7	203.7	54.7
Plastic	2.4	1.8	-26.5
Electrical and electronic	25.5	22.3	-12.4
Ordinary	94.0	80.2	-14.6
Organic	32.9	25.9	-21.3

SURA Asset Management registered an annual increase of 16.6%, in the generation of waste, which totaled 333.9 tons, in 2018, of which 68.3% was treatment and reused, recycled, or recovered, and another 31.7% of waste was disposed of, in landfill. By type of waste, 61% corresponds to paper, while all those considered hazardous (22.3 tons) correspond to electrical and electronic equipment, which were managed for recycling or recovery.

**103-3 SURA Asset Management.**

This subsidiary created the Technical Board of Ecoefficiency in 2018, in order to design and accompany the model for this area, and to promote projects implementations, good practices exchange, analysis of results and execution of plans to close gaps.

Among its responsibilities is to define guidelines for Ecoefficiency, to monitor and track indicators, and to define the action plan with energy efficiency projects and resources in own operations.

Consolidated consumption of electric energy increased 3% and water consumption increased by 16% last year (see graphs). In terms of emissions, the carbon footprint of Scope 1 includes fuel consumption from mobile sources (executive vehicles), from fixed sources (emergency and firefighting network) and air-conditioning refrigerants. This last aspect, mainly, explains the increase of Scope 1 emissions in Colombia and Peru.

Regarding the carbon footprint of Scope 2, it increased 5%, and that of Scope 3 it increased by 15%. The latter indicator reflected a higher consumption of paper and land trips, as it includes emissions related to employees' transportation, air travel and waste generation (see table on page 94).

**Products and solutions.** SURA Business Group also understands environmental impact management, as the management of risks and opportunities, arising from environmental problems, through the design of insurance solutions and investment products,

that allow capital to be mobilized towards projects, or companies, seeking to solve some of these problems, as well as encouraging clients to implement measures to mitigate the environmental risks that they are exposed to as a product of their operations:

**Suramericana.** The following solutions have been developed:

- Energy efficiency and energy generation insurance: it ensures the differential sum between the savings, over the expected generation, and the savings, over the real generation.
- LEED-EDGE Certification: it assumes 10% of the value of the premium in construction and compliance policies for projects that have these sustainability certifications.
- Wind and solar energy insurance: it covers damage during transportation, assembly, start-up, and the operation of equipment, for the generation of this type of energy.

On the other hand, the Geosciences Management unit undertakes regional and local studies on changes in physical variables and on phenomena related to climate change and climate variability, such as hurricanes, floods, droughts and hail storms. Analysis focus on these variables' impact on the business continuity of the company and its customers according to the sector.

In addition, Suramericana recently implemented an observatory of signals, related to megatrends of change and variability, resources

scarcity, urbanism and mobility, to strengthen the decision-making process regarding the climate change strategy.

**SURA Asset Management.** It offers its clients investments in products that consider environmental criteria, such as green credits, and funds focused on alternative energies, as detailed in the Responsible Investment subchapter.

#### CHALLENGES AND OPPORTUNITIES 2019

- ◆ Continue making progress in the approval of regional reporting processes.
- ◆ Increase the coverage of the main reporting indicators, especially waste generation and disposal.
- ◆ Define consumption reduction goals for each of the subsidiaries and their operations.
- ◆ Increase the offer of products and solutions with ESG approach, especially those oriented to facilitate the transition towards a low carbon economy.